



THE RADICATI GROUP, INC.

A TECHNOLOGY MARKET RESEARCH FIRM

1900 EMBARCADERO ROAD, SUITE 206. • PALO ALTO, CA 94303

TEL. 650 322-8059 • FAX 650 322-8061

eDiscovery and Data Loss Prevention Market, 2009-2013

Editor: Sara Radicati, Ph.D; Principal Analyst: Masha Khmartseva

SCOPE

This study covers the eDiscovery and Data Loss Prevention (DLP) market in 2009 and its expected evolution over the next four years. The report examines market trends, corporate demand, as well as leading vendor products and strategies.

eDiscovery and DLP solutions are supervision solutions that help companies monitor and manage electronic data travelling over their communication channels.

We provide data on worldwide market size, installed base and revenue market share by vendor, as well as worldwide market growth forecasts in terms of both installed base and revenue from 2009 to 2013.

All market numbers, such as market size, forecasts, installed base, revenue information, and any financial information presented in this study represent worldwide figures, geographical breakouts are also provided. All revenue numbers are expressed in \$USD.

The revenue numbers listed for each vendor and service provider do not represent total company revenue. They only represent sales of solutions and support revenues as a direct result of the sales for the 2009 calendar year. Professional services revenue is not included.

METHODOLOGY

The information and analysis in this report is based on primary research conducted by The Radicati Group, Inc. in 2009. It consists of information collected from vendors, and corporate users via on-going interviews and surveys.

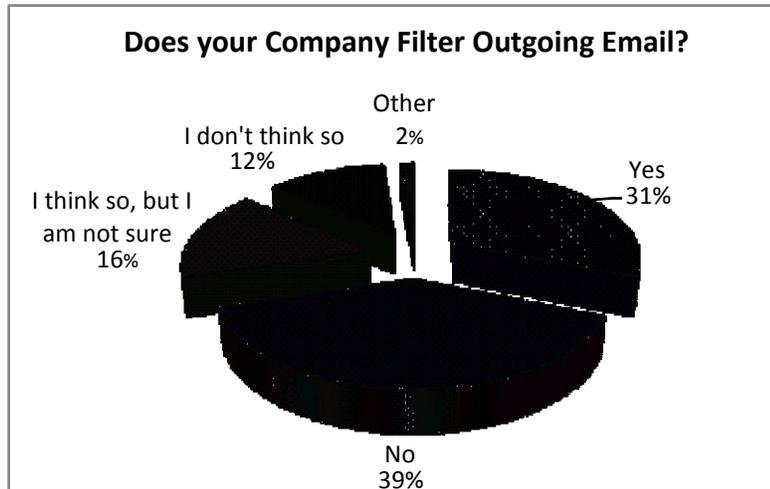
Secondary research sources have also been used, where appropriate, to cross-check the information collected. These include company annual reports and market size information from various related market segments of the computer industry.

EXECUTIVE SUMMARY

- eDiscovery and Data Loss Prevention (DLP) are supervision solutions that help organizations monitor and manage electronic data travelling over their corporate channels, as well as stored on servers, desktops, laptops, and other endpoints.
- There are two ways to supervise electronic data: post-review (eDiscovery), or pre-review (DLP):
 - **eDiscovery**, are post-review solutions, enabling organizations to analyze electronic evidence after documents have been exchanged between users over various electronic channels.
 - The second type of data supervision solutions are **Data Loss Prevention (DLP)** solutions, which come with *pre-review capabilities*, scanning the content *before* messages are sent or received. Their goal is to stop non-compliant activity before it occurs and gets documented. In addition, DLP solutions can also proactively monitor data at rest (saved on a server, laptops, etc.) by crawling through it at regular intervals, to make sure that it is stored properly and in compliance with corporate policies.
- Both eDiscovery and Data Loss Prevention solutions have become so popular over the past few years that many archiving and e-mail security vendors have started offering eDiscovery and DLP as add-ons to their primary archiving and/or

security offerings. The depth and breadth of features and capabilities they offer continues to evolve as do compliance regulations and the potential for information breaches.

- For DLP solutions, monitoring data in motion, in use and at rest, can be found almost exclusively in high-end DLP solutions. On the other hand, entry-level DLP solutions, or those offered as typical add-ons to other products and services, such as archiving and compliance, usually are only capable of protecting data in motion. Granted, data in motion often presents the biggest risk for an organization, however this capability alone doesn't offer an organization a 360 degree protection from data loss.
- Despite the economic slowdown, over the past year the eDiscovery and DLP markets have shown significant growth. Although not all customers consider these solutions to be critical applications (with the exception of companies in highly regulated industries), many organizations made room in their budgets for them, in order to protect their intellectual property/sensitive data, and often to significantly cut legal processing costs.
- While selling to regulated companies continues to constitute a large portion of sales of eDiscovery and DLP solutions, most of these sales involve displacement of existing solutions or major upgrades. The majority of new sales are driven by organizations that wish to protect their internal sensitive data, rather than just comply with regulations.
- A recent Business User survey, designed and administered by The Radicati Group, Inc. in late-2009, revealed that currently only one third of all organizations filter their outgoing e-mail, offering a great opportunity for growth for this market.



To view the complete Table of Contents for this report, visit our website at www.radicati.com.