



Data security is everyone's issue, attorney says

By Paula Burkes
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Q&A with Tom C. Vincent II Even small businesses need plan to deal with data security issues



Q: I've seen a lot about larger businesses and data security breaches. Why should small business owners be concerned about such breaches?

A: Data security breaches can cause problems that don't depend upon the size of the business, such as slowed or stopped commerce because of a computer shutdown. In addition, various laws and regulations govern such breaches

for businesses of all sizes. Under Oklahoma's Security Breach Notification Act, if your business involves the collection of customers' "personal information" (as little as a first initial, last name and driver's license number) you may well be subject to the law. Additionally, if you have information on customers who are residents of other states, your business may be subject to the requirements of the notification laws of those states.

Q: What could happen to a business in the event of a breach?

A: Liability under Oklahoma's law may be as high as \$150,000 for each breach, and this doesn't include potential additional costs for other items including customer remuneration/other damages or the inability to continue operating because of infected technology. The additional reputational damage may end your business as concerned customers leave. There are websites dedicated to publicizing data security breach "horror stories," which provide information and commentary on the breaches impacting different businesses.

Q: What can a business do before a breach to protect customers and my business?

A: The Federal Communications Commission provides several suggestions for small business cybersecurity, including "Ten Cybersecurity Tips for Small Businesses," at www.fcc.gov/cyberforsmallbiz. In addition, a business should have a plan to be followed in the event of a breach. Most state statutes require that customers affected by a breach be notified either within a specific number of days or, per the Oklahoma statute, "without reasonable delay." Having a plan in place will help you meet that requirement.

Q: What should a business owner do if he thinks his system has been breached?

A: Follow your plan. Many state statutes, including Oklahoma's, deem a business to be in compliance with the statute's notification requirements if the business has an appropriate plan and follows it. Also, it's a good idea to establish a dedicated line of communication for your customers to contact you with questions. If a customer is worried that doing business with you

has put them at risk, the last thing they want to hear is a sales pitch from hold music as they wait to talk to someone.

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