



 SoftSummit™ 2015

# A Business Transformation Success Story...Hardware to Virtual Appliance

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# Lancope®

Flexera SoftSummit

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# Agenda

- Introduction
- Early Stages
- Major Transformation
- The Future

# Lancope Overview

StealthWatch System provides context-aware security, enabling organizations to quickly detect a wide range of attacks (e.g. APT, DDoS, malware, insider threat), accelerate incident response, improve forensic investigations and reduce enterprise risk.

## StealthWatch

### Delivers:



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Leading provider of network visibility & security intelligence

**Founded in 2000**

**700+ Customers**

## INVESTORS

**\$30m raised (last in 2005)**

- *Canaan Partners, HIG, Council Capital*
- 4+ years profitability

## LOCATIONS

**Alpharetta, GA—Headquarters**

**London, Germany, Dubai**

## TEAM

Leadership from IBM, ISS, Dell SecureWorks, RSA, Motorola/AirDefense, Gartner, Cisco, TripWire, PolyCom, McKesson

- 100+ years combined experience
- 250+ employees

**Lancope.**

# Where Did We Start?

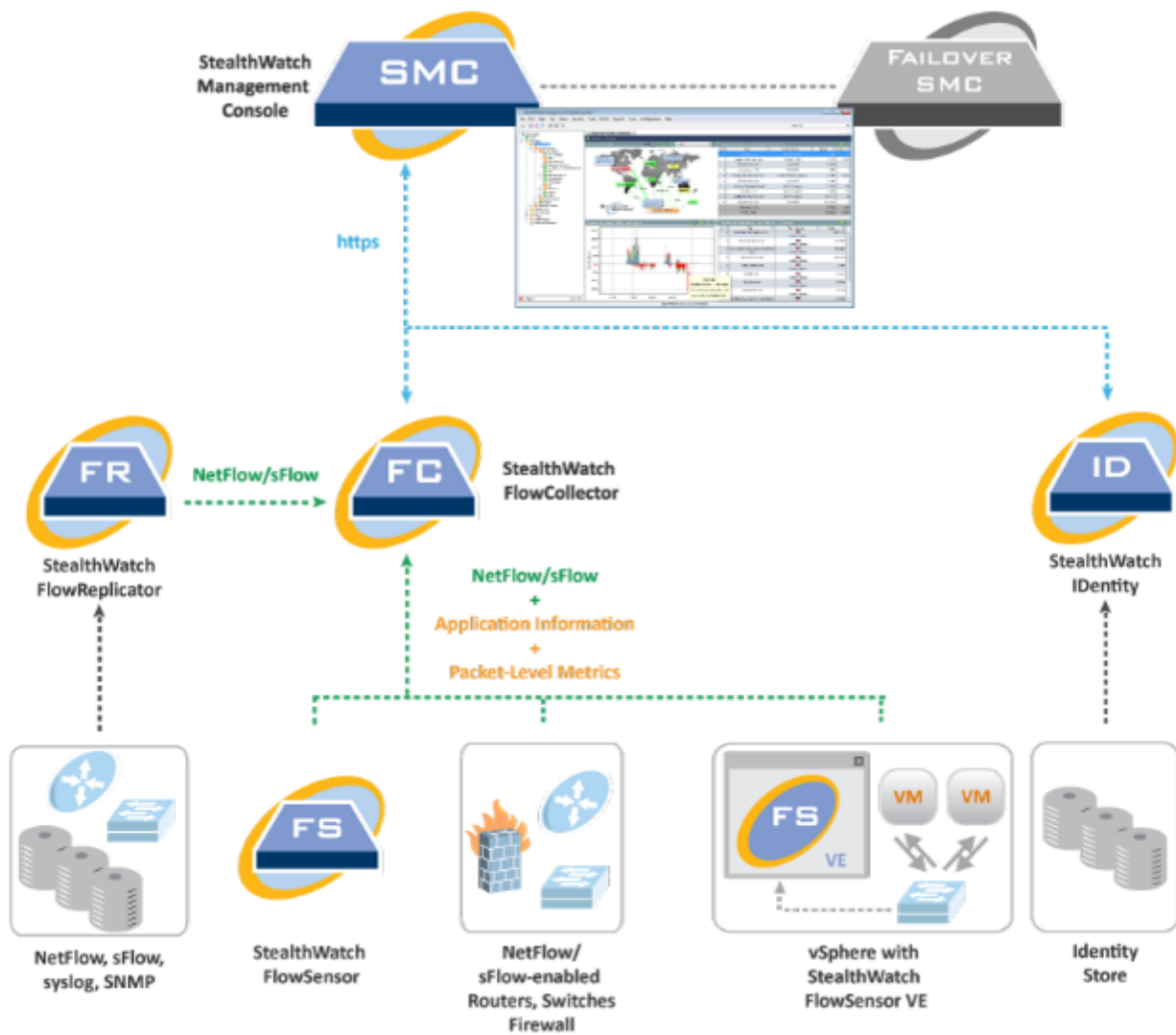
- Simple, hardware based “sniffer”
- US focused, direct business
- No licensing – “appliance” based approach

# Next Steps

- Product evolved, sales model evolved
  - Added management
  - Added tiers
  - Introduction of capacity licensing
- Started to sell Internationally
- Needed more control over evaluations

# Next Steps

- Home grown licensing
  - Simple controls
  - Manually generated
  - Text-based
  - Distributed via email





# Major Transformation

- Introduction of Virtual Appliances
  - First true “software” product
  - Challenges with licensing
  - Challenges with software distribution
- Introduction of new Global Partner
  - Supply chain challenges

# Decision Point

- Build?
  - Is licensing a key differentiator?
    - Should we allocate scarce resources to this development now, and over time?
  - Do we have the expertise on staff for both licensing and IT challenges?
  - Can we scale “on-demand”?
  - Can we anticipate future licensing requirements?

# Outcome – Partner

- Flexera delivers full solution
  - FlexNet Embedded license library
    - Solves product licensing challenges
  - FlexNet Operations On Demand (now FlexNet Operations Cloud)
    - Solves software distribution challenge
    - Solves license enablement challenge
    - Solves entitlement management challenge
- Partnership enabled business transformation

# How Flexera Enables our Business

- Enterprise software distribution
  - Can handle peak demand at each release cycle
  - Handles export compliance screening and reporting
- Order and entitlement management
  - Controls access to products based on what each customer purchases
- Supply chain inventory of software
  - License tokens means no need to ship CDs
  - Customers sold through any channel can “self-service” activate
- Integrated Hardware/Software Device registration, license activation
- Reporting back to the business about customer activity

# Product Evolution

- Recent transformations
  - Added content subscriptions
    - Content download from Flexera by product
    - Controlled through licensing
  - Added license subscriptions
    - No changes to product necessary
  - Added third-party integrations
    - Flexibility in licensing makes adding easy
  - Added OEM products
    - Variety of methods for supporting licensing, downloads

# Business Evolution

- Dramatically more complex supply chain
  - Order process from 1-tier to 3-tier (sometimes more)
  - Multiple inbound suppliers to manage
  - Multiple paths of fulfillment to customers
  - License and entitlement management for RMA, hardware refresh
  - License and entitlement management for evaluations through 3 different sales models (direct, reseller, independent third party)
- Accomplished support of these with no impact to product development

# What comes next?

- Near term plans for more automation and integration with quote-to-cash systems
  - Intacct, Salesforce.com
  - Better customer experience
  - Better tools in the hands of customer service agents (customer support, customer success, fulfillment)

# What comes next?

- Greater product component diversity
  - Evolution from hardware, to “monolithic” software appliance to resizable components
- Need to rapidly adjust to customer needs
  - Consumption-based licensing a possibility
  - Deliver software “on-demand”