

# RUSSIA: NATALYA KASPERSKY

## RUSSIA'S TOP SECURITY WOMAN

Natalia Kaspersky has been nominated as the most influential person from Russia Q1 2015 for her input in the IT industry. Her current company InfoWatch is the global leader and one of the most powerful technological security companies, witnessing a tremendous growth of 70% per annum. The entire IT industry has been avidly watching what her next step will be. Read an exclusive interview of the former Co-founder of Kaspersky Laboratory and CEO of InfoWatch to Sama Dean and Lydia Vladimirkaya.

**A**fter an extensive search that involved constant additions and removals of individuals' names on *BRIC Magazine's* shortlist for the winter issue's 'Person of Russia', our journey led us to the Russian Ball held in London's Royal Albert Hall this November. The ball was organised by Timofey Musatov and comprised an amazing mixed crowd from both the western world and Russia.

Timofey is a person very well known in Moscow circles and is certainly an authority within the most influential international Russian scene. The infamous Bond girl, Olga Kurylenko, attended the ball, along with the first pianist of the Russian orchestra, and the proud owner of the most exclusive wine shop in London, Yevgeny Chichvarkin, and many others.

When we put the question of our search to Timofey, he answered without any hesitation: "Natalya Kaspersky. She's the main person here." But why? we asked. "The entire IT world is watching her every step right now in an effort to understand what's happening next and how to survive in this highly competitive environment," he replied with confidence.

Kaspersky hails from Moscow, Russia, and is the owner of InfoWatch, a private corporate IT security company, a leader in the sector of protecting confidential

corporate data from leakage, growing at 70% each year. Natalya's career really took off when she headed up business operations at Kaspersky Laboratory in 1997. She became the CEO of the company and personally formed and built up all the business processes and distribution channels for the IT security product, which would later become the fourth leading global antivirus company in the world and value at \$1.8 billion [£1.1 billion].

Before 2007, she was a co-owner along with her former husband, Eugene Kaspersky, the computer genius behind Kaspersky Lab. Today, her main duties are taken up by InfoWatch, which used to be a daughter company of Kaspersky Lab. At the time she took over its operations, InfoWatch had a negative cash flow and nobody believed in its future. It was viewed as the unwanted left over after a bitter husband and wife business duel. Those closest to Natalya worried that her business career was over. This was in 2007.

Now, seven years on, Natalya is a mother of five, a generous donator to charity, particularly to 'Life Line' – the charity founded by Prince Dimitri Romanov for children with heart diseases, and according to those closest to her, she is only at the start of her newly flourishing career. In an exclusive interview, Natalya confesses

she had to reinvent the entire model of InfoWatch and redesign the software to make the company operate and become one of the most successful and reliable security systems in the world. For her accomplishment in creating the fastest growing corporate security business and managing the most effective IT security product, it was easy to nominate her as our 'Person of Russia'.

### How did your interest in Information Technology start?

Actually when I was a child I didn't think that I would have an IT-related profession. But my parents were both engineers and so I (eventually) decided to follow in their steps. I entered Moscow State Institute of Electronic



Engineering and in 1989 I graduated with a master's degree in Applied Mathematics.

**How did you get into the field of Security Software?**

My then husband, Eugene Kaspersky, worked for Russian company KAMI in 1989 and developed his own antivirus AVP. In 1994 I joined KAMI to sell this antivirus. Initially we were selling AVP on our own and had a few hundred dollars in monthly revenue, but soon I understood that we needed to build a sales channel. We started to look for partners, both in Russia and outside, and built a chain of 50 partners worldwide. By 1997 I decided to register our own company under the Kaspersky Lab name. I became its CEO and headed

Kaspersky Lab for 10 years. During the decade the company doubled its revenue yearly, up to \$128 million [£81 million] in 2007. Kaspersky antivirus became number one in Germany, Russia, Vietnam, and some other countries, and reached number four in the global antivirus market. In 2007, when I became Chairman of board and CEO of InfoWatch, Kaspersky Lab became one of the largest players in the global market.

**What sparked the importance to take over daughter company InfoWatch?**

In 2007 there happened [to be] a conflict between myself and Eugene, who was the main shareholder. By that time, we were eight years in divorce. As a result of conflict I got 65% of InfoWatch shares free. I soon

learnt that InfoWatch business was totally different from the parent company, so I had to invent a new model. We needed to create and support demand for DLP [data leak protection]. The software itself had many problems, so we needed to completely rewrite it. We entered the German market but discovered that there was strong opposition of labour unions who stood for protecting employee privacy in the work place and considered DLP solutions to be privacy abusing software. In 2009 we were hit by the world economic crisis. There was little demand for DLP software; customers didn't want to spend money on data protection. So InfoWatch had to start educating the market. In 2008 we established the first Russian DLP industry





conference – DLP Russia. In parallel we set up a “DLP-Expert” association where we invited InfoWatch’s largest customers. It was a special club where customers and vendors discussed all relevant data leakage problems. The Russian press eagerly covered these club sessions. That is how InfoWatch educated the market and promoted the importance of protection against leakages among the target audience and [thereby generating] sales. Since 2012 we’ve tripled our business.

**You grew the operations of InfoWatch during the economic crisis of 2008. How did you manage to turn the crisis in your favour?**

Actually InfoWatch was hit one year after, in 2009. Our customers stopped payments and we faced a deferred demand. Our customers promised to pay in 2010, and we had to pull in our belts. We decided not to reduce headcount, but had to significantly cut down employee benefit programs. So we survived, and in 2010 there began a slow growth.

**InfoWatch protects and cleans up information, what is the most interesting incident you’ve come across?**

Confidential data leaks are a big problem for companies, they lead to reputational and financial losses. The number of data leaks grows constantly. According to the InfoWatch Analytical Center, from 2006 to 2013 the number of data leaks showed a five and a half time increase. To give you an example of what the leakage is: one of the biggest US retailers, Target Group was hit by an extensive theft of its customers’ credit-card and debit-card data earlier this year. 70 million names, e-mails, phone numbers, as well as 40 million credit and debit card numbers were compromised during an attack on the retailer’s infrastructure. Target had to spend over \$148 million [£94 million] on cure of effects. If they had a DLP system in place they would have avoided such an incident.

**One of your main strengths is building the right teams, do you have any recommendations on how best to make this possible?**

My main advice is the following: you should hire on key positions people which are more professional in this field than you are. For example, your marketing director should be much more advanced in marketing than you are, sales director – more advanced in sales, etc. Don’t be afraid of their competition. And

then motivate these people correctly. Then you will build a good team.

**You’re a female in a predominantly male industry, what is the most important quality one should possess to earn credibility in such an industry?**

I think that being a female in a male industry is an advantage rather than a disadvantage. You are kind of a bright spot amongst grey and blue suits. Therefore, everybody remembers you just because there are not too many like you around. [That being said] I don’t think that there is a need to specially earn credibility in such an industry. If you do your job well, you will get credibility and respect from colleagues.

**You are a mother of five, CEO, one of the top 10 richest women in Russia according to Forbes, and you’re actively involved with Skolkovo business school and Skoltech. How do you do it all?**

It’s difficult, but first of all I have assistants. My mother helped me a lot with my elder sons who are now grownups and live separately. And, of course, having children teaches [one] to be well organised, not to waste time, and to choose the main.

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**What is your favourite quote?**

What doesn’t kill you makes you stronger.

**Can you provide us with an example from your life?**

One of the most harmful has been the internal conflict with Eugene. He decided to become the main guy with no experience in management and business, but he was the main shareholder, so I had little chance to win. At that time my whole life was Kaspersky Lab and the unexpected hit from my long-time partner was incredibly harmful.

**What does the year ahead hold for you and InfoWatch?**

Both InfoWatch and I have (a lot of) work to do. We plan to launch new products; one of is data protection on mobile devices integrated with our flagship DLP solution, InfoWatch Traffic Monitor Enterprise. Another one is projected for early detection and informing responsible executives of illegitimate or dangerous employee activities in corporate networks. As for our business plans, we intend to expand into international markets – Malaysia, India, Indonesia and the Middle East in particular.

For more information visit [www.infowatch.com](http://www.infowatch.com)