



Escrow Europe - Safeguarding the continuity of your business

To stay in business, or continue offering a service, all commercial and governmental institutions are often entirely dependent on software over which they have limited or no control. This gives rise to major ICT operation risk considerations best encapsulated in one simple question: As we have no access to the source code of the software we use to run our business, would we be able to guarantee business as usual in the event that our software vendor was no longer available to fix, maintain and/or modify the software?

The threat of business discontinuity, and the revenues it would derail, provides the imperative for the practice for underwriting technology dependent risk.

And technology escrow, which Gartner describes as a smart and effective component of a business continuity strategy to protect mission critical applications in an ever-changing environment, is an elegant way of doing this underwriting. In a nutshell, technology escrow ensures you have access to critical source code ('secret recipe') should your technology vendor no longer maintain (typically due to insolvency or merger and acquisition conditions) the software for your organisation.

As a neutral and independent third party, Escrow Europe primarily guards business-critical intellectual property such as software source code, but also important databases, industrial designs, specifications and so on. Over the last 20 years, it has become one of the largest and most authoritative escrow service providers in the world. It currently guards, verifies and updates escrow deposits for over 15,000 companies and organisations, from multinationals to start-ups and from municipalities to ministries. In global terms, it is the top 3 in terms of size. In terms of quality, it is recognised as the market leader.

Escrow Europe is truly independent with no ties or relationships with hardware or software companies. Its team consists of lawyers, consultants and ICT specialists. The combination of corporate legal expertise with technical know-how gives Escrow Europe a unique position in the market. Whereas most Escrow agents are either legal or technical specialists, it employs both types of expertise.

It stands out from other escrow agents because it concentrates entirely on active escrow, in other words escrows including both contractual verification of every deposit as well as tracking of updates and new releases. This ensures that the quality of the material on deposit is such that the deposit material will be useful to you should it be required in the event of a release condition.

Additionally in South Africa, Escrow Europe is the only BEE certified provider of active software escrow and clients include the largest banks, industrial firms, government agencies, software firms and venture capitalists as well as smaller software houses that need its services in order to qualify to do business with local and international corporate entities. Furthermore, the Institute of Risk Management in South Africa (IRMSA) has recognised Escrow Europe's role in assisting South African companies manage their mission critical business risks and the company was named as the recipient of the Best Small Business Initiative Related to Risk Management Award at IRMSA's 2007 annual conference.

Locally, Escrow Europe is a member of the Institute of Directors (IoD), IRMSA, CITI, ISACA and LES to name some of the more prominent associations and professional bodies. To this extent, it is the thought leader in the field of professional software escrow

and was commissioned by the IoD and Judge Mervyn King to provide professional guidelines for South African Directors and Officers. Also see White Paper on Operational Risk Management (ICT) on Active Escrow on the CGF website - A Good Corporate Governance Guide for South African Directors and Officers

For more information, please visit Escrow Europe's website www.escroweurope.co.za or call Lola Rudge on (021) 852 9365.