

Stenographic Transcript
Before the

Subcommittee on Cybersecurity

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

HEARING TO RECEIVE TESTIMONY ON
THE DEPARTMENT OF DEFENSE'S
CYBERSECURITY ACQUISITION AND
PRACTICES FROM THE PRIVATE SECTOR

Wednesday, November 14, 2018

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8 U.S. Senate
9 Subcommittee on Cybersecurity
10 Committee on Armed Services
11 Washington, D.C.
12

13 The subcommittee met, pursuant to notice, at 3:01 p.m.
14 in Room SR-222, Russell Senate Office Building, Hon. Mike
15 Rounds, chairman of the subcommittee, presiding.

16 Subcommittee Members Present: Senators Rounds
17 [presiding], Fischer, Gillibrand, and Blumenthal.
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1 OPENING STATEMENT OF HON. MIKE ROUNDS, U.S. SENATOR
2 FROM SOUTH DAKOTA

3 Senator Rounds: The Cybersecurity Subcommittee meets
4 this afternoon to receive testimony on the Department of
5 Defense's cybersecurity acquisition and the practices from
6 the private sector.

7 Our witnesses are Mr. Dmitri Alperovitch, Co-Founder
8 and Chief Technology Office, CrowdStrike; Major General John
9 Davis, U.S. Army, retired, Federal Chief Security Officer,
10 Palo Alto Networks; Mr. Francis Landolf, Principal, Core
11 Consulting, LLC; and Mr. Ron Nielson, Vice President and
12 Chief Technology Officer, Parsons Corporation. Let me just
13 begin by saying thank you to all four of you for coming in
14 today and visiting with us. It is greatly appreciated.

15 Every single day adversaries attack the Department of
16 Defense through cyberspace attempting to gain critical
17 information about our ongoing operations, weapon systems,
18 and service members. These attacks are only as successful
19 as the Department's cybersecurity capabilities and practice
20 allows them to be.

21 And to its credit, the Department possesses many
22 extremely effective operators, program suites, and
23 mitigation tools to protect its networks and computing
24 infrastructure. However, the Department's cybersecurity and
25 cybersecurity operations are decentralized, which means that

1 certain DOD components exhibit better cybersecurity than
2 others. In other words, the Department has produced pockets
3 of excellence within the DODIN, or the Defense Information
4 Network, but opportunities remain for the Department to
5 improve its cybersecurity capabilities and practices across
6 the enterprise.

7 For example, the Department's centralized cybersecurity
8 operators, the Defense Information System Agency, often lack
9 visibility into networks across the Department. Further,
10 the Department's cybersecurity operators, including
11 CYBERCOM's cyber protection teams and the thousands of IT
12 cybersecurity specialists maintaining the Department's
13 networks are not particularly well integrated with each
14 other or with the cybersecurity capabilities used across the
15 Department.

16 The Department's cybersecurity acquisition is slow,
17 decentralized and often over-reliant on the National
18 Security Agency's product evaluation and indigenous
19 production, and because of this, the Department's
20 capabilities often pale in comparison to the best available
21 in the private sector.

22 While we have confidence that the Department will
23 bolster its cybersecurity in due time, we believe that this
24 improvement could come as a result of improved cooperation
25 with private sector cybersecurity companies and

1 reconfiguration of the Department's cybersecurity
2 capabilities to match the state-of-the-art offerings in the
3 private sector.

4 We hold this hearing today to find out how the
5 Department and the Congress can achieve these advances. We
6 look forward to our witnesses' commentary on questions to
7 include: Where are the Department's cybersecurity
8 capabilities, architecture, and operators lacking as
9 compared to the cybersecurity leaders in the private sector?
10 What capabilities can the private sector provide to fill
11 these gaps? And how are the Department's acquisition
12 processes and cybersecurity policies failing at
13 cybersecurity?

14 With that, once again, thank you, and I would turn to
15 my colleague, Senator Gillibrand, who is here, as Senator
16 Nelson is not available today, but Senator Gillibrand,
17 welcome and any comments you may have.

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1 STATEMENT OF HON. KIRSTEN GILLIBRAND, U.S. SENATOR
2 FROM NEW YORK

3 Senator Gillibrand: Thank you, Senator Rounds. I join
4 you today in welcoming our witnesses as we discuss the
5 critical topic of securing the nation's networks. I am
6 sitting in for Senator Nelson who is unable to attend today,
7 and I ask unanimous consent to enter his opening statement
8 for the record.

9 Senator Rounds: Without objection.

10 [The prepared statement of Senator Nelson follows:]

11 [SUBCOMMITTEE INSERT]

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1 Senator Gillibrand: I want to start by stating how
2 essential I believe today's topic is and how important it is
3 to ensure that our government's approach to cybersecurity
4 leverages the best of the private sector. We have long
5 understood that the future of warfare is both online and in
6 the physical world, and in the past few years, we have seen
7 an increase in both the tempo and the level of cyber
8 attacks. Our adversaries are on the offensive. We now
9 understand the alarming extent to which Russia has
10 undermined our election process, China's ability to use
11 cyber tools to obtain our most cutting-edge technology, and
12 the many foreign governments and private actors that have
13 threatened our private and public sector infrastructure.

14 Cyber obviously does not have geographic or
15 bureaucratic boundaries. Yet, our government still often
16 operates as though it does with inadequate threat sharing
17 and analysis between federal agencies with different
18 missions and between federal and State authorities.

19 We have also had a hard time attracting and retaining
20 talent, a critical issue in the area, and I know we will
21 particularly hear today about the difficulty we still have
22 in procuring the most up-to-date resources and in ensuring
23 that our defense contractors fully secure their networks.

24 I want to thank the chair, Senator Rounds, for holding
25 this hearing so that we can hear from these experts their

1 recommendations for improving the nation's cyber defenses,
2 and thank you all for your time.

3 Senator Rounds: Thank you, Senator Gillibrand.

4 The way we would like to do this today -- each of you
5 has a full opening statement. That will be a part of the
6 record. We would ask each of you to perhaps do a 5-minute
7 statement in front of the committee now, but once again,
8 your entire message will become a part of the record,
9 without objection.

10 At this time, I would simply work our way down the row.
11 The process after you have completed your 5-minute messages
12 -- we will take turns on either side, 5 minutes apiece back
13 and forth, and kind of move from there. Hopefully, we will
14 have other members of the committee who will also be
15 participating as well today.

16 And with that, Mr. Alperovitch, if you would like to
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1 STATEMENT OF DMITRI ALPEROVITCH, CO-FOUNDER AND CHIEF
2 TECHNOLOGY OFFICER, CROWDSTRIKE INC.

3 Mr. Alperovitch: Thank you. Chairman Rounds, Senator
4 Gillibrand, thank you for the opportunity to testify at
5 today's hearing.

6 I co-founded CrowdStrike more than 7 years ago with a
7 mission to stop cyber breaches. Today it is one of the
8 world's leading cybersecurity companies and protects
9 thousands of enterprises and government networks across over
10 100 countries. On a daily basis, we engage in virtual hand-
11 to-hand combat with sophisticated adversaries from global
12 criminal groups to nation states such as China, Russia,
13 Iran, and North Korea. Our job is to use cutting-edge
14 technology to hunt such adversaries and eject them rapidly
15 from customer networks before a breach occurs. We are
16 exceptionally good at this job, and I am here to offer you a
17 perspective based on this experience.

18 The Department of Defense faces a similar challenge to
19 that of the private sector. The very same threat actors
20 that are targeting private industry today to steal
21 intellectual property and sometimes carry out destructive
22 attacks are trying to break into DOD networks to conduct
23 espionage and degrade our warfighting capabilities.

24 In facing this threat, DOD has a number of advantages.
25 DOD's cybersecurity operators are every bit as talented and

1 motivated as their private sector counterparts. In fact,
2 some of the best people we have at CrowdStrike have
3 backgrounds with the Department and our military services.
4 As a nation, we have also applied significant resources to
5 DOD cybersecurity. There is likely no organization on the
6 planet that spends as much on cybersecurity as the
7 Department.

8 Still, the private sector has the advantage of
9 operating in the relatively unconstrained commercial
10 environment. The environment has fostered agile responses
11 to our shared threats that outpace DOD's capabilities in
12 some notable ways. The most capable private sector
13 organizations have succeeded by maintaining a primary focus
14 on rapidly detecting and ejecting adversaries from the
15 networks which they are infiltrating on an almost constant
16 basis.

17 I believe that applying a similar focus to DOD's
18 defensive mission will advance the Department's ability to
19 protect its enterprise and thus the security of our nation.
20 The three most important strategies DOD should utilize to
21 gain an upper hand in this fight are hunting, cloud
22 technologies, and what I call the 1-10-60 rule.

23 First, DOD needs to refocus on continuously hunting for
24 adversaries on their networks. Much of what the Department
25 does today is cyber hygiene. Implementing security controls

1 is hygiene. Patching vulnerabilities is hygiene. Building
2 an asset inventory is hygiene. No matter how good the
3 Department gets at these tasks, they alone will not
4 accomplish the most important mission: stopping foreign
5 intelligence and military services from countries such as
6 Russia and China from breaking into our networks. Let me
7 reiterate this critical point. Good cyber hygiene will not
8 stop determined GRU or PLA cyber actors, just as having
9 locks on the door of a house will not stop Navy SEALs from
10 getting in. And too often these hygiene efforts come at the
11 expense of hunting down and ejecting adversaries that are
12 likely already in the network.

13 Hunting is less labor intensive than it may sound. For
14 example, CrowdStrike's OverWatch service, which hunts 24/7
15 across thousands of networks and millions of machines around
16 the world that make up our entire customer base, is
17 comprised of approximately 20 people. We do have top-tier
18 talent in these roles. Our customer environments are well
19 instrumented, and we have architectures in place to support
20 the mission. But DOD can use similar capabilities and ramp
21 up these hunting operations without an enormous personnel
22 mobilization effort.

23 Second, the private sector has successfully deployed
24 cloud-based security technologies to flip the asymmetry
25 between offense and defense. Once a threat is identified in

1 one part of the network, cloud-based security technologies
2 can instantaneously distribute protection across the entire
3 ecosystem. With millions of systems under management, DOD
4 can leverage cloud systems to turn its scale into a strength
5 rather than a challenge.

6 Last, what DOD and, frankly, the Federal Government as
7 a whole needs most is to define a new high-level defensive
8 concept that drives measurable accountability. I suggest a
9 model I developed at CrowdStrike called the 1-10-60 rule.
10 This rule is derived from the premise that to win a battle
11 in cyberspace, speed is paramount. The only way you beat an
12 adversary is by being faster than them. The very best
13 private sector companies we work with strive to detect an
14 intrusion on average within 1 minute, investigate it within
15 10 minutes, and isolate and remediate the problem within 1
16 hour. 1-10-60. And there are industry organizations that
17 achieve that level of rapid response routinely.

18 These numbers are important because CrowdStrike
19 research shows that it takes an adversary on average an hour
20 and 58 minutes, almost 2 hours, to break out of the initial
21 system they comprise on the network and access other
22 sensitive resources. If you contain or eject them within
23 that window, you have stopped the breach. The 1-10-60 rule
24 can be used to measure the efficacy of DOD's cybersecurity
25 programs and enhance accountability.

1 DOD must prevail in its mission to defend and secure
2 its IT enterprise. Failure is not an option. Refocusing on
3 hunting, wider and faster adoption of the cloud, and the use
4 of the 1-10-60 rule can help.

5 I have focused my testimony today on concepts rather
6 than technologies, but everything I have described is
7 achievable through practices and capabilities that are
8 widely utilized in industry. DOD can adopt these
9 capabilities and, by enhancing its own security posture,
10 strengthen national defense.

11 Thank you again for inviting me to testify today. I
12 look forward to your questions.

13 [The prepared statement of Mr. Alperovitch follows:]

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1 Senator Rounds: Thank you, Mr. Alperovitch.

2 Mr. Davis, General Davis, please.

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1 STATEMENT OF MAJOR GENERAL JOHN DAVIS, USA, RETIRED,
2 FEDERAL CHIEF SECURITY OFFICER, PALO ALTO NETWORKS

3 Mr. Davis: Thank you, Chairman Rounds and Senator
4 Gillibrand, for your leadership in this critical issue.

5 It is my honor today to discuss with you innovation in
6 the cybersecurity industry and how DOD can better leverage
7 this innovation in order to improve its cybersecurity
8 posture.

9 I joined Palo Alto Networks a little over 3 years ago
10 after 35 years in the U.S. military. Most of that time was
11 spent in special operations and information warfare, but the
12 last decade I spent in assignments dealing with cyber
13 operations, cyber strategy, and cyber policy. So I believe
14 that I bring a unique perspective to innovation in both the
15 commercial cybersecurity industry, as well as efforts at
16 DOD, to successfully leverage innovation in cybersecurity.

17 I should point out that Palo Alto Networks collaborates
18 extensively with key stakeholders across the U.S. Government
19 and internationally with like-minded governments in addition
20 to DOD. We believe being a good partner with the Federal
21 Government is critical to our mission of defending our way
22 of life in the digital age by preventing successful cyber
23 attacks.

24 Before I discuss innovation in the cybersecurity
25 industry, I want to point out two big challenges that I

1 think innovation must address.

2 The first is the adversary. We live in an environment
3 that overwhelmingly favors the attackers. As the cost of
4 computing continues to decline, adversaries are able to
5 conduct increasingly automated successful attacks at minimal
6 cost. The network defender is generally relying on legacy
7 security technologies that are often cobbled together as
8 point products that solve discrete problems but do not work
9 together well. This increases complexity and it creates a
10 dependence on people, often the least scalable resource in
11 an organization, and it requires the people to manually
12 defend against these automated, machine-generated attacks.
13 Network defenders are losing the cybersecurity battle
14 because they are bringing people to a software fight. It is
15 like bringing a knife to a gunfight.

16 The second challenge is that the world of technology
17 and the world of cybersecurity are moving in opposite
18 directions. Our digital world, IT, operational technology,
19 and even the Internet of Things, is getting simpler and
20 easier to use, more connected by design with automated
21 functions requiring fewer people to execute and overall more
22 convenient. On the other hand, the security world is
23 producing more products operating in individual silos not
24 interoperable with other security products and continuing to
25 rely on human decision-making and manual response, overall

1 creating a slower, less efficient, and more complex
2 environment.

3 To turn this around, the cybersecurity industry needs
4 to leverage the example of the smart phone and the
5 application experience. Some of your news, sports, finance,
6 weather, navigation, many other functions on your phone will
7 be made by Apple, Google, and others by third party vendors,
8 but all of them work seamlessly together. In the security
9 world, we are innovating to seamlessly integrate at at least
10 three levels: one, a platform that is the infrastructure
11 that automates capabilities everywhere behind the scenes;
12 number two, an open interface that allows any company to
13 build an app for security with deep technical partnerships
14 to ensure they integrate seamlessly; and finally,
15 organizations that are integrated through effective threat
16 intelligence sharing partnerships such as the Cyber Threat
17 Alliance.

18 Ultimately, innovations in the cybersecurity
19 marketplace all take advantage of automation, software, and
20 advanced analytics, such as machine learning, that are
21 designed to increase the scale and speed of identifying and
22 preventing most cyber threats. And this is how you bring
23 software to a software fight.

24 Lastly, how can DOD adopt these cybersecurity
25 innovations?

1 First, I would say DOD should review the requirements
2 for its cloud-based procurements to ensure that security is
3 considered comprehensively. Contracts must underscore the
4 shared responsibility between mission owners and cloud
5 service providers. To date, they weigh heavily on the
6 latter.

7 Second, DOD should expand and make greater use of real
8 world operational testing and evaluation programs for
9 security technologies rather than relying on static
10 checklists that require outdated technology.

11 And third, officials should consider how to take
12 advantage of the massive repository of threat intelligence
13 housed and shared by organizations such as the Cyber Threat
14 Alliance.

15 And finally, I would just add one comment that DOD
16 should consider how to create incentives for companies to
17 adopt best practices in areas like supply chain risk
18 management.

19 Chairman Rounds and Senator Gillibrand, thank you very
20 much for the opportunity to testify today, and I look
21 forward to taking your questions.

22 [The prepared statement of Mr. Davis follows:]

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1 Senator Rounds: Thank you, General Davis.

2 Mr. Landolf?

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1 STATEMENT OF FRANCIS LANDOLF, PRINCIPAL, CORE
2 CONSULTING, LLC

3 Mr. Landolf: Senator Rounds, Senator Gillibrand, thank
4 you for inviting me to testify before you today. My name is
5 Francis Landolf, and I had the privilege to serve in a 30-
6 year career at the National Security Agency.

7 It was during my tenure as an analyst and later as a
8 leader of the signal analysis and cryptanalysis missions at
9 NSA that the agency had to transition from Soviet-centric
10 proprietary analog communications to digital communications
11 and later the real transformation in communications, and
12 that is the transition from circuit switched communications
13 to commercial, standards-based packet switched communication
14 and convergence to the Internet.

15 Most missions in the government do not have such a
16 large number of technically savvy government employees
17 capable of developing software and systems as NSA. NSA,
18 though, uses contractors extensively in level of service-
19 based contracting mainly to augment the large government
20 workforce that leads and guides the development of new
21 systems and capabilities. That makes NSA technically adept,
22 but leads to problems in integrating commercially available
23 products that serve mission applications and are the product
24 of private sector innovation. I believe that cybersecurity
25 is one such situation.

1 It seems very clear to me that, for example, the \$7.7
2 billion in venture funding in 2017 for cyber represents an
3 enormous investment in innovation that would be impossible
4 for NSA to match. By building their own products and
5 performing cybersecurity functions without integrating
6 commercial cybersecurity products, the agency is not taking
7 advantage of that sizable investment in commercial
8 innovation in cybersecurity. Therefore, I believe that the
9 private sector is out-innovating the agency in many areas
10 and that pace is accelerating.

11 The Defense Department is directly affected. NSA has
12 long been rightly recognized as the center of expertise in
13 the U.S. Government in cyber. NSA's leadership played a
14 major role in persuading successive Presidents and
15 Secretaries of Defense to create and invest heavily in
16 military cyber command and the national importance of
17 cybersecurity. The nation is indebted to NSA for this vital
18 role as a catalyst.

19 However, unfortunately for too long, the Defense
20 Department assumed that NSA would provide the technology and
21 capabilities needed to secure the Department from cyber
22 attack. This led the DOD to overlook and neglect what the
23 commercial sector has been producing for the last 15 years
24 or so. Silicon Valley and other technological hotspots
25 around the country are continuously generating innovative

1 security solutions that the DOD fails to notice or procure
2 in a timely manner. The DOD lags behind the mature state of
3 the art in commercial technology.

4 Since retiring from government service, I have worked
5 in multiple capacities, helping new companies grow and
6 attempt to find government customers. I am now or have
7 served as an advisory board member for panels for the
8 National Security Agency, the Cyber Incubator for startups
9 at the University of Maryland Baltimore County, a nonprofit
10 technology group known as Mission Link in northern Virginia
11 that tries to help young companies do business with the
12 government, and Virginia Tech Hume Center in Arlington. I
13 have been a member of the technical advisory group for the
14 Senate Intelligence Committee and am a senior fellow and
15 member of the Board of Regents for the Potomac Institute for
16 Policy Studies.

17 I have observed as a rule that companies with exciting
18 new technical approaches in cybersecurity backed by
19 prestigious, savvy venture capital investors struggle to get
20 meetings with the Defense Department, much less a chance to
21 demonstrate their products and make sales. This is true
22 even when there appears to be genuine government interest.
23 The time and effort required to close a deal is too great
24 for small companies, especially where an equal amount of
25 exertion yields far more success in the financial services

1 or other commercial sectors.

2 Indeed, I have met with multiple venture capital firms
3 that actively steer their companies away from even trying to
4 market to the government. Savvy companies seeking
5 investment know to not use the DOD business as a likely
6 source of revenue during their fundraising pitch to
7 potential investors. I do not mean to pick on the DOD.
8 While NSA and DOD present unique challenges for the
9 cybersecurity industry in particular, but more generally for
10 small, new companies where much of the commercially based
11 innovation is taking place, there are plenty of generic
12 barriers to government acquisition of commercial solutions,
13 which I would be happy to discuss during the Q&A.

14 There are, however, some encouraging signs. DOD's
15 civilian leadership, now spanning two administrations, and
16 Congress now recognize the tremendous potential of
17 commercial technology to solve vexing problems not only in
18 cybersecurity but a host of new information technologies,
19 including Internet of Things, machine learning, analysis of
20 exascale data sets, and cloud computing. Congress and the
21 Pentagon are beginning to streamline and provide more
22 flexibility to acquisition processes, establishing outposts
23 such as DIUx, and create acquisition organizations with a
24 mandate to increase the pace of technological
25 experimentation, adoption, and fielding.

1 I have some ideas and recommendations for NSA and DOD
2 that could improve their approach and processes, which I
3 will outline here and can pursue in greater depth during the
4 Q&A.

5 I see that I am out of time. You have them in my
6 record. Thank you very much for the opportunity to present
7 to you, and I will conclude my testimony with an offer of my
8 assistance to the committee in any way that I can further
9 the goal of bringing innovative commercial cybersecurity
10 technology to bear on the safety of our nation's networks
11 and information. Thank you.

12 [The prepared statement of Mr. Landolf follows:]

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1 Senator Rounds: Thank you, Mr. Landolf.

2 Mr. Nielson?

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1 STATEMENT OF RONALD NIELSON, VICE PRESIDENT AND CHIEF
2 TECHNOLOGY OFFICER, PARSONS CORPORATION

3 Mr. Nielson: Yes, sir. Chairman Rounds, Senator
4 Gillibrand, thank you for the invitation and the opportunity
5 to testify today as a subject-matter expert concerning the
6 Department of Defense's cybersecurity acquisition processes
7 and practices.

8 From the private sector's perspective, but as well, I
9 served as a DOD civilian at the National Security Agency and
10 a member of our armed forces for 20 years.

11 To that end, I have been asked to discuss the
12 challenges and provide some recommendations regarding what
13 lessons can be learned from a program that I managed for a
14 lab called SharkSeer while it was actually led through the
15 National Security Agency and the Department of Defense.

16 Our nation's cybersecurity prowess is best measured as
17 an integration of people, processes, and technologies,
18 however. Our ability to succeed in this critical mission
19 area requires all three to function in unison across
20 government and indeed industry. I have been very fortunate
21 to assist the Department's cyber operations now for many
22 years.

23 Thank you for your support in this critical mission
24 area. And I'm going to cut it short, and I look forward to
25 answering your questions as they may arise.

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[The prepared statement of Mr. Nielson follows:]

1 Senator Rounds: Very good. Thank you very much.

2 Let me walk my way into this a little bit. As we have
3 learned more about the processes within the Department of
4 Defense, the DODIN itself, the system which protects and
5 which is the system in which we communicate within the
6 Department of Defense, it appeared to us -- and the research
7 that has been done -- that, number one, we have some areas
8 of the Department which are very well protected based upon
9 the capabilities, competency, manpower, and so forth that
10 individual locations or programs have. Others have, to a
11 lesser degree, a protection, an overall umbrella protection,
12 but not necessarily to the degree that others have. The
13 expertise found in some areas is not necessarily shared
14 across the entire Department.

15 And at the same time, it seems as though we have this
16 challenge always, regardless of whether we are talking about
17 new systems, weapon systems, infrastructure. We have this
18 process or a series of processes in place that we pursue to
19 acquire these products. And software, the capabilities to
20 protect our systems, are bound up in this same acquisitions
21 process that folks talk about.

22 I am just curious. It seems to me that that leads in
23 many cases for the Department to find a way to organically
24 develop some of their own protections and their own systems.

25 Mr. Alperovitch, you indicated that you believe in the

1 1-10-60 process. How often is your company capable or would
2 you say that your company is in compliance with your goal of
3 meeting that approach of finding it within a minute,
4 investigating within 10 minutes, and actually repairing or
5 finding the fix within 60 minutes and throwing them out
6 within 60 minutes? How often are you in compliance with
7 that goal?

8 Mr. Alperovitch: Thank you, Chairman.

9 Very often. That number is an average target. So
10 there are certainly outliers with some of the more
11 sophisticated adversaries. But the goal is speed and how do
12 you quickly detect them, how do you quickly investigate that
13 detection and eject them. And ejection sometimes is the
14 hardest thing because oftentimes you have to coordinate with
15 the end user. You have to find who is the asset owner. You
16 cannot just turn things off willy-nilly and not expect to
17 have a performance issue. So that is the reason why it
18 takes the longest. But at detection, we are excellent at
19 identifying, on an almost daily basis, Russians, Chinese,
20 Iranians, North Koreans, as well as criminal groups
21 targeting those networks. So it is absolutely doable.

22 But the key thing I think I would say is the best
23 technologies in the world are not going to solve the problem
24 if you do not have hunting processes where you marry the
25 technology with the people that are thinking like an

1 adversary. They have an offensive mindset. They are saying
2 if I were in this network, where would I hide. How would I
3 move around, what would I try to accomplish, and then
4 looking for those indicators because the reality is some of
5 these adversaries are going to get in and if you are dealing
6 with a foreign intelligence service or military service, as
7 the DOD is doing routinely, you also have to assume that
8 they are using human assets that are already inside that are
9 helping them achieve those objectives. So we have to start
10 with the assumption they are on the inside. There is no
11 perfect security. How do we find them quickly and eject
12 them? And it is absolutely doable.

13 Senator Rounds: So are you doing this with manpower?
14 It sounds like you are doing it with machine power.

15 Mr. Alperovitch: We are using both. We are using
16 artificial intelligence, but we are also using people. And
17 you can use the technology to help people scale. So as I
18 mentioned, we protect millions of machines around the world
19 with 20 people. So it is absolutely a scalable problem.
20 They can focus on finding new things that have never been
21 seen before. Once they do that, you can have the machine
22 look for that so that the humans are not occupied with that
23 process.

24 Senator Rounds: Did you do this with organically
25 developed systems or did you go outside of your organization

1 to find this system that is working for you?

2 Mr. Alperovitch: We developed this organically as we
3 built the company. But a lot of the people that we have
4 brought in have come from the National Security Agency, have
5 come from the Department of Defense. We think that it is
6 really helpful to have people that have an offensive mindset
7 that perhaps have done offensive work for the government and
8 can think like an attacker and find those attackers on our
9 customer networks.

10 Senator Rounds: Thank you.

11 Mr. Davis, you have worked within the organization,
12 within the DODIN. You are outside of it now. Is the
13 Department of Defense capable with the existing public
14 policy restrictions in place today -- are we actually
15 capable of creating or going outside and pursuing this, or
16 do we have to continue to look inside organically to get the
17 types of results that we are finding within CrowdStrike?

18 Mr. Davis: Thank you for the question, Chairman
19 Rounds.

20 I think it is a combination. For me, I believe that I
21 am very optimistic about the ability of the Department to
22 better leverage machines and software to do what machines
23 and software do better than people. I agree that it is
24 always a combination of people, processes, technologies, and
25 policies. That is a comprehensive way to approach this

1 problem, and you need all of those elements.

2 But I do not believe we are leveraging the technology
3 today. I do not believe the Department is leveraging the
4 technology today in ways that enable the machines to do what
5 machines do better than people. And save your people for
6 only those things that people can do better than machines,
7 at least they can still do better today.

8 I would look at it this way. Leveraging security
9 technology, automated security technology, helps you wipe a
10 lot of the noise from the radar because a lot of the noise
11 is not sophisticated nation states. A lot of it is criminal
12 actors and activists and all kinds of organizations. And by
13 the way, I believe many of those nation states that my
14 colleague mentioned leverage all those surrogates, criminal
15 organizations, surrogates, research organizations to do
16 their bidding. So what is coming at the Department is a lot
17 of noise. And by leveraging machines and software to clear
18 that radar off, you can get a better bang for your buck with
19 your people, and those high skills that are required to do
20 effective things like detection, response, remediation,
21 resilience, those type of things.

22 And I do believe that a partnership between DOD where
23 DOD can build and bring some of that to the fight internally
24 and DOD can leverage other things that the commercial sector
25 maybe can do better than DOD. I think that that partnership

1 is the answer.

2 Senator Rounds: Thank you.

3 Senator Gillibrand?

4 Senator Gillibrand: Thank you, Mr. Chairman.

5 Mr. Alperovitch, over the coming years, more systems
6 within the Department of Defense, as well as the broader
7 society will be incorporated into the Internet of Things.
8 This growing number of devices and their increased
9 interconnectivity creates a new cybersecurity challenge.

10 How can the Department of Defense best secure the
11 communication between devices within the Internet of Things
12 and how can the supply chain be secured in a cost-effective
13 manner?

14 Related, how can security requirements driven by DOD
15 best proliferate into the broader market where attacks on
16 items the general public uses could create large-scale
17 destruction in society?

18 Mr. Alperovitch: Thank you, Senator Gillibrand.

19 You are absolutely right that IOT, Internet of Things,
20 presents an enormous challenge to industry and to the
21 Department. The biggest problem we face with IOT devices is
22 their lifespan. Once those devices leave the factory floor
23 and get incorporated into systems, it is typically 12 to 18
24 months until the manufacturer forgets all about them and
25 stops updating them and move on to the new version. And

1 security vulnerabilities found afterwards are no longer
2 fixed by those manufacturers.

3 So that is a challenge that I think we need to think
4 about from a regulatory perspective perhaps of how do you
5 make sure that once a device is shipped, people do not just
6 forget about it, particularly devices as is the case with a
7 lot of these Internet of Things systems that interface with
8 the physical world and can actually impact physical systems
9 beyond just IT. So it is a very critical issue.

10 But I would say, generally speaking, we have to start
11 with an assumption that any device is hackable. There is no
12 perfect security, and adversaries will find their way in.
13 That is why I believe it is so important to focus on finding
14 them quickly, hunting for them, and ejecting them.

15 Thank you.

16 Senator Gillibrand: General Davis, your testimony
17 talks about the need to bring software to a software fight
18 and do so strategically and swiftly, as swiftly as the
19 threat moves, using the DevSecOps model.

20 How does DOD procurement need to change to achieve
21 this? Is there additional legislative authority or
22 requirements that you recommend to achieve this? Also, if
23 DOD is to leverage more of the commercial model, does it
24 ensure that the hardware is not tainted by foreign
25 components and it is not exported to adversary nations, both

1 issues that are hard to tackle with the global nature of
2 technology? And can we do this more efficiently with a
3 single acquisition force across DOD instead of reinventing
4 the same capabilities in each of the services?

5 Mr. Davis: Thank you for the question, Senator
6 Gillibrand.

7 It is a tough question and there are two parts to it.

8 I believe that on the supply chain issue, we know a lot
9 about cyber threats. We know how they operate. We know the
10 attack process. It is called the lifecycle, the kill chain.
11 I think Lockheed Martin trademarked that term. But we know
12 the steps that any actor or organization uses in order to
13 achieve an outcome regardless of what type they are. Even
14 supply chain threats, things that are embedded into the
15 infrastructure that may be used for whatever purpose -- that
16 threat is usually not at the location it needs to be
17 successful, and it has still got to crawl through that
18 process in order to achieve some type of an outcome.
19 Usually there is some sort of a control channel that is
20 opened up. There is lateral movement. There may be
21 escalation of privileged access. These things are
22 detectable.

23 So from my company's perspective, we believe in this
24 comprehensive view that you need to have consistent
25 visibility and protections across all those different types

1 of environments because different parts of the kill chain
2 occur in different parts of your environment, some at the
3 perimeter, some in your data centers, some at your
4 endpoints, including IOT devices, some in the cloud, now
5 that everything is moving to the cloud.

6 What the cybersecurity industry has done over history
7 is they have built discrete solutions to look through a soda
8 straw at different parts of that environment, and that makes
9 it very difficult for a defender to be able to pull all that
10 together and see what is happening to identify a threat,
11 attack sequence in process. If you take a comprehensive
12 view of that, even supply chain threats, even insider
13 threats are visible if you are looking at the entire attack
14 process. And that gives you the ability to apply visibility
15 and protections across that process in order to stop a
16 threat before it achieves a successful outcome.

17 Senator Gillibrand: Thank you, Mr. Chairman.

18 Senator Rounds: Thank you.

19 Senator Blumenthal?

20 Senator Blumenthal: Thank you, Mr. Chairman.

21 Mr. Alperovitch, I was intrigued by your analogy to the
22 SEALs getting in through locks and then having to hunt them
23 down and the inevitability -- I am not sure you used that
24 word, but the unavailability of some intrusions taking place
25 as long as there are human beings involved because they

1 create the openings for adversaries to infiltrate our
2 systems.

3 So my question is whether the focus now on cyber
4 hygiene is inhibiting the hunting objective and whether you
5 would -- and maybe this is a question for the other
6 panelists as well -- whether you agree with this theory
7 whether the two are somewhat mutually exclusive in terms of
8 resources and effort or whether in fact they can be combined
9 because you would argue, to take the analogy of break-ins,
10 it is not a bad thing to have a burglar arm because at the
11 very least, it will alert people that you are going to --
12 that there is a break-in. But then you have to hunt them
13 down. You cannot prevent SEALs from getting in, but the
14 hygiene part of it might -- in other words, having an alarm
15 -- might enable better detection.

16 Mr. Alperovitch: No. Absolutely. Thank you, Senator
17 Blumenthal.

18 I would like to clarify because I do believe hygiene is
19 important, just like locks on the doors are important. It
20 is not enough. And the challenge that I see in the
21 Department today is 90-plus percent of the effort is focused
22 on hygiene when hygiene is not going to stop the PLA. It is
23 not going to stop Russian military intelligence. And I
24 would argue that is the primary threat the Department faces
25 in terms of the enemies that are trying to steal our secrets

1 or degrade our warfighting capabilities. So there needs to
2 be a balance, and I would argue our primary focus right now
3 should be on finding those actors, getting them out of the
4 network quickly. Then you can start rebuilding and building
5 on hygiene methods. It is just the priorities are inverted
6 today.

7 Senator Blumenthal: Let me ask the other panelists.
8 Do you agree that, as a matter of fact, 95 percent of the
9 resources are on hygiene and there has to be a better
10 balance between hygiene and hunting so to speak? General
11 Davis?

12 Mr. Davis: Thank you, Senator Blumenthal.

13 I believe that basics matter. In my experience in the
14 last 10 years of my service, there was not a single major
15 cyber incident that was not totally preventable by basic
16 standards and discipline. Not a single one. That
17 information may be a little bit dated, but I do believe
18 basic standards and discipline can make it much more
19 difficult because even though -- nation states do have
20 sophisticated capabilities, but in my experience -- and I
21 can tell you this even from a U.S. perspective when I served
22 -- you do not necessarily use your most sophisticated
23 capabilities all the time. You use what works, and usually
24 what works is waiting for somebody to make a mistake and
25 being patient. And people make lots of mistakes,

1 unfortunately.

2 So I do think that the human behavior side of this,
3 standards and discipline, is very important, but it is, I
4 would say, necessary but insufficient. You still need
5 technology. You still need processes in place. You need a
6 comprehensive system, but you cannot just give away the
7 basics. The basics matter.

8 Mr. Landolf: That was my line. The hygiene is
9 necessary but not sufficient.

10 One area in which the commercial sector outpaces the
11 government sector is the automation of the hygiene. And if
12 there are a lot of resources being applied to hygiene, it is
13 because we have not kept up with the commercially available
14 processes and technology that perform these hygiene
15 functions in an automated fashion.

16 Senator Blumenthal: Mr. Nielson?

17 Mr. Nielson: Senator Blumenthal, the other panelists
18 have said things well. An analogy would be we would not
19 probably send our tanks into combat without preventative
20 maintenance checks and services. We would do what we think
21 to put it into an operational state and to maintain it
22 there.

23 From the Department today, is it skewed? Possibly so.
24 I believe Senator Gillibrand made a comment earlier that we
25 really cannot paint the Department with a single brush

1 either. Some portions of the Department may actually be
2 better prepared or be more active in hunting or defensive
3 capabilities than others.

4 I call attention to something very simplistic I
5 thought, very productive for the Department was the
6 acquisition of Windows 10. As a software acquisition for
7 the enterprise, I think that was a very smart move. It
8 provided hygiene. It provided a lot of capability, a more
9 secure platform, and it kind of changed our way of looking
10 at the endpoints from a security perspective. So less room
11 for the adversary to roam, less tools for them to employ
12 against us.

13 So I do not think it is a one size fits all. I would
14 like to see some more active cyber defense, the hunting. We
15 used to call it pursuit operations.

16 But another aspect was also brought up. I think
17 Chairman Rounds had mentioned it. Hygiene is not just
18 hygiene. It is architecture. And when we actually
19 construct systems of communication that are inherently not
20 safe, we actually induce or employ other avenues for the
21 adversary to take advantage of. So I do not know that
22 architecture and design, proper design and implementation of
23 technology is necessarily hygiene. I think it has to have a
24 consideration. We would want to start with a defensible
25 terrain if we were to choose a terrain on a map, and we need

1 to consider that when we choose the terrain in cyber as
2 well.

3 Senator Blumenthal: I have one more question, Mr.
4 Chairman, if I may.

5 Mr. Alperovitch, we have heard about how difficult
6 attribution is. When the DNC was hacked, CrowdStrike I
7 believe was able to pin responsibility for the hacking on
8 the Russian government virtually from the time it was first
9 disclosed. What was it that enabled you to do it? And are
10 there any broader lessons that can be discerned from that
11 action?

12 Mr. Alperovitch: Thank you, Senator.

13 I would say that attribution is actually getting easier
14 and easier in cyberspace. In fact, most of the major
15 attacks that we have seen over the last 30 years have been
16 attributed and certainly have been attributed by the
17 government. The government, of course, has phenomenal
18 capabilities in terms of intercepting phone calls and
19 listening in on intentions of foreign leaders beyond just
20 technical attribution.

21 But even on the technical side, we are seeing private
22 sector companies being able to do better attribution
23 because, frankly, they are engaging with the enemy on a
24 daily basis. It is not that this was the first time we had
25 ever sent that group before. We had seen them many times

1 over the course of many years. So as you have more and more
2 exposure to them, as you engage with them on a regular
3 basis, you tend to find more and more about them in every
4 engagement. After all, humans make mistakes and they do
5 make mistakes. And when you see thousands of operations
6 over a course of decades, you can collate that information
7 and get a very good view on who they may be.

8 Senator Blumenthal: I think this point is important
9 because, to put it very simplistically, one of the
10 objections to retaliatory or deterrent measures in the cyber
11 domain that I have heard expressed is the difficulty of,
12 quote/unquote, attribution. So how can you attack back if
13 you cannot attribute with some degree of certainty and
14 publicly disclosable certainty who the enemy is that
15 attacked?

16 So I take it from your answer that attribution is not
17 only becoming -- I think you used the word "easier," but
18 also more reliable. And therefore, one of the obstacles to
19 a more efficient deterrent mechanism in this space would
20 seem to be eliminated.

21 Mr. Alperovitch: That is right. And I would point
22 you, Senator, at the Justice Department's actions over the
23 last literally 6 months where they have indicted Chinese
24 hackers, North Korean hackers, Russian hackers. So the
25 government certainly has great visibility not just in the

1 countries that are doing this but the individual people and
2 the military or intelligence agencies that are working with
3 them. So I do believe that on major national-level attacks,
4 the government certainly has a lot of capabilities in this
5 space and are usually very certain.

6 Senator Blumenthal: Thank you.

7 Senator Rounds: Thank you.

8 Gentlemen, this is too good of an opportunity for us
9 not to pursue this a little bit farther. So I want to
10 continue on just a little bit.

11 I am curious. In your experience in dealing with the
12 Department, there are times in which contractors are
13 hesitant to talk about challenging issues within the
14 Department because the Department can watch in open session
15 and see who is complaining about their processes. But I
16 would suspect that the Department also has frustrations with
17 those same processes that have, in many cases, been created
18 by Congress in the first place. And if we are ever going to
19 fix them, we have got to have an open dialogue about what
20 they are. And so what I am going to ask you to do is to go
21 out on a limb here a little bit and trust us in that we are
22 trying to get to the bottom of public policy changes that
23 need to be made in order to improve the process in which
24 private companies at the appropriate time can participate in
25 these contracts on a simplified basis.

1 What I would like to know is, from each of you, if you
2 could, in your own experiences, what is perhaps the most
3 challenging or aggravating factors inhibiting cybersecurity
4 acquisition processes today. And I am not doing this to be
5 critical of individuals within the Department but rather of
6 the processes that they have to participate in as well. Can
7 you share with us? And I am just going to go right down the
8 line, and Mr. Nielson, you are first up this time. Share
9 with us what you think are some of the perhaps most
10 frustrating things that you would love an opportunity to see
11 us change and might very well be within our purview to do.

12 Mr. Nielson: Well, Chairman Rounds, thank you for
13 calling on me first for this one, I think.

14 So I will speak from my time while in service in the
15 government. Even then, I was frustrated at times because
16 the rule was if you give the government a chance to say no,
17 then they will. Risk aversion due to legislature, policy,
18 controls.

19 The requirement to take a commercial technology and add
20 it to a government network comes fraught with all kinds of
21 compliance issues, certification, processes that take
22 hundreds of thousands of dollars at times to bring a product
23 to bear, just to test it.

24 As has been said earlier by some on the panel, it is a
25 difficult and daunting task if you are not a large,

1 successful cybersecurity firm today. If you were a smaller
2 firm, you would not even be able to approach. So you would
3 move away.

4 Risk aversion and the lack of understanding. I think
5 this is something we could probably do something to fix.
6 Many, I feel in the government -- or let us just say some --
7 would take a position to be risk averse in acquiring
8 technology or look at a regulation and say, well, maybe this
9 will be challenged. Maybe there will be a protest, or maybe
10 we have to go through our acquisition processes for a fair
11 and open competitive engagement, which may take us 2 to 3
12 years. And those are all reasons to say no. So to engage
13 or to start a process of acquiring a commercial technology
14 and testing it in your enterprise could be very daunting.
15 It could be very time consuming with no progress or no --
16 something achievable or accountable that they can look
17 towards.

18 So I think if we look at things differently, I think
19 the Department and even the White House has put together a
20 paper in cyber about high-value assets. And so my tenor
21 there would be if we know what our assets are exceptionally
22 valued in the DOD or the Department, maybe we could find
23 test grounds or test beds for JCTDs, joint capability test
24 and demonstrations, where the rigor of compliance could
25 possibly be given an easier path where we could take these

1 technologies maybe through OTAs or BAAs and bring in
2 technology and integrate it into an operational state.

3 But the true test of commercial success in the
4 Department is not a lab test. It is not what it has done or
5 a SLC sheet or a meeting at RSA. It is done when you can
6 implement the technology in the environment with which we
7 have to defend, and that is a very difficult path. I think
8 we could find a method or an organization or an entity to
9 take some responsibility for rapidly prototyping or rapidly
10 integrating and assist commercial technology firms with the
11 ability to get that product semi-certified or certified with
12 reservations or controls. Try to find a more rapid way.

13 I think we have talked about the time of 1, 10, and 60,
14 and I like that.

15 But 3 years is far too long to take a piece of emergent
16 technology and try to test it. Just test it. And if it is
17 successful, it might take 3 more years to acquire it. And
18 in 6 years after it was emergent, after 6 years of potential
19 benefit, we are still struggling to see that technology
20 demonstrated in our environment that brings the great
21 success to us, I think we have to challenge that. We have
22 to say there must be a better way to take these technology
23 components and really demonstrate their value and accept
24 risk. I do not want to be flippant, but I think we should
25 accept risk and let our workforce and our leaders know we

1 take risks every day, that in cyber we are going to have to
2 take some risks, measured, professional risks, in order to
3 adopt commercial technology quickly.

4 Senator Rounds: Thank you.

5 Mr. Landolf, same question.

6 Mr. Landolf: I will address the small, innovative
7 startup community. And essentially for them to make a sale
8 into the Department, it is really three sales. They first
9 have the roadblock of finding the mission owner with the
10 problem that their technology potentially addresses. So
11 given that they found that person, that mission owner, the
12 second problem is they have to go with that mission owner
13 and find somebody in the enterprise with the money. And
14 once they find the person with the money and convince them
15 that this is a good thing for the Department, a good thing
16 for the mission, the third sale they have to make is to the
17 person that owns the contract vehicle, and that is normally
18 a large company which has absolutely no incentive whatsoever
19 to sell a product to the government which is not one that
20 they have made. And they are much more incentivized to make
21 a product that serves that function that the small company
22 is trying to sell into the government than it is to find a
23 way to get that product into the government.

24 So one of the solutions to that I think is to have
25 contract vehicles in which the government can deal directly

1 with the small companies whereby the company does not have
2 to go through the owner of a large contract vehicle, that
3 they can deal directly with the mission owner, they can come
4 and contract directly with the mission owner, or there is
5 money already allocated for the procurement of products from
6 small, innovative companies.

7 Senator Rounds: Thank you.

8 Mr. Davis?

9 Mr. Davis: Yes. Thank you, Chairman Rounds.

10 I have two thoughts on this. One deals with increasing
11 the speed at which we can buy things and put them in the
12 hands of mission owners. In my experience, the procurement
13 community and the mission owner community are driven by
14 different objectives and there are stovepipes between them.
15 And we have a procurement process that is largely legacy and
16 Industrial Age and cannot keep up, cannot keep up with the
17 speed at which these requirements are changing in both the
18 technology environment, as well as the threat environment.
19 So it makes it very difficult.

20 One of the things that we have seen DOD do to address
21 this issue is the idea of operational test and evaluation.
22 And this is to shorten the cycle at which you get the best
23 capabilities and tools into the hands of the operators with
24 a risk assessment. You are not trying to be perfect with
25 risk. You are trying to manage risk. But get it into the

1 hands of the operator so that they can leverage the best
2 available technology today rather than waiting for that
3 longer cycle to build the perfect. So I think that is one
4 aspect of doing this.

5 In the commercial world, that is called the DevSecOps
6 model, software development, operations, security all
7 cycling together in much shorter parallel processes rather
8 than a sequential series of things that takes a much longer
9 amount of time.

10 The other idea that comes to mind is finding out ways
11 for both procurement officials and for mission owners to
12 leverage the tremendous amount of cyber threat intelligence
13 telemetry that is available out there in commercial
14 organizations. I mentioned the Cyber Threat Alliance as
15 one. This is over 20 cybersecurity companies, all
16 competitors, that have agreed to share information, cyber
17 threat intelligence, every day so that basically whatever
18 one of those companies sees around the world, that
19 information is brought in, and then all companies are able
20 to essentially immunize their client base based on what
21 anyone sees. It gives you an over-the-horizon capability.

22 I think we should be asking DOD officials in both
23 procurement and mission owner arenas -- they should be
24 asking if the companies that want to do business with them,
25 the cybersecurity companies that want to do business with

1 them, if they are not in the Cyber Threat Alliance or an
2 organization like it, why not.

3 So I think those are two ways that I think you could
4 address both the speed and the scale at which we are
5 currently seeing challenges.

6 Senator Rounds: Thank you.

7 Mr. Alperovitch, you have the toughest job being at the
8 end of the line this time.

9 Mr. Alperovitch: Indeed, it is.

10 But, Mr. Chairman, I would say the landscape today is
11 very different from where it was 15 years ago. I would
12 argue 15 years ago, the Department, National Security Agency
13 were far ahead of the private sector because they were
14 actually the ones that were engaged with these sophisticated
15 threat actors and the private sector at that time was not.
16 Nowadays, the situation is very different. The private
17 sector is facing the same threat actors. They are seeing
18 them even more regularly. And I would say they have come up
19 with some of the more advanced and forward-leaning
20 technologies to combat this threat than the Department has
21 implemented. And as a result, I would offer three thoughts.

22 One, let us not reinvent the wheel. Let us leverage
23 what the private sector is doing successfully to combat
24 these very same threat actors and organizations out there,
25 research organizations like Gartner and Forrester that

1 regularly evaluate those types of solutions, put together
2 regular rankings for vendors and technologies that are good
3 at various aspects of combating the threat. So the
4 Department should do more to leverage that as opposed to try
5 to reevaluate what the private sector has already learned.

6 Secondly, I would echo the comments of my panelists,
7 shortening the acquisition time frames. If it takes you 3
8 years to figure out if the technology is good enough, it is
9 probably already obsolete by the time you deploy it.

10 And third, I would say that, again echoing General
11 Davis' comments, a much more realistic testing environment,
12 real-world testing environment is essential in figuring out
13 that the solution is going to work, not just that it is
14 going to be effective at stopping threats but also that it
15 is not going to break any mission-critical systems, which is
16 an important category of testing that needs to be done. So
17 I would just say that similarly to weapon systems that need
18 to be tested in combat in combat-like scenarios before we
19 deploy them and call them mission-ready, we need to do the
20 same thing for cybersecurity technologies, and that is not
21 happening, by and large, in the Department today.

22 Thank you.

23 Senator Rounds: Thank you.

24 Senator Blumenthal, did you want to --

25 Senator Blumenthal: Yes. I just have a couple more

1 questions.

2 I wonder whether the panel would have a view -- we have
3 been talking mainly I think about hardware and the
4 technology. What I have heard is that there is a shortage
5 of trained personnel and that the Department of Defense
6 sometimes has a difficult time attracting the kinds of
7 people because of possibly the culture or the pay. When I
8 say culture, I mean -- I do not want to name names, but the
9 military personnel have said to me, you know, when we go out
10 and recruit people, they do not have the culture or the
11 background or the mindset -- I do not know how you want to
12 describe it. But the military to them is not a place where
13 they necessarily feel at home. And I can say this, having
14 four children, two of whom have served, and they have done
15 extraordinarily well while they were in and since leaving.
16 But not every one of their friends would fit into the Navy
17 or the Marine Corps where they served.

18 This is kind of a longwinded way of asking a question.
19 I do not know whether there is an answer to it that you
20 would be willing to offer.

21 Mr. Alperovitch: Senator, I would offer a slightly
22 different perspective because, as I mentioned in my opening
23 statement, at CrowdStrike we have phenomenal people. Many
24 of them have come from the Department of Defense. And in my
25 interactions with the National Security Agency, with parts

1 of the military -- in fact, General Davis and I were at an
2 event this morning that was put up by the Army Cyber
3 Institute -- phenomenal, cadets from West Point, Naval
4 Academy -- they are studying cybersecurity, really amazing
5 talent that you face in the Department.

6 So I do not know that it is necessarily a talent
7 shortage. I would argue maybe the priorities are not right,
8 and we are not focusing them on the right things. But these
9 people are phenomenal. We have many of them that are still
10 in the Reserve and go back regularly for active duty in
11 cyber missions. So I think the people are phenomenal there.

12 Senator Blumenthal: General?

13 Mr. Davis: Senator, that is a great question, and I
14 could talk for hours about a bunch of different aspects of
15 that. But let me offer you a couple of thoughts.

16 One, on the people side, from my previous experience, I
17 do think we have to look at innovative ways of attracting
18 the right kind of talent into the military. But I still
19 believe, because what military people are doing in cyber
20 operations, it is such a potentially sensitive area that you
21 want people who understand the chain of command. You want
22 people who are disciplined. You want people who are
23 precise. The standards maybe need to be adjusted in some
24 aspects, but in other aspects, I believe it is so important
25 because things can get out of control and you do not want

1 that happening. You want control over what your military is
2 doing in the cyber realm.

3 Another aspect of people is the aspect of training,
4 education, awareness certifications. I know that there are
5 many different organizations. My company has invested in
6 many nonprofit things to try to help the overall ecosystem,
7 including the military in terms of education, awareness, et
8 cetera. We host an annual event for the joint service
9 academies, the Army, Navy, Air Force, and the Coast Guard
10 service academies, Joint Service Academies Cyber Summit
11 every year, to bring former graduates who are out in
12 industry back together with military, government officials,
13 and the academies to look at how do we improve the type of
14 talent that we are bringing into the military and how do we
15 leverage it in the commercial space.

16 And even things like with the Girl Scouts. We partner
17 with the Girl Scouts to create 18 cybersecurity badges, K
18 through 12 over the course of the next several years. The
19 first batch of six of them came out last summer. That is to
20 get at the aspect of women in this field who we need. We
21 are very under-represented in women and other under-
22 represented minorities, and if we have such a personnel gap,
23 how are we ever going to get at that if we are excluding so
24 much of our population? So efforts to try to increase that
25 I think are very, very important.

1 My final comment would be despite all of those efforts,
2 we are never going to have enough people to solve this
3 problem. And that to me is why it is so important to
4 leverage technology and machines to do what machines can do
5 better than people. Hunting is such an important skill, but
6 in order to reduce the scope of what you are actually
7 hunting on your network, if you have a machine learning
8 capability like we do that can go through a software-based
9 ability to identify suspicious behavior in a network and
10 automatically turn that into protection mechanisms to the
11 tune of 1.6 million every week, that helps your hunting
12 capability focus in on the really sophisticated stuff. And
13 like I mentioned before, it helps you clear the noise off of
14 the radar screen so you can use your people more
15 effectively.

16 So I could talk for hours about this aspect of it, but
17 I think those are three things that come to mind.

18 Mr. Landolf: Senator Blumenthal, that is an
19 extraordinary question. And I agree with you. This is a
20 very, very major problem. And I wish my answer could give
21 you a very easy problem to work on. But my answer is that
22 the government has to find a way to shorten the security
23 clearance process. I would venture to bet that we lose more
24 than 50 percent of people who would be willing to come and
25 work in the government on these problems to the fact that it

1 takes up to a year to get them cleared. And the people that
2 we really want are going to be getting offers from well
3 known names in the industry during that period of time that
4 are too great a temptation for them to pass up.

5 The major attraction that we have, if we think about
6 the research that has been done on what motivates the people
7 that we want to work in this area, it is autonomy, mastery,
8 and purpose. Many companies give the autonomy and mastery,
9 but the government gives a purpose, a very, very noble
10 purpose for one's work and one's labor. And we have to
11 capitalize on that and shorten the process required to bring
12 these good people on board.

13 Senator Blumenthal: Thank you.

14 Mr. Nielson: Senator Blumenthal, I appreciate the
15 question. I guess I will try to offer something maybe as a
16 variant.

17 I worked on the SharkSeer program for the Department.
18 At the time we began the program as an enterprise capability
19 for the DOD, that mission was probably 500 or 1,000 or more
20 people working in that mission space, in that arena,
21 analysts and on-net operators, those kinds of people. It
22 was not really just solely technology. And I am sure you
23 have heard maybe in the past some buzzwords like
24 "orchestration." We have heard about "DevSecOps." But the
25 development of a security operation is not necessarily a

1 piece of software. It is an orchestration event. It is
2 automate the processing of movement of data from one part of
3 our collection process into an activity process or an action
4 or reaction process.

5 I was really proud to say just back in August that that
6 SharkSeer program had detected and mitigated over 2 billion
7 unique events in a month, in a 31-day period of time. And
8 these are things that had eluded or evaded other systems
9 within the DOD. But it did that with a handful of people.

10 So in the commercial sector, I work at a wonderful
11 company that I enjoy, Parsons. We have a labor shortage.
12 And we understand and we try to employ ways to entice
13 employees with culture and incentive and opportunity just as
14 the government does. But at some point in time, again with
15 the acquisition of commercial technology, we might be able
16 to instrument 80 percent of the mission, as the General has
17 stated, and then have only 20 percent remaining. We may be
18 much more fast. We may be able to actually apply
19 mitigations, but in SharkSeer, it is done in microseconds
20 without a human. And at time and culture, we will accept
21 the machine doing.

22 I remember a long story. Maybe it is not relevant. It
23 was to me because I hated it. I was in the Army. And we
24 had to be our own gate guards. We had to mow the grass. At
25 some point in time, the DOD decided that their soldiers

1 needed to focus on warfighting and not mowing grass. And we
2 stopped.

3 That may be a trivial allied story to what we are
4 facing today, but I think you can have applied machine
5 learning. You can have orchestration and automation in the
6 network. So it is not a point solution. It is how do we
7 prosecute the fight and let technology take over that
8 portion of the mission, one that it is exceptional at. It
9 does, in fact, finger mistakes like we tend to. So there is
10 an application. I think we could look to replace some of
11 our functions, some of the data volume.

12 Again, an older story. I remember talking to analysts
13 when I was building SharkSeer, and I said, what data do you
14 need to prosecute your mission? I thought that was a very
15 simple question. But the response was, all of it. Well,
16 all of it would have cost a fortune. It would have cost a
17 fortune to move it. And so I countered, well, what pieces
18 of the all of it are you going to actually use to come up
19 with a substantive, meaningful, actionable response? And
20 they did not know.

21 So I think we can apply some of this high speed -- I
22 was at the Naval Academy yesterday. There are quality,
23 high-speed folks that know what they want to do. Just
24 empower them with using technology to solve pieces of the
25 puzzle. And I think we could do that.

1 The clearance process is daunting. You asked, Senator
2 Rounds, what we could do in some ways. Consider this. I
3 got a clearance in 1983 I think, and I have held it proudly
4 since. But that acquisition process takes a long time to
5 acquire a clearance. There are aspects or facets of the
6 Department of Defense that handle no classified information
7 whatsoever. And in the military, we used to do train the
8 trainer. Maybe we can onboard some of this talent from the
9 commercial space and let them work in less classified, less
10 sensitive mission areas while they are being paid and they
11 are developing or honing their skills and then advance them
12 and mature them into highly classified or more classified
13 areas, which by definition would be a smaller place that we
14 would have to serve and less personnel. But I do think
15 there is something that could be done to accept personnel of
16 caliber, high-tech folks.

17 And lastly, I will just leave with a separate kind of
18 comment. I started on the offensive side a little bit. We
19 were not exactly the people that were compliant with
20 procedures and well documented with training. We were more
21 apt to find ways around things than to do things properly or
22 well documented. But it is high caliber talent.

23 So, again, I could challenge the Department to look at
24 ways to utilize unclassified, maybe sensitive but
25 unclassified environments to use commercial talent or to

1 bring and onboard personnel, and then mature them into more
2 sensitive and classified environments as the clearance
3 process adjudicates itself.

4 Thank you.

5 Senator Rounds: Thank you.

6 Senator Blumenthal: Thank you all very, very much.

7 Senator Rounds: I would like to take this opportunity
8 first to thank our members who have participated. I know
9 Senator Nelson could not be here, but Senator Gillibrand
10 filled in as ranking member. Senator Blumenthal, thank you
11 for your time today. Senator Fischer was here as well. I
12 would like to thank all of them for participating.

13 And I would really like to thank our panelists today
14 for the work that you have done and what you have shared
15 with us today. It is a small step, but as we move forward,
16 we want to modernize the way in which we do our acquisition
17 process within the cyber side at least, hopefully within the
18 Department of Defense's information network and to learn
19 from you what works and what does not work and to look at
20 best practices outside of the agency that we can bring in,
21 to look at some of the frustrations which you have
22 expressed.

23 And I think you have hit it on the head when it comes
24 to -- receiving a security clearance is not just within
25 those individuals working on cyber but across the entire

1 processes as we have geared up once again within the
2 Department of Defense and the challenges we have just in
3 terms of getting contractors who can get their manpower up
4 to speed. This is an area which is a bottleneck, and it is
5 one that needs to be addressed. And once again, you have
6 highlighted that.

7 I want to say, once again, thank you for your time,
8 your efforts. Thanks for participating in this today.

9 And at this point, unless there are other comments, we
10 will close the subcommittee hearing at this time.

11 [Whereupon, at 4:20 p.m., the hearing was adjourned.]

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