



Email Archiving Leader Jatheon Technologies Inc. Uses Latest-Generation On-Premise and Cloud Archiving Solutions to Help Organizations Overcome Compliance and Ediscovery Challenges



Marko Dinic
Chief Executive Officer
Jatheon Technologies Inc.
www.jatheon.com

Contact:
Ivana Nikolic, Marketing Director
+1 888-528-4366
inikolic@jatheon.com

Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine

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CEOCFO: *Mr. Dinic, what is the idea behind Jatheon Technologies, Inc.?*

Mr. Dinic: Jatheon is an email archiving company that was founded in 2004 to address the regulatory demands set by the laws following the Sarbanes-Oxley Act. We specialize in capturing, storing, searching and retrieving communication data. The product started off as an email archiving appliance and has since grown to include social media, text message and voice archiving. Today, we have an on-premise and a cloud-based solution.

CEOCFO: *What are the challenges in secure, correct and retrievable archiving?*

Mr. Dinic: There are a couple. The number one challenge is getting one hundred percent of the data into an archiving solution. Email is now relatively simple, since most mail servers can easily give us a copy of every message. Social media archiving is problematic and still in its early stages. Most social media platforms cannot be archived to a full extent and certain parts of the message cannot be retained. On the other hand, voice and text messages are relatively stable and can be archived in multiple different ways.

The second challenge is definitely search. In email archiving, it’s vital to have an exceptionally high search speed and a good user experience. That’s not easy to do when you are searching through everyone’s email. If you have one hundred million emails to search through, you will face a number of challenges in structuring your search in a way that can produce a small subset of meaningful results. Secondly, the platform needs to be able to return those results quickly. I would say search speed and ease of use are the key aspects of any archiving system.

CEOCFO: *Who is archiving today and who should be that is not?*

Mr. Dinic: There are a number of different laws and regulations that force companies to archive. All public and government organizations need to retain electronic records, including email. If you are in the financial industry, there are SCC laws that require you to archive. If you are in healthcare, then you definitely need to archive based on HIPAA. In addition, most small companies that deal with those public companies may need to archive as well. Obviously, this is something that every company should check with their legal team.

CEOCFO: *How would a company look for information that has been archived?*

Mr. Dinic: That is usually the task of the legal or IT department. There are two different ways to search. You can back up the information and try to find something there. However, backup is notoriously difficult to search through. On the other hand, archiving makes search and retrieval easy, mainly because all the information is indexed. You can log in through a web interface or, if you are an end user, through the Outlook plugin. You'll be presented with a very simple search interface where you will be able to define the particular details that you want to use as search criteria. For example, you can choose to search through email subjects only, or the bodies, or the attachments. Or a mix of different criteria. You would then conduct a search, go through the list of results (much like you would do in your email client) and then download, retrieve, forward or flag relevant results.

CEOCFO: *Is there one solution? Does it depend on the type of business? What is available today from Jatheon?*

Mr. Dinic: When you look at archiving solutions, there are generally two options – either a cloud or an on-premise solution. Cloud solutions are charged per seat and they make a lot of sense if you are a small organization. This is because SMBs rarely have the IT infrastructure required to implement a hardware solution. Cloud archiving platforms can be implemented relatively quickly and there is no maintenance required. The per-seat pricing makes sense if you have up to two or three hundred users. Above that, you could go with the cloud solution but the per-seat pricing can turn out to be prohibitive, especially if we're talking about more than a thousand or twelve hundred users. This is the case with all cloud products, not only cloud archiving platforms. There is simply a point after which most cloud solutions stop being cost-effective and don't make much sense.

In that case, you will want to look into an on-premise solution, which is a piece of archiving hardware that sits inside your secure network. There are no differences between the two in terms of functionality. What's different is the price, the maintenance costs and security. Having hardware on premises adds a special layer of security and ensures that nobody can look at your data. With cloud solutions, security can be an issue, although we do provide transparency and do not do any data sharing. Still, in cloud archiving, data is stored on different cloud providers such as Amazon or Google and you cannot guarantee that a breach of their infrastructure is not going to leak your data.

CEOCFO: *Once people start archiving, do they keep everything? Is there a point where people say, "Okay, keep the last five years or six months," or is the idea that it will be an almost forever situation?*

Mr. Dinic: Different laws dictate different retention periods. In healthcare, for instance, HIPAA requires retention of about twelve years. However, if you look at the laws in the financial services industry, they generally require organizations to retain information for seven years. In the government sector, retention requirements vary based on the state, the city and the legislation itself, but can be anything from three to seven years. This is ultimately a question for the legal counsel. Having clearly-defined retention schedules and removing data after the retention period expires does help with the cost, the storage and liability. In many different cases you do want to expunge data and not keep it forever because you do not want to be liable for more than you need to.

CEOCFO: *Do you work with many government agencies?*

Mr. Dinic: We do. We work with local, municipal and federal government agencies. We also work with K-12 schools, districts, universities, colleges, hospitals and other pseudo government agencies.

CEOCFO: *What is involved in implementation?*

Mr. Dinic: For Jatheon, implementation is very simple. That is not to say that every solution that you look at is simple, but for Jatheon, the deployment is usually done within an hour. There are two deployments – on-premise and cloud. The cloud deployment involves our Support reaching out, setting up a time with the customer and then going through the process of making sure that we have a copy of all of their communications. We then organize training sessions for the customer to show them how to use and administer the solution and help them to deploy it in their organization. The on-premise solution has to be shipped first and then it requires a physical presence for the appliance to be racked-up and powered on. From there, the process is basically the same. Jatheon Support will walk you through the full configuration, make sure that we have all of the required messages on the appliance and then provide training and help with deployment.

CEOCFO: *What is the competitive landscape? Are many companies offering something similar?*

Mr. Dinic: There are a number of competitors for both our on-premise and cloud solution. There are even giants of the industry, which is Microsoft and Google. They provide storage and email archiving as part of their Office 365 for Microsoft and Google Vault for Google products. However, these are not specifically built for compliance. These are what you would call second-tier products that were bolted on to the main offering in order for a company to be compliant. They are relatively expensive and often bundled with other offerings. Those are the big competitors. The problem with those is that the user experience is not quite polished and it is extremely hard to fulfill legal requests using these tools. Then, there are smaller competitors such as Barracuda and SonaSoft. They have solutions that are much easier to use and they, like Jatheon, specialize in archiving and have good search capabilities. We fall into a group of specialized vendors that have a simple and easy-to-

use software that can translate very complex legal queries into just a couple of clicks before you can get meaningful results. That is the overall landscape.

CEOCFO: *Do you reach out directly to potential customers? Do you work with third parties?*

Mr. Dinic: We do have a channel and we also sell direct. We have partnered with a number of very large global resellers but we do sell directly in places where those resellers are not available.

CEOCFO: *Price is always a consideration. However, is it a big consideration in this arena or do people recognize they need good archiving and they are willing to pay for it? What do you find?*

Mr. Dinic: That is a tough question. There is a definite need for archiving. Every government agency, school district, hospital or financial organization understands that they need an archiving platform in place because they continuously get Freedom of Information and other legal requests that they need to fulfill and meet strict deadlines. It is not always clear how urgently they need it or how good their existing one is. We're now seeing a fourth generation of products in the archiving industry. Since archiving was initially required in 2004, we've seen a new generation of products that improved things significantly roughly every four years.

Jatheon has fourth-generation products, while many archiving companies still have second generation products – mostly old and cumbersome hardware solutions that do not work well when needed. To address your question directly – people understand the importance of having an archive when there is a legal request and when there are risks involved. However, archiving is not something that is helpful for sales, marketing or revenue generation in general. Therefore, we find that most people grudgingly get the archive, but once they have it, they realize that it helps them in many other ways, for example with business continuity. Only then do they see the real benefits, but I have to admit it is very tough to get to that point. It takes either a legal case or pressure from legal entities inside the organization before archiving is taken seriously.

CEOCFO: *Last month you introduced new features to Jatheon Cloud. What have you added?*

Mr. Dinic: Jatheon Cloud is a fourth-generation cloud archiving product which is extremely fast and simple to use. We have added a number of different enhancements to the search feature. We have revamped the advanced search to make it simpler. We have also done a lot of work on export and import features. When we onboard a customer, they might have ten terabytes of legacy data which needs to be processed and copied in a timely manner. When the customer needs to respond to a legal request, they have to export large amounts of data, which is again where some of the older generation products break. While building Jatheon Cloud, it was our priority to make search, import and export as quick and easy to use as we could. I'm really happy with the results.

CEOCFO: *How is business?*

Mr. Dinic: Business is good! We have been in the archiving business for fourteen years, so we have seen the ups and downs. Last year we have done well from a products perspective. We launched the cloud and have seen a good traction in demand. We are noticing that even larger companies that are above the targeted seats that we originally expected are signing up for cloud due to the ease of use and the brand new, modern user interface. We have also seen increasing litigation in the last six months, which tends to create the need for archiving and our services.

CEOCFO: *What is your geographic reach?*

Mr. Dinic: We are present primarily in the English-speaking countries. We have a huge presence in the United States on all government and private organizational levels. We are in Canada, the United Kingdom, New Zealand and Australia, and we are currently working on taking our product offering to other countries as well.

CEOCFO: *Would you tell us a little bit more about how you are working on social media archiving?*

Mr. Dinic: Social media is different and more challenging than email archiving. Each social media platform is unique and has different things that need to be retained. Twitter, for instance, has text and pictures. Facebook has likes, reactions and direct messages. The way of acquiring data is also problematic, as some information is private and some other information is public. Quite a few things are different – the way we acquire data, the way we ask users for permission and the way we store it on site. On the search side, it is more similar to email than anything else. It's possible to search through subjects, content, messages, attachments, just as you would do with email once you get all the information in. However, getting the information in is key and quite a struggle, especially because of the different privacy laws that we have to abide by now and different permission levels that users need to provide.

CEOCFO: *Why use Jatheon Technologies, Inc?*

Mr. Dinic: Jatheon is a leader in email archiving and has been around for fourteen years. We specialize in email archiving for regulated industries and have the latest generation of products. I'm quite sure we can provide the best user experience you can get on the market, bar none. There are a number of organizations that use our product and will gladly give us a reference. At the same time, our solutions are very cost-effective – we are priced significantly below Google and Microsoft and more in line with what you would pay for a backup solution. If you face an audit or any kind of litigation requests, Jatheon's solutions will help your organization respond to them quickly, efficiently and with less pain.

