

Singapore

McAfee to buy S'pore start-up

Lester Kok

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Firm that developed security software for phones and laptops could fetch over \$5m

A LOCAL start-up which developed a security program for mobile phones and laptops will soon be acquired by anti-virus giant McAfee - for possibly more than \$5 million.

The five-year-old company, **tenCube**, was founded by Mr Darius Cheung, 29, a computer engineering graduate from the National University of Singapore (NUS), together with three others, with a start-up capital of \$30,000.

His software, named WaveSecure, can lock and wipe clean a phone's memory remotely, use the Web to back up and restore phone data, and provide a location and SIM card tracking service.

The acquisition is expected to be completed by the end of next month.

McAfee could not be contacted yesterday, but industry experts say million-dollar buyout deals for technology are quite common in the United States.

Reasons for companies doing so include boosting current capabilities, buying out potential competitors and the likely one in McAfee's case - expanding into a new market like mobile security.

Mr James Chan from Neoteny Labs, a venture capitalist firm, said that for an early-stage start-up whose product is in testing or is without a market foothold, and has raised only angel financing, the going rate in Silicon Valley is roughly US\$1 million (S\$1.4 million) to US\$1.5 million per founder.

'This means the price tag for a product, or team acquisition of an early-stage team with three or four co-founders, could be from US\$5 million and up,' he said. Mr Chan added that there

could be many reasons McAfee would be interested in **tenCube**, even though there are other competitors with similar software.

'McAfee is obviously acquiring what it thinks is the market leader in this field, be it for the team or its product or technology,' he said.

'This is a heartening piece of news for both entrepreneurs and investors in Singapore and the Asia-Pacific region, because it shows that (those) from this part of the world... also have the ability to build companies of interest to market leaders.'

In a media statement released by McAfee on Thursday, Mr Cheung was quoted as saying that mobile devices have become an extension of daily lives around the world.

'Through this acquisition, McAfee can broaden its security capabilities and offer users protection and remote control of the phone whether it is in their possession or not,' he said. 'This means no more worries about the whereabouts of your phone or losing personal contacts, photos or messages.'

One of the reasons mobile security is important is that people are 15 times more likely to lose their phones than their laptops.

Losing a mobile phone would mean losing personal data like pictures, contacts and personal financial information, in addition to the device itself.

The software now has about half a million users, with notable telco giants such as SingTel, Nokia and Sony Ericsson as clients. It is available for most mobile platforms, with the exception of the iPhone.

This is considered a milestone for the local entrepreneurial scene, especially for **tenCube's** incubator, NUS Enterprise, which has incubated more than 80 start-ups since December 2002.

Mr Cheung had his first brush with entrepreneurship during the NUS Overseas Colleges programme in 2003, when he spent a year in Silicon Valley learning the tricks of the trade.

He later started **tenCube** in 2005 with three other NUS schoolmates after he returned. Their efforts subsequently won them the Start-Up@Singapore National Business Plan Competition in 2006.

lesterk@sph.com.sg

mcavir : McAfee Inc

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