

Business

TUESDAY, JULY 6, 2021



STOCKHOLM: People walk past a shuttered Coop supermarket store in Stockholm, Sweden, during an ongoing "colossal" cyber-attack affecting organisations around the world. —AFP

Hackers demand \$70m after Kaseya attack

FBI warn 'ransomware' attack is so large

PARIS: Hackers were yesterday demanding \$70 million in bitcoin in exchange for data stolen during an attack on a US IT company that has shuttered hundreds of Swedish supermarkets. Researchers believe more than 1,000 companies could have been affected by the attack on Miami-based firm Kaseya, which provides IT services to some 40,000 businesses around the world.

The FBI warned Sunday that the scale of the "ransomware" attack — a form of digital hostage-taking where hackers encrypt victims' data and then demand money for restored access — is so large that it may be "unable to respond to each victim individually". Sweden's Coop supermarket chain was among the most high-profile victims, with "a majority" of their 800 stores still closed three days after the hack

paralysed its cash registers, spokesman Kevin Bell told AFP.

Coop is not a direct customer of Kaseya's, but its IT subcontractor Visma Esscom was hit by the attack. Bell stressed that the situation was looking "positive compared to a few days ago", but the few hundred stores that have reopened were relying on alternative payment solutions, such as customers paying using their smartphones.

Experts believe the attack was probably carried out by REvil, a Russian-speaking hacking group known as a prolific perpetrator of ransomware attacks. A post on Happy Blog, a site on the dark web previously associated with the group, claimed responsibility for the attack and said it had infected "more than a million systems".

The FBI believes that REvil, which also goes by the name Sodinokibi, was behind a ransomware attack last month on global meat-processing giant JBS, which ended up paying \$11 million in bitcoin to the hackers. The blog post claiming responsibility for the Kaseya attack said the hackers would post a decryption tool online "so everyone will be able to recover from attack in less than an hour" — if they were handed \$70 million in bitcoin.

Kaseya describes itself as a leading provider of IT and security management services to small and medium-sized businesses. The company said Sunday that it believed the damage had been restricted to a "very small number" of customers using its signature VSA software, which lets companies manage networks of computers and printers from a single point.

But cybersecurity firm Huntress Labs said in a Reddit forum that it was working with partners targeted in the attack, and that the software was manipulated "to encrypt more than 1,000 companies". Kaseya said it had "immediately shut down" its servers after detecting the attack on Friday and warned its VSA customers to do the same, "to prevent them from being compromised." The company has released a tool allowing its customers to find out whether their own computer systems have been compromised by the attack.

Russia-linked hackers strike again?

In recent months numerous US companies, including the computer group SolarWinds and the Colonial oil pipeline, have been the victims of high-profile ransomware attacks blamed by the FBI on hackers based in Russian territory.

US President Joe Biden recently raised the threat in talks with Russian counterpart Vladimir Putin, and on Saturday he ordered a full investigation into the Kaseya attack. While "the initial thinking was it was not the Russian government", Biden said, "if it is either with the knowledge of and/or a consequence of Russia, then I told Putin we will respond."

Loic Guezo, head of Clusif, a French association of cybersecurity experts, said the Kaseya attack bore a strong resemblance to last year's spectacular attack against SolarWinds, a software company. But he added that it was unclear why the hackers were this time demanding such a massive sum of money, and suggested it may have been done with political objectives to put pressure on the Biden administration. —AFP

VW, Daimler, Volvo team up to build truck chargers

BERLIN: The truck manufacturing units of Volkswagen, Daimler and Volvo announced yesterday they will team up to build a network of 1,700 charging points for heavy-duty vehicles in Europe using green electricity.

The initial plan foresees a 500 million euro (\$600 million) investment to drive the five-year project, but the companies said they hoped to bring in additional partners and obtain public funding to build additional charging stations for long-haul trucks and buses using batteries.

The high-performance charging stations will use electricity from renewable sources and be located close to highways as well as at logistic and destination points. They will also be open to all brands of commercial vehicles.

The project will be managed by a joint venture that is planned to begin operations next year. The companies said they hope the project "will act as catalyst and enabler for realising the European Union's Green Deal for a carbon-neutral freight transportation by 2050 — both by providing the necessary infrastructure and targeting for green energy at the charging points."

They pointed to a recent report by an industry body that called for the installation of 15,000 high-performance charging points in Europe by 2025 to enable haulers to begin shifting to electric vehicles. The chief executive of Volkswagen's truck unit Traton, Matthias Gruendler, was quoted in a statement as saying "it is clear that the future of transport is electric".

He said the initiative was a first step to accelerate the transition to a fossil fuel-free future for the long-haul transport sector. "The second step should be a strong engagement of the EU for the full scale-up of a charging network across Europe," he added.

This is not the first such collaboration between truck and bus manufacturers in Europe.

Daimler and Volvo in March announced a joint venture to develop hydrogen fuel cells for heavy trucks. —AFP

UK supermarket Morrisons set for mega takeover

LONDON: The UK supermarket sector, which has benefitted hugely from a shift to online shopping during the pandemic, is set for a further shakeup with Morrisons heading for a multi-billion-pound takeover.

Britain's fourth biggest supermarket on Saturday said it had accepted a £6.3-billion (\$8.7-billion, 7.3-billion-euro) takeover offer from a consortium of investment groups. And yesterday, US private equity firm Apollo Global Management revealed it was mulling a rival bid.

It comes after Morrisons last month rejected a £5.5-billion offer from US private equity firm Clayton, Dubilier & Rice. The British supermarket "is seen as a bargain compared to overseas peers, with its deep integrated supply chain and the fact that it owns much of its store estate", noted Susannah Streeter, senior investment and markets analyst at Hargreaves Lansdown. "The company is already a prince in Amazon's e-commerce empire." Reflecting the fresh interest in the group and a potential bidding war, Morrisons' share price jumped 11 percent in London morning deals.

Apollo yesterday said it was "in the preliminary stages of evaluating a possible offer for Morrisons" on behalf of investment funds. It comes after a consortium comprising Softbank-

Chip shortage driving French industry lower

PARIS: The global shortage of semiconductors that has been plaguing the automobile industry is helping drive industrial production lower in



LONDON: File photo shows a man walking past a Morrisons supermarket in Stratford, east London. Britain's fourth biggest supermarket said it had accepted a £6.3-billion (\$8.7-billion, 7.3-billion-euro) takeover offer from a consortium of investment groups —AFP

owned Fortress, Canada Pension Plan Investment Board and Koch Real Estate Investments, had their takeover bid accepted.

Morrisons is Britain's fourth biggest supermarket chain in terms of sales, according to data group Kantar. Trailing leader Tesco, Sainsbury's and Asda, it nevertheless has almost 500 stores and more than 110,000 employees in the UK.

France, data showed yesterday. Manufacturing of motor vehicles fell by 7.9 percent in May from the previous month "due to shortages of raw materials in the automotive industry", the national statistics agency INSEE said.

That helped drag down overall industrial production by 0.3 percent during the month. Coronavirus pandemic lockdowns caused a shift in consumer spending towards electronics and a spike in demand for the semiconductor chips

At the end of last year, US retail giant Walmart agreed to sell Asda to the billionaire Issa brothers and a private equity group for £6.8 billion. While UK supermarkets have enjoyed strong sales during the pandemic, they have faced hefty added costs with having to employ thousands of extra staff to meet rising demand for online food shopping. —AFP

that run them.

Modern automobiles can use dozens of such chips in their various electronics systems, and carmakers have had to slow or idle factories when they have run out of supplies. French motor vehicle production was down 29.2 percent in May from its level in February 2020, just before the pandemic lockdowns began. Overall, French industrial production was 5.6 percent lower from its pre-pandemic level. —AFP