

Worldwide security market storms ahead in Q4 2009

– Security in Q4 2009 grows 10.1% sequentially

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For immediate release

- The worldwide security market was worth a total of \$3.6 billion in Q4 2009
- Security hardware and software grew 3.6% year-on-year in the fourth quarter
- Juniper Networks grew its share of the appliance market to 13.1%
- Client software rebounded strongly with the resurgence in PC spending

Q4 2009 research highlights

Like most industries, the security market experienced declines during much of 2009 as panicking businesses avoided or delayed IT procurement. But as macro-economic conditions began to stabilize and business confidence returned, spending also resumed. In the fourth quarter of 2009, delayed refreshment business and end-of-year budget spend contributed to security's strong sequential growth of 10.1%, with the total market reaching \$3.6 billion.

Worldwide total enterprise security market					
Market shares Q4 2009, Q4 2008					
Vendor	Q4 2009 shipment value (\$m)	% share	Q4 2008 shipment value (\$m)	% share	Growth Q4'09/Q4'08
Total	3,635.9	100.0%	3,291.0	100.0%	3.6%*
Infrastructure security appliance	1,767.5	48.6%	1,714.2	52.1%	3.1%
Infrastructure security software	861.8	23.7%	818.6	24.9%	5.3%
Client security software	651.5	17.9%	600.1	18.2%	8.6%
Hosted security services	226.5	6.2%	-	-	-
Infrastructure security module	128.5	3.5%	158.1	4.8%	-18.7%

Source: Canalys estimates, © Canalys 2010
**Not including hosted security services broken out from Q1 2009 only*

Client security software grew strongest year-on-year during the quarter, by 8.6%. 'The release of Windows 7 and the resurgence of the PC market have dramatically helped the client security market,' said Nikki Babatola, Analyst at Canalys. 'This improvement will likely continue throughout 2010 as businesses roll out more computer systems.' Symantec retook the top spot in client security in the second half of 2009, with a year-on-year growth rate of 12.3% in the fourth quarter and 26.7% market share. McAfee grew 6.4% to leave it in second place. Trend Micro had strong growth of 13.9% and increased its market share to 14.3%.

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Total	3,635.9	100.0%	3,291.0	100.0%	10.5%
Cisco	652.2	17.9%	836.3	25.4%	-22.0%
McAfee	312.8	8.6%	243.1	7.4%	28.7%
Symantec	303.7	8.4%	254.7	7.7%	19.3%
Check Point	261.9	7.2%	229.2	7.0%	14.3%
Juniper Networks	231.3	6.4%	174.9	5.3%	32.2%
Others	1,873.9	51.5%	1,552.7	47.2%	20.7%

Source: Canalys estimates, © Canalys 2010

Cisco retained the number one position in IT security with a market share of 17.9%. 'It is still the dominant vendor in the appliance market, with a market share of 27.7%,' said Canalys Analyst Alex Smith. 'But its competitors, such as Juniper, are catching up.' Juniper Networks, Fortinet and McAfee all gained market share in Q4 2009, with each hitting double-digit annual growth. 'McAfee in particular has had good traction in its appliance business after having acquired Secure Computing at the end of 2008,' added Babatola. 'Though Check Point experienced some contraction in its appliance business during the fourth quarter, it is now seeing the majority of its security business deployed in an appliance form factor.'

The buoyant mood in the security market was also reflected by those attending the RSA security conference in San Francisco last week. 'There seems to be a good vibe here this year,' said Smith, who attended the event. 'All the vendors I have spoken to feel very positive by the turn-out, and expect actual business opportunities as a result, instead of the window-shopping that was largely occurring last year.' The theme at RSA was heavily focused on the cloud, and the subsequent security problems that must be addressed by businesses that are migrating in that direction. 'The cloud was clearly the hot topic this year,' added Smith. 'It will also be high on our agenda at the Canalys Channels Forum in Barcelona in October.'

About the service

The shipment estimates and research results discussed in this release come from the Canalys Enterprise Security Analysis service. Canalys' market data is used by vendors the world over to provide a coherent view of the enterprise infrastructure markets. Canalys offers services looking at the markets by country in EMEA, as well as providing global market overviews.

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Canalys specialises in delivering high-quality market data, analysis and advice to the world's leading technology vendors. It is recognised as a key provider of continuous advisory services and confidential custom projects for marketing managers and strategists within blue-chip IT, telecoms, navigation and consumer electronics companies. It has unrivalled expertise in routes to market for all kinds of high-technology products and services and provides worldwide market data and trends analysis.

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