US software firm moves to restart after huge ransomware attack

July 6 2021

A US software firm scrambled to restart its systems after a massive ransomware attack affecting organizations worldwide.

A US software firm hit by a major ransomware attack that crippled hundreds of companies worldwide said it was on track to restart its

servers later Tuesday to bring customers back online.

Kaseya, the Miami-based IT company at the center of the hack, said it pushed back its forecast by two hours and hoped to resume operations between 2000 and 2300 GMT.

The news comes after an unprecedented attack that affected an estimated 1,500 businesses and prompted a ransom demand of $70 million.

The systems were being brought back online with "enhanced security measures" and "the ability to quarantine and isolate files and entire ... servers" in case of infection.

"Later today we will release a customer-ready statement for you to use to communicate to your customers on the incident and the security measures that we have put in place," a Kaseya statement said.

While Kaseya is little known to the public, analysts say it was a ripe target as its software is used by thousands of companies, allowing the hackers to paralyze a huge number of businesses with a single blow.

Kaseya provides IT services to some 40,000 businesses globally, some of whom in turn manage the computer systems of other businesses.

The hack affected users of its signature VSA software, which is used to manage networks of computers and printers.

Sweden's Coop supermarket chain is racing to reopen hundreds of stores closed as a result of the ransomware attack.

Experts believe this could be the biggest "ransomware" attack on record—an increasingly lucrative form of digital hostage-taking in which hackers encrypt victims' data and then demand money for restored access.

The Kaseya attack has ricocheted around the world, affecting businesses from pharmacies to gas stations in at least 17 countries, as well as dozens of New Zealand kindergartens.

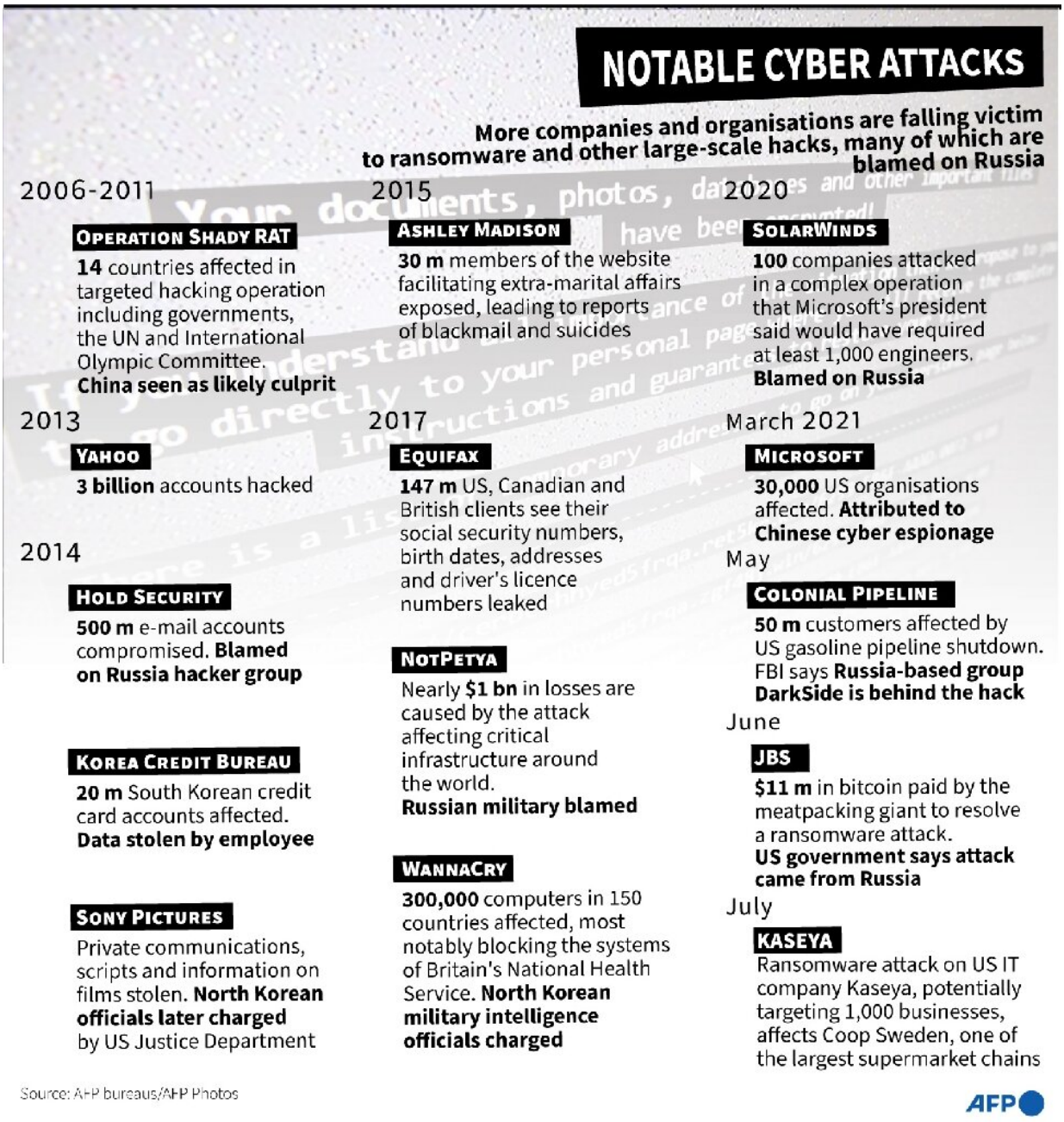
Most of Sweden's 800 Coop supermarkets were shut for a third day running after the hack paralyzed its cash registers.

Kaseya said Monday that while less than 60 of its own customers were "directly compromised", it estimated that up to "1,500 downstream businesses" had been affected.

White House spokeswoman Jen Psaki said the administration was monitoring the situation amid reports that the attacks came from a Russia-based cyber gang. But she noted that "the intelligence community has not yet attributed the attack... we will continue to allow that assessment to continue."

Psaki reiterated the warning President Joe Biden gave to his counterpart Vladimir Putin about Russia harboring cybercriminals, stating that "if the Russian government cannot or will not take action against criminal actors residing in Russia we will take action, or reserve the right to take action on our own."

Biden, asked about the incident Tuesday, said that so far there appeared to be "minimal damage to US businesses" but that "we are still gathering information to the full extent of the attack."



Notable cyber attacks since 2006.

Going out with a bang?

REvil, a group of Russian-speaking hackers who are prolific perpetrators of ransomware attacks, are widely believed to be behind Friday's assault.

A post on Happy Blog, a site on the dark web associated with the group, claimed responsibility for the attack, saying it had infected "more than a million systems."

The hackers demanded $70 million in bitcoin in exchange for the publication of an online tool that would decrypt the stolen data.

While the hackers are thought to have been reaching out to individual victims requesting smaller payments, the unprecedented demand for $70 million has surprised analysts.

French cybersecurity expert Robinson Delaugerre suggested that REvil could be treating the Kaseya attack as a final spectacular act before going out of business.

The group was responsible for around 29 percent of ransomware attacks in 2020, according to IBM's Security X-Force unit, looting an estimated $123 million.

"Our hypothesis is that REvil is going to disappear and this is its final big act," he told AFP, predicting that the group—which also goes by the name Sodinokibi—could re-emerge under a new name.

The FBI believes REvil was also behind a ransomware attack last month on global meat-processing giant JBS, which ended up paying $11 million to the hackers.

The United States has been a particular target of high-profile cyber attacks in recent months blamed on Russia-based hackers, with the Colonial oil pipeline and IT firm SolarWinds among the targets.