



The Cloudfathers

An Analysis of Cybersecurity in the Fortune 500

 bitglass





In recent years, corporate social responsibility initiatives have made their way onto the websites of companies in the Fortune 500. Organizations everywhere have made important commitments to improve the environment, deliver transparency in their supply chains, and cultivate diverse and inclusive corporate cultures. Unfortunately, it appears as though the same level of importance is not being given to cybersecurity.

Bitglass conducted research on the 2019 Fortune 500 in order to identify whether the world's leading companies are prioritizing information security and customer privacy. Their websites were scoured for keywords, phrases, and executive security personnel in order to learn about the steps that they are taking to protect personally identifiable information (PII) and customer privacy.

The results demonstrate that many organizations lack an authentic, lasting commitment to enhancing cybersecurity. This is surprising given the fact that breaches have cost major brands millions, resulted in CEOs stepping down and harmed stock prices. Specific details about Bitglass' findings can be found on the following pages.

An Offer You Can't Refuse

Researchers sought to answer two questions about each company:

1. Does the company's website have a mission statement that clearly outlines the company's cybersecurity efforts or its commitment to protecting customers' privacy and data? Such a statement must be distinct from a legally mandated, boilerplate customer privacy notice
2. Is it clear who at the company is responsible for cybersecurity initiatives or data protection?

Company websites were searched for the below terms in order to find cybersecurity or data privacy mission statements:

- Cybersecurity
- Security
- Data protection
- Data privacy

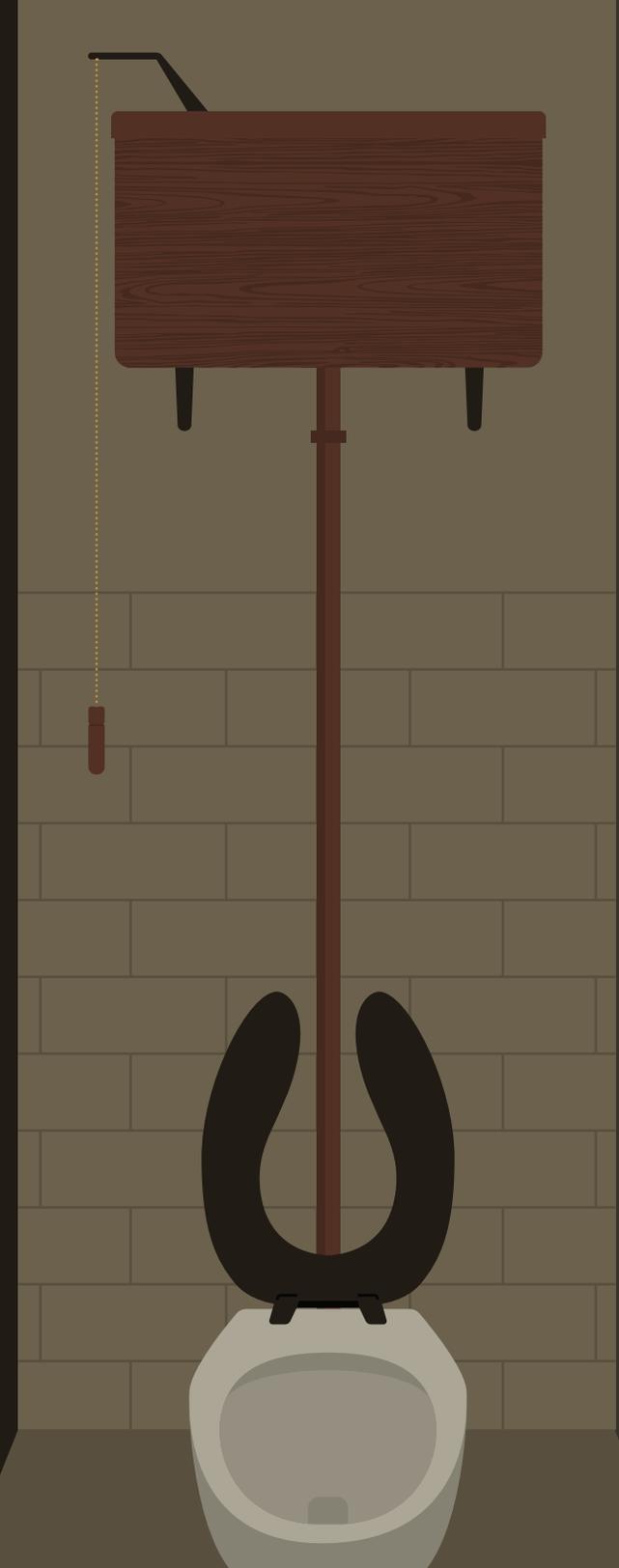
A leading enterprise database was used to identify whether each company in the Fortune 500 had a chief information security officer (CISO) or a chief security officer (CSO). Additionally, companies' leadership pages were searched for executives who were responsible for security or data privacy.

The results were analyzed across all 2019 Fortune 500 companies.



Best When Served Cold

- 38 percent of the 2019 Fortune 500 do not have a CISO.
- Of this 38 percent, only 16 percent have another executive that is listed as responsible for cybersecurity strategy, such as a vice president of security.
- Of the 62 percent that do have a CISO, only 4 percent have them listed on their company leadership pages.
- 77 percent of the Fortune 500 make no indication on their websites of who is responsible for their security strategy.
- 52 percent of the Fortune 500 do not have any language on their websites about how they are protecting the data of customers and partners (beyond a legally required privacy notice).



Chased out of New York

Most Security-Conscious Industries

Most likely to have an executive listed who is responsible for cybersecurity strategy:

Transportation:	57%
Aerospace:	33%
Insurance:	30%

Most likely to have information available on their websites about how they are protecting the data of customers and partners:

Aerospace:	89%
Finance:	72%
Technology:	66%

Least Security-Conscious Industries

Least likely to have an executive listed who is responsible for cybersecurity strategy:

Hospitality:	0%
Manufacturing:	8%
Telecommunications:	9%

Least likely to have information available on their websites about how they are protecting the data of customers and partners:

Construction:	25%
Oil & Gas:	25%
Hospitality:	25%



Sleeping with the Fishes

Obviously, lax security can lead to breaches and countless long-term repercussions. To learn about the extent of damage that can be done by breaches, **Bitglass researched** the three largest breaches of publicly traded companies from each of the last three years. These included LinkedIn (2016), Yahoo (2016), Verizon Enterprise (2016), Dun and Bradstreet (2017), Sonic (2017), Equifax (2017), Marriott (2018), Facebook (2018), and Chegg (2018).

- The mean number of individuals who had their personal information compromised by each breach was **257 million**.
- To date, these breaches have cost their companies an average of **\$347 million** in legal fees, penalties, remediation costs, and other expenses.
- On average, these enterprises suffered a **7.5% decrease** in stock price after being breached, leading to a mean market cap loss of **\$5.4 billion** per company.
- It took an average of **46 days** for these companies' stocks to return to their pre-breach prices.



Wrap-Up

As the data shows, lax security (and its resulting breaches) can have significant, long-term repercussions for organizations; from tumbling share prices and a lack of consumer confidence to executive turnover and noncompliance with regulations. If an organization wants to maintain the trust of its various stakeholders and succeed as a business, it must demonstrate a legitimate commitment to cybersecurity. In other words, protecting personal data and consumer privacy should be as much of a focus as any other area of corporate social responsibility.



About Bitglass

Bitglass, the Next-Gen CASB company, is based in Silicon Valley with offices worldwide. The company's cloud security solutions deliver zero-day, agentless, data and threat protection for any app, any device, anywhere. Bitglass is backed by Tier 1 investors and was founded in 2013 by a team of industry veterans with a proven track record of innovation and execution.

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Appendix

Industry	Total Companies	Executive Listed	Have Statement
Aerospace	9	33%	89%
Automotive	20	10%	35%
Business Services	25	20%	40%
Chemical	10	20%	60%
Construction	20	15%	25%
Consumer Goods	20	20%	30%
Finance	61	28%	72%
Food and Beverage	31	23%	35%
Healthcare	39	15%	56%
Hospitality	8	0%	25%
Insurance	30	30%	60%
Manufacturing	24	8%	42%
Media and Entertainment	15	27%	33%
Oil and Gas	12	25%	25%
Retail	48	21%	40%
Technology	47	21%	66%
Telecommunications	11	9%	64%
Transportation	14	57%	36%
Utilities	56	20%	36%