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**Yahoo Data Breach**

One of the biggest data breaches that affected THREE billion accounts was the Yahoo hack. It is believed that Russians hacked Yahoo’s database not once but twice, in 2013 & 2014. However, Yahoo stated that the stole data did not include passwords in clear text, payment card or bank account. [[1]](#footnote-1) Yet, not only Yahoo accounts were affected but their data was up for sale on the dark market. [[2]](#footnote-2) This is why it is important to maintain and update one’s security not only for the company but also for the customers/users as well. “Whether or not people use Yahoo services, they should always practice…not reusing passwords and implementing two factor authentication on all their accounts.”

How did hackers breach Yahoo? The information was protected by outdated, easy to crack encryption.[[3]](#footnote-3) The theft ranks as the largest to date and costly one for the internet pioneer. It is the largest series of thefts that forced Yahoo to cut the price of its assets in its sale to Verizon.

News of Yahoo breach broke when it was being acquired by Verizon. At first Yahoo only stated that one billion users were affected by the hacking in August 2013. Then during the Verizon deal, it was discovered that it was 3 billion users that were affected. The hackers were also able to obtain security questions and back up email addresses used to reset lost passwords. ” Since then, at least three buyers — two known “spammers” and an entity that appeared more interested in using the stolen Yahoo data for espionage — paid about $300,000 each for a complete copy of Yahoo’s stolen database, InfoArmor said after Yahoo first disclosed the breach.”[[4]](#footnote-4) With the stolen data, fraudsters have a higher chance of gaining access to victim’s bank accounts and most recuse passwords or make multiple versions of the password said Frances Zelazny. Verizon lowered its original offer by $350 million for Yahoo assets in the wake of the two massive cyber-attacks.

Following the hacking revelation, Yahoo required password changes and invalidated unencrypted security questions to protect user information. In March of 2017, two Russian spies and two hackers were indicted in connection with the 2014 attack. The Department of Justice also stated that the Russian government used stolen Yahoo data to spy on a range of targets in the US, including the White House and military officials. However, the stolen data was also used to spy on the Russian government officials and business executives as well. Thus it is crucial to maintain the company’s cyber security to avoid lawsuits, thefts, unhappy customers, class action lawsuits by shareholders.

1. https://www.bbc.com/news/business-41493494 [↑](#footnote-ref-1)
2. https://money.cnn.com/2017/10/03/technology/business/yahoo-breach-3-billion-accounts/index.html [↑](#footnote-ref-2)
3. https://www.reuters.com/article/us-yahoo-cyber/yahoo-says-all-three-billion-accounts-hacked-in-2013-data-theft-idUSKCN1C82O1 [↑](#footnote-ref-3)
4. https://www.nytimes.com/2017/10/03/technology/yahoo-hack-3-billion-users.html [↑](#footnote-ref-4)