"There was no market at all in anti-virus software. Our product developed right alongside the market" -Friðrik Skúlason.

ÍSLENDINGABÓK

WHO

Friðrik Skúlason is the founder and one of present owners of Frisk Software. Frisk means 'health' in Icelandic, as well as being made up of Friðrik's first and second names. Friðrik is a graduate in computer science, a computer genius and quite eccentric in his life style. He was 26 years old and working with IBM in Iceland in 1989 when he began analysing common viruses that were starting to affect computers at that time. He wrote a programme that was able to detect and destroy various computer viruses. Skúlason placed this program on the internet from where it could be widely accessed and downloaded for free. The programme was a great success and Friðrik spotted a business opportunity: his new firm was established formally in 1993, when it became necessary to start hiring employees. The company was set up along with his wife and partner Bjorg, who has a degree in business studies and runs the administrative side of the business. Frisk Software has today gained international recognition as a reputable brand in anti-virus software.

WHAT

Frisk produces spelling correction software and anti-spam filters. It has also spawned the technology behind *Islandingabok*, a web-based, password protected, genealogical database for Icelanders, useful in tracing genetic diseases and disorders. The company's main product continues to be an anti-virus programme called F-Prot antivirus. It scans computers for viruses and has a high portability, which means that the programme can be used along with almost any computer operating system. The programme is also cheaper than most similar products when it is sold to such clients as large firms; although this price difference does not apply to small corporate clients and individuals. F-Prot does not require a large computer-memory base and operates at a high-speed. This combination of features enables Frisk to compete successfully with much larger companies like Intel or IBM.
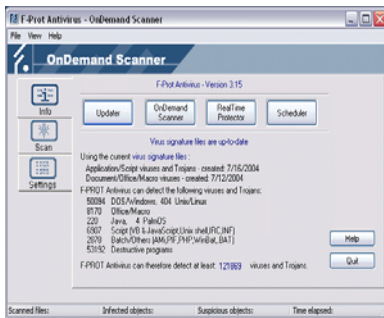
WHERE

The Icelandic home-market is very small when it comes to such a specialised product like f-prot antivirus software. In light of this, Frisk's goal from the beginning was to export the product and strive to gain a high market-share abroad. What made this possible were several factors. First and foremost, the product had international appeal both in Europe and the USA, and was soon selling in 75 countries. Its purpose was to solve an increasing world-wide problem, that is to say the emergence of computer viruses. Because the program was intended for export via the internet from the start, a strategic decision was made to write the program first in English, and only later in Icelandic.

The owners realised early on the possibilities that the new economy entailed, even before the product became common knowledge and a marketing hype in Iceland and abroad. The launch of the programme on the Internet in 1989 is an example of their foresight. Initially the programme was distributed as *share-ware* on a mailing list called "virus-l". From this list customers could download the programme free of charge, use it for a trial period and then pay for it if they wished to continue using it. After some time this strategy started to pay off and Frisk software gained increasing market share, mainly in the USA. Internet driven export gave Frisk software a good starting point and increased the firm's chances to establish itself in foreign markets in competition with well-known 'giants' such as Intel, McAffee and Norton antivirus. Today, customers come across the product via the internet from such sites as www.download.com, pay for the product via the internet and then download it, enjoying free access thereafter. This includes upgrades which are introduced regularly due to the constant invasion of new computer viruses. The Internet is also used to transport the product to the so-called OEM's (Original Equipment Manufacturer) abroad. These are firms that buy a 'no-name' product, brand it and sell it to their customers as a box-product or, again via the internet. Frisk Software has several such OEM contracts.

Using the internet as a marketing tool is both cheap and easy. This has stimulated exports from the start of operations. As a result, Frisk Software enjoys significant customer loyalty, has 'products' which can travel without any associated freight costs and has now gained considerable market share in such places as the USA, United Kingdom, Canada and Scandinavia.

INTERNAL SUPPORTS

Frisk has 45 full-time employees that are highly skilled and educated in subjects like computer science/technology, programming or business administration. The founders are still the main managers of the firm, assisted by several project managers that are responsible for certain tasks and projects. Due to the high-tech nature of its products, the firm depends on highly specialized knowledge, which is sometimes not available in Iceland. In such instances, Frisk has reacted in two main ways: by importing skills/knowledge from abroad (by recruiting a number of foreign workers); and by encouraging the training of local employees by other employees (peer training) in virus analysis. This has enabled Frisk to fulfil the demand for specialized knowledge. Turnover of staff is very low. One third of the workforce has had training or educational experience out of Iceland.

EXTERNAL SUPPORTS

The firm has neither received any financial support from the state nor any other kind of institutional support in the form of special regulations, tax reductions or export support. Thus, the owners financed their firm and found ways to minimize all costs. The absence of external support made the owners of Frisk Software realise that they had to rely on themselves and create a firm with considerable flexibility in size, function and finance. This there was every motivation to minimise costs and to look for innovative ways of cutting costs still further: as, for example, via the use of the internet to market, promote and sell products.

Company Contact Details
Name: Frisk Software International
Address: P.O Box 7180
IS-127 Reykjavik, Iceland
Tel: (+354) 540-7400
Fax: (+354) 540-7401
E-mail: sales@f-prot.com
Webpage: http://www.frisk.is
Activity: Anti-virus software, spelling correction software, anti-spam filters & geneaological database software.
No. of employees: 45
Established: 1993.
Contact: Friðrik Skúlason, Managing Director.

Frisk Software International is an export-driven company conceived by Friðrik Skúlason, which pioneered a product in response to an emerging, new market: that for anti-virus software. Exports were internet-driven from the start, avoiding all costs associated with the transportation of physical manufactures.