



Times are changing

Giovanni Verlini, Editor of Satellite Evolution Asia, spoke with Toni Lee Rudnicki, the newly-appointed Chief Marketing Officer (CMO) of iDirect.

iDirect Technologies, a company of VT Systems Inc, designs, develops, and markets satellite-based broadband access solutions targeted at the enterprise, government, carrier and educational sectors that have the need for fast, flexible, and geographically dispersed two-way internet/intranet access.

The company has developed technology solutions that combine high performance, worldwide availability, and ease of installation, high reliability, and low cost to end customers. In addition, iDirect solutions offer unprecedented efficiencies, increased revenue opportunities and higher per customer gross margins to satellite network operators.

iDirect operates its corporate headquarters in Herndon, Virginia and has regional offices in Europe, Asia, and covering Latin America.

Question: Congratulations on your appointment as iDirect's Chief Marketing Officer (CMO). Would you be so kind to introduce yourself to our readers? What is your background and experience?

Toni Lee Rudnicki: Well, my name is Toni Lee Rudnicki and I have taken up the job of Chief Marketing Officer (CMO) at iDirect. My background is interesting in that I have technical degrees and yet I have been doing marketing for the last 20 years working for companies such as Tandberg, Digital Equipment, and AMR Research. In all my previous positions I was focused on high-tech marketing.

Q: What is your view on the current state of the satellite industry?



TLR: If I look at the satellite industry now I see an industry at the point of changing from one driven by technology to one focused on different types of businesses and business environments. I guess this is one of the reasons why I was so excited at the opportunity of my new position with iDirect.

One of the things we have been considering at iDirect is to move from a product-only company to a solution-oriented com-

iDirect Technologies initiates rigorous FIPS 140-2 government security validation process

iDirect Technologies Inc (iDirect), a company of VT Systems Inc, has announced that the iDirect Series 7000 satellite router has been placed on the Pre-Validation List for the Federal Information Processing Standards Publications (FIPS) 140-2: Security Requirements for Cryptographic Modules. Specially designed for the military and other high end users, the Series 7000 has become the preferred remote VSAT solution for combat units, first responders, intelligence agencies, and all support units. With embedded AES encryption and support for Transmission Security (TRANSEC), the iDirect solution already offers a unique approach to VSAT network security. With the addition of FIPS 140-2, iDirect will be in a class by itself.

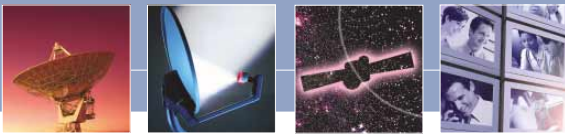
The FIPS 140-2 standard is a joint effort by the National Institute of Standards and Technology (NIST) in the US, and the Communications Security Establishment (CSE) under the Canadian government. The standard provides third-party assurance of security claims on any product containing cryptography that may be purchased by a government agency. With other recent homeland security initiatives becoming the focal point for companies everywhere, FIPS 140-2 is gaining worldwide recognition as an important benchmark for third party validations of encryption products of all kinds. FIPS 140-2 validation of iDirect satellite routers provides buyers with a confidence in the high degree of security, assurance, and dependability.

The iDirect satellite networking solution, already widely deployed around the world by multiple government, military and enterprise customers, provides remote users with broadband speeds of up to 18Mbit/s outbound and 4.2Mbit/s return. Each iDirect remote terminal includes a built-in router and is packaged with features such as link encryption, Transmission Control Protocol (TCP) acceleration, Domain Name Server (DNS) caching and real-time traffic management Quality of Service prioritization all in one box.

In order to facilitate the prompt completion of the FIPS 140-2 validation process, iDirect has partnered with Corsec Security Inc, a consulting firm with more than eight years of validation experience.

"Corsec is proud to be working with iDirect on the FIPS 140-2 validation of their satellite routers. iDirect's determination to undergo this intensive validation process exemplifies their strong dedication to providing robust and secure solutions to their customers," stated John Morris, Vice President, Corsec Security Inc.

"Security is a top priority for any user of military satellite communications. Historically, VSAT users have had to make a trade-off between functionality and security. The iDirect platform is unique in its ability to combine full encryption with Transmission Security, without impacting the network performance," said John Kealey, President and CEO, iDirect Technologies.



pany. I think this is an exciting change for the satellite industry now: changing the way people communicate, based upon not only the actual physical communications environment but looking at how the world communicates. This means looking to develop business-oriented solutions versus technology-oriented solutions.

Q: How does this translate in practical terms? How do you see the satellite market evolving over the next, say, five years?

TLR: I think what is going to happen is that the satellite market itself will become much more solutions oriented, and by that I mean that there will be specific applications that will be focused on, let us say, financial applications, or banking applications, or retail applications.

These applications will have the underpinning and the framework that you see with the hardware solutions that you see today, but they will also involve solutions that are specific to those industries. The solutions could be point of sale, credit card applications, security or any other solution targeted at very specific business applications.

In a nutshell, what I see happening is an industry in evolution from being hardware-centric to one that is software- and services-centric.

Q: In the press release issued to announce your appointment, it was stated that iDirect is looking to expand its focus to solutions marketing as they incorporate additional technologies into their platform and develop new technology partnerships. Would you be so kind to explain what these 'technology partnerships' are? Also, who are these technology partners that are mentioned?

TLR: The evolution to becoming a solutions company from an iDirect prospective is moving in an extremely focused way. Firstly, we are looking at our current product line. Our aim is to move away from having one product and thus develop multiple products, so that we start routing out the functionalities that we can provide.

The second area that I see is to look at the verticals we were discussing earlier. We need to identify which vertical sector we stand to impact the most from a financial or

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business standpoint, whether that would be allowing clients to do things they have not done before or saving time to market so that their business model becomes more efficient.

The third area, which is the technology partnership part of your question, consists of looking at iDirect core competence and expand that core competence encompassing a higher market.

As we turn to solving solutions, we aim to develop different technology partnerships. There could be a wide range of different partnerships: vertical partnerships, partnerships focused on technology, and maybe even focused on services. We are now beginning to look at how you build an alliance environment and have a win-win relationship with your partner to deliver specific solutions.

Q: The aforementioned statement seems to suggest that iDirect is working on the supply side (ie, new products, new technologies, etc). What about the demand side? What do customers want from you?

TLR: Certainly, one of the things that we are looking to focus on in 2007 from a marketing prospective is both 'the push and the pull'. One of the elements that you need to consider in that pull environment is not necessarily the network operators but the end users and how they use the communication environment.

We are looking to create that pull with those vertical solutions that we talked about. They will be the customers that we will be reaching out to, that we will be doing focus groups with, that we will be doing service with.

Therefore, we will hear what they are looking for so that we can then do our joint partnership with our network operators to attack those markets together. It is about creating both a push and a pull environment.

Q: How is the relationship between iDirect and its customers changing? What does

it mean for iDirect?

TLR: What is happening at iDirect as a company is that we are no longer completely focused on technology and how it works – though this will remain part of our focus as technology, obviously, has to remain our core competence. We are becoming much more focused on the business of using our solutions. So instead of being totally focused on our technology, we are also moving our attention to how we can help our customers save money, how do we help them go to market better, how do we allow them to do business in places where they have never done business before. Really, we are expanding from having a product-oriented focus to an applications-oriented focus.

When you go through that 100-125 million point in revenue you can no longer do technology sales, but that you have to do business sales. For me, that is one of the things that have excited me the most in taking this job: moving from being a technology marketing company to being a solutions-oriented company.

Q: What do you think was the reason for iDirect's success over the past few years? And what does iDirect need to do continue to build on this success?

TLR: I think that one of the key factors why iDirect was so successful in the past was its passion, excitement, culture and its ability to pull together and solve problems doing whatever it takes. And I think that this is also going to be key to our future. As we change from being a technology-oriented company into a broader marketing enterprise, the same things will be driving us there: it is our passion, our ability to listen, our real desire to work together and make new friends. That success factor that was there in the past will be there in our future.

Q: Where do you see iDirect being in five years time?

TLR: I definitely see iDirect being a solutions company and by that I mean that the hardware will remain a requirement, it will kind of be the baseline, but the difference is that we will become much more software-oriented, much more applications-oriented and much more solutions and services-oriented.

The iDirect transition will transform the company from being a product technology-driven company to one that is focused on solutions and applications software. Ultimately, I think that in five years iDirect will be a software and service company. ■

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