BERGER SINGERMAN
FLORIDA'S BUSINESS LAW FIRM

DON'T BE AFRAID OF YOUR SHADOW

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To many, Punxsutawney Phil is just a big rodent. But little do they know, Phil's Groundhog's Day operation is more complicated than emerging from his burrow every February 2nd. He has his own website, holiday and national media coverage. People across the Northeast cross their fingers that Phil will not see his shadow and winter will end soon. As a celebrity, Phil has a certain image to maintain and he does so through his various social media accounts.

Unfortunately, one of his jealous neighbors hacked into Phil's accounts and, on the morning of February 2nd, uploaded an altered photograph of Phil running scared into his burrow after seeing his shadow. The photograph sent Pennsylvania and the rest of the country into a frenzy. People scrambled to stock up on food, water and clothing to endure another six grueling weeks of winter. Phil lost millions of dollars in endorsements and appearances for failing to emerge from his burrow on live television and his reputation was shattered. The neighbor also installed a virus which caused Phil's computer to think every day was February 2nd, forcing Phil to repeatedly contend with the unauthorized release.

Luckily for Phil, he had purchased a multi-layered insurance policy to insure his Groundhog's Day operation against cyber risks. He realized that in this age of technology, all businesses are at risk of a cyber-attack, even a one-groundhog operation.

His crisis management coverage allowed him to hire a public relations firm to restore his reputation and re-elevate him to the top weather predicting groundhog in the country, much to the dismay of Detroit Don, the nation's second-best known weather predicting rodent. Phil's insurance company also provided coverage for the costs to repair and restore his computer programs and electronic data that were affected by the hack. Phil was also savvy in procuring his policy and secured business interruption coverage which allowed him to recover lost income from his canceled endorsements and appearances.

A cyber-attack can cause any business owner to want to crawl in a burrow and wait out the winter's consequences. Thoughtful planning and the right insurance coverage will provide you with much needed assistance in protecting your company's assets. Don't let the threat of a cyber-attack be the shadow that overshadows your business.

If you have questions regarding this topic, please contact Gina Clausen Lozier on the firm's Dispute Resolution Team.

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