

You Are Only as Good as Your Weakest Service Provider

“A recent enforcement action from the Federal Trade Commission (FTC) drives home the importance of being proactive about vendors and data security,” writes Odia Kagan for ***Fox Rothschild’s Franchise Law Update***.

“Specifically, the FTC recently entered into an enforcement action with an analytics company for breaching the FTC’s Safeguards Rule issued pursuant to the Gramm-Leach-Bliley Act (GLBA) by failing to properly vet a third-party vendor it engaged. The vendor stored personal information in cleartext in an unprotected cloud-based location that could be accessed by anyone with the relevant URL. The information was exposed for a year and was accessed by 52 unauthorized IP addresses.”

Read the post.