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SECUREWORKS

SecureWorks was a privately held company in Atlanta, Georgia, specializing in information-security services. It was launched in 1999, during the first Internet gold rush, by two former CompUSA employees Joan Wilbanks and Michael Pearson.

The startup's technology established it as an expert in preventing external Internet attacks on commercial computer networks and attracted large investors. The two co-founders raised $30 million from Mellon Ventures and GE Equity, among others. The technology focus, however, was a double-edged sword. SecureWorks management was so busy with the company's technical development that it neglected sales and marketing efforts, and revenue suffered. At the end of 2001, SecureWorks had fewer than 100 clients and was burning roughly $900,000 a month on less than a million in sales with only $9 million of the original cash raised left in the bank.

In February 2002, Wilbanks stepped down as CEO and made room for Michael Cote. A high-tech industry veteran with a strong financial background, Cote brought in a new management team, changed the sales strategy, and, most important, developed a strong customer-focused culture. Under Cote's leadership, client retention became SecureWorks's number one goal. "[It's] pure gold—it's between 96% and 97%," Cote said.[1]

The payoff was tremendous. Sales for 2003 topped $8 million. Since then, the company had seen triple-digit growth, year after year. Unlike many fast-growth companies, SecureWorks had grown through increased sales, rather than through mergers and acquisitions. Its client base included organizations of all sizes, with more than 10% of them listed on the *Fortune* 500 list. In 2008, SecureWorks had more than 2,000 customers worldwide and pulled in $53.9 million in revenue.

In 2009, *SC Magazine* honored the 300-employee company with a Reader Trust Award for the Best Managed Security Service for the fourth year in a row. In addition, SecureWorks had earned the spot on the *Inc*. 500, *Inc*. 5,000, and Deloitte Technology Fast 500 lists of fastest-growing companies.

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[1] *The Wall Street Transcript*, April 26, 2004; http://www.twst.com/tt/issues.htm (accessed May 10, 2009).

SecureWorks—Company History

SecureWorks co-founders Joan Wilbanks and Michael Pearson met at CompUSA, Inc., a personal-computer retailer headquartered in Dallas, Texas. Wilbanks, a sales director for CompUSA's integration team, and Pearson, a technical-account executive, became aware of a market void in Internet security systems for small- and medium-size companies.[2]

In the late 1990s, large companies were forking over millions of dollars to fortify their computer networks against unauthorized use by increasingly sophisticated intruders. Smaller companies that did not have the resources to install firewalls and other protective systems, which required trained personnel to monitor them, were virtually defenseless against computer network attacks, and the big Internet security players had little interest in addressing their needs.

Sensing a business opportunity, Wilbanks and Pearson decided to start a company that would offer affordable Internet security systems to this largely neglected customer base. In March 1999, they launched SecureWorks in Atlanta, Georgia, with Wilbanks as president and CEO and Pearson as chief technology officer.

Rounding up capital

Consulting gigs provided early funding. Wilbanks coached sales teams at large security software providers, such as Internet Security Systems, on how to improve their pitches.[3] But the serious money started flowing in when SecureWorks attracted the attention of an Atlanta-based venture-capital firm at a local technology trade show. The early round of funding from Noro-Moseley Partners, Alliance Technology Ventures, and ITC Holdings generated more than $10 million for the startup. In November 2000, SecureWorks snagged an additional $20 million in a second round of funding, which was led by Mellon Ventures of Mellon Financial Corporation and included investors such as General Electric's GE Equity and SBK Capital.[4]

Developing the technology

Flush with capital, SecureWorks now could develop the technology to deliver cost-effective, round-the-clock Internet security monitoring and response service. The service was ideal for companies with 250 or fewer network users per location, such as medical and law practices, accounting firms, insurance agencies, and other businesses that handled sensitive information but did not have in-house IT security personnel to protect their computer networks against denial-of-service attacks, information and identity theft, Website vandalism, and viruses.

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[2] Nicole Harris, "Startup Offers Web Security to Smaller Firms, *Wall Street Journal,* February 2001.
[3] Harris.
[4] "SecureWorks Receives $20 Million in Second-Round Funding," *PRNewswire*, November 16, 2000.

In addition to managing the intrusion detection systems and providing firewalls, which protected its clients' networks from unauthorized access, the startup's security center could respond to security breaches in real time, thanks to its proprietary iSensor technology (**Exhibit 1**).

Engineers at SecureWorks made sure the technology met the needs of small companies. The security system they developed did not take too much bandwidth on the small companies' networks, and the user-friendly Web interface enabled small-business owners who had little technical expertise to easily review the data.[5]

The revolving door at the top

The young company had technology that worked and a market hungry for its services; it had cash and a solid investor base. But all was not well at SecureWorks. In August 2000, the board brought in a former MCI WorldCom executive as the new president and chief operating officer in charge of building distribution channels and directing sales, marketing, operations, and finance.[6] In February 2001, co-founder Wilbanks stepped down as CEO, retaining her role as chairman of the board.[7] Robert Minkhorst, former CEO of Atlanta-based Philips Consumer Electronics for North America, took over the reins of the fledgling company.[8]

At the end of 2001, SecureWorks was a weak regional player with fewer than 100 clients. It was losing $800,000 to $900,000 a month on less than $1 million in sales. There was little doubt in board members' minds that, unless they challenged the status quo, the troubled startup was not going to survive in the long term.

Enter Michael Cote

When Michael Cote took the helm of SecureWorks on February 1, 2002, he was the company's third CEO in three years. Cote explained what attracted him to the startup:

> I came for several reasons. I believed that Internet security had good potential, and the SecureWorks technology was up and running, not just a gleam in somebody's eye. I was impressed with the company's investor group, which has turned out to be one of the best I've run across. SecureWorks had cash, which meant there wasn't a working-capital issue, and I didn't have to go out and look for money. And finally, I felt the company needed to be redirected and focused from a sales and marketing perspective.[9]

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[5] Harris.

[6] "Former MCI WorldCom Executive Joins SecureWorks as President/COO," *PR Newswire*, August 17, 2000.

[7] In February 2003, Wilbanks resigned from the SecureWorks board to head a startup in security-patch-management services.

[8] "SecureWorks Names CEO," *PR Newswire*, February 22, 2001.

[9] *The Wall Street Transcript*, April 26, 2004.

Despite having no CEO experience, Cote had a track record of growing innovative technology companies in CFO and COO roles. A graduate of Boston College with a double major in computer science and accounting, Cote started his career as a certified public accountant. He spent two years in London, England, with KPMG Peat Marwick and five years as the CFO of a public company that grew from $50 to $750 million in revenue. During his tenure as partner and COO of a privately held software company MSI Solutions, Inc., revenue growth topped 75% every year. Prior to joining SecureWorks, Cote was a CFO at Talus Solutions, a pricing and revenue-management software firm acquired by Manugistics Group, Inc., in 2000.

During a career that spanned nearly 20 years, Cote negotiated the sale of two companies in which he was a shareholder and senior officer: one for $450 million and another for $65 million. He completed 41 acquisitions worth $1.6 billion and led equity offerings that generated $261 million.[10]

First Things First

The newly minted CEO had his work cut out for him. "The most important thing I knew we had to drive was to get the right people on the bus, and in the right seats," Cote said, describing his priorities during the first 90 days of his tenure at SecureWorks.[11] "And then we had to focus on driving the revenue," he said. "Because that's what we needed in order to survive."

Getting the right people on the bus in the right seats

Among Cote's initial tasks was to interview each SecureWorks employee to find out what they did. "When I met with the guy who was running sales," Cote recalled, "he looked at me and said 'I've never run sales before. I don't want to be in this position. I hope you can move me somewhere else where I can produce.'" The unhappy sales director was transferred to the product-management area, where he ended up excelling. "That was an example of putting someone in the right seat," Cote said. Filling the top executive positions, however, was more challenging. In order to "get the right people on the bus," Cote had to tap the talent pool outside the company.

Finding the right CFO was a high priority for Cote. "I spent nine years in public accounting and then was a CFO of a public company, so I came up through the finance route," Cote said and noted the importance of financial discipline. In February 2002, he hired Michael Vandiver as SecureWorks's CFO. Vandiver, whom Cote had met a year before during his own job search, had "broad experience dealing with venture-backed, privately held, and public technology companies," Cote said.[12] In March 2002, Cote brought in Chris Coleman as CMO.

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[10] *The Wall Street Transcript.*
[11] Jim Collins, *Good to Great* (New York: Harper Collins, 2001), 13.
[12] *The Wall Street Transcript.*

Coleman was a former owner of the largest technology-marketing company in the southeast and had more than 25 years of marketing experience.

With the help of an executive recruiter, Cote found Tyler Winkler, a vice president of sales at SafeNet, a manufacturer of hardware and software for corporate-network security located in Belcamp, Maryland. "[He] had years of experience selling Internet security space," Cote said.[13] Winkler joined SecureWorks in April 2002 as senior vice president of sales and business development.

The new management team was fully assembled by June 2002. In a cost-cutting effort, Cote reduced the SecureWorks headcount from approximately 80 employees to 40 employees. "Then, I put a new budget in front of the board starting July 1st of 2002," Cote said.

Driving revenue

Cote was painfully aware that that the startup would not survive without a focused effort on driving revenue and that his cost-cutting efforts could only go so far. He explained:

> We are a heavy fixed-cost business. I have backup diesel generators. I'm in a fully redundant, biometric secured facility because we do 24/7/365 managed Internet security. I've got a lot invested in technology. I could not cut costs there. If we didn't drive revenue, we were done, and we were out of business. And we had a nine-month life when I joined.[14]

Cote could not drive revenue with what he had inherited, however; the sales and marketing departments were in need of big overhauls. The company was technology-focused and, as Cote said, "It had the most dysfunctional sales and marketing departments I had ever seen."[15] Rather than selling directly to businesses, the company sold through distributors and resellers, which did not make any sense to Cote. "If we can't sell our services directly, how can we expect someone else to sell them? And we are a service business; we have to touch our clients," he said.

But, at the time, no one at SecureWorks seemed to realize that. "When I joined," Cote recalled, "the company had no idea who they were. They didn't know if they were a software company or a licensing company or a service company or what they did." He continued:

> The biggest thing that I struggled with then, and, quite frankly, has become a struggle with us, is focus and business model. We're not in the software business. We're not in the product business. We're a service company. Our goals have been pretty much the same for six years: daily living our team values of integrity,

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[13] *The Wall Street Transcript.*
[14] *The Wall Street Transcript.*
[15] "Seeing Double: How Four Companies Overhauled Their Sales Strategies to Spur Growth," *Sales & Marketing Management*, September 1, 2004.

service excellence, reliability, open honest communication and innovation, client retention rate, and our growth and revenue because with growth comes excitement and profitability. And for six years now, those are posted in our offices.[16]

Making Over the Sales Department

Cote had hired Tyler Winkler to attack the problem of low sales. To Winkler, the solution was clear: a top-to-bottom makeover of the sales department. Rather than continuing to sell exclusively to channel partners, SecureWorks adopted the direct-to-customer sales model. In addition, the startup narrowed its focus to four markets: banks, credit unions, hospitals, and utilities, which enabled it to be "narrow and deep, rather than wide and shallow," Cote said.[17]

Winkler was appalled by the lack of accountability and sales processes in place and set specific goals for the people in sales. He greeted the sales team with: "Make your numbers in three months or you're out." But he made sure they were ready for the fight by making sure all sales reps received intensive training from internal and external trainers. They were also given a new tool—a Webinar presentation for potential clients.[18]

Now, a sales rep who brought in $5,000 in sales in a month despite a quota of $50,000, "was gone that afternoon," Winkler said.[19] Out of a staff of six salespeople, he fired four. Yet, his militant approach produced results: Within nine months after he took over the sales department, revenues for 2002 totaled $1.9 million. Two years later, the department had grown to 30 employees, while the number of SecureWorks's clients had grown tenfold.

"Tyler has grown and developed," said Cote in 2008. "And today, he not only has all sales and business development, he recently picked up our consulting-services group and has somewhere in the neighborhood of 75 of our 300 people working for him."

And the salespeople? "They have commission checks in a month today that are bigger than what they used to make annually," said Cote.[20]

HR Issues

Revenue growth meant growing headcount. In 2007, the company hired 120 new employees, and 40 more in the first few months of 2008. To handle an influx of employees, the company had a full-time recruiter who "did nothing but recruit and focus on bringing the people onboard and making sure we pay them and all that," Cote said, adding that SecureWorks used

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[16] "Seeing Double."
[17] "Seeing Double."
[18] "Seeing Double."
[19] Betsy Cummings, "The Whip Cracker," *FORTUNE Small Business*, October 1, 2004.
[20] Cummings.

Automatic Data Processing, Inc., (ADP) for payroll services. ADP also managed the company's benefits package and dealt with "reviews and interviews and that type of thing." Cote said.[21]

Compensation

SecureWorks took compensation management seriously, using it as a way to improve performance and manage talent. Cote understood that offering the right compensation for each person was critical to attracting and retaining high-quality employees. "I have a very personal vested interest in how we compensate people and what the benefits are," Cote said.

The total compensation at SecureWorks had three components: base pay, variable compensation, and equity. "My philosophy is, look to go on the lower end of base from a market perspective—the bottom 50%. And then have variable compensation that can bring you above or at the high end of the total market," Cote said.

Compensation was tied to individual and corporate performance. "It's 60% tied to the company performance, 40% individual," Cote said. "But there are hurdles the company has to hit for you to be eligible at all. The bonuses typically get paid out in the spring after the audit has been completed." In the fall, the employees were paid the equity component of their entire compensation. "I've granted equity to the entire employee base in some shape or form every fall," Cote said.

Turnover

The turnover rate at SecureWorks ran "somewhere in the neighborhood of 15%, both voluntary and involuntary," Cote said. He admitted that because SecureWorks was a "high-energy, heavily driven" organization, it attracted a certain type of driven, high-producing individual. "And what happens is that if somebody joins the team and is not producing at the same caliber that others on the team are, they tend to push them out," Cote said. In some cases, those who did not fit in SecureWorks' fast-paced, high-charging culture left on their own. "But I don't think we lose a lot of people for other reasons, such as them being recruited away," Cote said, adding that, although he had let the marketing executive he hired in 2002 go, the CFO and the SVP of sales and development had been with the organization almost as long as he had.

Cote's Management Style

As SecureWorks grew, so did the man at the helm. The CEO's evolving leadership role was "one of the things we struggle with a lot and talk about a lot here," Cote admitted. A believer in open communication, Cote created a PowerPoint-slide presentation titled "Who Am I?" intended for members of SecureWorks' board and executive team. "If I'm the one running this ship, and I'm the chairman, CEO, and president of the company, you'd better know who

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[21] Automatic Data Processing, Inc., was a provider of HR, payroll, tax, and benefits administration solutions.

you're working with and what my management style is," said Cote.

One of the tag lines in Cote's presentation was, "Stop talking before I stop listening." "I don't have a lot of time to waste," Cote explained. "And if you want to come in, let's talk, but get to the point." He continued:

> The second thing is, "Don't strap me in the copilot seat." Don't look for me to solve your problems. I'm paying you good money to run a department. And if you want to talk about something, then that's fine. Come in and say, "I don't have the answer, and I want to run this by you." But it is your problem, and you come up with a solution. I don't manage my folks. I look to hire high-quality people. Just like I manage the board; I look for them to manage me.

The SecureWorks executive team consisted of twelve members, including the CEO, but only seven of them reported directly to Cote: the CFO, the CTO, the CMO, and the heads of operations, engineering, sales, and business development (**Exhibit 2**). As Cote told the members of his executive team, "As a CEO, I shouldn't be making routine decisions." The same principle applied to the members of his executive team: Cote wanted SecureWorks executives focused on making strategic decisions and for their direct reports to handle the easy ones. He devoted a lot of the time in meetings with his executive team on questions such as, "What am I spending my time on? What *should* I be spending my time on? And if that's the case, what should *they* be spending *their* time on? And how do I get the reports or information from them? And how do we get our relationship to work?"

Cote worked well with people who valued open communication and transparency in the same way he did. In his opinion, the ability to communicate well, which required good rapport and a certain level of "mutual respect, trust, and understanding," was an essential element of a good work relationship. To describe his philosophy of working with the executive team, Cote said:

> I'm the leader of the team, but we're all in this boat together. The enemy's not in the room. And we're all executive people looking to drive this thing. And we need to be able to have a rapport and work well together and understand where we're all driving. And there's a clear handoff from one department to another of what's being done and where we're going.

Managing time

As the company grew, one of the challenges Cote faced was deciding how to allocate one of his scarcest resources: his time. He said, "Probably the most difficult part is figuring out what not to do." He continued:

> It's not that I'm not delegating. But I may be doing things or looking over someone's shoulder where, quite frankly, it doesn't matter anymore; I can't afford to put my time in that area. The one thing I perhaps do not do frequently enough

is try and sit back and ask, Where am I spending my day, and is it effective? I'm trying to make sure I divide my time between…how I am working with the board, how I am thinking through how we're going to grow five times the size we are today, interviewing new board members, and dealing with how I pull the most out of what the next stages are.

In 2006, after four years without one, Cote hired an executive assistant with whom he sat down regularly and reviewed his schedule. Now he said, "No, I can't meet with this person. With 15 companies that want us to buy them and 20 companies that want us to partner with them, these people can't be on my calendar anymore."

Cote also reorganized SecureWorks every 18 months, in part to give himself time to devote to the things that mattered most for the growing company. In 2008, Cote said, "I had nine direct reports six months ago. I've reorganized down to six." He tried to limit the time he was available to direct reports seeking his advice. "My calendar's booked. Schedule it later," he told them. "And my hope is that in many of those instances they end up making the decision, because I've blocked out my calendar so I can't meet with them for two or three days," Cote said.

Information Management

For years, Cote had used Excel spreadsheets and "long hours of smart people" to help make sound financial and managerial decisions. Then, in July 2008, he implemented Microsoft's Great Plains accounting and business software to produce the data for SecureWorks's financial statements.

Cote, who had been CFO with enough companies with revenue ranging from $800,000 to $800 million to know, said that "there are different stages and different elements of where you can kind of manhandle your way through it." He added:

> You sort of hit a wall with $5 million in revenue. And you sort of hit another wall in that $10 to $15 million threshold. And then my experience in buying companies is that companies are paid a higher multiple once they cross to $25 million in revenue because with $25 million in revenue it can't be manhandled anymore. You have to have systems, policies, and procedures in place. So that's sort of where we began to hit the next threshold.

One of the tools critical in the management decision-making process at SecureWorks was the board book, which was distributed to the directors in advance of meetings. Cote said:

> We have a board book that's pretty extensive. Our business is like an insurance company as far as predictability. One client is over 2% of our revenue. We've only missed one month a year from a sales perspective or a new contract perspective and have never missed an EBITDA monthly target. But it's a pretty

diverse client base, pretty easy to predict. And we trend a lot—there are a lot of graphs and a lot of financial information in our board book.

Internal Controls

Cote set up adequate financial controls immediately after he took over as CEO. "From the control-of-cash perspective, the first thing I did was make sure the only two people who were allowed to sign on behalf of the company were the CFO and myself," he said. Cote added that "pretty tight controls" were put around anything that could put the company at risk. He continued:

> We work heavily on the budget. Each department head has control over their expenditures. They're tied to their variable comp plan. They each have their own expenses and, if applicable, their revenue budget. And that rolls up to full corporate finances. But if it's things that relate to serving the client, running a department, there's a fair amount of latitude that has been given.

For example, the sales reps had the authority to discount the service 10% off the list price. The two vice presidents of sales had the authority to discount another five points, and the CFO could take off 25 points. "And anything over that, he brings it to me," Cote said. "So there are some discounting functions in place like authority to sign the company, big critical things of that nature. My operations guy may give away two, five months of free service. And I've never questioned them on any of that."

Because client retention was the company's number-one goal, Cote gave SecureWorks employees the authority to make decisions that had an impact on the client relationship. "We're human. We make mistakes," he said and recalled an exchange he had had with a staff member in charge of operations: "I asked him, in front of his staff, 'What do you think your authority is in order to fix a problem that we created relating to a client relationship?' And he looked at me and said, 'I don't know.' And I said, 'When have I ever said no to you on anything you've ever wanted to do?' It's whatever you want to do and whatever you think needs to be done."

Managing Growth

Under Cote's leadership SecureWorks experienced stellar growth. In May 2008, he said, "Today, we have almost 300 employees and about $50 million in revenue. And we'll do about $70 to $80 million in bookings or contracts this year."

In addition to a stable client base, which was a source of recurring revenue, SecureWorks was winning new clients, including international ones, every day. "As all of that grows, I have a lot of open direct conversations with my executive team. Some of this may sound exciting and

sexy. But I want to make sure they truly understand what international travel means if we get to that point," Cote said.

In 2008, one of the biggest challenges facing Cote was taking the company to the next level—from $50 million to $250 million in revenue. The issues related to managing growth were the focus of many board meetings. "We spend a lot of time on whether we have the right people. And if they are the right people, what things they need to work on to make sure they've got the skill set to take them to the next level," Cote said.

One of Cote's 2008 hires was the vice president of human resources, whose mandate was to work with members of the executive team to identify their constraints and deficiencies and ensure they received the right training to succeed in their evolving roles. Cote explained:

> Of the twelve people on the executive team, there's only one who's been in [his current] role in a quarter of a billion dollar company before. I've been in an $800 million publicly traded company, but as the CFO, not the CEO. And some folks on the executive team, it's sort of 50/50 that they will be the ones running their departments four or five years from now. They may be here in different roles, or they may be able to continue to evolve as we grow as a company. I was with a company, in the CFO position, that we grew from $40 million to $800 million in revenue in three-and-a-half years, all through acquisitions. So I lived through situations where we grew beyond people's capabilities. And we ended up promoting them too far, and, eventually, we had to fire them. So, when it comes to making people decisions…pull the trigger quicker.

In July 2009, SecureWorks acquired VeriSign's managed security services division to increase its market share and boost its international presence. According to Cote, the acquisition also resulted in an addition of "some technical capabilities and name brand enterprise accounts."

As of October 2009, the company had approximately 2,700 clients, $110 million in run-rate revenue, and about 525 employees in offices in Atlanta; Chicago; Providence, Rhode Island; Myrtle Beach, South Carolina; and London, as well as partnerships in Spain, Mexico, South America, Taiwan, and Saudi Arabia.

Staying Focused

With success came new challenges. Early on, Cote had helped the troubled startup find its focus; six years later he strove to maintain it. Cote said:

> The biggest issue for the leadership—the thing I harped on six years ago, and I'm harping on again—is focus. Does this fit who we are? Does it fit what we're doing? We've gone from one service line to seven or eight service lines. But we're not trying to be everything to everyone. We are a value-added Internet

security-service provider—we are not your low-cost provider. Our gross margin runs in the mid-70% range. We've got to know who we are, know what we're doing, and stay focused on our knitting.

Cote admitted that it was hard to stay focused on what was important when confronted with all the opportunities that accompanied exponential growth. The dozens of high-tech companies interested in partnering with SecureWorks or wanting to be acquired by it presented distractions. "If we don't stay focused, we end up getting ourselves all wrapped around where we are as an executive team and find the whole organization spending time on stuff that's a waste of time," Cote stated.

To help the organization stay true to what it was and not lose sight of its core values, the executive team developed a culture book and distributed it to all SecureWorks employees. All new hires received a copy during orientation.

It's All About People

At the beginning of 2002, SecureWorks was one of a few dozen information-security startups. With its sales stagnant and totaling under $1 million, it was on the verge of extinction; under new leadership, however, the company found its focus and thrived.

By 2008, SecureWorks emerged as one of the three or four survivors in the industry it had helped kick-start, along with companies such as ISS and CipherTrust. "We are clearly the largest and fastest-growing company from an organic growth perspective. I often get asked, 'Why have you guys been able to do it?'" Reflecting on the driving force behind SecureWorks's success, Cote answered:

> If you boil all of it down, its people, people, and people. It's the passion we have. And we've got a focused business model. We know who we are, what we do, and what we don't do. Everybody in the company knows that if clients call, they'd better be doing cartwheels to respond to them. We may not be able to fix the problem. We may not be able to put in a new feature they want. But we're going to be open, honest, and communicate with them. And if we make a mistake, we're going to admit it and apologize. We're going to figure out how to make it right. We've got probably the best technology in the industry. But the only reason we have that technology is because we have people. We're able to focus on what clients want, and we'll continue to improve it.

Exhibit 1

SECUREWORKS

The SecureWorks Security Services in 2009

Compliance central	Centralized Web-based platform for managing third-party risk
On-demand SIM (security information management)	Aggregation, correlation, and analysis of log data from network devices, security devices, and other key assets
Log monitoring	24/7 real-time analysis of logs and alerts from security devices and critical IT assets by certified experts
Intrusion prevention systems (IPS)/intrusion detection systems (IDS)	Intrusion prevention/intrusion detection at the network perimeter or interior to the network
Threat intelligence	Reporting from the SecureWorks counter-threat-unit research team
Firewall	Control over network access and egress
Host IPS	Targeted intrusion prevention on key systems
Vulnerability scanning	Evaluation and inventorying of network assets
Log retention	Comprehensive archiving of device logs
Encrypted email	Protection for email messages in transit
Consulting services	Consulting, assessment, and testing

Source: SecureWorks Web site.

Exhibit 2

SECUREWORKS

The SecureWorks 2009 Executive Team

Michael R. Cote, Chairman and CEO

Michael R. Vandiver, Executive Vice President and CFO

Jon Ramsey, CFO

Kathy Jaques, CMO

Tyler T. Winkler, Executive Vice President

Tony Hawk, Vice President, Human Resources

Jeff Browning, Senior Vice President, Engineering

Erik Petersen, Vice President, Consulting Services

Bill Buchanan, Vice President, Risk Management

Jim Ulam, Vice President, General Counsel and Secretary

Robert Scudiere, Vice President, Engineering

Scott Magrath, Vice President, Global Strategy

Source: SecureWorks Web site.