

Business Standard

'Make in India' initiative will boost data leak prevention solutions market: Vsevolod Ivanov

In this interview, Vsevolod Ivanov, deputy CEO, InfoWatch, throws light on latest trend in data leakage prevention (DLP) solutions and the company's growth plans to tap the Indian market



Vsevolod Ivanov, deputy CEO, InfoWatch

Manufacturing companies possess highly confidential information such as manufacturing secrets, know-hows, technology designs and graphics. Manufacturing industry, along with BFSI and IT & telecom sectors, is one of the most affected by personal data leaks. With the government undertaking 'Make in India' campaign, InfoWatch, one of the leading providers of data leak prevention (DLP) solutions, expects data protection and analysis market to witness a boom as companies will seek to protect sensitive information.

In this e-interview with Rakesh Rao, **Vsevolod Ivanov**, deputy CEO, InfoWatch, throws light on latest trend in data leakage issues and the company's growth plans to tap the Indian market.

What were the key highlights of InfoWatch's Global Data Leak Report 2014? How grave is the data leakage issue for corporates (especially involved in manufacturing industries) today?

The results of InfoWatch Global Data Leakage report 2014 show that the data leak issue is more than crucial for enterprises. In 2014, the InfoWatch Analytical Center uncovered globally (in the media and other sources) and recorded 1395 cases of confidential information leakage, which is 22% higher than the number of leaks recorded in 2013. Most often, information leaks were related to personal data - in 92% of cases, this was the type of information leaked. Over 767 million personal data records were compromised. Financial institutions along with internet-services, retailers, and healthcare institutions are the main sources of personal data leaks. In 54% of cases, company employees were responsible for the leaks of information. In 1% of cases, it was senior executives of organisations.

Manufacturing companies possess highly confidential information such as manufacturing secrets, know-hows, technology designs and graphics. This highly sensitive data is a titbit for competitors and its leakage can be fatal for the whole business of the company.

Where does India stand compared to other emerging markets?

As for the Indian market, InfoWatch Analytical center has not released a separate

research on this market so far. However, since India is the country where many sectors of the economy are now in active transition from paperwork to digital documents workflow, InfoWatch analysts expect India to experience a significant growth in the number of data leaks in the nearest 3 years. This trend was demonstrated by all emerging markets, which have experienced a process of data digitalisation.

Are manufacturing industries aware of the consequences of data leakages on their business performances? And is this awareness same across the countries (developed as well as developing countries)?

Unfortunately, manufacturing companies are not so advanced in terms of awareness about data leak consequences, as, for example, financial and government institutions. Manufacturers most often run the risk of confidential data misuse by their employees for their own profit. This happens because manufacturing industries possess expensive manufacturing secrets, tender documentation, etc. At that it is common for manufacturing companies to have no data protection rules implemented at all or to have few inexplicit. Besides, manufacturers often face the difficulty of confidential data detection in a huge volume of data and documentation. Their employees are often unaware of basic information security rules and data protection measures, this leads to occasional data leaks in manufacturing companies.

According to InfoWatch Global Data Leakage report 2014, manufacturing industry along with BFSI and IT & telecom sectors is one of the most affected by personal data leaks. The situation is more or less the same both in developed and developing industries.

Is data leakage threat same for all industries (sectors)? Which industries (sectors) are more prone to data leakages and why?

Of course the data leakage threat is not the same across the industries. For example, in 2014 data leaks were most often registered in healthcare and pharmaceutical industry (25% of incidents), and less often in municipal institutions (2% of cases). At that BFSI is the leader in the volume of compromised data (41% of confidential data records), twice less data records leaked from IT and telecom companies (17%), and from retailers (15%).

Industries leading in the number and volume of data leaks (BFSI and healthcare) possess big volumes of personal and highly confidential data (payment and account data, medical secrecy, etc). That is why they are most attractive for internal breaches.

Many companies, especially in oil and gas industry, do not disclose (publicly) data leakage incidences. Is this trend (ie, non-disclosure of data leakage incidences) harmful or beneficial to a) the company involved and b) to the industry as a whole?

It is difficult to answer, yes or no. Because on one hand, the disclosure of data leak incidents would much help the DLP market growth. But on the other, there can be negative consequences of such disclosure. If, for example, the companies are obliged to disclose data leak incidents by law, it will mean they will be forced to buy security solutions. And then companies will blame these security solutions in all security incidents and data leaks. I prefer companies to acknowledge the data leak threat themselves.

Besides disclosure of data leaks will negatively influence both the companies and their clients. This can become an additional tool of unfair competition. But there is no and can't be a security solution in the world which guarantees 100% protection. If any solution protects 100 data leak channels, the malefactor will find the 101st!

Government of India has embarked upon ambitious 'Make in India' campaign. What kind of opportunities will this campaign open up for companies like InfoWatch?

As mentioned previously, manufacturing companies possess highly sensitive data and still have quite low adoption of DLP solutions. We expect 'Make in India' campaign will stimulate manufacturers to adopt solutions for data leak prevention. DLP, along with a set of organisational measures can minimise the amount of occasional data leaks (employee mistakes and negligence) and deliberate data theft (early detection of employee's suspicious behaviour).

What are your growth plans for India?

With launch of local offices in Delhi and Mumbai, InfoWatch will actively start development of India-South, the heart of IT industry of the country. So, local sales and engineering presence there is a short term question.

Same time, we will indeed expand network of master distributors as well as partners network, with constant development of skills and knowledge of dedicated sales teams by conducting onsite trainings, product seminars and end-clients local and industry specific events.

[Source](#)