

You've Been Hacked

May 24, 2017

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Agenda

Part 1. (30 minutes)

The story so far.

Assessing Priorities

What not to do in a crisis.

What Choices do you have?

Part 2. (30 minutes)

Prepare your sales pitch.

Part 3. (30 minutes)

Presentations 5 minutes per group

The Story So Far

Thursday July 16, 2015

PNI Media reports a Hack to it's major clients

Walgreens, Cosco, CVS, Staples, Rite Aid, Tesco, Sam's Club and Walmart Canada.

Walgreens Immediately takes down their web service reporting a technical issue and promises a quick fix.

Friday July 17, 2015

The remainder of the PNI clients report to their clients that there has been a data breach that involves personal information including Credit Card details.

The Media is reporting the names of all the companies including Walgreens as being effected.

Monday July 20, 2015

9:05 AM Walgreens reaches out to your firm for help managing the crisis communications related to this incident.

You schedule an appointment with Walgreens later that morning.

Get your team together and be ready to pitch a crisis response plan.

What the Competition did

CVS

“CVS said on Friday that payment information that stems from the site is collected by a third-party vendor, PNI Digital Media, which is based in Canada. That information, the drug chain stated, is kept separate from both the main CVS.com site and also payments and computer systems used by the company’s pharmacies. That means, according to the company, that payments through those locations, in addition to in-store kiosks, are not affected.”

What the Competition did

Costco



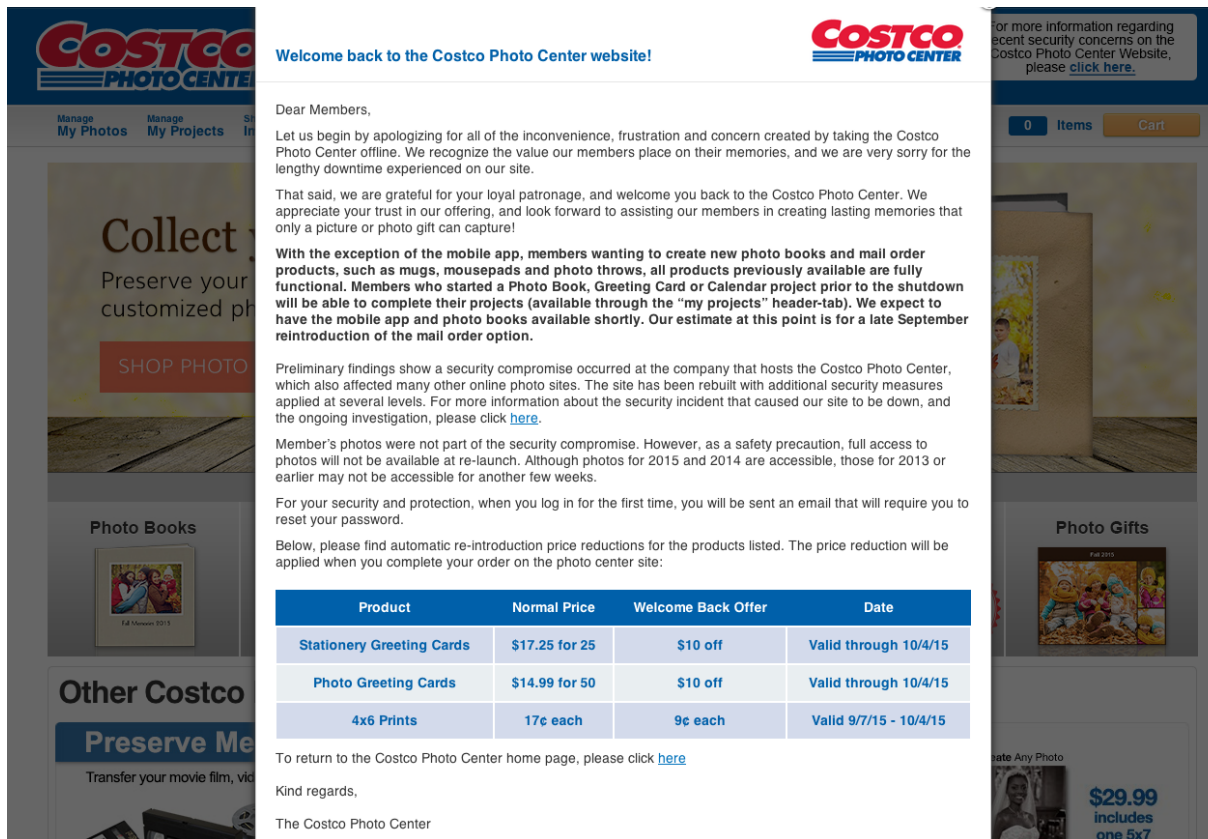
As a result of recent reports suggesting that there may have been a security compromise of the third party vendor who hosts Costcophotocenter.com we are temporarily suspending access to the site. This decision does not affect any other Costco website or our in-store operations, including in-store photo centers.

We take the security of our members' data seriously, which is why we are taking this precautionary step. We will update this statement when we have more information.

Questions may be directed to [Contact Us](#)

What the Competition did

Costco



Welcome back to the Costco Photo Center website!

Dear Members,

Let us begin by apologizing for all of the inconvenience, frustration and concern created by taking the Costco Photo Center offline. We recognize the value our members place on their memories, and we are very sorry for the lengthy downtime experienced on our site.

That said, we are grateful for your loyal patronage, and welcome you back to the Costco Photo Center. We appreciate your trust in our offering, and look forward to assisting our members in creating lasting memories that only a picture or photo gift can capture!

With the exception of the mobile app, members wanting to create new photo books and mail order products, such as mugs, mousepads and photo throws, all products previously available are fully functional. Members who started a Photo Book, Greeting Card or Calendar project prior to the shutdown will be able to complete their projects (available through the "my projects" header-tab). We expect to have the mobile app and photo books available shortly. Our estimate at this point is for a late September reintroduction of the mail order option.

Preliminary findings show a security compromise occurred at the company that hosts the Costco Photo Center, which also affected many other online photo sites. The site has been rebuilt with additional security measures applied at several levels. For more information about the security incident that caused our site to be down, and the ongoing investigation, please click [here](#).

Member's photos were not part of the security compromise. However, as a safety precaution, full access to photos will not be available at re-launch. Although photos for 2015 and 2014 are accessible, those for 2013 or earlier may not be accessible for another few weeks.

For your security and protection, when you log in for the first time, you will be sent an email that will require you to reset your password.

Below, please find automatic re-introduction price reductions for the products listed. The price reduction will be applied when you complete your order on the photo center site:

Product	Normal Price	Welcome Back Offer	Date
Stationery Greeting Cards	\$17.25 for 25	\$10 off	Valid through 10/4/15
Photo Greeting Cards	\$14.99 for 50	\$10 off	Valid through 10/4/15
4x6 Prints	17¢ each	9¢ each	Valid 9/7/15 - 10/4/15

To return to the Costco Photo Center home page, please click [here](#)

Kind regards,

The Costco Photo Center

Bring Order to the Chaos

		IMPORTANT	
		YES	NO
URGENT	YES	<p>First importance tasks. You have to do them now</p> <p>1</p> <p>Do</p>	<p>Tasks to be delegated. Not added-value tasks</p> <p>3</p> <p>Delegate</p>
	NO	<p>Tasks you must plan or they'll become urgent (1)</p> <p>2</p> <p>Plan</p>	<p>Tasks to be eliminated or they'll become (3)</p> <p>4</p> <p>Eliminate</p>

What not to do

1. Ignore the crisis and wait for it to blow over.
2. Obfuscate and lie, Who's going to know the difference?
3. Don't train your people.
4. Don't be prepared, or practice your crisis communications plan.
5. Forget who all your stakeholders are. (customers, stockholders, partners, staff, community)
6. Being unfocused.
7. Don't really apologize. I mean we're not that sorry. It wasn't our fault.

Lots of Strategic Choices

One voice	Develop a dominant narrative and stick with it.
Information dissemination	Deliver timely information that educates and empowers.
Salience	Express the risk or science involved to show competence.
Precondition	Downplay damage or attack the accuser.
Supplication	Portray the organization as dependent on others
Shift blame	entrench organizational position any deny wrong doing
Bolster	Remind stakeholders of the good the organization has done to enhance positive image.
Non-Compliance	Don't act
Defensive Compliance	Portray organization as being forced to act
Strategic Ambiguity	Do not release many details.
Intimidation	Represent the organization as powerful and dangerous
Apologize	express contrition, remorse, regret
Dialogue	involve stakeholders in the solution

Typical MIS Strategies

1. set up a microsite to share additional information.
2. Set up a hotline to help stakeholders with questions.
3. If appropriate offer credit-monitoring services, to help members protect themselves in the future.
4. Apologize Make it personal “I want to personally apologize.”

Your Job

5X5 Presentations

Identify the issues

Identify Stake holders

Describe plan

Timeline

Hand in your Presentation on USB before the first group starts.