

## M86 Acquires Finjan to Bolster Anti-Malware Capabilities

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M86's acquisition of Finjan gives it strong real-time anti-malware capabilities. It faces challenges around product integration and cross-selling its solutions into new markets.

## NEWS ANALYSIS

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### Event

On 3 November 2009, M86 Security, a global provider of Web and messaging security products, announced it has acquired Finjan, a provider of secure Web gateway (SWG) solutions for the enterprise market.

### Analysis

As compromised websites continue to be the primary source of malware, more enterprises are recognizing the need to secure the Web gateway. This trend is the driver for M86's acquisition of Finjan, a company with strong real-time code analysis technology for detecting and blocking malware. M86 was formed from the merger of Marshal, which focused on e-mail and Web security for the small and midsize business (SMB) market, and 8e6, which focused on URL filtering for the K-12 market and large enterprises. But M86 lacked enterprise-class capabilities for Web-based malware detection. The Finjan acquisition gives M86:

- Real-time scanning ability for a broad array of Web programming languages, such as HTML, JavaScript, VBScript and Java, to detect malicious intent.
- Flexible deployment options. Organizations can implement Finjan's technology via a proxy-based appliance, an in-line bridge or a security-as-a-service model (announced in October 2009).

The Finjan acquisition should progress relatively smoothly, because the CEO of M86 was previously the CEO of Finjan. Other executives have also worked at both companies, which should accelerate the process of forming a unified corporate culture.

However, M86 may find Finjan's solutions difficult to sell into Marshal's installed base of SMB customers because Finjan's solution mainly appeals to sophisticated enterprises. Conversely, M86 is likely to find it challenging to sell its SMB-focused, software-based e-mail security solution to Finjan's large-enterprise customers.

M86 also faces the overall challenge of integrating four technology products into an SWG solution with a unified management console. In addition to Marshal, 8e6 and Finjan, M86 also owns behavioral malware detection for e-mail security from Avinti, which it acquired in April 2009.

## RECOMMENDATIONS

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- **Finjan Customers:** Monitor M86's ability to enhance Finjan's malware detection capabilities as it attempts to build and unify a security company from its multiple acquisitions.
- **M86 Customers:** Monitor M86's ability to support its traditional installed base (primarily SMBs and K-12 customers) as it shifts toward a stronger focus on the large enterprise market.

## RECOMMENDED READING

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- "Magic Quadrant for Secure Web Gateway"— Incumbent providers have been slow to respond to changing demands, while new vendors are struggling to get the right product

mix and prove their mettle in the demanding enterprise market. **By Peter Firstbrook and Lawrence Orans**

- "A Buyer's Guide to Secure Web Gateways"— This guide lists the most-advanced features of SWGs to help buyers differentiate solutions. **By Peter Firstbrook and Lawrence Orans**

(You may need to sign in or be a Gartner client to access the documents referenced in this First Take.)

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