

NEWS

TJX data breach: At 45.6M card numbers, it's the biggest ever

It eclipses the compromise in June 2005 at CardSystems Solutions

By Jaikumar Vijayan

Computerworld |

MAR 29, 2007 12:00 PM PST

After more than two months of refusing to reveal the size and scope of its data breach, TJX Companies Inc. is finally offering more details about the extent of the compromise.

In filings with the U.S. Securities and Exchange Commission yesterday, the company said 45.6 million credit and debit card numbers were stolen from one of its systems over a period of more than 18 months by an unknown number of intruders. That number eclipses the 40 million records compromised in the mid-2005 breach at CardSystems Solutions and makes the TJX compromise the worst ever involving the loss of personal data.

In addition, personal data provided in connection with the return of merchandise without receipts by about 451,000 individuals in 2003 was also stolen. The company is in the process of contacting individuals affected by the breach, TJX said in its filings.

[Related: How to protect your privacy in Windows 10]

"Given the scale and geographic scope of our business and computer systems and the time frames involved in the computer intrusion, our investigation has required a substantial period of time to date and is not completed," the company said.

Framingham, Mass.-based TJX is the owner of a number of retail brands, including T.J.Maxx, Marshalls and Bob's Stores. In January, the company announced that someone **had illegally accessed one of its payment systems** and made off with card data belonging to an unspecified number of customers in the U.S., Canada, Puerto Rico and potentially the U.K. and Ireland.

At the time, TJX said it believed the intrusion took place in May 2006 but wasn't discovered until mid-December -- seven months later. A few weeks later, the company revised those dates and said that an investigation by IBM and General Dynamics, two companies it hired in the wake of the breach discovery, believed the intrusion may have taken place in July 2005.

Several banks and credit unions around the country and in the other affected regions had to block and reissue thousands of payment cards as a result of the breach.

[[IT has a new 'It Crowd': Join the CIO Tech Talk Community](#)]

In its filing, TJX confirmed that its systems were first accessed illegally in July 2005 and then on several occasions later in 2005, 2006 and even once in mid-January 2007 -- after the breach had already been discovered. However, no data appears to have been stolen after Dec. 18, when the intrusion was first noticed.

The systems that were broken into were based in Framingham and processed and stored information related to payment cards, checks and merchandise returned without receipts. The data breach affected customers of its T.J.Maxx, Marshalls, HomeGoods and A.J. Wright stores in the U.S. and Puerto Rico. Also affected were customers of its Winners and HomeSense stores in Canada and TK Maxx stores in the U.K.

It is hard to know exactly what kind of data was stolen because a lot of the information accessed by intruders was deleted by the company in the normal course of business. "In addition, the technology used by the intruder has, to date, made it impossible for us to determine the contents of most of the files we believe were stolen in 2006," the company said. It did not elaborate on the technology it was referring to.

Customer names and addresses were not included with any of the payment card data believed stolen from the Framingham systems, TJX said. Also, the company "generally" did not store Track 2 data from the magnetic stripe on the back of payment cards for transactions after September 2003, TJX said. Also by April 3, 2006, the company had begun to mask payment card PIN data and "some other portions of payment card transaction information" as well as check transaction information, the company said.

"We are continuing to try to identify information stolen in the computer intrusion through our investigation, but other than the information provided ... we believe that we may never be able to identify much of the information believed stolen," TJX said.

The company has so far spent about \$5 million in connection with the breach, although it is hard to say what other costs may be incurred, the company warned. It cited several lawsuits that have been filed against it since the breach was announced. The company was sued recently by the Arkansas Carpenters Pension Fund, one of its shareholders, for its failure to divulge more details about the breach.

Avivan Litan, an analyst with Stamford, Conn.-based Gartner Inc., expressed surprise at the scope of the breach. "I had heard rumors that it was bigger than CardSystems, but I was still somewhat shocked it was actually this big."

The number involved in the breach "makes this the biggest card heist ever," she said. "It proves there are still very sophisticated cybercriminals out there at large who have the potential to wreak havoc on pure-payment systems and who have already stolen millions of dollars from consumers and financial institutions," she said.

"If this isn't a wakeup call for stronger card and payment system security, I'm not sure what is," she said.

TJX's disclosure comes just days after six Florida residents were arrested for allegedly launching a multimillion-dollar statewide credit card fraud ring **using information stolen from the company**. Losses experienced by Wal-Mart Stores Inc. and other retailers because of the fraud have so far totaled at least \$8 million.

Related Articles and Opinion

- **[Stolen TJX data used in Florida crime spree](#)**
- **[Breach at TJX Puts Card Info at Risk](#)**
- **[Data breach at TJX leads to fraudulent card use](#)**
- **[Update: Retail breach may have exposed card data in four countries](#)**
- **[Martin McKeay: Guess what, the TJX compromise was bigger than initially revealed](#)**
- **[Robert L. Mitchell: Your credit card data may have been compromised. But don't worry.](#)**

Jaikumar Vijayan is a freelance technology writer specializing in computer security and privacy topics.

Follow     

7 inconvenient truths about the hybrid work trend

SHOP TECH PRODUCTS AT AMAZON

SPONSORED LINKS

dtSearch® - INSTANTLY SEARCH TERABYTES of files, emails, databases, web data. 25+ search types; Win/Lin/Mac SDK; hundreds of reviews; full evaluations