

FOUR WORDS YOU DON'T WANT TO HEAR: THERE'S AN ACTIVE BREACH

One of the organizations that has purchased cyber security insurance through PIA-SC Insurance Services (we'll call them "XYZ Inc.") recently lived through every company's IT nightmare: a breach. We got the inside scoop on what happened, so that we can all learn what it looks like on the ground when your systems are breached – provided, that is, you already have a managed service provider (MSP) and a cyber security monitoring provider in place, as this organization did.

The initial call came at 1:00 am on a Sunday

XYZ Inc.'s IT Manager (we'll call him "Max") was awakened by a call from the company that monitors their systems' cyber security. "There's an active breach," Max was told by someone at the security operations center. "Someone is in your server, and we're looking into it."

The next briefing was at 7:00 am

In the next call Max learned that the breach affected multiple servers and three internal user accounts. Data had clearly been breached, but the folks at the security operations center did not yet have any details. However, they had already reached out to XYZ Inc.'s MSP and had the MSP remove the affected accounts and turn off the servers.

At 10:00 am Max reached XYZ Inc.'s CEO to give him the bad news. The CEO then sent the cyber insurance carrier a message letting them know that there had been a breach.

Meanwhile, the cyber security monitoring company kept working on the situation.

It was a very busy Sunday afternoon and evening

By Sunday afternoon the cyber security monitoring company had assigned an incident response team to take over. The incident response team handles the detailed investigation, pouring over the logs, network trackers and other information to determine what exactly was moved, copied, uploaded or downloaded.

However, before the incident response team could conduct their detailed investigation, XYZ Inc.'s cyber insurance provider would have to approve their formal Statement of Work. Just like with medical insurance, sometimes you need to get preapproval.

Assuming that nothing would happen before Monday morning that would require his involvement, the CEO headed to the golf course. He was standing on the fairway when the insurance company called to schedule a video conference for 6:00 that evening. Someone from the insurance company, Max, the CEO, one of the people from the security operations center and two attorneys would all be in attendance. As a result of that call the Statement of Work was approved, XYZ Inc. hired the two attorneys (with the understanding that the attorney fees would be covered by their insurance) and the incidence response team moved forward.

The breach pretty much shut down operations for two days

By Monday morning XYZ Inc.'s entire network was closed to the outside. With no internet, the company's VOIP (voice over internet protocol) phone system was down, and all of their cloud-based systems were inaccessible from inside the office. Most of the administrative staff was sent home to attempt to work from there.

We say "attempt" because, although all but one of XYZ Inc.'s operating systems are in the cloud, many of the files were kept on the company's servers, which were under quarantine. For example, while the accounting group uses a cloud-based general ledger system, they also use server-based spreadsheets to

record information that is then used to create general ledger entries.

For two days Max worked closely with the incident response team and the MSP to get things running again. They updated the firewall authentication process, worked out a complex process for updating every user's password, installed software that gives the cyber security monitoring company more ability to see and fight off attacks, and more.

By Wednesday morning most of the staff was back at the office, and by the following Monday all systems were back on line. Whew!

What the investigation showed

It was determined that the bad actor had been in XYZ Inc.'s system for about five days before they took action. How did they get in? Through a user account that one of XYZ Inc.'s outside contractors had created for a specific reason and then forgot to disable once that account was no longer needed.

The bad actor found this, broke the user name and password and used it to "open the door." Once in, they waited five days before creating an account internally and using that account to gain access to the other servers. The resulting data breach has caused liability issues for XYZ Inc. that the attorneys are now addressing.

A SYSTEMS BREACH CAN HAPPEN TO ANYBODY, AND IT'S NOT CHEAP.

Lessons learned

Here's what we see as the key take-aways:

- **Get your head out of the sand.** A systems breach can happen to anybody, and it's not cheap. Because they had cyber security insurance, XYZ Inc. will only be on the hook for their \$10,000 deductible. As of this writing the cost to date is \$50,000, and the lawyers will be racking up billable hours for a while.
- **Get an IT team in place now.** For most PIA members this means outsourcing things to an MSP and a cyber security monitoring team, like XYZ Inc. had done. If something bad happens, you want to have a team of experts already in place who will (a) notice that something is amiss and (b) take immediate action to address the situation.
- **Keep your backups for longer than you think is necessary.** As one of the people involved with this situation pointed out, a bad actor can get into your system, plant malware and then just let it run for 60 days before taking further action. By then all of your backups would be infected, too, as few companies keep backups for longer than 60 days.
- **Monitor your user accounts and other entry points.** For example, have a system in place to regularly ensure that the users who are in your system are those that you want there.

BUSINESS MANAGEMENT

RECENT CHANGES TO OUR FSC CERTIFICATION PROGRAM

For printers, Forest Stewardship Council® (FSC) Certification is a way to ensure that the paper used comes from responsibly-managed forests that provide environmental, social and economic benefits. Products that have been certified as having been made with wood and paper from FSC forests can be marked with the FSC's distinctive logo.

Many PIA members find that their customers are demanding FSC certification. And with many organizations focusing on what's known as "ESG" initiatives (Environmental, Social and Governance), this demand is only likely to increase.

Group certification simplifies the FSC certification process

While getting FSC certification on your own can be difficult, costly and time-consuming, as a PIA member you can obtain certification an easier way: Through the Regional Affiliate Certificate Group (RACG). RACG is a program developed by U.S. regional graphics industry trade groups to help open new markets and demonstrate members' dedication to ensuring responsible forestry.

RACG's FSC certificate has recently been transferred to a different certification body

RACG periodically reviews its certification contract to ensure you get the best rate, with the least hassle, that is possible. As a result, on October 1, 2024, things were switched from SGC North America to SCS.

What does this change mean for you?

Here's what you need to know:

- **New certificate code:** If you are already participating in the program, you should have received a new RACG FSC certificate code via email. Be sure to change this in your systems and internal processes so that all outgoing invoices and shipping documentation reflect this new certification code.
- **New way to submit trademark approvals:** FSC trademark approvals must now be submitted through a trademark portal; you should have received information regarding your login.
- **SFI option eliminated:** RACG will no longer be providing SFI as a certification option. If you are one of those few members still using SFI Certification, be aware that this service has been discontinued.
- **Some things remain unchanged:** The RACG FSC Trademark License Code (FSC® C103525), the FSC logos that you use for your customer's jobs and your own promotional materials, and the FSC label generator login will remain the same.

How do you get started with the RACG program?

As a PIASC member, all you need to do is go to <https://racgus.org/> and click on the "ENROLL NOW" button on the top right. Then choose either "group certification" (if you have printing sales of less than \$10 million or less than 25 employees) or "large printer program" (if you have 25 or more employees or your printing sales are \$10 million or more) to get started.



WHAT CAN YOU DO TO REDUCE TURNOVER AND RETAIN EMPLOYEES?

High turnover can quickly become costly. We recommend the following practices to increase retention:

- **Pick the right people in the first place.** Put thought and care into your recruitment and interview procedures. The more time you and other employees can spend with candidates, the more certain you'll be that they believe in your mission, understand the challenges of the position and want to contribute to your success.
- **Make sure your compensation and benefits remain competitive.** This is a tall order and may squeeze your bottom line in ways that make you uncomfortable, but it's necessary if retention is at the top of your priority list. Make it a goal to do a yearly analysis of your total compensation package to ensure it's at least keeping up with the market. Many employers that know they can't offer competitive pay instead offer other compelling benefits, like generous paid time off and the ability to work from home.

How do you find out exactly how your compensation package stacks up on the market? You participate in PIA's Wage and Benefits Survey, at www.wbsurvey.org!

- **Provide your employees with opportunities for professional growth.** Talk to them about their career goals, develop and share career paths for their roles and offer training and educational programs for those interested.
- **Be appreciative.** A little gratitude can go a long way, and you can show it in multiple ways—from flexibility when employees need it to a willingness to hear out ideas to employee appreciation programs. Even a simple thank you can work wonders.
- **Investigate why people are leaving and look for themes.** Engagement surveys, stay interviews and exit interviews are useful tools for gauging employee satisfaction and understanding common pain points and frustrations.

- **Create an environment people enjoy,** one that encourages healthy boundaries between work and personal time, roots out any bias, discrimination or toxic behaviors, and facilitates opportunities for employees to socialize and form friendships.

Source: HR/BIZZ



MEMBER NEWS

STUDENTS RECEIVE SCHOLARSHIPS FROM AUTAJON PACKAGING THORO AND PIA

During Riverside City College's recent annual "IMPRESS" Student Showcase for Applied Digital Media and Printing, Iris Meriat, a talented student in the Graphic Design and Printing program, received a \$1,500 scholarship from Autajon Packaging Thoro. In a show of support, PIA matched this scholarship with an additional \$1,500.

As these scholarships demonstrate, both Autajon and PIA are committed to supporting the future workforce for our industry, fostering the next generation of digital media and printing professionals.

O'NEIL PRINTING ANNOUNCES LEADERSHIP CHANGE

O'Neil Printing in Phoenix, Arizona is excited to announce a new chapter in the 116-year-old company's leadership. Simon Beltran has been appointed as the new President and CEO. After 25 years at O'Neil, Anthony Narducci has transitioned to Chairman.

O'Neil Printing started as a commercial printer and has transformed into a tech-leaning company with print solutions expertise. Looking ahead, the company is set to extend its service offerings, including expanding its capabilities in omni-channel marketing. For more information, bit.ly/oneil-change.

THIS MONTH'S FEATURED BENEFIT: SAMPLE DOCUMENTS

If you log in to the www.piasc.org/resources website (you can create an account using your PIA membership number), you'll find a wealth of helpful sample documents in the "Business/Technical" section of the member resources page. This includes a Broker-Printer Agreement, Supplier Code of Conduct, Quality Control Program and Strategic Partnership Sample Agreement. Time is money, and one of the ways that your PIA membership pays for itself is by saving you time. Sure, you could take the time to write these yourself from scratch, but why should you?



WATCH YOUR MAIL FOR THE ANNUAL MEMBERSHIP SURVEY

PIA's Annual Membership Survey recently arrived in your mail. Please be sure to take a few minutes to fill out the Survey and return it to us.

Your answers will help ensure that:

1. **Your company's information in our Membership Directory is correct.** This includes both the continuously-updated online Directory and the printed version that is produced every other year.

2. **Your PIA dues are accurate.** Membership dues are based on your previous year's employee count and sales volume, and can therefore be increased or decreased to reflect your company's situation. If you do not keep us informed, our assumption that your business is growing and thriving can result in automatic annual dues increases.



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THIS ISSUE:

- FEATURE: FOUR WORDS YOU DON'T WANT TO HEAR: THERE'S AN ACTIVE BREACH
- BUSINESS MANAGEMENT: RECENT CHANGES TO OUR FSC CERTIFICATION PROGRAM
- HUMAN RESOURCES: WHAT CAN YOU DO TO REDUCE TURNOVER AND RETAIN EMPLOYEES?
- MEMBER NEWS: ANNUAL MEMBERSHIP SURVEY

SPOTLIGHT EVENT

HOLIDAY KRAZY KRAFTS DAY
Saturday, December 14, 2024
10:00AM - 4:00PM

The International Printing Museum
315 West Torrance Boulevard, Carson, CA 90745

Join the International Printing Museum for a creative day of printing and crafts for the whole family: KRAZY KRAFTS DAY. During this special event they will be offering themed activities throughout the day. These include letterpress printing cards, bookmarks, keepsakes, colorful paper marbling, typing on vintage typewriters, screen printing t-shirts, bookbinding, special tours, and more!

EVENTS CALENDAR

For full list of events, please visit www.piasc.org/events

Holiday Krazy Krafts Day
December 14
International Printing Museum
Carson, CA
bit.ly/krazy-kraft-day

Scout Merit Badge Day
November 16, 2024
9:00AM - 3:00PM
Carson, CA
bit.ly/scout-merit-badge