

## Persyistent targets new markets, looks beyond desktop to server

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### Event summary

- Persyistent Technologies has a new CEO, Joe Loughry, and a new subscription pricing model. It's closing in on its fourth funding round.
- The company has grouped its desktop management software into four distinct versions, ranging from the new Persyistent Solo release for small businesses and home users, up to large enterprises. It will soon expand to the server market.
- While Persyistent continues to offer PC imaging and policy-compliance software, its core focus is once again on its PC-repair software that automatically diagnoses and fixes errors in PCs at boot-up.

### The 451 take

There's something to be said for a PC utility that automatically finds and fixes problems upon reboot, given that the first remedial action to fix a troubled PC is typically to just reboot it. For that reason, we've always liked Persyistent, and now with its segmented offerings, subscription pricing model and soon server support, we're pretty enthused about where the company is going. Persyistent has a strategic approach to winning new deals across customer segments and expanding its footprint at customer sites. The company has endured fits and starts up to this point, but now has a good plan in place and seems to be on the right track, tough economy or not.

### Details

Things continue to evolve at **Persyistent Technologies**. First of all, Joe Loughry, a veteran software company executive who most recently was the head man at **HTE Inc**, has taken over as president, CEO and chairman, and brought in a new management team. Persyistent has switched to a subscription, per-seat, per-month pricing model, maintaining perpetual licenses only for the government accounts that require it.

The company has expanded from its original Persyistent Enterprise flagship into four different versions targeted at different market segments. This includes the newest product, Persyistent Solo, a single-client, non-networked offering targeting the home user, very small businesses and the MSP space. It's priced at \$36 per year for a single-seat subscription and

\$79.99 for a three-pack subscription. It's designed to manage from one to 25 PCs. Next up the stack is Persysent Edge, a preconfigured appliance with Persysent's software, designed for small businesses with 25-250 PCs, to plug right into their networks. Then comes Persysent Suite, a server-based PC offering aimed at organizations with 250-1,000 PCs. Persysent Enterprise is for the largest organizations, those with more than 1,000 PCs to manage, and supports policy compliance, disaster-recovery planning and virtualization.

Due sometime this quarter is Persysent Server, which will bring Persysent's imaging and automated repair capabilities to the server. The initial version will target **Microsoft** Exchange and SQL Server. Persysent has just over 100 customers, which is consistent with past guidance, though it claims to be adding 20 net new customers a quarter. The company has 23 employers and less than \$5m in annual revenue. It raised a \$6m C round last April, adding **ABS Ventures** to its VC roster. Persysent has nearly \$18m altogether, and is planning another round.

### Competitive landscape

Persysent continues to see itself as complementary to the chief players in desktop management like **Symantec's Altiris**, **Avocent's LANDesk**, **HP** Client Manager, **Novell's** Zenworks, **ScriptLogic's** Desktop Authority and **IBM's** Tivoli Provisioning Manager. We believe this is a fair assessment since the company doesn't really deal with provisioning and configuration management. It sees its chief competition coming from vendors that do PC imaging and lockdown, including Symantec Ghost, **Faronics** Deep Freeze, **Involution Technology International's** Recover PC, Microsoft SteadyState, **Acronis** True Image and **Intrinsic Technologies'** Swimage.

To this list, we would add **Vector Networks**, which has some PC self-healing capabilities in its Configuration Manager Pro product – though this software appears to be more scan-than-reboot-based, as Persysent's software is. Of course, much of Persysent's competition comes from IT technicians manually resetting suspect PCs to prior stored images once anomalies occur. While we see value in Persysent's automated approach, the desktop can often be the odd man out when IT department budgets are squeezed like they are now.

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