

## [Vendors Must Fix Software Issues: Vermont Attorney General](#)

By Adrienne Appel

Oct. 18 — Software developers must address a common vulnerability in their products in use in Vermont or face the consequences.

Vermont Attorney General Bill Sorrell recently settled with software vendor Entrinsik, Inc. over vulnerabilities in its Entrinsik Informer software, which came to light through a 2013 security breach at a Vermont college (In re Entrinsik Informer Data Sec. Violation, Vt. Super. Ct., No. 617-10-16-Wnov, 10/12/16).

“It's not unusual for an AG to take action,” Alys Zeltzer Hutnik, Washington-based partner at Kelley Drye & Warren LLP, told Bloomberg BNA Oct. 18.

However, the Vermont AG put the software vendor on notice, which many state attorneys general haven't done in the past, she said.

Entrinsik violated the Vermont Consumer Protection Act, which requires vendors to eliminate vulnerabilities in software or warn customers about them, and could have been fined up to \$10,000 per violation.

“While we did not think a penalty was appropriate in this instance, now that the industry has been warned we probably won't treat the next incident the same way,” Sorrell said in an Oct. 12 statement announcing the settlement.

“The fact that a practice is widespread is not a defense in consumer protection claims,” Vermont Assistant Attorney General Ryan Kriger told Bloomberg BNA Oct. 18.

There wasn't a civil fine because the AG's office “realized it was reasonable to believe that a software company might not have recognized that this is an issue,” he said.

“Our policy is not to play ‘gotcha’ with businesses that seem to be trying to do the right thing,” Kriger said.

### Problem When File Is Opened

Entrinsik and other similar software programs allow users to view data and create reports through their browsers. When a data file is opened, and not saved, the application creates a copy of the file. That second file is in plain text and is generally stored in the user's temporary directory and, since a user may not know it exists, the user may not know to protect any sensitive data in the file.

“Any computer running Informer is at risk over time of collecting multiple plain-text files

containing sensitive information,” the settlement said. “If such a computer is lost, stolen or hacked such information runs the risk of falling into the hands of unauthorized individuals,” the settlement said.

Under the settlement, Entrinsik added dialog boxes that pop up to warn consumers of the vulnerability and added warnings to its instructions and manuals.

#### 14,000 Social Security Numbers

The data breach was discovered in 2013 at Champlain College in Burlington, Vt. Someone had been working with Informer software to analyze files containing 14,000 Social Security numbers. Unknown to the user, Informer created a plain text copy of the file, which was stored on a portable hard drive.

The user then inadvertently left the hard drive with the sensitive data in a campus computer lab, according to a May 13, 2013, letter from David Provost, vice president of finance at Champlain College, to those potentially impacted.

“We have over 1,500 organizations using our software and this is the first time anyone's reported getting data out of their system,” Doug Leupen, CEO of Entrinsik, told Bloomberg BNA Oct. 18.

The company was satisfied with the outcome of the settlement, he said.

“We were very proactive to add support and help,” Leupen said.

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