



# Cybersecurity Maturity Model Certification (CMMC) - What You Need To Know with IT Direct

Hosted by Connecticut Center for Advanced Technology, Inc. (CCAT) & Advanced Manufacturing Employer Partnership (AMEP)

July 9, 2020

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## Agenda

- Made in America Minute (Ari Santiago)
- Federal Updates (McAllister & Quinn)
- CMMC: What You Need To Know (IT Direct)
- ACM: Industry Perspective (Paul Murphy)
- CT Manufacturers Perspectives (Glenn Ford & Charles Daniels)
- CCAT Program Updates



#### Presenters



- Ron Angelo, CCAT, President & CEO
- AMEP Co-Chairs



- Hartford-Area: Glenn Ford, President, Phoenix Manufacturing
- Central CT: Charles Daniels, Chief Financial Officer, Wepco Plastics





- McAllister & Quinn
  - Chris Fish, Vice President
  - Jake Parduhn, Director of Federal Affairs









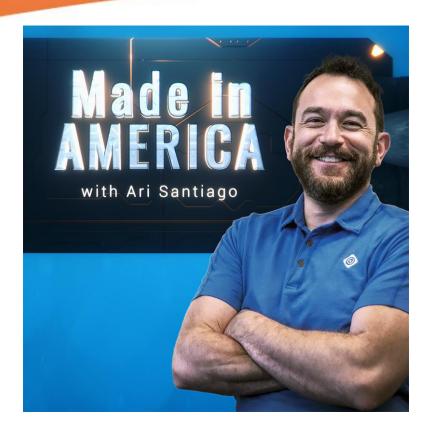












Join me weekly for the podcast!

Podcast website: <a href="http://madeinamericawithari.com/">http://madeinamericawithari.com/</a>

YouTube channel:

https://www.youtube.com/user/itdirect151

Or Search for Made in America with Ari Santiago on your favorite podcast app!

Connect with me on LinkedIn for more great content for CT manufacturers:

https://www.linkedin.com/in/asantiago104/

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#### McAllister & Quinn Federal Update

- SBA Paycheck Protection Program (PPP)
  - New deadline to apply for a Paycheck Protection Program loan is August 8, 2020 rather than June 30. Roughly \$100 billion unused still.
  - FYI: SBA/Trump Administration released data on loan-level data on borrowers. See link to access PPP data to date: (Click Here)
- Federal Reserve's Main Street Lending Program
  - Program in now live and accepting applications via lenders. Non-forgivable loans are available from \$250k to \$35M+. Five year maturity, no principal payments until year three. Roughly 3% interest rate. Reach out to your lender if interested. Link to program information: (Click Here)
- Next Stimulus Package
  - House of Representatives passed a \$3 trillion HEROES Act stimulus package in May. Senate needs to pass its version of the bill, next a negotiated House/Senate bill would be passed, then President can sign into law. Senate/Trump Administration looking at bill closer to \$1 trillion.
  - Individual stimulus checks might be capped at <40K income eligibility. \$600/week extra unemployment benefit ends July 31st. Will be addressed in some fashion.
  - Looking to have bill finalized before August 3<sup>rd</sup> Recess.









# Cybersecurity Maturity Model Certification:

What you need to know

with Ari Santiago and Sammy De La O





#### Who we are



#### Ari Santiago

President and CEO of IT Direct

- Founded 2002
- 60+ FTE / 2 CT offices
- Help clients gain a competitive edge through technology

Host of the Made In America podcast

- Broadcasting 1 year
- Raise awareness about mfg in CT
- Share lessons/best practices



#### Sammy De La O

- 20 years in IT, including as an engineer and quality manager
- Last 8 years in compliance and regulatory space (life science, healthcare, finance and manufacturing)
- Passionate about helping organizations grow stronger and more resilient through consistent and high-quality standards





## What are we covering today?

- 1. Why CMMC?
- 2. What is CMMC?
- 3. How do you become compliant?
- 4. How much will it cost?
- 5. What is the ROI?
- 6. Wrapping it all up
- 7. Q&A





# Why CMMC?

IBM Security 2019 Cost of a Data Breach Report

Average cost of a data breach in the US:

2006 → 2019 \$3.54M \$8.19M

130% increase over 14 years

Odds of experiencing a data breach within two years:

2014  $\rightarrow$  2018  $\rightarrow$  2019  $\rightarrow$  29.6%

Verizon 2020 Data Breach Investigations Report, Manufacturing industry:

#### **Top Patterns**

Crimeware, Web Applications and Privilege Misuse represent 64% of breaches

#### **Threat Actors**

External (75%), Internal (25%), Partner (1%) (breaches)

#### **Actor Motives**

Financial (73%), Espionage (27%) (breaches)

#### **Data Compromised**

Credentials (55%), Personal (49%), Other (25%), Payment (20%) (breaches)



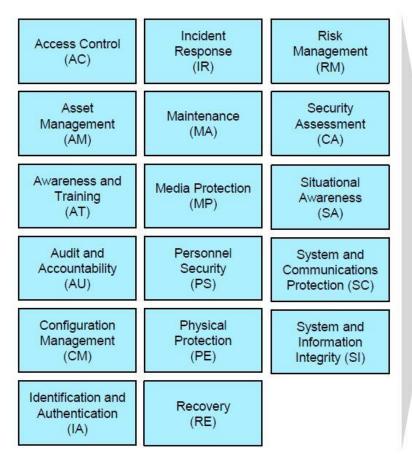


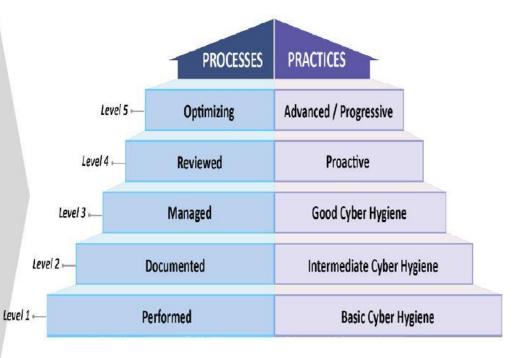


#### What is CMMC?

17 Capability Domains (v1.0)

CMMC Model with 5 levels measures cybersecurity maturity









How Do You Become Compliant?









## How much will it cost?

#### **One-off Costs**

- Gap assessment
- System upgrades
- Remediation

### **Ongoing Expenses**

- Network and email security
- Multi-factor authentication
- **Employee cybersecurity** training
- Monitoring and logging tools
- Robust policies and procedures
- Strong risk and security assessment practices





#### What is the ROI?

- In 2019, CT companies were awarded \$18.6 billion in defense contracts
- CT DOD Contracts +70,201 & \$5.3B (40%) since 2014
- In 2019, the DoD awarded a total of \$382.6B in US defense contracts
- Average cost of a data breach in the US is \$8.19M
- The odds of having a data breach in the next 2 years is nearly 30% and rising!
- CMMC Compliance costs are considered allowable, reimbursable costs









# Wrapping it all up

#### Important dates

- January 2020 CMMC 1.0 released
- March 2020 CMMC 1.02 released
- Summer/Fall 2020 C3PAO certification and provisional program
- Winter 2020/2021 First 10 RFPs requiring CMMC
- By 2026 all DoD contracts will contain CMMC requirements

#### Timeline to get compliant

- Varies widely
- On average 6 12 months









#### **Contact Details**

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# **Industry Perspectives**

Paul Murphy, Executive Director
Aerospace Components Manufacturers (ACM)







# **Employers' Perspectives**

- Glenn Ford, President, Phoenix Manufacturing
- Charles Daniels, CFO, Wepco Plastics





# **CCAT Program Updates**

- Industry 4.0 Demonstrations & Trainings
- High Rate Additive Manufacturing
- Small Turbine Engine
- AMC Services
- CT MVP Program





## **FREE Industry 4.0 Workshops**

For CT small to medium sized aerospace & defense manufacturers

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- Low-Cost 3D Scanning-Part Digitizing & Parametric Models
- Predictive Maintenance Technologies
- Machine Tool Probing for Industry 4.0
- IoT/Cloud & Cognitive Computing
- Augmented Reality Solutions in Manufacturing

Modernization Strategies

Industry 4.0 and Smart Manufacturing

- High Speed Contact Metrology
- The Digital Twin aka Model Based Definition

ccat.us/incumbent-worker-training









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## Follow-Up

Slides have been posted on the CCAT website: <a href="https://www.ccat.us/2020/06/07-09-webinar/">https://www.ccat.us/2020/06/07-09-webinar/</a>

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 For questions or suggested topics for upcoming webinars, email: workforce@ccat.us

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