

EncryptaGuard: Proof of Value & Risk Mitigation Report (2026)

1. The Executive Summary: The Invisible \$3.31 Million Threat

In 2026, the average cost of a data breach for a small business has reached **\$3.31 million**. While a business may feel "too small to target," SMEs account for **43% of all cyberattacks**. EncryptaGuard is a hardened, drop-in Secure Business Gateway designed to protect your entire network perimeter from these existential threats.

2. The Direct Cost of a Breach

When a breach occurs, the business is responsible for all recovery costs. Taxpayer money does not cover the private forensic and legal expenses required to get a business back online.

Category	Estimated Cost (SME)	Impact Description
Forensic Investigation	\$15,000 – \$30,000	Mandatory private audit to determine the scope of a breach.
Legal & Defense Fees	\$50,000 – \$100,000	Average litigation costs as nearly every breach triggers lawsuits.
Revenue Loss	\$8,000 – \$20,000 / Day	Direct lost sales and employee downtime during restoration.

3. The Regulatory Threat: Virginia (VCDPA)

Under the **Virginia Consumer Data Protection Act (VCDPA)**, failing to maintain reasonable security can lead to devastating civil penalties.

- **The \$7,500 Multiplier:** Fines of up to **\$7,500 per individual violation**.
- **Mandatory Notification:** The average cost for breach notification in 2026 is **\$390,000** per incident.

4. Operational ROI: Recovering the "Invisible Weight"

EncryptaGuard pays for itself by optimizing your existing infrastructure.

- **Bandwidth Recovery:** We block trackers and background scripts that "steal" up to **40% of your bandwidth**.
- **Productivity Gains:** Our edge processing delivers a browsing experience up to **3x faster**, saving employees an average of 15 minutes of technical lag per day.

5. The EncryptaGuard Advantage: Perimeter Hardening

We replace vulnerable ISP defaults with a hardened gateway layer.

- **Total Traffic Filtering:** By sitting between your modem and router, we inspect every bit of data entering or leaving your building.

- **Invisible Presence:** Using an outbound-only tunnel, your network infrastructure is shielded from public internet scans.
- **C2 Interception:** We block malicious devices from "phoning home" to hacker servers, stopping an attack in its tracks before data can be stolen.

Lead Engineer: Tanner Sutherlin **Website:** www.encryptaguard.com