

Smarsh to Acquire TeleMessage, Deliver Unmatched Capability for Mobile Communications Compliance for the Hybrid Workforce



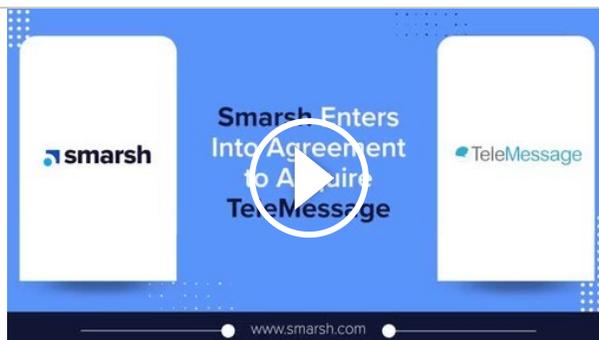
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Smarsh →

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As regulatory scrutiny of WhatsApp and mobile messaging takes center stage, acquisition will drive Smarsh to undisputed leadership in mobile text, voice, and app compliance across the broadest range of mobile channels

PORTLAND, Ore., May 16, 2022 /PRNewswire/ -- Smarsh, the industry leader in enabling organizations to easily manage risk and uncover the value within their communications data, today announced that they have entered into an agreement to acquire TeleMessage, a global leader in mobile messaging and voice capture and archiving.



Regulatory compliance for mobile devices has been a challenge for many organizations. Many employees have both Corporate and "Bring Your Own" Devices and use both business and consumer messaging apps to communicate with their colleagues and customers. Historically firms had to engage a fragmented landscape of providers to adequately cover their risks. As a result, many companies simply had "gaps" in their compliance.

With this acquisition, Smarsh will combine mobile carrier partnerships in North America, EMEA and Asia, and extend its ability to store and monitor employee communications on the latest consumer applications such as WhatsApp, WeChat, Telegram, Signal, and other popular Mobile IM apps.

"Highly regulated firms have always needed to capture and retain their digital communications for regulatory compliance, legal discovery, and to protect their brand," said Goutam Nadella, Chief Product Officer at Smarsh. "However, given the new hybrid workforce and how digitally connected everyone is, it's more challenging than ever to monitor all the new voice and text channels. Simply put, firms everywhere are overwhelmed by all the new channels – like WhatsApp, WeChat and more effective coverage for Bring Your Own Device (BYOD) models – that are necessary for business but pose real risks, because of their variety and the volume and velocity of the data they produce. One of the biggest areas of risk is mobile communications."

The acquisition of TeleMessage will strengthen the undisputed Smarsh leadership in helping customers to meet their global regulatory compliance requirements within the SEC, FINRA, Dodd-Frank, MIFID, FCA, IIROC, and others across:

- **Corporate Mobile Devices:** Direct carrier capture support from 12+ global mobile carriers, including full coverage in North America and a growing network in EMEA and APAC
- **Consumer Apps:** Native communication capture of WhatsApp and WeChat calls and chats, as well as Signal and Telegram communications
- **BYOD "Virtual Phones":** Supporting voice and text on mobile devices, enabling complete separation of private and business communications
- **Collaboration Apps:** Continued world-class coverage of Microsoft Teams, Slack, Zoom and more

"As in many other service industries, mobile communication is ubiquitous in the financial sector," said Nadella. "Bankers and traders use mobile phones and mobile instant messaging apps, for client communications, for commercial negotiations, to get order confirmations, and to finalize transactions. Unlike email communications, there are significant gaps in how firms capture and monitor mobile communications, which means these companies cannot trace all transactions information exchanged and information delivered over mobile devices. And that means significant regulatory and reputational risk for those firms, especially for voice communications."

Financial firms have learned that they cannot govern mobile communications simply through policy, which has been substantiated by increased regulatory warnings, scrutiny, enforcement, fines, and even license revocation. For instance, U.S. regulators issued some of the largest fines in history for firms that did not adequately monitor WhatsApp communications. In short, any financial firm which communicates through mobile SMS, MMS, calls, or WhatsApp chats must retain records for those communications.

"Bottom line, if you're a heavily regulated company doing business in 2022, you have to have a proven solution to capture, archive, and supervise mobile communications," said Nadella. "And there's no other company in the world that can match Smarsh. We have the most well-rounded portfolio for mobile coverage across devices, apps, and networks. Our ability to capture data at the source, retain that data, and understand the data contextually with the most sophisticated AI is unmatched in our industry. This acquisition enhances and reaffirms our market leadership."

"Now more than ever, regulated companies everywhere have to have a trusted solution that can allow their regulated employees use any mobile chat or mobile communication channel, while remaining compliant," said Guy Levit, CEO of TeleMessage. "We're delighted to be a part of Smarsh now and to deliver solutions that help firms around the globe improve efficiency, reach, and customer engagements by enabling mobile communications while protecting their company's bottom line and reputation."

About Smarsh:

Smarsh enables companies to transform oversight into foresight by surfacing business-critical signals in more than 80 digital communications channels. Regulated organizations of all sizes

rely upon the Smarsh portfolio of cloud-native digital communications capture, retention, and oversight solutions to help them identify regulatory and reputational risks within their communications data before those risks become fines or headlines.

Smarsh serves a global client base spanning the top banks in North America, Europe, and Asia, along with leading brokerage firms, insurers, and registered investment advisors and U.S. state and local government agencies. To discover more about the future of communications capture, archiving and oversight, visit www.smarsh.com.

About TeleMessage:

TeleMessage is widely recognized as an innovative messaging leader providing enterprises and mobile operators with mobility solutions and next-generation wireless communication technologies. Founded in 1999, TeleMessage has been helping organizations of all sizes across industries, including financial services, government, healthcare and network carriers globally to leverage the power of the mobile channel with our robust communications platform. The TeleMessage products portfolio includes: Mobile Archiver, Secure Enterprise Messaging and Mass Messaging. For more information, visit: www.TeleMessage.com

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