

MetaData

Falling Economy = Rising Cybercrime

Rebecca Buckman, 03.26.09, 6:00 PM ET

BURLINGAME, CALIF. -

A down economy equals an uptick in computer crime--and more business for software companies like McAfee.

That, at least, is the contention of McAfee Chief Executive Dave DeWalt. In an interview with Forbes, DeWalt said the recession creates a fertile environment for computer hackers and data thieves. They're stepping up their activity and taking advantage of increasingly desperate (read: broke) victims, many of whom are spending more time on the Internet looking for good deals.

Disgruntled, laid-off employees are more likely to trash company computer networks on their way out and steal vital information. And companies faced with tighter budgets might skimp on security software, making them more vulnerable to online attacks. (See: [Economic Bust, Cybercrime Boom.](#))

This is, nonetheless, a little self-serving, since the solution to the problem, presumably, is to buy more McAfee products. And McAfee, like all security-software firms, is having to work harder these days to drum up interest in cybersecurity; malicious viruses and online scams just don't have the novelty they used to. DeWalt recently lamented that consumers have gotten "desensitized" to cybercrime.

(Perhaps as a result, the company has been on a public relations offensive lately, issuing scary reports about online threats and even crowning a "Chief Cyber Security Mom" last year. That vigilant and photogenic mother of three, Tracy Mooney, now blogs about family Internet safety issues on McAfee's [Web site.](#))

Still, McAfee is one of the few big tech companies holding its own during the downturn. The company's fourth-quarter revenue grew 19% year-over-year and 3.5% from last year's third quarter, though profits were down slightly from the third quarter. The company hasn't had any recent layoffs and actually grew total head count in last year's fourth quarter. All the same, "we certainly aren't hiring as aggressively as we were," DeWalt says.

DeWalt has worked successfully with PC vendors like Dell, Acer and Lenovo to pre-install McAfee software on computers. (See: [McAfee CEO.](#)) That should help McAfee increase its share of the consumer security-software market at the expense of bigger rival Symantec. Symantec's revenue for its quarter ended Jan. 2 was roughly flat compared with the prior and year-ago periods.

McAfee's CEO says he's worried the current economic crisis is diverting governments' attention from cybersecurity. This creates an "opportunity for cybercrime to escalate in severity" and "impact consumer confidence, further hindering the speed of the global recovery," DeWalt said in a December press release.

Geez. And I was worried about the future of Detroit, the housing market and the U.S. banking system.

<http://www.forbes.com/2009/03/26/mcafee-hackers-viruses-technology-cionetwork-mcafee.html>