The biggest security stories of 2015

by Joel Griffin On Dec 29, 2015

While there are no shortage of impactful events each year in security, 2015 will likely be remembered as one of the most transformational for the industry. From mass shootings and terrorist attacks to large-scale mergers and acquisitions, there were myriad stories that grabbed headlines this year which will forever alter the landscape of the security market. As we get ready to head into a new year, SIW takes a look back at some of events that defined 2015 and could affect the industry moving into 2016 and beyond.

The New Face of Terrorism

In the years following 9/11, U.S. counterterrorism efforts focused primarily on trying to prevent jihadist groups, primarily al-Qaida, from being able to carry out coordinated attacks against high-value targets in the homeland. However, the rise of ISIS has resulted in a paradigm shift in the way law enforcement and security practitioners think about and prepare for terror attacks. Not only has ISIS demonstrated the ability to carry-out a coordinated attack as it did last month in Paris, but with the help of social media the terror group has also been able to spread its propaganda around the world, encouraging those sympathetic to their cause to launch attacks in their own communities. That was evidenced earlier this month when Syed Farook and Tashfeen Malik shot and killed 14 people and wounded more than 20 others at a holiday party in San Bernardino, Calif. Although investigators have found no direct ties between ISIS and the couple, both Farook and Malik were said to be supporters of the terror group. Earlier this month, FBI Director James Comey said that Mohammod Youssuf Abdulazeez, who shot and killed five troops at a military site in Chattanooga, Tenn. in July was "inspired by a foreign terrorist organization's propaganda."

ISIS aside, there were also a number of mass shootings carried out this year by so-called lone wolf terrorists. Among these include:

- Emanuel African Methodist Episcopal Church in Charleston, S.C. (nine killed, one wounded)
- Umpqua Community College in Roseburg, Ore. (10 killed, seven wounded)
- The Grand Theater in Lafayette, La. (two killed, nine wounded)

Taken together, the challenges presented by ISIS and lone-wolf shooters will be something the industry, as a whole, must come together to confront in the coming years.

Industry Consolidation Accelerates

Most people were surprised when Canon announced last year that it had acquired one of the market's leading VMS providers in Milestone Systems, but that surprise likely turned to shock when it was revealed in February that they also planned to buy Axis Communications for nearly $3 billion. That would be just one of the first dominoes to fall, however, as 2015 also saw the trend towards increased consolidation continue. Among some of the notable transactions to take place in the industry this year include; the merger of Kaba and Dorma; the purchase of Brivo by Eagle Eye Networks Founder Dean Drako; FLIR's acquisition of DVTEL; and Apollo Global Management's acquisition and subsequent merger of Protection 1 and ASG Security.

The Internet of Things Takes Center Stage

By now, nearly everyone is familiar with the concept of the Internet of Things and how the proliferation of connected devices is expected to benefit the world for the better. There was also much written this year about how the IoT will specifically impact the security industry. Some believe that the IoT will truly revolutionize how security technology is developed and deployed, while others are fearful about the risks posed by exposing more devices to the threats that lurk in cyberspace. One thing that is clear is that this is a trend that is not going to slow down anytime soon and those who make, install and use security technology are going to have to figure out a way to harness the potential of connected devices while limiting their exposure to potential risks.

Chinese Manufacturers Grow in Prominence

While the surveillance industry remains highly fractured, it has also become apparent that the influence of Chinese manufacturers can no longer be ignored in the North American market. Hikvision already ranks as the global leader in nearly every individual hardware-based equipment category in video surveillance and the company is predicted to increase its' footprint in the market in the years to come. In a recent column, Memoori's Jim McHale said that as a result of a recent $3.1 billion debt-financing package, he expects Hikvision to make "major acquisitions" of western video or access control manufacturers within the next year. It's clear that companies like Hikvision and Dahua have had a profound impact on the surveillance market and will continue to do so for the foreseeable future.

Smart Home Tech Receives Mixed Messages

At the same time that IoT has become a driving force in commercial security devices, it seems that interest in smart home technology may have peaked. Despite reports earlier in the year that predicted sunny times ahead for adoption of security devices in the connected home market, a recent report from IHS said the hype surrounding the technology may have begun to wane. Some believe smart home technology has yet to achieve its full potential, but yet it is the revenue-generating potential held by connected home technology that enabled Alarm.com to launch an initial public offering on the NASDAQ earlier this year. Time will tell exactly what smart home features will pan out and which ones will not, but it is obvious the days of installing basic alarm systems is over.

The Data Breach Plague

As in years past, 2015 saw its fair share of large-scale data breaches. Among the biggest data breaches reported this year include health insurance giant Anthem Inc. in which nearly 79 million records were compromised by hackers and the U.S. Office of Personnel Management, which saw more than 25 million records compromised in what is believed to be a state-sponsored cyber-attack. Unfortunately, the frequency and scope of data breaches is only expected to increase exponentially moving forward, but there are things security managers can do to minimize the damage of a cyber intrusion. Here is a list of five data breach trends to watch in 2016 and steps organizations should take to mitigate their risks.

FTC Given Authority to Regulate Cybersecurity

Speaking of cybersecurity, a federal appeals court issued a landmark ruling in the summer that gives the Federal Trade Commission the authority to regulate the cybersecurity measures implemented by organizations. The ruling stemmed from a lawsuit the agency filed against hotel chain operator Wyndham Worldwide for failing to protect consumers' information. Experts say the ruling should

serve as a wake-up call to organizations that have not taken cybersecurity seriously enough to date. In addition, the ruling could also have repercussions for systems integrators as they could be found liable if it is discovered they employed poor IT security practices during an installation.

The Drones Are Coming

While a lot has been made about the dangers of hobbyists flying unmanned aerial vehicles over the nation's airspace, drones have also emerged as another potential avenue by which the use of surveillance cameras can proliferate. The technology has reached the point where the idea of using a drone for surveillance is no longer science fiction and, according to a recent report from analysts at market research firm Tractica, security and video surveillance applications are expected to be one of the biggest drivers in the adoption of drone technology in the coming years. However, end users must still be aware of the threats posed by those using drones for nefarious purposes and may have to implement new technology of their own to keep them away from various high-security areas.