



## OCTOBER 2017

THE MOTOR DEALER REPORT FROM AUSWILD & CO  
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## Improving Cyber Security in Your Dealership

As data security breaches dominate the national headlines, dealerships are seeing an increased need in understanding what data they have and how they are protecting it from malicious parties.

Although a dealership's DMS typically contains sensitive consumer financial information, dealerships have often overlooked cyber security as an unnecessary cost or a low risk to the organization. Indeed, many small or medium-size businesses do not view themselves as a target for cyber fraud or external hacking.

It is easy also for management to lose visibility into data security practices when the IT function is outsourced.

Many dealerships do not fully understand the implications of failing to secure confidential data, which may include:

- Financial penalties
- Severe brand damage
- Loss of consumer trust
- Significant investigation, legal and remediation costs

While dealerships vary in size and complexity, all must consider how they protect their most sensitive data. When dealerships collect personally identifiable financial information from customers to provide financing services, or collect credit card data for payment, they are responsible for protecting that information and data.

The implementation of strong security controls is the best defence against various cyberattacks. Applying effective oversight, changing default passwords and regularly updating systems with the latest security patches are all critical in securing systems and data.

Nonetheless, vulnerabilities are not limited to technical systems. Personnel within your workforce may be the most attractive target to attackers, as social engineering techniques to exploit the trusting nature of people have been extremely successful in extracting passwords and confidential data.

When users unknowingly click links or open attachments in malicious emails from untrusted sources, they open their workstations and the network to attackers.

As the number of data breaches continues to rise, dealerships must take responsibility for securing their customers' data. If internal resources lack the knowledge and experience to effectively evaluate the security environment, a third party advisor with dealership industry insight can assist.

Valuable cyber security offerings to look for in an advisor include:

- Cybersecurity Risk Assessments
- Network Security Assessments and Penetration Testing

- Social Engineering Assessments
- Sensitive Data Discovery Scans
- Data Breach Incident Response and Investigation Assistance

## **The Top 5 Recommendations for Immediately Improving Network Security at Your Dealership:**

1. Ensure default passwords on all system passwords are changed to complex passwords that include numbers and special characters. Change these passwords at regular intervals, every 90 days at a minimum.
2. Ensure that a system patching program is in place to keep all systems up to date with the latest security patches and fixes.
3. Implement a security awareness training program designed to regularly inform your workforce about their responsibilities in protecting the dealership's data. Training should address the latest security threats, appropriate security behaviours and individual responsibilities for reporting suspicious activity on the network.
4. Perform technical testing against IT infrastructure to identify critical vulnerabilities in devices and systems that attackers could exploit to access and steal confidential information.
5. Have an incident response plan ready for when a suspected breach occurs. The plan should include assignment of roles and responsibilities for investigation, reporting and remediation.

*Extracted from a paper at NADA 2017 "Cyber Attacks: Silent But Deadly" by Lori Haley & Tom Tollerton of Dixon Hughes Goodman*

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