

CYBER FAST FACTS: EVOLVING CYBER RISKS FOR SPORTS ORGANIZATIONS



Sports companies are increasingly the targets of cyber-attacks. Beyond the high costs of third-party liability, first-party risks from cyber business interruption events can temporarily shut down an organization's operations, causing even more damage to a company and its bottom line.

Data breaches cost organizations on average \$7.35 million in 2016.

(Ponemon Institute, 2017 Cost of Data Breach Study – United States, pg. 4)

WHY SPORTS ORGANIZATIONS?

A high profile along with possessing vast amounts of sensitive data — including customer, player, and employee information — makes sports companies an attractive target for cyber criminals. Other factors include:



A lack of cyber awareness, strong controls, and dedicated cyber professionals within sports organizations.



Competitors looking to illegally access sensitive team data to gain an edge on the playing field.



The increasing adoption of technology innovations and social media to enhance fan and game experience, has enhanced cyber risks.

IN THE NEWS

Recent cyber-attacks against sports companies — including professional sports teams, leagues, venues, fitness organizations, event operators, and others — underscore the evolving nature of cyber-attacks. Those with a thorough understanding of the risks can help make better decisions around insurance and risk management strategies.

2017

Data Breach: Data on an unsecured third-party cloud service was leaked, exposing the personal information of three million wrestling fans.



2016

Ransomware: The team data of a national car racing association was held for ransom in a cyber-attack. The compromised data was valued at \$2 million and estimated to take nearly 1,500 hours of labor to recreate.

Data Breach: A national football organization's union was hacked, compromising the personal data of more than 1,100 current and former players.



Social Engineering: A phishing scam against a national basketball team resulted in the release of tax information on all employees to a person impersonating the team's president.

2015

Cyber Theft: A national baseball team official illegally accessed another team's database to steal confidential player data. The offending team was ordered to pay \$2 million and forfeit two 2017 draft picks.



To learn more about cyber risks in the sports industry, contact your Marsh representative or visit <https://www.marsh.com/us/industries/sports.html>

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