

Most Expensive Take-Out: \$5.9M Ransomware Attack on Food Supply



[Darkside](#) and [REvil](#) ransomware groups spawned BlackMatter, an evil ransomware group claiming to have inherited the [best features](#) of its parent organizations. BlackMatter [attacked](#) NEW Cooperative Inc., shut down its operations, and demanded \$5.9M ransom.

[NEW Cooperative, Inc](#) is a member-owned farmer cooperative with 60 operating locations throughout north, central and western Iowa. They have been in business since 1973 and generate over [\\$424M](#) annual revenue. NEW Cooperative Inc, operates grain storage elevators, buys crops from farmers, sells chemicals, and owns technology platforms for farmers that provide agronomic advice to maximize harvest. Their software provides for management of [40% of grain production](#) and 11 million animals feed schedules. The company created [temporary workarounds](#) to receive grain and distribute feed.

That same week, [Crystal Valley Farm Coop](#) announced it the target of a ransomware attack which disrupted company operations, including [disabling payment systems](#) using major credit cards, though local cards continued to work. Crystal Valley Farm Coop is a Minnesota farm supply and grain marketing cooperative which serves [2500 farmers](#) and livestock producers. They operate eight grain elevators with the capacity to store 25 million bushels. No public information has been provided to say whether or not this was another BlackMatter attack and how much ransom was demanded.

Currently, there is a [global shortage of truck drivers](#) making delivery reliability challenging. In the agricultural industry, delivery delays equate to wasted crops. Cyberattacks obviously wreak havoc on production and delivery times. And, these attacks are hitting as growers near their Autumn harvest. NEW Cooperative has said they will [not pay any ransom](#).

The workarounds by NEW Cooperative is a positive takeaway according to cybersecurity expert, Jacobson. *"The companies need to go into the assumption, play the [what-if game](#). What if this happened to us? What has to come back alive and how are we going to make that happen? If it's bringing out note cards and number two pencils and clipboards, then that's what it is. It may be being able to run things manually."*

[Doug Jacobson](#), Professor, Iowa State University
Owner, Palisade Systems

