

OTC Markets

Joining us a day is Brian Haugli the CEO and president of SideChannel Inc that trades on our OTCQB Venture Market under the ticker SDCH. SideChannel is committed to creating top tier cybersecurity programs for midmarket companies to help them protect their assets. SideChannel's team possess a combined experience of over 400 years in the security industry. To date SideChannel has created more than 50 multi-layered cypress security programs for its clients. Brian thanks so much for joining us today.

Brian Haugli

Oh thank you so much for having me.

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Tell us a little bit about your background and how you get involved in the cybersecurity industry.

Brian Haugli

Yeah, so I've actually been in this space for quite a long time really since a kid and then and then after high school working in working in the industry eventually went to college and enlisted in the us army to focus on. On this space out of that Ponga graduation spending next ten years down in Washington Dc I was part of or leading programs for the department of defense the intelligence community and one of the roles I had before I left that that space in 2015 was as the ah program manager and lead for the information assurance program for the pentagon and this was all through the second the second part of ah Obama's administration the second half. Um. And you know I really just cut my teeth working inside of mission- focused. Ah environments. You know you've got national security at stake and you've got to make the right decisions and you got to protect data. you got to protect people you got to protect soldiers um both you know overseas and at home and. You know that then became a stepping stone for me in 2015 I was recruited by a fortune 500 to become their first vice president and chief information security officer and if no one's familiar that the chief information security officer much like the CIO the person in charge of it. The CISO or the chief information security officer is.

Brian Haugli

Leading the cybersecurity and risk management program for an organization. So I stepped into that role. Ah there and led that and built that program for 4 years before launching SideChannel in 2019 and our focus has been predominantly in midmarket and now. Going upstream into enterprise bringing a full robust cyber

security program as a service and as a full delivery to companies because it's more regulated. It's a more of a requirement customers are demanding that their vendors and their suppliers. Most of them mid-market small businesses. Small enterprise have a security program before they do business like I said regulators are requiring it. The SEC is about to put out a brand new set of cyber security rules that I think we're expecting around April that will mandate. Ah, cyber security program is in place at all publicly traded companies. The board has expertise on it. The company has the program that is robust enough to be able to prevent as well as detect and respond to attackers and then be able to report within a timely fashion. To the SEC if something material happens and this will all come out in eight Ks and ten Ks on a go forward basis once the SEC proposes it so one of many regulations that is mandating cybersecurity to be a part now of organizational culture and business operations and.

Brian Haugli

When you look at the fortune five hundred only two thirds of the fortune 500 even have a CISO or someone leading a security program with 9000 companies that are publicly traded. What does that say for the rest of them and when you look at midmarket companies they predominantly don't have the finances to hire someone like me full time but they. Still have the same risks and the same needs. So side channel was built to focus on how do we deliver cybersecurity as a full program and lead it with expertise products and services to that underserved middle market and small enterprise and give those folks the same. Fighting chance and capabilities at the enterprises have been um, you know at their fingertips and at their disposal for years.

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So yeah, expand on that. So what are the leading drivers of the services that you provide for your clients?

Brian Haugli

Ah, so you know there's regulations are pretty clear in in their outline and details of what they're expecting. You know they want to see policies. Written and in place and not just on the shelf that you can point to when an auditor shows up. They actually need to be actioned. They need to be part of a program. You need to be reporting on if you're meeting those policies and those policies are really just dictating. You know the types of programs that you then need in place to do 24 by 7 monitoring of network activity endpoint activity. What's going on with user accounts. You know is your email service provider operating ah correctly are the people you know who are in their accounts and using their accounts. The people who are supposed to have those accounts. So there's a level of governance that

needs to be in place and that's a that's a huge driver for organizations as they're looking at cybersecurity not just as an it risk anymore like it used to be cybersecurity is a enterprise risk being addressed at the enterprise level. It's no longer this. This thing that you just kind of cast off and shove down into the it department and expect them to figure it out. Um, when you look at fortune five hundreds the really well operating ones are the ones where the CISO is.

Brian Haugli

Communicating to the board of directors. In fact, most boards are demanding that the CISO come into the boardroom and discuss very candidly the cybersecurity posture the risk decisions that are going on I mean the level of reporting and the expectations of the CISO with the board and the c-suite is. Near what is expected out of the CFO on financial controls and you got to remember? There's not.. There's a bit of a talent shortage right? with folks who have my caliber of expertise as well as you know the team that we have and former CISOs that are that are. Delivering for us into clients our product teams and those experiences as Well. It's a Ah, it's an evolution now of understanding what does this role? Do what? What makes up a cybersecurity program who can actually tell me. What we're doing and not doing what our real risks are so the drivers are you know and a number it's regs. It's the board its investors its customers are a huge ah push um and then unfortunately the kind of the fourth bucket that I look at is. Your post breach right? The bad thing happened you got breached. You had an incident you had to report it and now you're cleaning up well after the cleanup is done Maybe your insurance kicked in to make you whole. You're standing around looking at what's left and where you are and you.

Brian Haugli

Most organizations are rightfully saying what should I have had in place in the first in the first place I do not want to ever go through that again. What should I have done in the first place and sometimes that's the wake up call for organizations and it causes a lot of pain it causes a lot of. Ah, financial loss to go through something like that. But it sometimes that's the wake up call that organizations need to realize that they did not have a solid program in place to be able to address this risk.

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So what can we expect? Ah what can investors expect from SideChannel and for this year for 2023?

Brian Haugli

Yeah, so we're really excited about our growth I mean the we took over a company through a reverse merger um on the OTC last July um, we have I've reshaped the board. Um I've reshaped. Really everything that that was that company and this is a new company going forward and our mission is dedicated towards you know, growing our practices on services and growing our products our product lines with enclave ah phenomenal microsegmentation. Platform that through software we can establish networking and cut down on attack surfaces. So the sales and the growth of that as well as our continued growth of our services we're looking at m and a opportunities within the space I want to bring capabilities into an under the side channel brand. That have been ancillary and we've been going to partners and I want to really bring that in-house and those are the types of capabilities that I as a CISO stepping into a full-time role at an organization I want to have those functions available to me to be able to execute on to deliver into my own organization. Well now side channel can do that with. You know a number of different capabilities as a third party as a managed service and as a provider to you know, really anyone. So I'm looking at um, you know, really interesting products. Really interesting tech-enabled services platforms that are going to really grow our capabilities and we can.

Brian Haugli

Present those as one-offs but we can also present a full package and have a one-stop shop for a company to be able to get access to a full cyber program have it led managed reported on and have the products and services delivered underneath. So. You know this obviously leads to you know an increased revenue line I mean we just published our queue. Um, ah recently and you know our growth is showing and it's um, you know it's a really underserved Market I don't see a lot of competition in how we're doing it. Um, so I feel very bullish about you know our future and what we're growing. Um because I've been a practitioner in the space for as long as I can remember and this is the way that I see you know as a cyber expert. This is the direction that the market is taking it's not going to. Hire Full time staff In-house. Any Longer people are going out to manage services they're going and looking for more reasonable products more reasonable services and capabilities from Providers. They don't want to necessarily do that In-house. So I'm very excited about our growth and our product and service Market fit and. You know I'm just trying to get you know this new message out to out to the street. Get people to understand Really what we're doing invite them to look at what we're doing look at our growth and um, you know, talk to us about um about what we are as a company from an investment standpoint as well.

Podcast

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So yeah, as a public company, how have you utilized OTCQB platform here in the US to access investors?

Brian Haugli

So We've done. Ah, you know a tremendous amount of Outreach. We just held an investor day so our ability to talk to investors I Thought we had a great response. We had some great questions that that came in that we're able to really dialogue with we are um. Now that we've got a ah really firm handle on who our entire invest current investors are from the legacy company. Um, and now want to go Forward. You know our outreach is to you know, bring them into the fold get them exposed to what our you know? what? our plans are within ah you know within reason this is a. Ah, you know we have rules to play by as far as being a public company and such but just being able to invite them in to understand our story and understand you know where we're looking to go and answer their questions and we really do invite. Um, you know that type of feedback and you know when you build products. That's a huge component of. Building. Really good products is the customer feedback and that loop to make sure that you're building the things that customers want and I don't see any difference in building a company and having that feedback loop with investors so you know having folks sign up for our newsletter. Having um, you know calls and more investor days and our outreach to ah to the investor community get them to better understand what we're doing and where we are a good fit. Um, it's very much part of my role and it's a huge focus for us and for me personally right now with ah with the role as a CEO of SideChannel.

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Well Brian. Thanks so much for your time today. It's been a pleasure to speak with you.

Brian Haugli

Oh thank you so much. It's been great to talk about this as you can tell him I'm pretty passionate about the space I genuinely enjoyed building this company for the last five years now and. It's a great It's a great new path and it's ah it's like a new dawn and it's just a new evolution to build this now as a public company and bring this into the market. So um, I'm just excited about you know what we're doing and um, it's been great to have on for this and.

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Absolutely. SideChannel trades under the symbol SDCH on our OTCQB Venture



Podcast

SideChannel Inc.
Season 7 | Episode 15

Market.

Brian Haugli

Thank you so much.

**This is an autogenerated transcript and may contain typos.*