
Encryption as a Cloud Service

provides the lowest TCO

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Executive Summary

All information technology systems carry certain costs, even “free” open source applications, which really only cover the cost of purchasing a license. Installation, administration, ongoing maintenance, and general usage are costs associated with any project and should thus be factored into the equation

The value of full disk encryption (FDE) is beyond the scope of this white paper, understanding that there are legal requirements for important industries in some countries and significant risks are at stake for those organizations that refrain from protecting valuable information assets with FDE. This white paper can be seen as a guide to evaluating the total cost of deploying and using FDE in an organization given certain reasonable assumptions. The full disk encryption solution from Check Point serves as the basis of the Alertsec service. The use of this mature technology provides a stable platform to ensure that the data stored on a computer, whether it is a laptop or a desktop, is unreadable by unauthorized people. The software works transparently to the end user, enabling them to utilize the device normally while ensuring that all data is protected should the device become lost, stolen or is being used without proper authentication.

The analysis of utilizing full disk encryption evaluates the costs associated with procurement as well as operational costs related to the administration and deployment of the software. It is important to consider the operational costs associated with any purchase. The costs associated with deploying and maintaining software are hidden costs when purchasing a product, but are actually the major cost when considering the total cost of ownership. The model described here can be used to help an organization consider these costs and how they differ between the traditional installations compared to the Alertsec fully managed Cloud Service.

Analysis of the total cost of ownership of the Alertsec solution and the major alternatives show that the benefits of the Cloud Service can cut the TCO by up to half.

The Costs of Encryption

To accurately compare the costs between the Alertsec solution and the various on-premise products, costs are divided into three elements: licensing and maintenance, operations and infrastructure. These costs are borne out differently between the Alertsec solution and traditional solutions, and the differences of the Alertsec solution provide enhanced flexibility in cost management for an organization.

Alertsec Service vs. On-Premise Installation

To understand the cost elements, it is important to understand the differences between the features offered by the Alertsec service and an on-premise installation. The subscription service provided by Alertsec includes three important components of the total cost of a software installation: license and maintenance, 24/7 help desk support for end users, and the server infrastructure to manage the installation.

Alertsec is provided as a Software as a Service (SaaS) product, wherein the infrastructure needed to support the end user clients is provided directly by Alertsec.

Licensing and Maintenance Costs

Licensing and maintenance costs are the first costs that are seen for any product. The licensing for a traditional, on-premise installation is divided into two elements. The first element is the upfront license cost for actually using the software, a license for each device that will be protected. The second element is ongoing maintenance for software updates/ upgrades and ongoing technical (i.e. administrative, not end user) support. Maintenance fees range from 15 to 30 percent of the initial license cost and recur every year the software is being used.

The Alertsec subscription model is different. With Alertsec the organization pays a set fee for each protected device each month. This fee is based on the number of devices to be protected, and includes all costs. There is no separate maintenance fee associated with Alertsec.

Infrastructure Costs

Infrastructure costs are not seen in price lists from the vendor, but are the costs associated with the servers and associated software (such as the operating system and database software). This includes costs ranging from the purchase of the hardware and its maintenance, to facility space, to environmental support to the basic administration of the underlying operating system on which the solution is running. These costs are often overlooked in the installation of new software solution, but the costs of adding new servers, even if they are virtual, are real.

With the Alertsec solution, the servers are hosted and maintained by Alertsec. These costs are included as part of the subscription price and are, therefore, not a hidden cost to the organization.

Operations Costs

The single largest expense of any software deployment is the operations cost associated with administration and end user support of the software. Administration costs include tasks such as deploying the software to end user devices, setting and changing policies, user management and recovery from system crashes. End user support primarily focuses on password resets or providing temporary access to users who have forgotten tokens or smart cards.

These actions are associated with the human effort to perform them.

Installation

Installation tasks are generally only performed once, and then the software is maintained as part of normal operations. These calculations assume that a deployment tool is used to remotely install client software on end user systems such that the administrators do not need to “touch” the systems where the software will be installed.

The Alertsec solution, provided as a service, eliminates the customer costs associated with actually installing the software and minimizes the cost of the initial configuration by providing intelligent defaults for the configuration based on discussions during the purchase of the software service.

Installation Task	Description	Frequency
Installation of administration system	Time required for installing and configuring all server components of the system for administration. The end of this task is a fully configured system ready for use (i.e. all current users are setup, connections to external systems are configured, and all policies have been created).	Once
Client installation	Deployment of the software to all client systems to be covered.	Once

Administration

These tasks are part of the ongoing maintenance and use of the installed solution.

The Alertsec solution provides automatic software upgrades to both the server and client software automatically without any need or action by the organization.

Administration Task	Description	Frequency
Training	Providing training for all administrators (and likely Help Desk personnel) that will interact with the administration portion of the product.	Once every other year
Security Policy Update	Updating the security policy based on changes to the security needs of the organization, group, or user.	Once a year
Software upgrade	Updating the client and server software.	Twice a year
User Management	Adding, deleting, or modifying user accounts for the client software. This includes removing access for people who have left, or moving users between systems when they change positions (or get a new system).	Once or Twice a year per user
System Replacement or Refresh with Client Setup	Installation of the client software when a new or refreshed system will be given to the user.	Once every other year
Client Device Troubleshooting	Physical presence by an administrator to determine problem (but short of needing to recover full system).	Rare
Client System Recovery	Recovery of system due to a failure. Failures could include hardware or OS which require manual decryption to fix.	Rare

User Support

The user support tasks are associated with providing assistance to the end users once the software has been deployed to their systems. This is primarily support for forgotten passwords or tokens (depending on the authentication configuration).

In the Alertsec solution, Alertsec provides all end user support, including password resets, or temporary access to authorized users for forgotten tokens.

User Support Task	Description	Frequency
Password reset for forgotten password	The user has forgotten their password or physical token and needs it to be reset by the Help Desk	Twice a year
Initial user name configuration	Entering any initial user-specific information such as confirming their username or entering personal questions which can be used to verify their identity.	Once

Alertsec has the lowest TCO

This paper illustrates that many of the additional/supplemental/hidden costs associated with managing a full disk encryption product are already included in the price of the Alertsec solution unlike the on-premise solutions on the market.

The TCO comparison included the following FDE providers: McAfee, Microsoft (BitLocker), Sophos, Symantec and WinMagic.

Cost per Seat over Three Years.

The graphs below show the cost per seat over three years, breaking out the operations, maintenance and licensing/subscription costs for each user over that period.

In both scenarios, the Alertsec TCO is significantly lower even if the products were given away free (which one of them actually is).

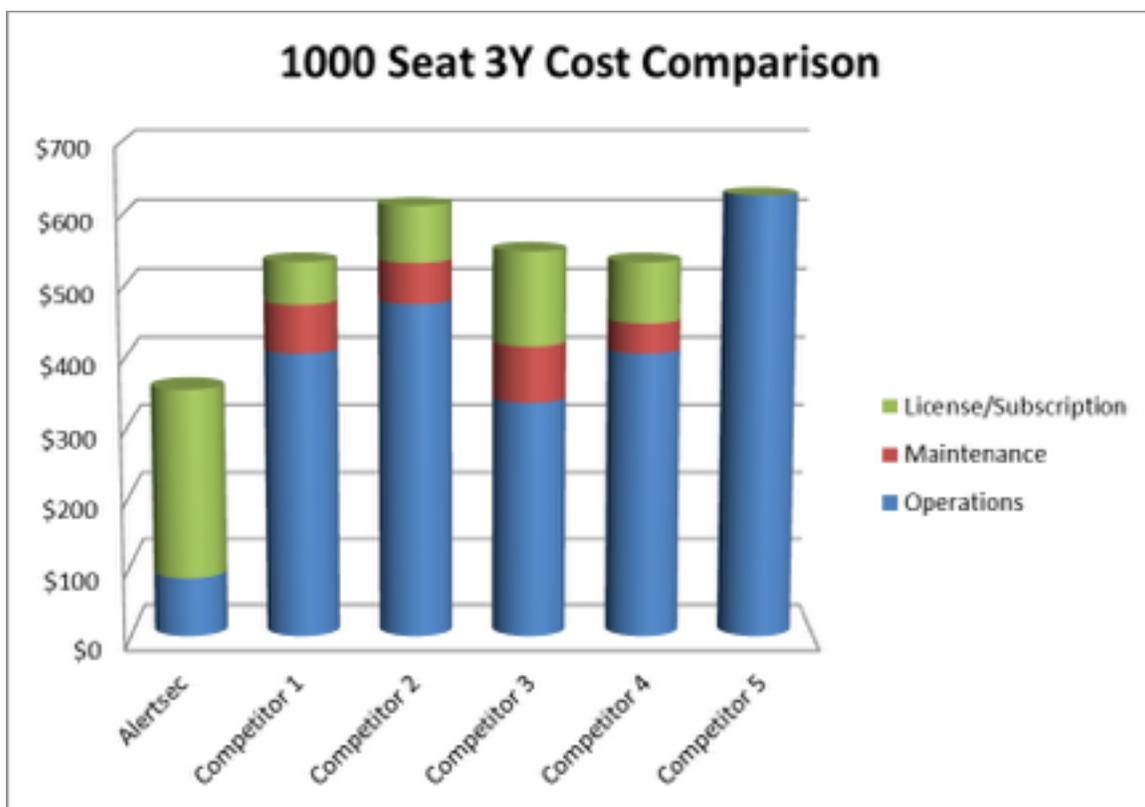


Figure 1 - Cost per Seat over 3 Years, 1000 Seats

Average Annual per Seat Cost

The average annual per seat cost shown in Figure 2 also exhibits how the costs, on a per seat basis for differing license levels. Alertsec is consistently the lowest price per seat within the studied range.

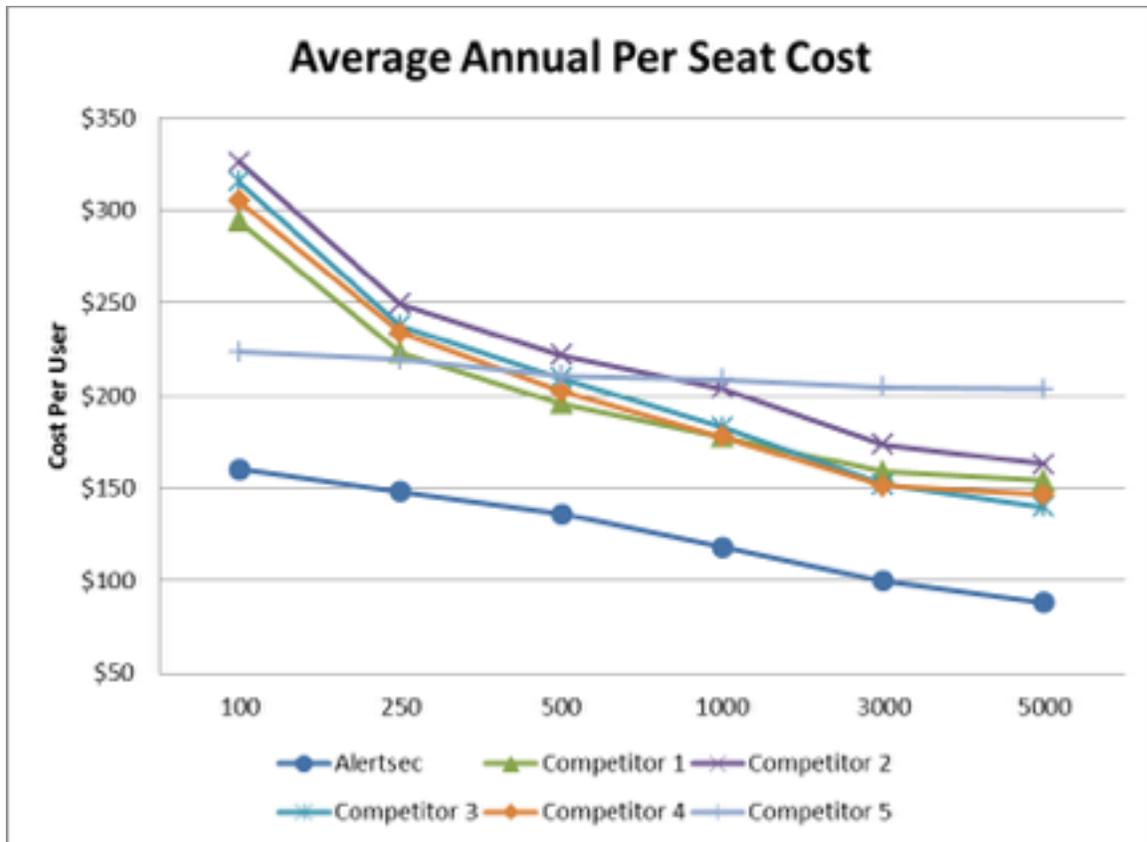


Figure 2 - Average Annual Cost per Seat over Three Years

Annual Cost for 1000 Seats

The annual cost for a 1000 seat license/subscription is shown in Figure 3. Alertsec has a consistent lower annual cost versus the high front end costs of the competitors with reduced costs thereafter.

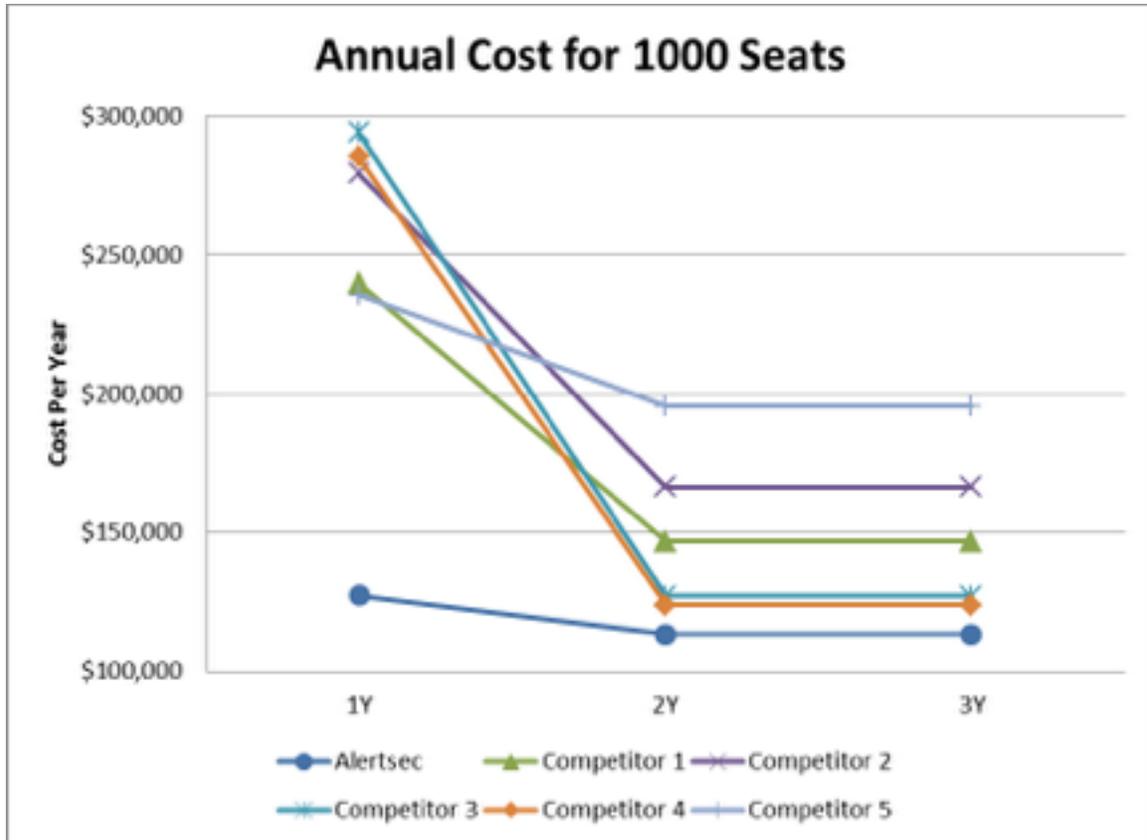


Figure 3 - Annual Cost for 1000 Seats

Additional TCO Considerations

In addition to these TCO calculations, there are several points that should be considered when comparing Alertsec with other full disk encryption solutions.

Consideration	Description
24x7 Help Desk Support	Alertsec provides 24x7 help desk and technical support automatically with every subscription. This is not an upgraded support option rather it is the standard subscription. All end user support calls are handled by Alertsec 24x7 support, so the organization does not need to provide this for users to access their systems at any time of the day.
No Long Term Contract	Alertsec does not require the organization to sign any long term contract. At any time, the organization can end the subscription and immediately end the payments.
Pay only for Subscriptions in Use	As the number of systems being protected fluctuates through adding and removing employees, the subscriptions you pay for changes. This ensures that your full disk encryption costs are tied directly to your number of employees.
Subscription - lower cost	The cost of the subscription is fixed to the number of systems being protected, with no extra costs for servers or additional maintenance costs.
No Upfront Capital Outlay	The subscription cost is constant every year. There is no large capital outlay up front followed by annually maintenance payments. The price the first year is the same the second year (for the same number of subscriptions).
Operating Expense vs. Capital Expense	As a subscription service, it may be possible to claim Alertsec as an Operating Expense rather than a Capital Expense.
Global Support	Alertsec is a Global organization able to provide support around the world.
Internet-aware Management	The Alertsec client is Internet-aware meaning that updates to the software can occur anywhere there is an Internet connection, not just inside the organization's network.
Minimal Training	The Alertsec service is designed for simplicity, to walk both administrators and end users through their various tasks. This means that minimal training is required for any administrator to confidently manage the Alertsec solution since the Alertsec team provides assistance at every step of the way.

About Alertsec

Alertsec Inc. was founded in 2007 by Fredrik Loevstedt, co-founder of Pointsec Mobile Technologies, a world leader in encryption and security control software for PC's and mobile devices. Today, Pointsec Full Disk Encryption software is used on more than 30 million laptops around the world. Pointsec was acquired by Check Point Software Technologies Ltd in 2007.

By using industry leading Check Point Full Disk Encryption (formerly Pointsec) software, Alertsec has created a web based encryption service that radically simplifies deployment and management of laptop encryption.

Customers range from single-user consultants to large multinational companies with thousands of users.

www.alertsec.com