



## Why You Should Invest in Cybersecurity Stocks Today

### Description

It seems that almost no company is immune to data breaches and problems with managing and protecting consumer information. **Hudson's Bay Co.** (TSX:HBC) is just the latest instance of a company's information being compromised and leaving customer information exposed.

While HBC's data breach wasn't terribly large (it impacted just three locations), it went on for months. The company's systems were first infiltrated back in July, and HBC did not have the problem under control until the end of March, which is a terribly long time frame for consumers. HBC only recently provided details on the breach and initially announced it in April, after the threat was contained.

### Data breaches are becoming too common

It's easy to lose track of all the problems that companies have run into when it comes to protecting consumer data. We've seen some of the largest, most successful companies struggle with this, including **Equifax Inc.** and its particularly high-profile scandal, which rocked the very company that was supposed to protect sensitive information.

### Companies are reactive and ill-equipped to handle these threats

The sheer number of breaches we've seen in recent years suggests that companies are not doing enough in this area. Investing in a stock that focuses on cybersecurity could provide investors with many opportunities for growth. A great investment option is **BlackBerry Ltd.** (TSX:BB)(NYSE:BB), which has earned a reputation for its safety — so much so that last year the company won a bid to provide the U.S. government with encrypted tools for communication.

### Data is a sensitive topic for consumers

Tech giant **Facebook, Inc.** (NASDAQ:FB) made [big news](#) recently when it disclosed that millions of users had their information compromised. The issue has called into question just how tightly social media sites are protecting vital information and data collection policies overall. With the amount of data that's being collected by Facebook and other companies, data protection and privacy is going to be a big priority for many consumers.

In the case of HBC, malware installed on its computers was the culprit behind the breach, and its ability to spread was likely a big reason why the company struggled for so long to get it under control. While the company says affected customers will not be liable for any fraudulent use of their information as a result of the breach and will be offered free identity-protection tools and credit monitoring, it does little to instill confidence over the long term.

### What this means for investors

The big takeaway here is the investing in cybersecurity could be big, especially as companies try to solidify their images and show customers their efforts in making sure that data is protected and adequate safeguards are in place. Companies are taking reactive measures, and oftentimes that's too late when it comes to a breach, as it could have a devastating impact on a brand's reputation and the company's stock price.

That makes BlackBerry a [great buy](#), as the company specializes in providing security, and it could have a lot of growth, as it brings in more customers that are looking to ensure that their data is kept secure.

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