



On Demand Replay: <https://register.gotowebinar.com/recording/4488018878486938972>

NSE Insider: FortiFlex (Flex-VM)

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Agenda



- 1. The Opportunity and What It Means for You**
- 2. Customer Trends and Challenges**
- 3. FortiFlex Overview**
- 4. FortiFlex Program Expansion**
- 5. Demo**



The FortiFlex Opportunity and You



Q1 2023 FortiFlex Win

\$15.7M

Total



Top 3 Home Improvement Retail Company



\$14M FortiFlex for FortiGate VM – largest FortiFlex deal to date!



Beat PAN! Represents \$42M loss in one of PAN's most profitable areas at Customer.

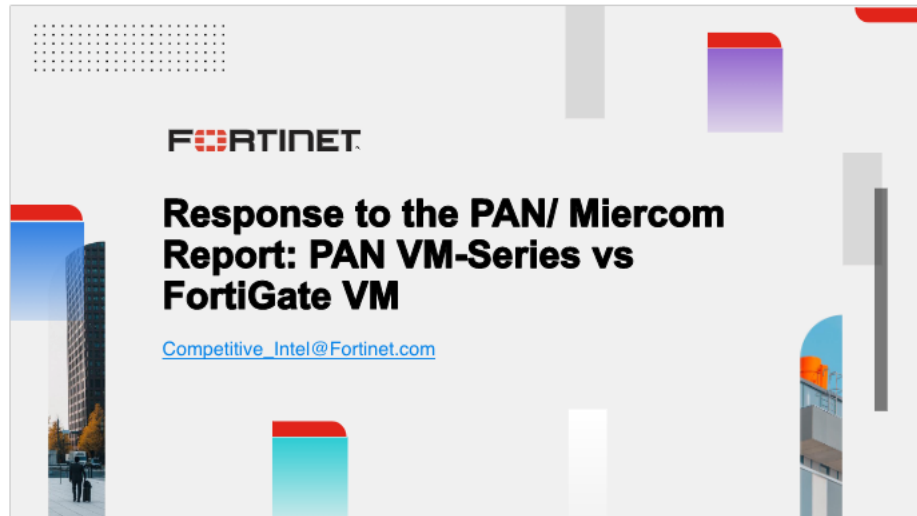


Additional future FortiFlex opportunities



PAN is Feeling the Heat and Getting Desperate

Misleading Miercom Report vs FortiGate VM



Read detailed response on Highspot:

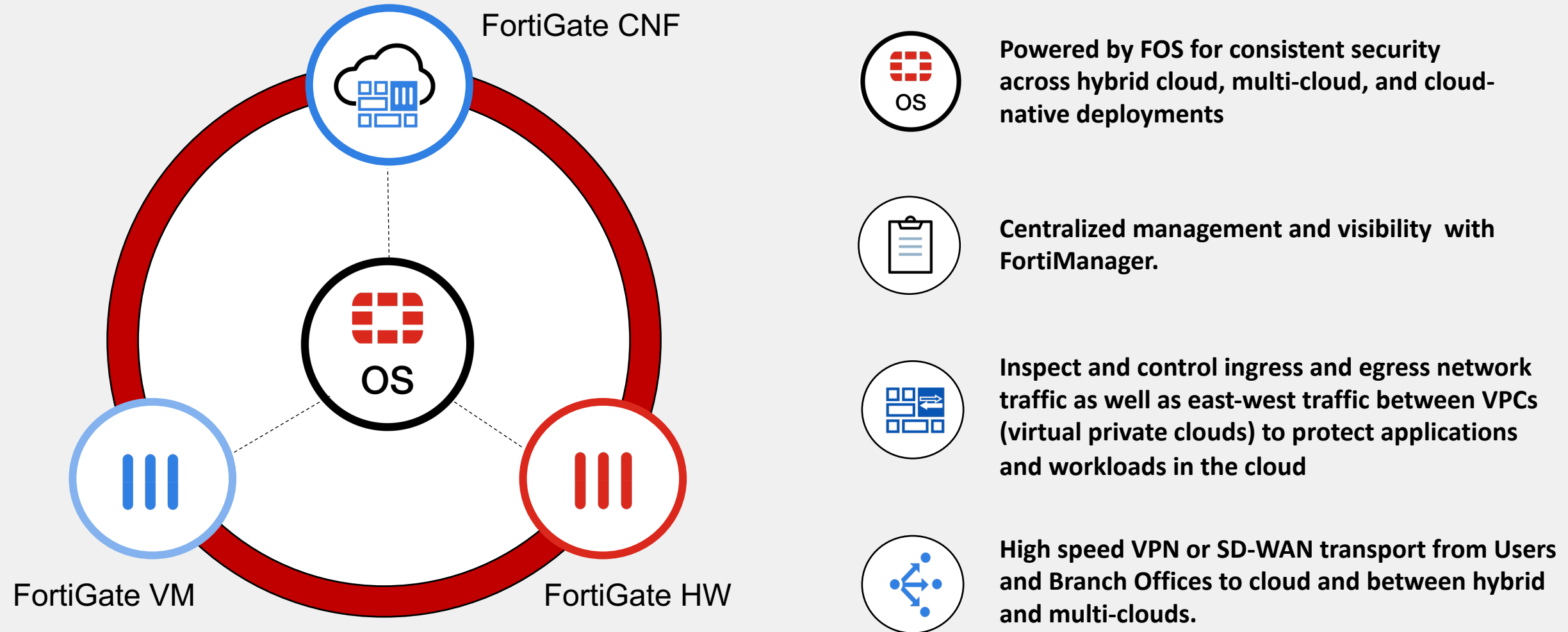
<https://fortinet.highspot.com/items/641cba40aed3c4afcf1c0534?lfrm=srp.0>

- Pay-to-play test following PAN's instructions with obvious biases and mistakes
- Failed to follow best practices for ethical performance testing with zero transparency on test methodology
- Misconfigurations such as turning on email filtering on FortiGate VM that forces FortiGate VM into proxy mode impacting performance while PAN does not have email filtering or proxy mode
- Flawed TCO calculations



FOS and FortiGate Everywhere

Hybrid Mesh Firewall across data center, hybrid and multi-clouds, and cloud-native



Fortinet Cloud Consumption Models

Flexible procurement options to fit customer needs

	Marketplace Transactable			
	BYOL (Bring Your Own License)	PAYGO (Pay As You Go)	FortiFlex (Points-based, similar to EA)	Private Offers (Custom Contracts)
Who it's for?	Pre-existing customers who already own their licenses and want to run solutions in the cloud	Ideal for development and testing, temporary projects, or workloads with inconsistent traffic	Ideal for dynamic environments where flexibility in consumption is desired	Ideal for high-value or complex transactions where custom terms and pricing are desired
Use Case	Customers use existing product licenses they bought through channel but pay for cloud infrastructure to run the product in the cloud.	Customer pays for software and compute capacity by the hour with no long-term commitments. Annualized contracts available at a discounted rate	Customers buy points that provide the flexibility for customers to scale their solutions up or down, in or out as needed without extra procurement.	Customers negotiate a custom price with Fortinet for guaranteed consumption volume or term length for listings we offer in through cloud marketplaces
License Portability	Licenses can be used on any cloud	Usable only on the cloud where subscribed	Licenses can be used on any cloud	Usable only on the cloud where subscribed, unless FortiFlex



Fortinet Cloud Consumption Models

Impact to Fortinet and Sales Compensation

Marketplace Transactable

	BYOL (Bring Your Own License)	PAYGO (Pay As You Go)	FortiFlex (Points-based, similar to EA)	Private Offers (Custom Contracts)
What does it mean for Fortinet?	Receive payment for full term(s) upfront	Receive payment monthly from Cloud Providers. Full-term upfront for Annual Contracts	Receive payment for full term(s) upfront	Receive payment for full term(s) upfront
How is Sales comp'd?	Retires quota for full term of subscription sold	Retires quota based on 1.3X monthly payment upon receipt from cloud provider Annual contract retires quota for full term of subscription sold	Retires quota for full term of subscription contract sold on Services	Retires quota for full term of subscription contract sold





Customer Trends and Challenges...

And Why They WANT FortiFlex

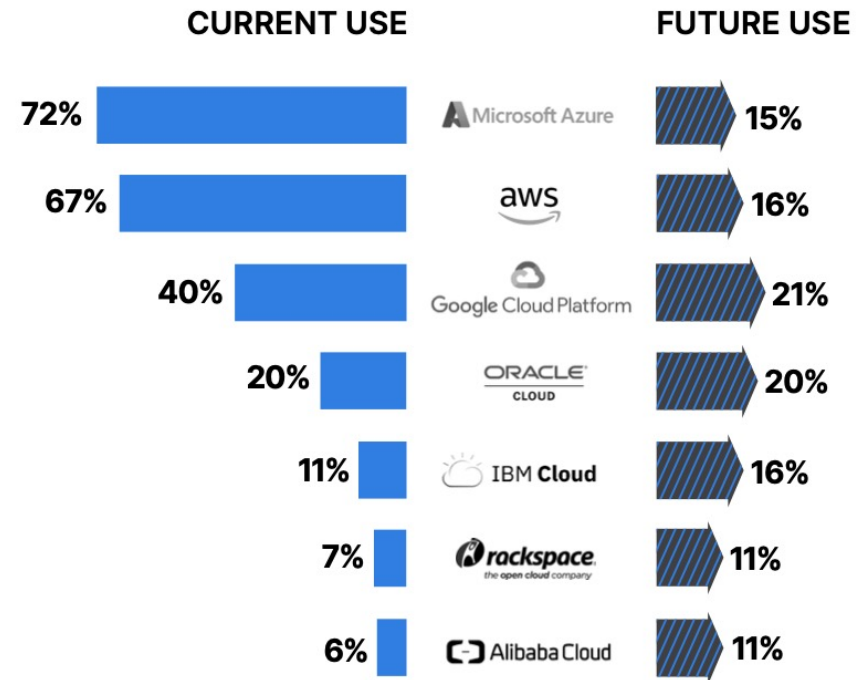
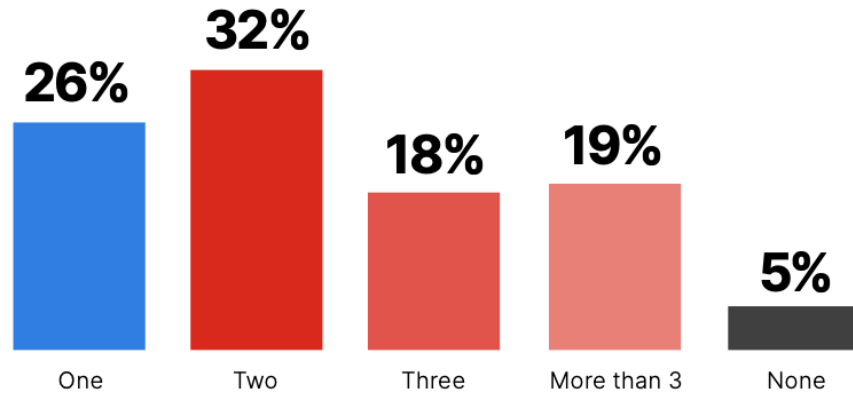


Cloud Security Deployment Trends

2023 Cybersecurity Report

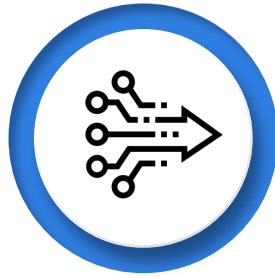
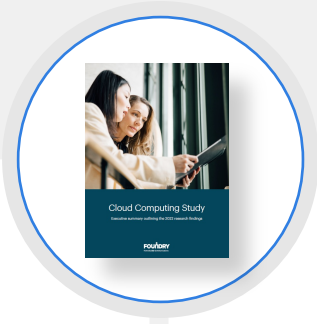



69%
use two or more
cloud providers



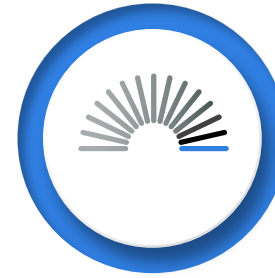
Cloud Security Deployment Trends

2022 Cloud Computing Study



69%

of companies have
accelerated cloud
migration over past
12 months



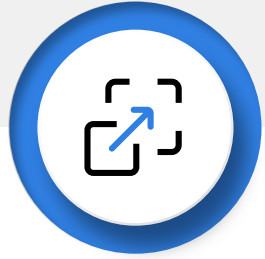
**Over
47%**

of companies are
looking for platform
and service flexibility

For the full report, go to <https://foundryco.com/tools-for-marketers/research-cloud-computing/>



Customer Challenges Solved by FortiFlex



Accurate Sizing

Sizing becomes a difficult task that usually leads to over-provision or worse, under-provisioning



Unpredictable Costs

As sizing is always faulty, over-spending on unnecessary licenses and services creates a huge finance impact



Procurement Delays

Waiting weeks to procure licenses for new services deployments or expansion is counter-productive and leads to inefficiency



Struggle to Meet Spend Commits

Enterprises make commitments to cloud providers to use/spend a minimum amount for a negotiated price. Often **most organizations struggle to meet this minimum and are desperate** to find a solution.



**Solving Customer Challenges
with FortiFlex**

...and Private Offers

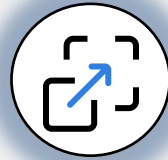


FortiFlex

Flexible, points-based consumption that simplifies procurement and operational overhead



Enables cost control for customers to right-size their consumption of services. Helping customers optimize cloud cost is number one opportunity for Partners (WWT, Presidio, etc.). Unused points can rollover annually to next year with renewal.



Flexibility for customers to dynamically scale their deployments up or down, in or out without any procurement hassles.



Cloud and platform agnostic. FortiFlex can be used to deploy any applicable solutions and services on any deployment.



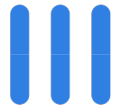
Simplified operations with centralized visibility and administration of licenses, and license automation via API.

FortiFlex

Current Program



Currently Supported Products



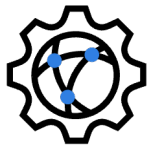
FortiGate VM



FortiAnalyzer VM



FortiManager VM



FortiWeb VM



FortiPortal VM



FortiGuard
Services for
Supported
Products

VM and Services are calculated on a daily basis:

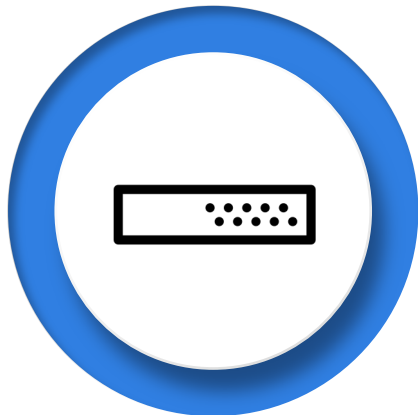
- Admin can change the desired CPU count anytime and calculation will take in effect
- Daily charge is based on the largest configuration points of the given VM and associated services deployed within that day
- Flex-VM Calculator

<https://fndn.fortinet.net/index.php?/tools/flexvm/>



FortiFlex Program Expansion

Q2 2023



FortiGuard Services for FortiGate HW:

FortiGate-40F
FortiGate-60F
FortiGate-70F
FortiGate-80F
FortiGate-100F



Ability for customers to shift portions of EA into Cloud to more easily meet minimum spend commits with cloud providers



Even simpler procurement and license management to deploy FortiGate and FOS everywhere

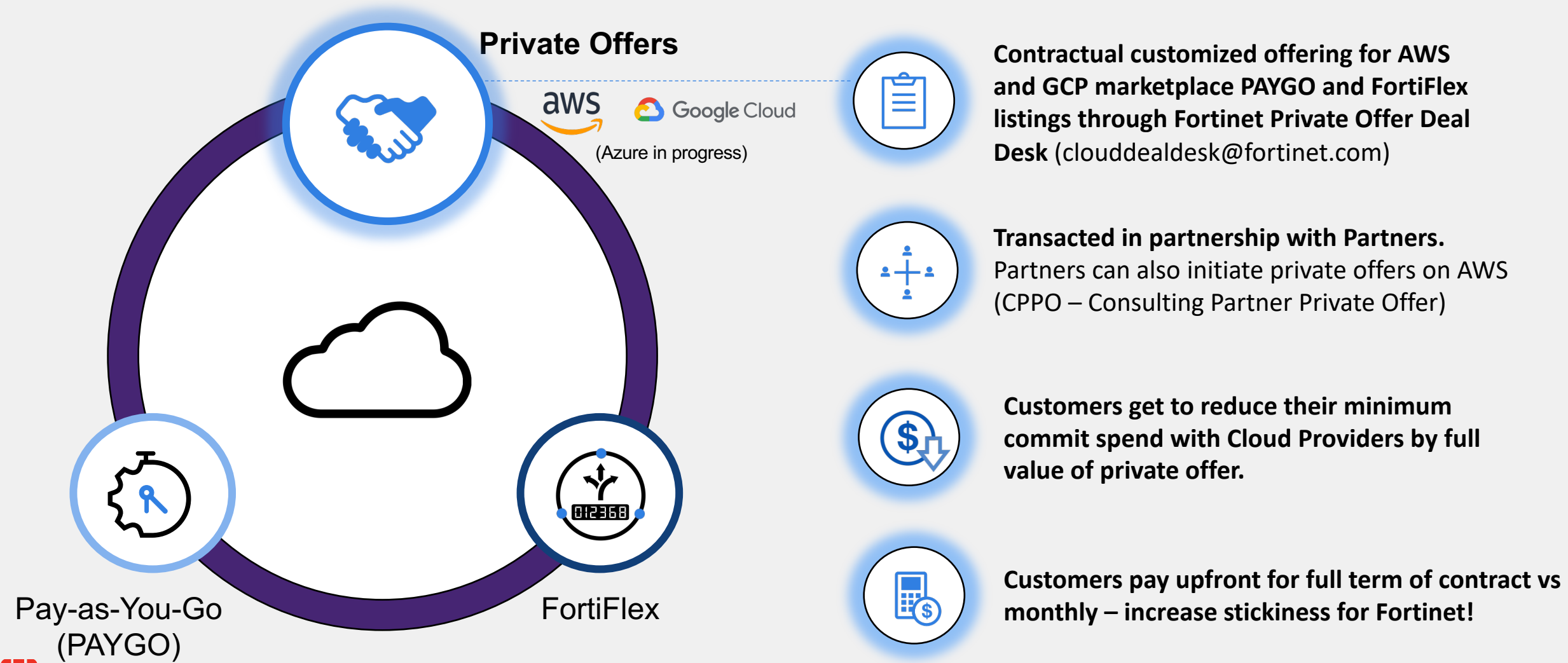


Even easier to beat PAN. Their points program does not support HW



Private Offers

Simplifying transactions through Cloud while increasing customer stickiness





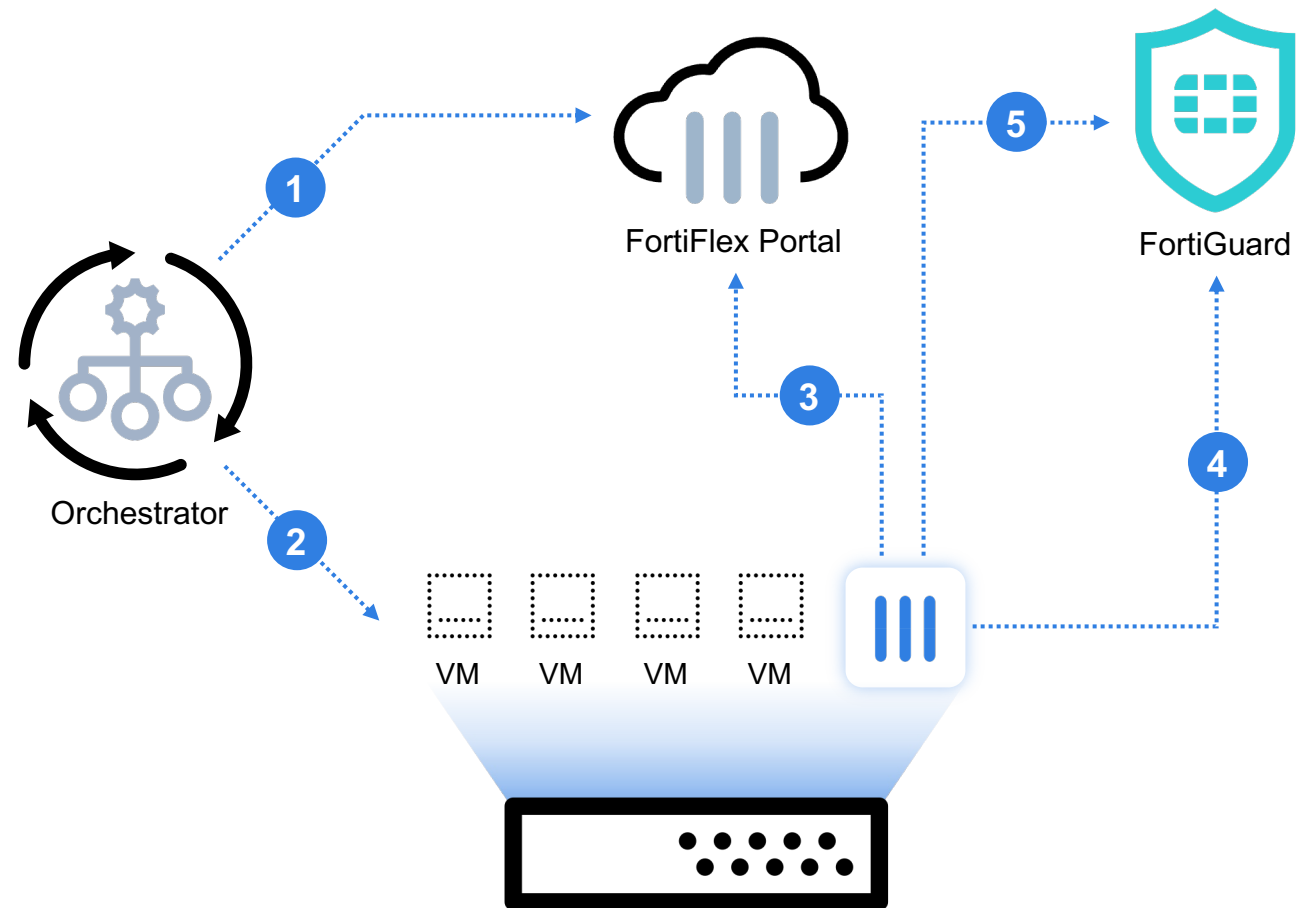
FortiFlex Demo



FortiFlex Activation Workflow

FortiGate VM

- 1 Orchestrator runs API call to FortiFlex to retrieve License Token
- 2 Orchestrator deploys FG-VM and injects License Token during bootstrapping
- 3 FG-VM downloads and installs license file from FortiFlex
- 4 FG-VM validates license against FortiGuard
- 5 FG-VM periodically checks license entitlement changes on FortiGuard



License Deployment Scenarios

FortiGate VM

1

Manual Deployment on KVM



- FortiGate-VM 7.2.4
- License manually created in Flex-VM UI
- FG-VM manually activated in CLI

2

Automatic Deployment on KVM



- FortiGate-VM 7.2.4
- Automation script written in Python
- Flex-VM license injected via cloud-init
 - MIME-Multipart file
 - Config section
 - License Token

3

Automatic Deployment on vSphere



- FortiGate-VM 7.2.4
- Automation script written in PowerShell + PowerCLI
- FortiFlex license token injected via OVF properties

Key Takeaways

FortiFlex



1

Enables cost control for customers to right-size their consumption of services.

2

Flexibility for customers to dynamically scale their deployments up or down, in or out without any procurement hassles.

3

Addresses critical business need for customers who have minimum spend commits with Cloud Providers.

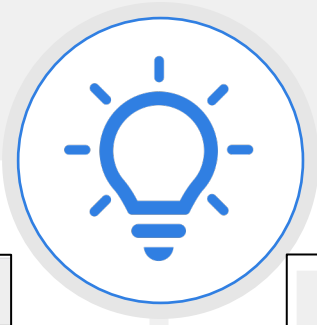
4

Beat PAN and WIN BIG!



Resources

HighSpot



The screenshot shows a HighSpot play interface. At the top, it says 'Flex-VM Flexible Consumption Program' with a checkmark for 'Field Briefs & Plays', a play button icon, and 'Updated 2 months ago'. There is an 'internal' tag. The main image is a low-angle shot of a modern glass skyscraper against a blue sky with white clouds. Overlaid on the image is a dark grey box with the text 'Flex-VM Flexible Consumption Program Sales Play'. Below this is a red banner with white text: 'Learn more about opportunities for Fortinet's Virtual network and application security products, and cloud delivered security services.'

<https://fortinet.highspot.com/items/631f62a9efc687dce1676720?lfrm=srp.0>

The screenshot shows a HighSpot spot. The top left features the Fortinet logo. The main headline is 'Accelerate Your Sales Through Cloud Provider Marketplaces'. To the right is a graphic with colorful, blurred light trails. Below the headline is a horizontal line. The text below the line reads: 'By 2024, cloud marketplaces will be the dominant channel for the procurement of infrastructure software, with a forecasted \$50B in revenue by the end of 2025. With many organizations well un-'. To the right of this text is a video player thumbnail for 'Demystifying Cloud Marketplaces' with the subtitle 'Insights for Fortinet Sellers'. The video player has a play button icon and a progress bar.

<https://fortinet.highspot.com/spots/6012e3ae3815b8222f323fbd?list=62f29f948c68136742dd1e7b&overview=true>



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