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Cybersecurity experts sound off on industry

Symposium first of three to address patchwork of rules and regulations

By Deirdre Newman

Los Angeles - Constantly evolving and governed by a patchwork of rules and regulations, the legal landscape surrounding cybersecurity issues is fraught with challenges. Some of those challenges were highlighted Monday at the 2015 Cybersecurity Symposium, presented by Nossaman LLP and the University of California, Irvine School of Law.

"It's an incredibly challenging area of law with four different types of law and many different statutes," said Jack I. Lerner, assistant clinical professor of law at UCI's law school.

Monday's symposium was the first of three conferences scheduled to address this topic. Nossaman is involved in planning these events based on an increase in client needs in this area, according to David Graeler, chair of Nossaman's litigation practice group.

"Over the past few years, our clients in both the public and private sectors have faced more frequent challenges and questions involving privacy and data security," Graeler said in an email to the Daily Journal. Recent data breaches on the national level have included Anthem Insurance Companies and Target Brands Inc. Locally, breaches have hit UCLA and Orange County-based St. Joseph Health System, which recently settled a multi-million dollar class action that resulted in the largest known cash payout per person in a data breach lawsuit.

UC Irvine Dean Erwin Chemerinsky also revealed Monday the law school's plan to create a cybersecurity institute, which is intended to focus on cutting-edge research, policy analysis and training, and will ultimately confer degrees in cybersecurity.

Education is key in this realm because of the byzantine system of rules covering privacy, which Lerner laid out Monday, including privacy torts, constitutional law, contractual law and statutory law. Exacerbating this confusion is the difficulty of pinpointing the exact definitions of security and privacy, he said.

Also speaking at Monday's event were three in-house counsel, Farschad Farzan, Greg Pemberton and Troy P. Sauro, who provided insight as to how they deal with cybersecurity at their companies.

Farzan, litigation counsel at Square Inc., said the company has separate attorneys for each product line. Any time Square launches a new product or makes a change to

an existing one, attorneys meet with the relevant engineers and ask questions like, "What data will be coming in?" and "Do our existing privacy terms cover this?"

"Privacy is sacred to us because we want to make sure we're protecting our data," he said.

Sauro, senior privacy counsel at Google, highlighted the differences in the role of privacy among various countries, emphasizing that in the European Union, privacy is considered a fundamental human right. On a global level, the company has developed a core set of internal principles for its engineers and product developers. Its new developments are vetted by teams of lawyers and "privacy engineers."

"Having a combination of engineering and legal insight is very important," he said. "The intersection is trying to navigate the tangled web of privacy laws and regulations."

Pemberton, director of privacy, legal and business affairs at Sony Computer Entertainment America LLC, also has to deal with the laws of multiple countries. He sees security as ensuring confidentiality and privacy as an umbrella term for the global rules about the collection and disclosure of data. The challenge, he said, is the practical side of understanding the facts and how the data flows from collection to use to disclosure.

"For me, the data flows across fragmented IT systems surrounded by fragmented business processes in many different countries," he said.

Pemberton works to embed privacy safeguards into the core business operations of Sony. As a result, he spends a lot of his time sitting in on business meetings to make sure privacy is considered in all aspects of business development, he said.

"You can't control all these different systems, so I have to get the business to recognize that it's their problem to solve," he said.

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