

A Leak Wounded This Company. Fighting the Feds Finished It Off

Atlanta-based LabMD was a successful company that tested blood, urine, and tissue samples for urologists, and had about 30 employees and \$4 million in annual sales. Then one day in 2008, the company's general manager received a phone call from a man who claimed to be in possession of a file containing LabMD patient information, including more than 9,000 Social Security numbers, **reports Bloomberg**.

Then came the sales pitch: His company, Tiversa, offered an investigative service that could identify the source and severity of the breach that had exposed this data and stop any further spread of sensitive information – at a cost of about \$38,000. After some back-and-forth, LabMD told Tiversa to direct all communication through its lawyers. Then the Federal Trade Commission came calling.

LabMD's woes could end up finishing off the once-promising business.

Read the article.