

COMPETITIVE ANALYSIS OF PANDA SOFTWARE

F-SECURE®



COMPARED TO PANDA SOFTWARE, F-SECURE PROVIDES:

- ❑ Good reputation and reliability
- ❑ Proven high detection rates with the VB100% award
- ❑ Easy installation and deployment
- ❑ High quality management up to 15,000 computers with one management server
- ❑ Lower pricing in the medium sized and large business segment

FACTS

- ❑ Founded in 1990
- ❑ 1,000 employees
- ❑ Turnover \$65 million in 2003
- ❑ Market share 2.5% in the antivirus segment
- ❑ 80% of the sales to businesses

MISSION

Panda Software is an established pacesetter for the sector in innovation and expansion and is unequalled in terms of satisfying customers' needs for the most advanced technologies, products and services to keep IT resources free from viruses and other threats at the lowest possible Total Cost of Ownership. The company's unique TruPrevent Technologies, the most intelligent technologies to combat unknown viruses and intruders, offer unrivalled preventive protection for all types of clients: from the largest corporations through to small and medium-sized companies and home users.

PRODUCT PORTFOLIO

Panda Software's portfolio consists of pure antivirus and intrusion prevention solutions. It addresses all the segments from consumers to governments, but it is strongest in the SOHO segment. It has a similar kind of portfolio to F-Secure, except it does not offer protection for mobile phones. To complement traditional antivirus products (also competitors'), it sells technology called TruPrevent that protects against unknown threats without signature updates.

SALES CHANNEL

Panda Software has set up exclusive distribution agreements with local partners in each country. In some countries, Panda Software sells renewals directly and thus does not offer its resellers recurring revenues.

GLOBAL PRESENCE

Panda Software has its headquarters in Bilbao, Spain and Glendale California. It has a network of subsidiaries and franchises in more than 50 countries. In total, its products are sold in 200 countries. It has localized its solutions to 23 languages.

SWOT ANALYSIS

<p>STRENGTHS</p> <ul style="list-style-type: none"> ❑ Clear focus on antivirus and intrusion prevention ❑ Good reaction times and frequent updates ❑ Wide product portfolio ❑ Aggressive pricing in the governmental sector ❑ Aggressive sales team ❑ Good position in the SOHO market in the Central Europe 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> ❑ Limited brand awareness ❑ Questionable reputation in Europe ❑ Inconsistent detection capability ❑ Product quality and performance ❑ Scalability ❑ Performance issues with the TruPrevent technology ❑ No best-of-breed solutions ❑ No antivirus offering for mobile phones
<p>OPPORTUNITIES FOR PANDA SOFTWARE</p> <ul style="list-style-type: none"> ❑ New TruPrevent technology based on behavioral analysis ❑ Aggressive expansion to the USA and Asia 	<p>THREATS FOR PANDA SOFTWARE</p> <ul style="list-style-type: none"> ❑ Microsoft entering the SOHO market in 2005 ❑ Increasing competition in the market ❑ Continuous high annual growth (50-60%) and aggressive expansion

TOP 5 REASONS TO CHOOSE F-SECURE OVER PANDA SOFTWARE

1. GOOD REPUTATION

F-Secure has gained its reputation for reliability through fifteen years of protecting its customers against harmful code and hackers. An indication of F-Secure's good reputation in the antivirus industry is its inclusion in Gartner's magic quadrant of enterprise antivirus vendors. Unlike Panda Software, F-Secure appears on Gartner clients' shortlists together with major antivirus vendors like Symantec and McAfee.

The company's founder and a few other directors of the company are members of the Church of Scientology. In some countries, this connection has caused concern among Panda's customers and resellers. According to the French national newspaper L'Express, since 1996 Panda Software has regularly donated a large amount of money to the Church (e.g. \$40,000 in 1996).

2. PROVEN HIGH DETECTION RATES

In June 2005, F-Secure Anti-Virus received the VB100% award from Virus Bulletin for the ninth time in a row. The VB 100% logo is awarded to antivirus products that detect all In the Wild viruses during both on-demand and on-access scanning in Virus Bulletin's comparative tests and generate no false positives when scanning a set of clean files. On the contrary, Panda Software has failed in the tests and does not even participate in them anymore. (Source: <http://www.virusbtn.com/>)

Compared to Panda's one scanning engine, F-Secure Anti-Virus combines three virus-scanning engines and one spyware engine, guaranteeing solid, high detection rates. F-Secure provides protection equivalent to several antivirus products running at the same time.

3. EASY INSTALLATION AND DEPLOYMENT

According to magazine reviews (e.g. SC Magazine August 2004 and InfoWorld January 2004), Panda's software installation is "protracted and a little confusing." As an example, the reviewers as well as Panda's customers according to the hot topics in the support pages find it difficult to get the software to automatically download virus definition updates.

On the contrary, F-Secure Policy Manager is one of the easiest security management tools available on the market. Getting it up and running takes only few minutes thanks to its high performance and appraised intuitive graphical user interface. For external proof points, please see <http://www.f-secure.com/news/awards/>.

4. HIGH QUALITY, SCALABLE CENTRALIZED MANAGEMENT

Based on Panda Software's product documentation, you can manage with one management server up to 1,000 computers. Based on customer feedback, the amount of computers is in practice a lot smaller, somewhere around 300-500 workstations. Panda's solution is, thus, more difficult to set up and manage as well more expensive than F-Secure's solution that scales up to 15,000 computers with one management server. This is also proven by a review in the SC Magazine (May 2004) where the reviewer said "to configure an enterprise's security policies and get the Policy Manager Server to distribute them to all the desktops in the office, it is just as easy to handle three as it is 3,000."

5. LOWER PRICING

Panda Software has very aggressive pricing to small businesses (up to 50 users), but for medium sized and large businesses F-Secure offers significantly more competitive pricing than Panda Software. This is further strengthened with F-Secure's higher discount percentage in competitive upgrades (50% vs. 30%). In practice, it means for example for a company choosing F-Secure's client security solution for 50 workstations a 27% saving compared to Panda's ClientShield product. For larger companies the price difference is even larger. Please note also that if the customer purchases Panda's proactive protection component in addition to the standard product, the price is 1,5 times higher.