



SUMMER 2016 E-NEWSLETTER

At Digital Mountain we assist our clients with their e-discovery, computer forensics, and cybersecurity needs. For this E-Newsletter, we focus on the topic of cloud storage technologies and the impact on legal, compliance, and investigations.

WHY CARE ABOUT CLOUD-BASED FILE STORAGE?

Imagine you're writing a legal thriller. Years ago, you'd have set the scene with your character, alone in an empty office, late at night, with just enough lighting that your character could rifle through the filing cabinets. Then, with mounting tension, your character stood in front of the copy machine, feeding pages as fast as possible, all while listening for the click of a handle unlocking as the door to the office was opened by a partner returning for a forgotten briefcase. Now, with the rise of cloud-based file storage, your character cleverly installs, or accesses the firm's already installed program, and



using thumb drive, laptop, or other mobile device, copies or transfers those files from the firm's remote file storage. While it could happen, what's the likelihood that it would? Well, it actually did happen. In 2014, the Plaintiffs in *Elliott Greenleaf v. Balaban*, (E. Dist. PA), alleged that the Defendant installed Dropbox on the firm's server in anticipation of accessing Plaintiff's files after the Defendant suddenly resigned.

If you're an attorney, litigation support, or e-discovery practitioner, cases like this make you sit up and take notice. As should the following statistics regarding the future of cloud storage:

- In 2014, 42 percent, or 1.1 billion consumer internet users were using cloud storage. By 2019 that figure is expected to almost double, to 2 billion users, or 55 percent (Cisco estimate).
- Research and Markets estimates the market for cloud storage solutions and services will exceed \$65 billion by 2020, or over three times the 2015 value of \$19 billion. That represents a compound annual growth rate of 28.2%.

Without a doubt, the growth of cloud storage is increasing at a staggering rate. In light of the explosive adoption of cloud-based file storage, knowing about the mainstream cloud-based solutions for file storage is important.

Dropbox: A Cloud Favorite

Dropbox claims that it allows you to “[g]et to all your files from anywhere, on any device, and share them with anyone.” Convenient? Yes, say 300 million users. Lockdown secure? No. Files stored on Dropbox are 256-bit encrypted at rest, and Secure Socket Layer (SSL) and Transport Layer Security (TLS) are used to protect files in route to and from the cloud. However, since the user can share files, via links, with others, and, authorize access to Dropbox accounts by third party apps, users can create holes in their account security. One important consideration for users in the legal field then becomes is Dropbox secure enough for confidential information. The answer to that is that it may just depend on how tightly the user controls access.

Dropbox Business includes administration tiers that allow business clients to control not only who accesses the account, but also manage passwords and create activity logs. While system administration is vital, the accessibility of Dropbox from multiple devices means that in the event access for a team member requires revocation, the system administrator needs to take the proper steps before any potential mischief occurs.

Box: Security You Control

Box is similar to Dropbox in that Box provides storage, mobile access, and file sharing via the cloud. In addition to 256-bit encryption and SSL/TSL security, Box KeySafe allows users to control the encryption keys for their data. One benefit of user encryption key control over cloud-based storage is that the service provider cannot turn over an encryption key it doesn't possess. This control is important, as there are numerous cases where the courts ordered the transmission of encryption keys. Perhaps the most famous case of this nature is the 2014 *US v Lavabit*, an encrypted email service. In this case, the government secured a court order for information on a specific Lavabit account, including the SSL keys (a Wired.com article of March 17, 2016 claims that recently unsealed documents in the case confirm the account belonged to Edward Snowden). Rather than provide the information, Lavabit objected saying the key would provide access to all user accounts and not just the one requested. In the end, Lavabit chose to shut down its service rather than comply. While Box KeySafe would not prevent the courts from ordering an account holder from providing encryption keys, it does address the issue of the service provider doing so. As of May 2016, Box reports 44 million users.

Google Drive and Microsoft OneDrive: Application Compatibility

For users already creating files with Google Docs, Google Sheets, Google Slides, or other Google Apps, Google Drive may be a viable cloud storage solution. With Google Drive for Work and Google Apps for Work, expansion is available to accommodate team use, and provides some additional apps not offered with the standard Google Drive. If security and redundancy are an issue, however, Google Drive lacks local encryption and scheduled backups. For users who rely on Microsoft Office applications, files created in Excel, for example, will have to be converted to Google Sheets before data can be edited. While this isn't a difficult process, it does involve an additional step. Otherwise, Google Drive works similarly to Dropbox with regard to storage. For Microsoft Office users, Microsoft's OneDrive is nearly identical to Google Drive, although users who are already comfortable with Microsoft Office programs may gain productivity from that familiarity. Both Google Drive and Microsoft OneDrive report approximately 250 million users.

The Bottom Line: We Should Care

If you're not already employing cloud-storage, there's every likelihood you will, and in the not too distant future. Whether your firm chooses to upload to the cloud, or a client shares records with you via a cloud storage service, the cloud is expanding in your direction. If you were an early adopter, you may be considering other options as service providers grow in size and scope. The

American Bar Association, as well as multiple state bar associations, offer guidance for legal practitioners using cloud-based storage. The ABA stresses that reasonable precautions to protect confidential information must be taken irrespective of how files are stored. After all, the last thing a practice wants is a legal thriller on their hands.

UPCOMING INDUSTRY EVENTS

July 2016

The Masters Conference, Managing the E-Discovery and Social Media Minefield,
New York: July 19

August 2016

HTCIA 2016 International Conference & Training Expo,
Las Vegas: August 28-31

ILTACON 2016,
National Harbor: August 28-Sept. 1

September 2016

CSA Congress and IAPP Privacy Academy 2016,
San Jose: September 15-16

[Click here to see more upcoming events and links](#)



Digital Mountain, Inc. Founder and CEO, Julie Lewis, will be presenting at various upcoming industry events. Please send requests for speaker or panel participation for her to marketing@digitalmountain.com.

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