

Customer Value Enhancement, Industrial Network Security Solutions, Global 2010

Frost & Sullivan's Global Research Platform

Frost & Sullivan is entering its 49th year in business with a global research organization of 1,800 analysts and consultants who monitor more than 300 industries and 250,000 companies. Based on the findings of this Best Practices research, Frost & Sullivan is proud to present the 2010 World Customer Value Enhancement Award in Industrial Network Security Solutions to Byres Security Inc..

Significance of the Customer Value Enhancement Award Key Industry Challenges Addressed by Enhancing Customer Value

Industrial outages due to security breaches have been on the rise and costs associated with such network intrusions have been tremendous, both to a company's purse and reputation. As technology in the networking and control systems in the industrial environment advances at a rapid pace, security threats and intrusions from hostile outside intervention and accidental inside events are increasing in both frequency and severity. End users, control system vendors and even government institutions are increasingly wary of such incidents, instituting stringent industry standards and norms and investing heavily to prevent such occurrences. Traditional IT network security infrastructures comprised of rugged firewall/checkpoint appliances, virtual private networks (VPN) and other demilitarized zone (DMZ) approaches have been designed to tackle this problem. However, with the increased integration between the plant floor and enterprise systems, control systems and other related equipment are now exposed to such intrusion threats. The industrial network security system vendors are often faced with varying plant network policy requirements and the key challenge for them is to develop and deploy a robust, flexible security solution that keeps the network simple, threat-proof, highly scalable and easily managed.

Best Practice Award Analysis for **Byres Security Inc.**

The Frost & Sullivan Award for Customer Value Enhancement is presented each year to the company that has demonstrated excellence in implementing strategies that proactively create value for its customers with a focus on improving the return on the investment that customers make in its services or products. This award recognizes the company's inordinate focus on enhancing the value that its customers receive, beyond simply good customer service, leading to improved customer retention and ultimately customer base expansion.

Byres Security's Performance in Industrial Network Security Solutions

Byres Security's flagship product, the Tofino™ Industrial Security Solution, has been in the market for over two years. The company's ability to offer a complete industrial network security solution that can be customized not only for various plant network infrastructures but also across diverse end-user vertical requirements has ensured it consistent market

growth. Leading control system vendors such as Honeywell, Hirschmann, Invensys and MTL Instruments have been continually partnering with Byres Security to develop customized industrial network security solutions.

Key Performance Drivers for Byres Security

Factor 1: Expansion of Customer Base

The industrial network security market has been growing significantly to combat rising malware attacks and industrial network intrusions in the industrial environment. End users are well aware that such security accidents can shut down the plant environment in a few seconds and significantly damage the company's image, which induces them to protect their network infrastructure. The need for adopting such security solutions is also driven by the stringent government regulations and industry standards being imposed upon the diverse end-user verticals to mitigate the risks associated with security incidents, as well as improving overall system reliability and prevention of network accidents.

Byres Security, with its understanding of the unique industrial environment, offers solutions that can enable end users to meet the changing government security regulations and industry standards. The fact that it works in tandem with the leading control system vendors to develop customized robust security solutions illustrates the company's commitment to innovate and develop advanced security products and services on an ongoing basis. For instance, Honeywell has introduced the Modbus TCP Firewall product based on the Tofino security technology and Invensys has introduced the Triconex Tofino Firewall to secure OPC Classic communications. The integration of industrial safety and security policies across different critical end-user verticals has attracted many leading companies such as Exxon-Mobil, Shell and Boeing to implement the Tofino™ Industrial Security Solution and a similar trend is anticipated among the other end-user verticals as well.

Factor 2: Ability to Grow

The industrial network security market is becoming increasingly fragmented, with several players introducing products that give customers visibility into the plant assets interconnectivity, control the flow of information within the plant enterprise and the ability to halt inadvertent information leaks to outside of the enterprise. The challenge for the industrial control systems security vendors is to offer a robust and reliable security solution that offers these features while still addressing the diverse network infrastructure security requirements. Developing and maintaining a strategic partner ecosystem of automation and control system vendors enables the network security solution players to enhance their growth.

The Tofino™ Industrial Security Solution products are rugged, effective security solutions that have been well-received in the security market. These high mean time between failure (MTBF) solutions, specifically designed for industrial control system environments that operate seven days a week with no down time, have gained wide acceptance in the manufacturing space. The fact that the Tofino solutions protect the industrial environment from outside threats as well as accidental internal threats has been proven in the market as

leading control system vendors have been incorporating these solutions in their systems. The persistent focus of the organization to make network security simple and to offer a complete security system package has and will continue to aid Byres Security to grow in this market.

Factor 3: Product Features and Benefits

The industrial network security solution providers have been challenged with addressing evolving government security regulations and industry standards while agilely expanding the product features and associated benefits that will meet diverse plant network infrastructure requirements. Within this evolving landscape, end users require a robust industrial security solution that will also facilitate their ability to continuously manage their security infrastructure.

Byres Security solutions gets away from the traditional security deployment problems by enhancing a customer's ability to manage a distributed zone-level secure environment from a central location using the Tofino Central Management Platform in order to protect critical system components. The Tofino Industrial Security product lineup has received acceptance as a flexible solution that is simple to configure, easy to use and can be quickly installed with minimal training and, most importantly, without control system shutdowns. The adoption of Interface for Metadata Access Point (IF-MAP), which is an open networking standard introduced by the Trusted Computing Group (TCG), has enabled Tofino products to integrate several security and network products in a scalable manner. This has enabled it to provide support for various industrial controllers and network protocols, such as Modbus TCP, OCP Classic or Ethernet IP. These innovative features, combined with the fact that the Tofino™ Industrial Security Solution is an output of significant research conducted on industrial security requirements, positions it as a network security solution of choice for end users.

About Byres Security Inc.

Byres Security Inc. is the world leader in providing practical and effective industrial network security and SCADA security products that are simple to implement without requiring plant shutdowns. Their company's flagship product, the Tofino™ Industrial Security Solution, is a unique hardware and software security system that facilitates the implementation of zones of security for equipment with common safety requirements (Zone Level Security™). Tofino is used by process control companies in the oil and gas, chemical and pharmaceutical sectors, by utilities and power organizations, and by manufacturers.

For more information about Byres Security Inc., visit www.tofinosecurity.com

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