

## Gavel to Gavel: Protect your data

By Tom C. Vincent II Guest Columnist May 14, 2015



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The ever-increasing expense of corrective actions taken by companies after data breaches is often publicized. What's not as apparent, or as publicized, are steps companies can take that may reduce the costs and the likelihood of such breaches:

- Know what you have and where. At the outset, identify the data that your company holds and any particular legal protections that are afforded that data. Besides proprietary company and employee data, the firm may possess “personal information” of its individual customers as defined by state statutes and/or “protected health information” as defined by the Health Insurance Portability and Accountability Act of 1996. Such information is subject to additional requirements. Inventory the places where that data lives, including any devices on which it may be transported such as servers, mobile devices, laptops, flash drives, and/or the cloud.
- Develop a plan to appropriately protect your data. Assess the risks involved in your current data practices and identify and prioritize any changes needed. Because certain statutes or regulations may mandate stronger protections, including limitations on accessibility for particular data, some changes may be necessary regarding where data is stored or transported and who has access to it.
- Know what to do, and who will do it, before a breach occurs. State statutes often require specific steps to be taken should a breach occur, so correctly identifying a breach is critical. An established plan and point person can ensure consistent and timely action, which may mitigate the impact of a breach. A recent study by the Ponemon Institute indicated that costs resulting from data breaches may be reduced with appropriate process management, including having a plan in place to address such breaches. More importantly, your customers will receive timely and correct information from you, rather than from someone else, about any breach

involving their information and steps that are being taken to reduce any harm to them.

While a data breach is not 100-percent preventable, taking a few proactive steps can reduce the risk of a breach occurring, reduce your company's response time should a breach occur and, ultimately, reduce the damage realized by your company and its customers.

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