

CASE STUDY

DDoS Attack Prevents Coffee Company From Operating During Busy Black Friday


INDUSTRY

Retail

EVENT TYPE

DDoS

REVENUE

\$50–100M

EMPLOYEE COUNT

51–250

LOCATION

Washington

KEY COVERAGE

- Breach Response
- Business Interruption

A coffee company had one of its worst nightmares become a reality just as the holiday season began. After noticing something was amiss with its website on Black Friday — perhaps the single-largest shopping day of the year in the United States — the company asked its IT firm to look into the matter. The following day, the company contacted Coalition.

The IT firm determined the coffee company was experiencing a Distributed Denial of Service (DDoS) attack. A threat actor flooded the company’s website with visitors to disrupt operations and, presumably, to leverage the attack into a ransom payment. However, a ransom was never demanded, and the attack ceased after three days.

Interestingly, the DDoS attack paused between midnight and 6 a.m. every day, but the coffee company still suffered nearly three days of interrupted sales during one of the busiest weekends of the year. By comparing prior years of Black Friday weekends, we were able to work with the company and estimate how much money it lost as a result of the DDoS attack.

Here’s how key coverages came into play for this claim: Breach Response covered the cost of breach counsel and a forensics investigation. Business Interruption coverage covered the lost revenue and extra expenses for data and site restoration. After the coffee company paid its \$10,000 self-insured retention, its policy covered the remaining \$188,000.

» Lesson Learned: Not Every Cyber Attack Has a Clear Motive

A threat actor’s path to a payday is fairly obvious for ransomware and funds transfer fraud, but not every cyber attack is straightforward. The fact that the cyber event occurred during Black Friday weekend suggests it was intended to inflict damage, but this DDoS attack is a good reminder that motive isn’t always apparent. Regardless of intent, Coalition always encourages businesses to be on high alert during holidays and other times of year when people are often preoccupied.

Coalition brings together active monitoring, incident response, and comprehensive cyber insurance designed to help mitigate your organization’s cyber risk. To learn more, visit coalitioninc.com.

¹ The claim scenarios described here are intended to show the types of situations that may result in claims. These scenarios should not be compared to any other claim. Whether or to what extent a particular loss is covered depends on the facts and circumstances of the loss, the terms and conditions of the policy as issued and applicable law.