

SEC Cyber Rules Prompt New Disclosures

VF Corporation becomes the first to file

On December 18, VF Corporation became the first company to file under the SEC's reporting rules regarding material cyber incidents. We believe this filing demonstrates the SEC has successfully adopted cyber disclosures that provide timely notification for investors to understand what happened, what the company is doing to manage the risks, and to assess the potential impact on the entity. In developing the rules, the SEC recognized that at the time of the filings, entities were not likely to know all the implications of the incident so subsequent follow-up filings would be expected when more complete information is available.

VF Corporation became the first to file under the SEC's new cyber incident disclosure rules. We believe this demonstrates the effectiveness of the SEC's requirements

[VF Filing-in Brief](#)

VF Corporation, a brand-name apparel company, filed an 8-K on December 18 reporting that on December 13 it detected an "unauthorized occurrence in a portion of its information technology (IT) systems". The company further noted that it had begun steps to contain and remediate the incident. It is working to bring portions of its systems back on line. But it is experiencing some operational disruptions.

The company also noted that because the incident is ongoing the full scope is not yet known. While it would likely continue to have a material impact on its operations, the company has not yet determined whether the incident will have a material impact on its financial condition or results of operations.

[Bottom line](#)

While investors always want more information, we believe investors should feel that they know what happened, what the company is doing about it, and what impact the incident might have on the company to the extent that VF can determine at this date.

On a lighter note, the filing is also useful in informing non-investors that the North Face jacket you ordered on line might not reach you before Christmas.