

Cyber Attacks and Litigation Expected to Jump in 2016

Michael Whitener, partner with VLP Law Group, was recently interviewed by Inside Counsel for the article, "Cyber Attacks and Litigation Expected to Jump in 2016."

The article looks at the predictions of cybersecurity experts Raytheon/Websense that 2016 will see a jump in cyber breaches, including U.S. presidential election cyber-antics; cybercriminals pickpocketing phone wallets; and an increase in vulnerabilities from the aging Internet, among other security challenges. In addition to a jump in cyber data theft, privacy attorneys have also predicted that litigation surrounding cyber breaches will also spike in the new year.

According to Whitener, these hacks are becoming more commonplace as modern cyber-criminals can commit crimes from behind their laptops and then cover their tracks – removing much of the personal risk. There has also been a rise in data hacks motivated by a desire to inflict reputational damage on a company rather than for financial gain – such as we saw with the Ashley Madison hack.

So far, we have not seen much successful class-action litigation come out of even the most high-profile cyber attacks, but that is predicted to change. Whitener says this is because the risk of data breaches has become so well publicized, no company has an excuse for not taking every reasonable measure to protect the data it collects. So, when there's a breach, inevitably there will follow an assessment of why the breach occurred, how quickly the breach was remedied, and what the damages are.

He predicts that in the next five years, we will see more huge data breaches, more suits for damages, and more legislation at the state, national and international level expanding the rights of individuals to bring claims when their personal data is compromised. With the advent of the "Internet of Things" era, there will be more data collection, transfer, storage and processing than ever before, and more opportunities for criminals to seize and monetize that data.

To read the whole interview with Michael Whitener on Inside Counsel, Click Here.

Michael Whitener is a partner at VLP Law Group. His legal practice focuses on two areas: (1) technology transactions, including software licensing and alliances, cloud computing, web hosting and outsourcing agreements; and (2) corporate compliance, particularly regarding data privacy and anti-corruption laws.