

# Securing Our Ideas

**Libraries at the Intersection  
of Cyber Insurance and  
Cyber Security**





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Arctic Wolf



# Today's Questions

- **Who is Arctic Wolf?**
- **What is the state of cyber risk in 2023?**
- **How is the insurance market responding?**
- **What does cyber insurance coverage provide?**
- **How much do cyber attacks cost?**
- **What can libraries do to protect themselves?**



# ARCTIC WOLF

## Company Profile

THE LEADER IN **SECURITY OPERATIONS**

### SECURITY OPERATIONS

**500+**

Security Analysts

### RESEARCH & DEVELOPMENT

**500+**

Engineers

### INCIDENT RESPONSE

**100+**

Engineers

### MARKETING TEAM

**120+**

Team Members

### SALES TEAM

**250+**

Team Members

### CUSTOMER TEAM

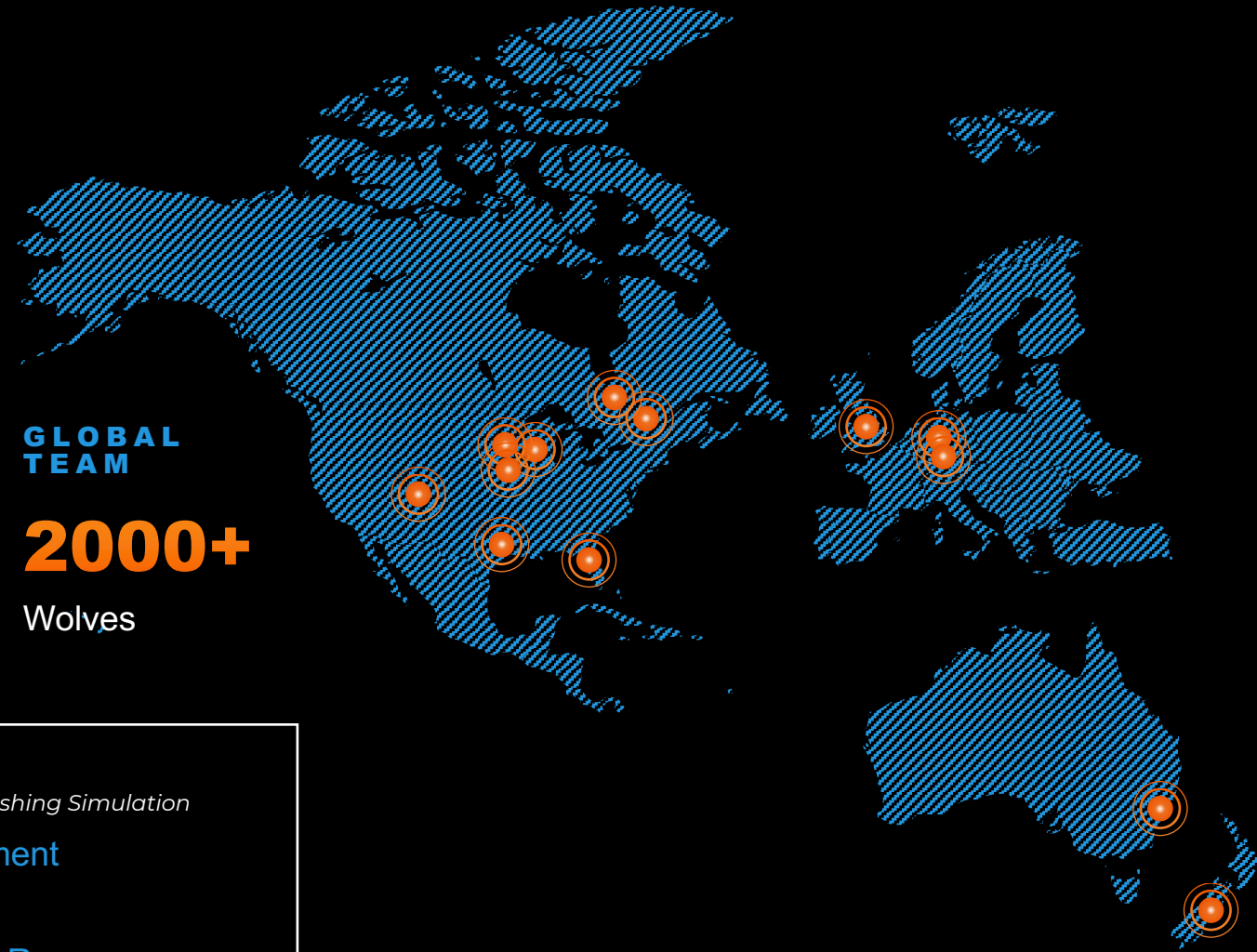
**150+**

Team Members

### GLOBAL TEAM

**2000+**

Wolves



### SOLUTION PORTFOLIO

#### Insurance Hub

*Incident Manager, Exposure Manager*

#### Cyber JumpStart

*IR Plan, Security Guides*

#### Security Awareness

*Compliance Frameworks, Phishing Simulation*

#### Vulnerability Management

*External, Internal & Cloud*

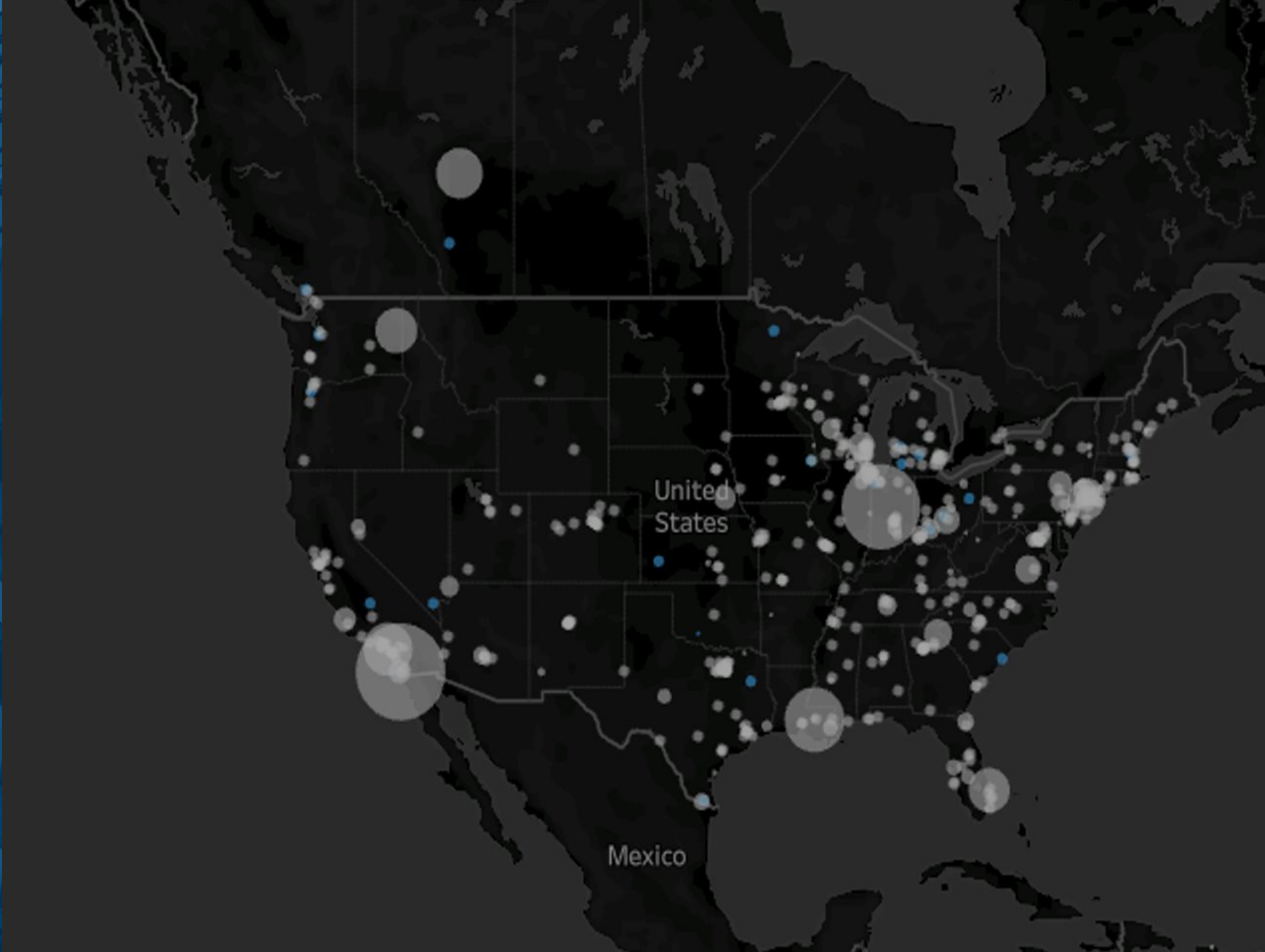
#### Managed Detection & Response

*Endpoint, Cloud, Email, Internal & External network*



# Incidents Response Cases

**Q1 2022-  
Q1 2023**





# **What is the state of cyber risk in 2023?**



Cyber Claim Frequency Trends

**2012-2022**

**Attacks are hitting more organizations.**

*Attacks reached all time highs in 2021, receded in 2022, and in 2023, they have surpassed the all-time highs from just two years ago.*

**Sophisticated**  
Bad Actors & Attacks Launched  
*En Masse*



**562%**

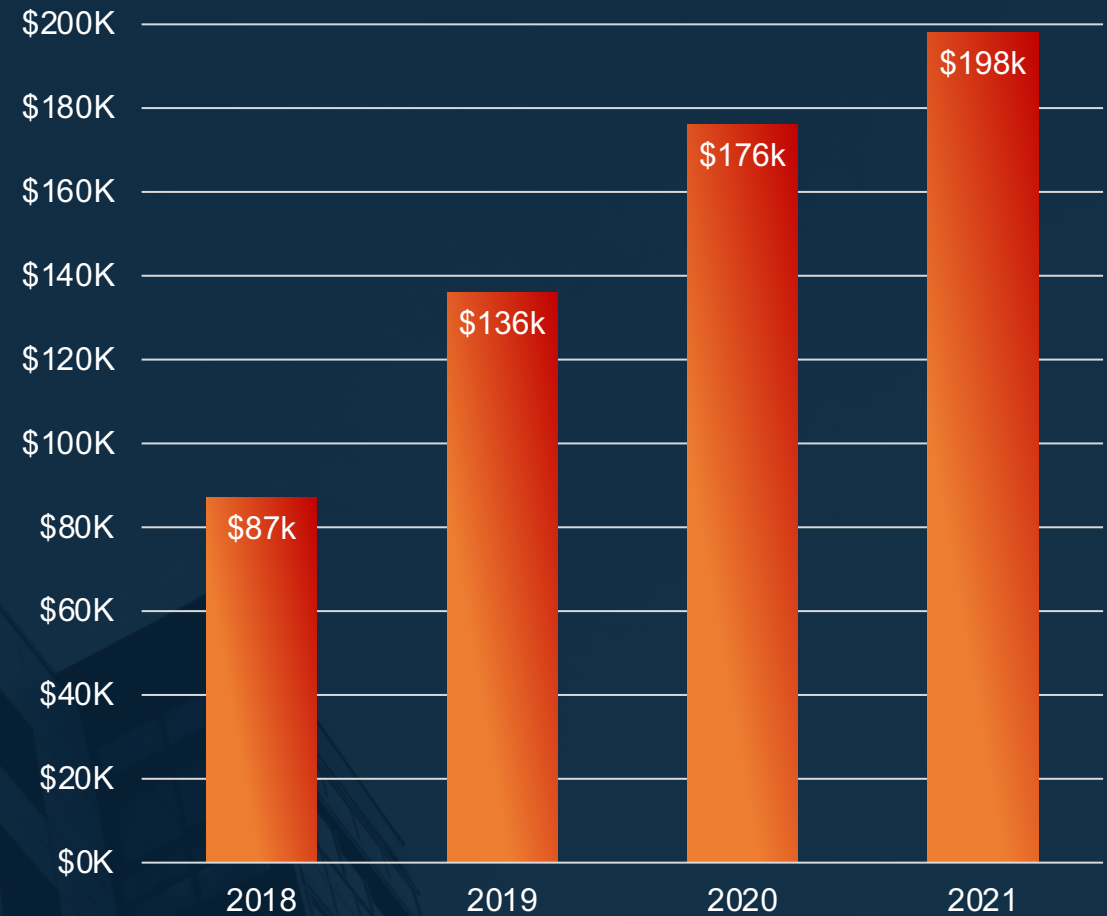
Average increase of cyber claim frequency since 2012 for SMEs of <\$500 million revenue

And when they hit, companies are **paying higher costs.**

*Total incident costs for SMEs have risen more than 125% from 2018-2021.*

## Cyber Claim Cost Trends 2018-2021

Average Incident Cost



*From the NetDiligence Cyber Claims Study, 2022 Report*



# What's causing these trends?



**Expanding**  
Digital Attack  
Surface



**Increased**  
Dependency on  
Technical  
Systems



**Growing** gap  
between IT and  
security



**How is the insurance market responding?**

**What coverage does a cyber insurance policy provide?**

# Cyber Insurance: A Brief History

## Pre-2016

Niche product, few carriers, little standardization, few claims.

## 2016-2019

Rapid increase in policy uptake, variance in cost/terms, low claims.

## 2020-2021

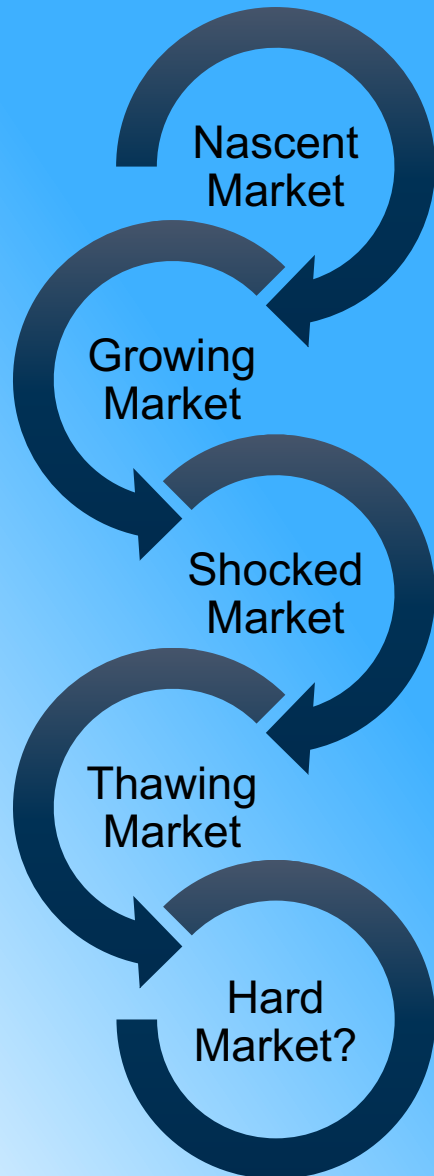
Massive surge in claims, coverage restricted, rigorous underwriting, and policy placement exceptionally difficult.

## 2022

Russian invasion of Ukraine causes large dip in ransomware activity. Insurance market thaws as rates fall, slightly.

## 2023

Ransomware activity reaches all time highs; insurance market expected to reach by raising rates and stiffening underwriting.





# Cyber Insurance: What's Covered?

## Financial Risk to Your Organization

- **Incident management costs**
  - **Forensics, Restoration, Ransom Negotiation/Payment, Legal Counsel, Crisis Communications, Individual Notification/Credit Monitoring**
- **Interruption costs**
- **Cyber crime losses (wire transfer fraud, social engineering fraud, etc)**

## Financial Liabilities to Others Outside Your Organization

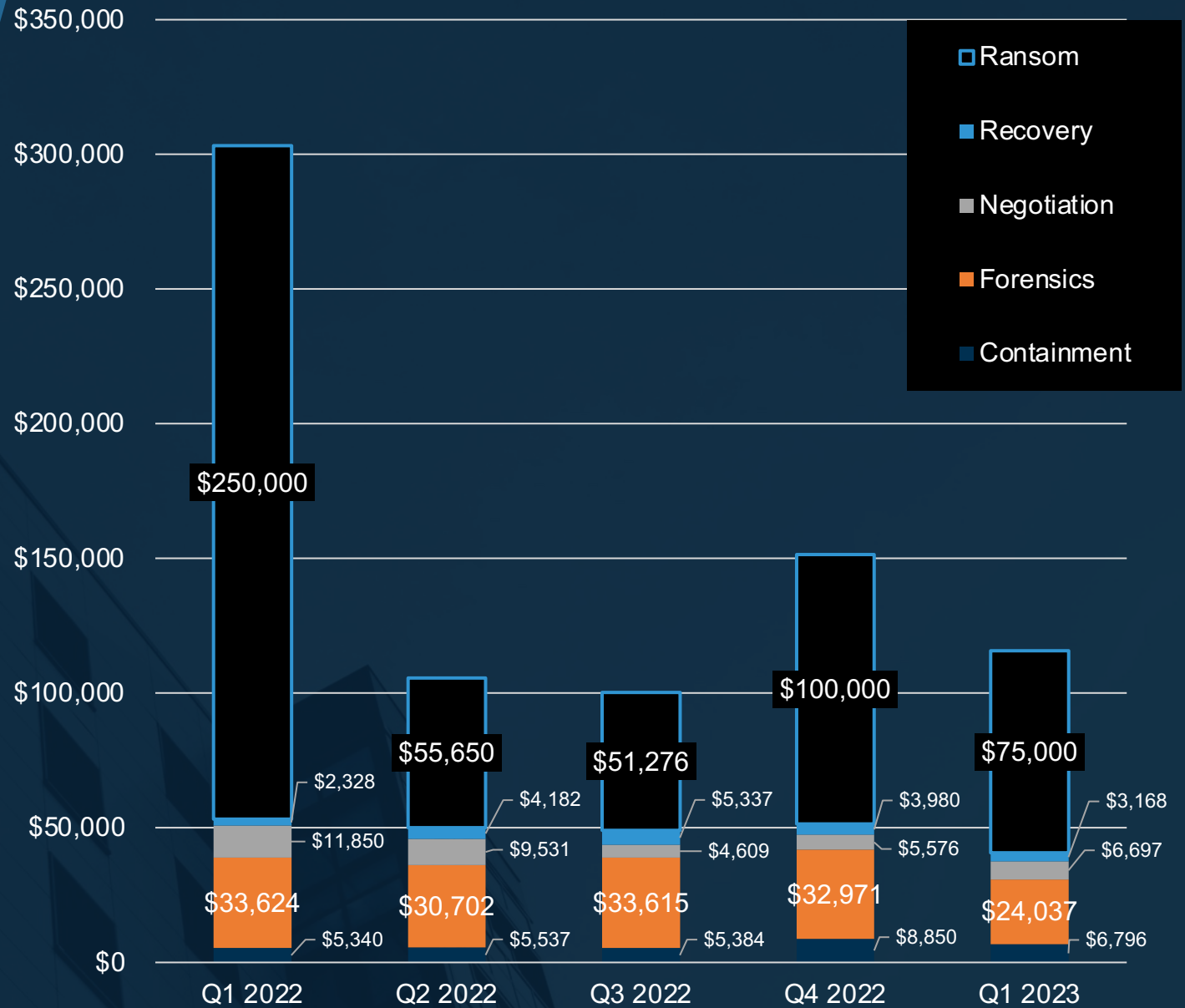
- **Legal liabilities arising from privacy law**
- **Class-action law suits**
- **Regulatory fines/penalties**
- **Defense Costs**



# **How much do cyber attacks cost?**

# Median technical incident response costs

Q1 2022-Q1 2023





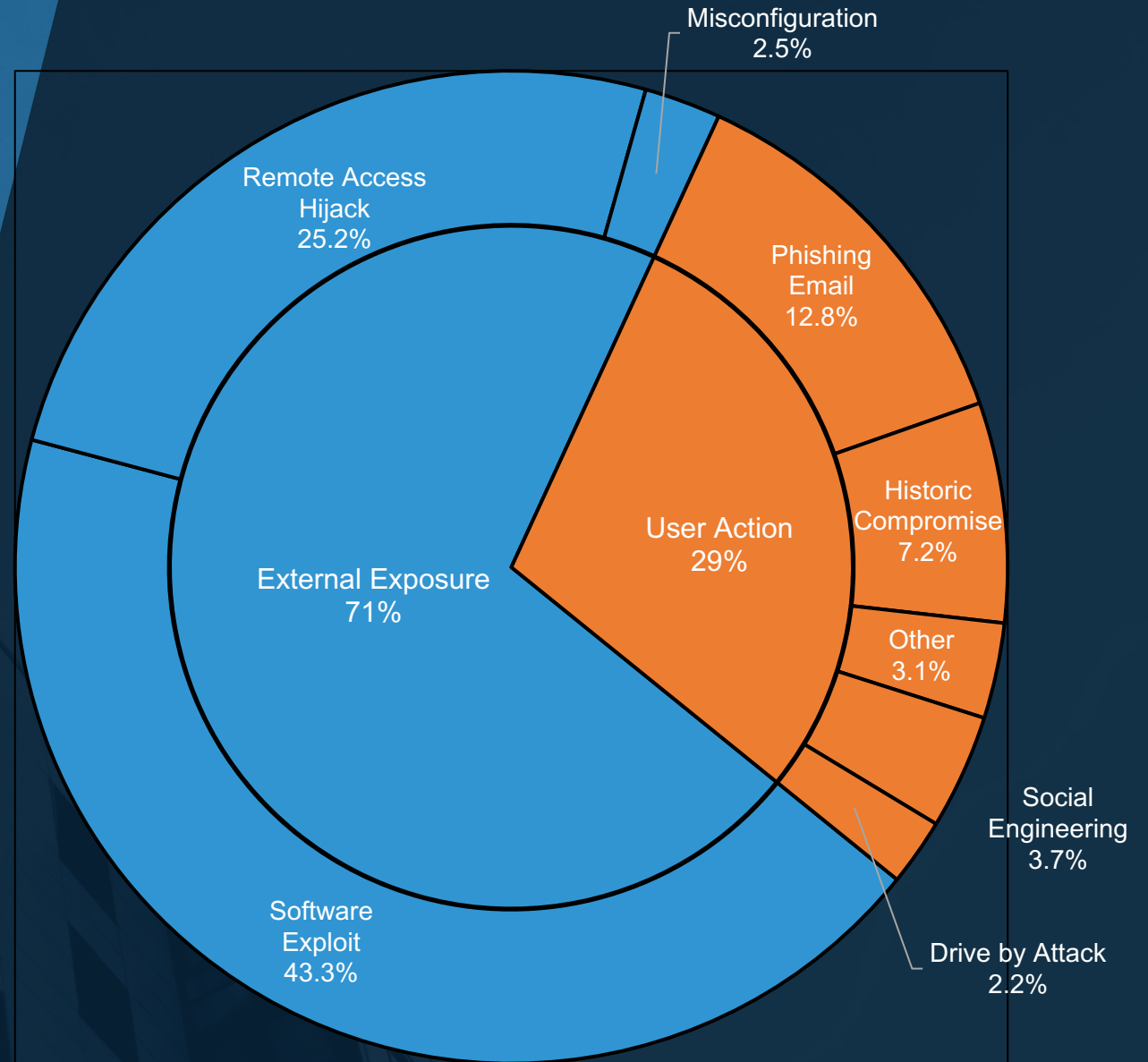


**What can libraries do to  
protect themselves?**

# Focus on the most frequent causes of attacks

Q1 2023

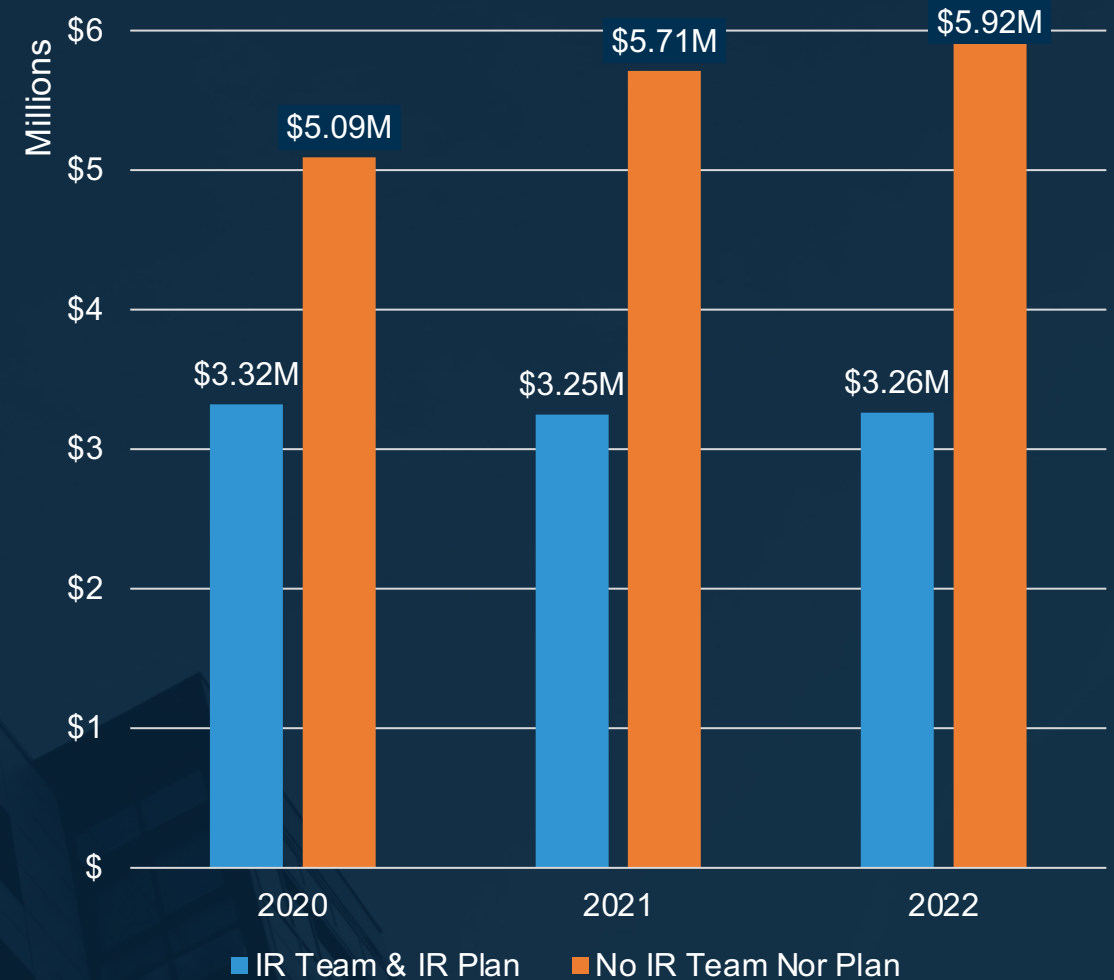
Takeaway:  
resource IT  
appropriately



Proper **planning**  
reduces claim  
severity

Takeaway:  
Make a cyber  
**incident  
response plan**

## Impact of Incident Response Planning and Testing on Cyber Incident Costs 2020-2022



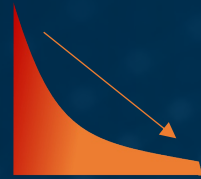
From the IBM Security Cost of a Data Breach Report 2022



# To Recap



Address the most **frequent** cyber claims by **scanning** your network



Reduce the potential **severity** of cyber claims by making a **plan**



**Properly insure** for the risks you can't mitigate

**Why should we  
care about this?**







**Thank you**

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