

## V5.10060d Mini-Briefing: UK Opportunities for Cyber-Security Investors

<b>What is the UK opportunity?</b>	The UK \$8 billion pa market for Cyber-security companies is the largest, most concentrated, and most accessible in Europe
<b>Why is UK attractive?</b>	<p>The UK's cyber-security market is around \$8 billion pa with some 20% of public sector IT spend and around 5% of all ICT services spending being security-related</p> <p>This market size is likely to increase despite radical reductions in public sector IT spend as more IT services become cloud-based, financial services investment increases again and with increased use of open source software</p> <p>Most cyber-security spending is controlled or influenced within 150Km of London, where most UK business and over 50% of the population are concentrated</p> <p>The area has 5 major international airports and excellent rail and road connections, significantly reducing management and sales travel time overheads</p> <p>Personal mobility means there is no real shortage of experienced business and world-class technology talent available to help realise an internationalisation opportunity</p>
<b>Why is now a good time to invest in UK?</b>	<p>Although intensely competitive, there are substantial disruptions in the UK market that create opportunities for innovative newcomers in most cyber-security segments</p> <p>The UK is an enthusiastic adopter of e-commerce, mobility, outsourced services, social networking and digital entertainment, all of which are vulnerable; an increasing threat relates to cyber-attacks on individuals, businesses, critical infrastructure and government</p> <p>The UK is in a period of public sector recession creating new cost pressures and opportunities while the private sector is now recovering from the recent financial crisis</p> <p>Universities are keener than ever to expand their commercial offerings across world-class research, technology transfer and teaching</p> <p>Key areas include increased competitive intensity and regulation of financial services, rapid growth of EU's largest on-line retail market, radical transformation of government procurement and service delivery with increasing attention to counter-terrorism</p>
<b>What are the Key Success Factors?</b>	<p>UK is a very competitive market, requiring a well-articulated proposition focused on clearly-identified business needs with the necessary resources and organisation to deliver</p> <p>UK buyers are impatient and know exactly what they want, creating clear opportunities for suppliers to focus exactly on the expressed needs to deliver better value for money</p> <p>In uncertain times for many companies, buyers are cautious and avoid risks; individual and corporate track record remain important factors</p>
<b>Who might invest in UK?</b>	<p>Services and technology providers able to enhance customer intimacy or operational productivity through less obtrusive and more effective security</p> <p>Technology-intensive players looking to access UK cyber-security talent or technology</p>
<b>Which are the strongest market segments?</b>	<p>The segment is driven by concerns to protect business, citizens and government from threats to children, crowds, finance, critical infrastructure and sensitive information</p> <p>UK citizens and business are defrauded of some \$50 billion each year; cyber-crime is enabling more of this fraud as on-line activity grows and POS fraud is reduced</p> <p>Children are increasingly exposed to cyber-grooming; parents, ISPs and mobile operators are all participating in efforts to protect the naive and vulnerable</p> <p>Government could save around \$2 billion pa using technology to classify personal/sensitive information better and manage it more appropriately</p>
<b>More detailed and/or customised versions of this briefing can be provided</b>	<p><b>If you found this useful and/or would like a free and confidential introductory discussion of how we might help you</b></p> <p><b>please contact:</b></p> <p><b>Frank.Morris@vecta5.com</b></p>

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