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32 percent sales increase in fiscal year 2018

LANCOM Systems once again achieves record growth with network technology “Made in Germany”

Aachen, June 24, 2019 – The German supplier of network infrastructure LANCOM Systems has once again seen record growth. In 2018, the company was able to increase its sales by 32 percent to EUR 77.2 million. The corporate network specialist’s growth trajectory of around 15 percent a year on average (CAGR) since its foundation in 2002 thus continues unabated. The growth impulses came from business with system integrators, carriers and enterprise customers alike. WAN, All-IP and software-defined networking (SDN) grew well beyond the market.

With huge expansion of its VPN portfolio, LANCOM successfully delivered answers to the trend toward ever faster Internet and WAN connections: from the new high-performance routers of the 190x series to the introduction of the high-end VPN gateways in the ISG series, right through to the launch of the world’s first business VPN router family for the new Supervectoring connections, the 179x series. LANCOM also increased growth in the high double digits once again with its All-IP portfolio for the Deutsche Telekom network conversion from analog/ISDN to IP-based connections. Its solutions were in demand from customers across all segments, from SMEs through enterprise.

New impulses from software-defined networking

A significant impact was made by LANCOM with further development of its LANCOM Management Cloud (LMC), to which powerful features, including the Security & Compliance Dashboard, were added. The LMC is the world’s first hyper-integrated network management solution for SD-WAN, SD-LAN and SD-WLAN. Its launch in fall 2017 gave LANCOM access to the rapidly growing

software-defined networking (SDN) market, where center stage is taken by enterprise customers implementing agile projects in the area of digitalization and digital transformation on the basis of SDN.

In fiscal year 2018, almost 15 percent of projects at LANCOM were Cloud-related. Customers were interested in both the public cloud offering hosted in Germany and the option of operating the LMC as a private cloud entity in their own data centers.

New line of business: security

In fall 2018, LANCOM lay the foundations for important strategic development of its business. In cooperation with affiliate Rohde & Schwarz Cybersecurity, the first firewall solutions were launched on to the market. Over the medium term, a highly integrated networking and security portfolio with on-premises products as well as comprehensive SD-Security from the Cloud is to grow from this.

“We combine technology and innovation with subjects such as trustworthiness and security like no other manufacturer,” LANCOM founder and Managing Director Ralf Koenzen is convinced. “It’s a highly attractive complete package, with which we’re aiming to play a leading role all over Europe – also within the context of the debate about more digital sovereignty, of course.”

The LANCOM fiscal year 2018 ended on December 31, 2018. The company currently employs around 370 people at three locations. In 2018, a total of around 16 percent of annual sales revenues was channeled back into research and development.

LANCOM Systems background:

LANCOM Systems GmbH is a leading European manufacturer of network and security solutions for business and the public sector. The portfolio includes hardware (WAN, LAN, WLAN, firewalls), virtual network components, and cloud-based software-defined networking (SDN).

Software and hardware development as well as manufacturing take place mainly in Germany, as does the hosting of the network management. There is a strong focus on trustworthiness and security. The company is committed to products that are free from backdoors and is a holder of the trust mark "IT Security Made in Germany" as initiated by the German Ministry of Economics.

LANCOM Systems was founded in 2002 and has its headquarters in Würselen near Aachen, Germany. Customers include SMEs, government agencies, institutions, and major corporations from all over the world. Since summer 2018, the company has been an independent subsidiary of the Munich-based technology group Rohde & Schwarz.

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