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RackTop Systems Secures \$15 Million in Series A Funding to Accelerate the Growth of its CyberConverged Data Storage and Security Platform

Leading provider of a secure, high-performance Network-Attached Storage (NAS) platform continues aggressive growth, helping federal and commercial organizations solve their most difficult data, cyber security and compliance challenges

FULTON, MD. – March 5, 2019 – [RackTop Systems](#), the pioneer of CyberConverged™ data security, a new market that fuses data storage with advanced security and compliance into a single platform, today announced it has closed \$15 million in Series A funding. The financing was led by [Razor's Edge Ventures](#) and [Grotech Ventures](#) with participation from [Maryland Venture Fund](#), [Blu Venture Investors](#) and [Gula Tech Adventures](#).

The Series A funding round will enable RackTop to accelerate near-term sales channel and product development expansion. RackTop's secure, high-performance Network-Attached Storage (NAS) platform with embedded access controls, encryption and compliance has been proven to optimize business operations, improve productivity, reduce cost and strengthen security. RackTop's technology has been deployed worldwide to manage more than 50 petabytes of customer data in a variety of industries including: the public sector; media, advertising and entertainment; financial services; health care; and life sciences.

"It is costly and complex for enterprises to meet the rising challenges of both storing and managing large data volumes, while at the same time addressing expanding compliance requirements and attempting to protect data from persistent cyber threats," said Eric Bednash, co-founder and CEO of RackTop Systems. "Our product fuses data storage with cyber security to create a unique platform that solves these challenges inherently without added complexity or cost beyond that of legacy storage products alone."

The NAS market is expected to be worth \$45.21 billion by 2023, growing at a compound annual growth rate (CAGR) of 20.1 percent from 2017 to 2023, according to MarketsandMarkets. Cyber threats are projected to cost \$2 trillion globally in 2019, and the global cloud security market is projected to grow substantially through 2025 due to the growing use of cloud services for critical data storage, according to Research and Markets. In addition, the cost of achieving

regulatory security compliance averages \$3.5 million per enterprise each year, according to Ponemon Institute. As data growth continues to explode, and the complexity and cost to store and manage data are becoming increasingly compounded both by prevalent cyber threats and the intense scrutiny of regulatory compliance, RackTop's unique, all-in-one platform helps both government and commercial organizations solve their most difficult data management, compliance and cyber security challenges.

"The RackTop team has a unique perspective and clear vision on how the Security and Data Storage markets are growing and evolving, and their CyberConverged™ platform addresses major data, security, and compliance challenges within the modern enterprise," said Jack Kerrigan, co-founder and managing director of Razor's Edge Ventures. "We invest in great management teams with differentiated products that solve large, difficult problems across both national security and the commercial enterprise markets. We are extremely excited to invest in RackTop to accelerate their growth and continued product development."

RackTop's flagship product, [BrickStor](#), is an all-in-one data storage and management platform that protects sensitive data from cyber attacks while meeting internal and regulatory compliance requirements. With an intuitive, easy-to-use interface, BrickStor is simple to manage and easy to scale. In 2018, BrickStor received numerous industry awards, including: the Software and Industry Information Association's CODiE Award for [Best Storage and Backup Solution](#); two Cyber Defense Magazine's InfoSec Awards for [Storage & Archiving: Most Innovative](#) and [Data Center Security: Next Gen](#); and a Cybersecurity Breakthrough Award for [Platform-as-a-Service Security Solution of the Year](#).

"RackTop represents the next generation of cyber solutions, and we're impressed with RackTop's track record and its innovative spirit in solving the most pressing storage and security problems for enterprises," said Ron Gula, principal of Gula Tech Adventures and co-founder and former CEO of Tenable Network Security, Inc. "With its deep roots serving the DoD and U.S. intelligence community, RackTop has a proven track record of developing innovative and market-leading security technologies for easily dealing with emerging cyber threats."

About RackTop Systems:

RackTop Systems is the pioneer of CyberConverged™ data security, a new market that fuses data storage with advanced security and compliance into a single platform. Its high-performance Network-Attached Storage (NAS) platform with embedded security, compliance and encryption empowers both government and commercial organizations by protecting data where it resides without the cost, complexity and security vulnerabilities of traditional bolt-on software solutions. Headquartered in Fulton, Md., RackTop was founded in 2010 by veterans of the U.S. intelligence community who have been solving the most complex data and security problems for more than two decades. RackTop's technology has been deployed at numerous organizations in a variety of industries worldwide, including government/DoD/public sector, media/advertising and entertainment, financial services, health care, higher education and life sciences. For more information, visit www.racktopsystems.com and follow on Twitter [@RackTop](#).