



WEBSPY CUDDLES UP TO MICROSOFT

Thursday, 6 March 2003

Internet security software developer WebSpy is pushing into the traditional reseller space, bundling its internet monitoring tool with Microsoft firewall and web cache server, after last week's sudden closure of its e-distributor, Janteknology.

Jack Andrys, CEO of Perth-based WebSpy, said the internet monitoring tool, WebSpy Analyzer, would be integrated with a Microsoft firewall and web cache sever, Internet Security and Acceleration (ISA) Sever 200, in a deal tipped to give resellers a 35 per cent margin on sales of the \$3 199 integrated WebSpy ISA Server Suite.

"When we visited Redmond, Microsoft said the best margin you'd normally get from that product would be 10 per cent. Further, we can offer the integrated product at a price lower than the standalone server," he said.

Although the Janteknology shutdown had accelerated the timing of the deal's announcement, bundling with a boxed product such as the ISA Sever meant WebSpy could no longer rely on electronic distribution.

"In the past three years, 99.9 per cent of our product was downloaded electronically," Andrys said.

He said Microsoft was attracted to WebSpy partly because the Perth company had gained valuable experience marketing Internet and email monitoring software over the past few years.

"We had worldwide representation and promotion skills in these products three years ago, when no one knew the market. But end-users are now a lot more educated about Internet security," he said.

According to Andrys, the bundled product is unique in the marketplace, with multi-level reporting ability and real-time monitoring more advanced than that of its competitors.

As part of its push into the clicks'n'mortar space, WebSpy had begun a channel partner program for value-added resellers and system integrators in the IT security management sector.

The deal could mean substantial benefits for WebSpy. "At the retail end, we had \$3 million in sales in the last 12 months and \$1.8 million of that was exported. With this deal, we expect 50 per cent of that to come from this particular [integrated] product in the next 12 months," Andrys said.

WebSpy has also been accepted as a Microsoft Exchange third-party reseller.

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