

Lumension acquires Securityworks

Frequently Asked Questions



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What is being announced?

Lumension, the global leader in operational endpoint security, today announced it is acquiring Securityworks, a Dallas, Texas-based provider of IT Governance, Risk and Compliance Management (GRC) solutions. Founded in 2003, Securityworks is a privately held company that specializes in delivering an end-to-end compliance and risk management solutions that enables organizations to dynamically identify and prioritize business risk based on predefined compliance and control references.

Why is Lumension acquiring Securityworks?

Organizations today face a unique set of business challenges – reduced IT resources, growth of regulatory and compliance requirements, increasing multi-faceted threats and a lack of enterprise-wide risk visibility and verification. What's more challenging is organizations are implementing several siloed technologies to address different risk areas, resulting in poor visibility across the enterprise IT environment and a disjointed, unmanageable approach to risk and compliance.

In response to these issues, organizations are increasing their investments in IT GRC-based technology. By integrating the IT compliance and risk management capabilities of Securityworks and Lumension's operational endpoint security solution portfolio, Lumension is positioned to deliver a comprehensive solution suite that enables organizations to improve their overall visibility and address risk and compliance complexities at a lower total cost of ownership. The combined solution will provide automated risk assessment, remediation, compliance and risk management.

How does the acquisition of Securityworks help Lumension's position in the market?

The acquisition of Securityworks' assets extends Lumension's award-winning operational endpoint security solution portfolio with end-to-end compliance and risk management capabilities. By integrating these capabilities, Lumension's comprehensive solution suite will enable organizations to immediately identify their business risks within the context of compliance regulations such as PCI, HIPAA, and Sarbanes Oxley.

Furthermore, the acquisition of Securityworks' technology will further extend Lumension's leadership across key vertical markets in Healthcare, Public Sector, Financial Services and Retail. This acquisition opens up a new market opportunity for Lumension, the IT-GRC Market, which is projected to grow to \$1.3 billion.

Tell me about Securityworks and its solutions.

Securityworks delivers automated compliance and risk management capabilities to companies in the retail, healthcare, financial and manufacturing industries. Securityworks' compliance and risk management solutions enable organizations to quickly model their unique risk profiles within their environments and then easily assess if they have appropriate controls implemented to manage such risk. Automated workflow management supports easy surveys and documentation of risk assessment and verification with extensive dashboard style reporting.

The addition of Securityworks expands Lumension's existing capabilities and enables customers to automatically identify key business interests and subjects as well as prioritize those interests against potential risk within the context of standardized compliance and control references. This capability coupled with the integration of the products will greatly increase visibility to the enterprise risk environment while enabling the focused deployment of IT resources to address the greatest areas of potential risk first. In addition, this integration into Lumension's product offering will bring more automation across the risk assessment and remediation processes, thus reducing the overall total cost of compliance for the enterprise. For more information on Securityworks, please visit www.security-works.com.

How will the acquisition help Lumension's customers?

Lumension's customers will enjoy an expanded solution offering in compliance and risk management in addition to Lumension's leading Vulnerability Management, Data and Endpoint Protection solutions. As the need to integrate IT security into enterprise-wide IT processes continues to grow, Lumension is uniquely positioned to deliver a comprehensive solution portfolio that reduces cost of compliance, enhances protection of vital information, and delivers efficient management of network risk.

Lumension's Risk and Compliance Management solution will allow enterprises to more efficiently and effectively:

- » **Identify Business Interests** – Identify and prioritize risk to business interests across all types of IT resources within the framework of predefined compliance and control regulations, best practices and automated workflows.
- » **Assess IT Risk** – Automatically assess IT network risks across vulnerabilities, configurations, applications and devices.
- » **Enable Risk Remediation** – Apply and confirm targeted remediation efforts across vulnerabilities, configurations, applications and devices while also establishing security policies across applications and devices, roles and groups.
- » **Ensure Compliance Management** – Measure and report on compliance across industry and governmental regulations as well as control best practices, enabling the organization to assess once and comply with many.

How will this acquisition help Lumension's partners?

The acquisition of Securityworks will bring new product capabilities and development into Lumension's solution portfolio, thus providing an expanded offering for Lumension channel partners to address their customers' growing needs.

When will the integration of Securityworks into Lumension's product suite be completed?

Upon acquisition, the existing Securityworks solution will be sold "as is" to any potential customer desiring the compliance and risk management capabilities of the Securityworks product. Within 120 days, Lumension expects to achieve its first phase of the integration into Lumension's current product portfolio.

This initial integration will provide a higher degree of automation across the risk assessment process as Lumension would be able to feed its vulnerability, configuration device and application scan data into a consolidated reporting view. This would then be used to identify potential risks against predefined compliance and control references such as Sarbanes Oxley, PCI, and HIPAA. Further phases of integration would focus on automating the risk remediation process as well as utilizing additional data feeds from other third party applications such as antivirus scan data, vulnerability assessment data, and other security perimeter data such as firewall control and port settings.

Are the Lumension and Securityworks products competitive with each other?

No. In fact, they are complementary. Securityworks brings a complete compliance and risk management offering that enables its users to use predefined compliance and control references to identify and prioritize business interests, and then prioritize these business interests against potential risks. Lumension delivers market-leading solutions that can automate the risk assessment and remediation functions. By integrating these capabilities, Lumension customers will achieve greater visibility across the enterprise while reducing the overall threat profile and cost of compliance.

How do Securityworks' products differ from the competition? Will they be more competitive as the result of this acquisition?

Securityworks delivers a very competitive compliance and risk management solution today. One of the key advantages of the Securityworks solution is that the software enables the usage of predefined compliance and control references to prioritize existing business interests/subjects for risk.

The combined Securityworks-Lumension integration will position the Lumension® Compliance and Risk Management solution as providing more automation of the risk assessment and remediation process. Lumension® Compliance and Risk Management will deliver powerful IT auditing and reporting capabilities through a comprehensive set of controls and the ability to attach detailed forensic data to satisfy audit evidence requirements.

As Lumension completes additional integration elements across their entire solution portfolio, Lumension will continue to execute on its Optimal Security Vision where they enable customers to optimize their IT resources and IT investment in addressing risk across people, processes, technology and information. The Securityworks solution will augment Lumension's technical capabilities to provide greater visibility into the risk profile of the entire enterprise.

Will Lumension and the Securityworks' products retain their current names after the acquisition?

Lumension will not continue its usage of the Securityworks brand or Visible Security product brand. Upon completion of the integration, Lumension will offer a new product module called Lumension® Risk Manager. The Lumension solution offering will be Lumension® Compliance and Risk Management.

How will this acquisition impact current Lumension and Securityworks customers?

Lumension expects no disruption to either customer base as a result of this acquisition. Going forward, Lumension's customers will benefit from an expanded Compliance and Risk Management solution offering to address their growing IT GRC requirements.

Securityworks customers will benefit from Lumension's additional development resources, commitment to the IT-GRC market, and expanded endpoint security solutions.

How are the Securityworks products distributed today? How will they be distributed, post-acquisition? What does this acquisition mean for current Lumension and Securityworks channel partners? Will the Lumension channel partners get to sell the full set of products?

Securityworks software solutions are sold direct today. As Lumension integrates the Securityworks capabilities into its product offering, Lumension will extend this integrated offering to Lumension channel partners. Lumension is currently finalizing the channel strategy and will communicate the final plan to Lumension channel partners in the next 90 days.

Who are Securityworks' customers?

Securityworks has an impressive lineup of customers, ranging from very large enterprise clients down to small and midsize enterprises in the healthcare, financial services, retail, and manufacturing industries.

Who are Securityworks' primary competitors?

Securityworks competes in the IT-GRC market space. Major competitors to Securityworks include Archer Technologies, Agilience, Relational Security, and Modulo.

What is Securityworks' position in the IT-GRC market?

Today, Securityworks is a company specializing on key industry verticals. Securityworks prides itself on offering a full Compliance and Risk Management solution to its clients at a strong price point, thus providing a high ROI and value to the customer.

How will the acquisition impact Securityworks organizational structure?

This acquisition is additive and complementary to Lumension and expects no reduction in workforce as a result of this acquisition.

What were the terms of the agreement?

Terms of the transaction were not disclosed.

Is an IPO part of Lumension's future plans?

Lumension is positioning for an IPO when business conditions are right for the company. In the meantime, Lumension is focused on delivering the most powerful solutions that address risk and compliance in a cost effective manner.