



MELILLO CONSULTING, INC.
THE POWER OF SOLUTIONS

solutions

news and information for the melillo community

fall 2004

Commitment to Providing Customers: Expanding Melillo's Power of Solutions

Mark J. Melillo. President and Founder, Melillo Consulting

As the Technology industry moves forward, we are positioning Melillo Consulting to help you drive your business by continuously strengthening our solution offerings. In response to our customers' business needs, we have expanded our internal resources as well as forged several new partnerships to provide customers with the continued level of expertise and excellence they rely on from Melillo.



Earlier this year, we began our expansion into the Washington DC-metro area by adding the resources of an established value-added reseller. This addition will enable Melillo to increase our focus on enterprise-class server, storage and software products, as well as related deployment and development consulting services. We are now better positioned to provide enterprise-class IT infrastructure solutions and application software development services to the Mid-Atlantic area and can now offer the same quality service and solutions to the Washington DC area that our customers in the Philadelphia and New York metropolitan areas have received for the past sixteen years.

We have also made significant investment in our corporate personnel...the backbone of Melillo. During 2004, Melillo has increased internal staffing by almost 15%, with more than half of new hires located in Business Development and the Enterprise Solutions Group.

Also, we have entered into several new partnerships and increased offerings from our existing partners to expand our portfolio of services and solutions to our customers.

As always, Melillo is committed to providing award-winning solutions and services to the IT community. We will continue to leverage the power of our partner relationships, combined with the expertise and experience of our internal resources, to help our customers drive their businesses forward with the power of our IT solutions.

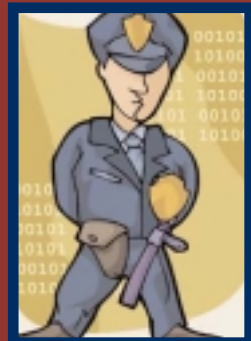
Melillo Adds Compliance to Information Security Offering

Industry Veteran Bolsters Enterprise Solutions Group

In response to the growing customer need for industry-leading security solutions and compliance expertise, Melillo Consulting appointed Florindo Gallicchio as Practice Manager, Information Security. In this role, he provides both technical and business leadership to the Information Security Practice of Melillo's Enterprise Solutions Group.

"As we evolve and grow our information security and compliance solution, our customers will greatly benefit from Florindo's expertise and experience," said Mark Melillo, Melillo Consulting President and Founder.

Mr. Gallicchio has over seventeen years of experience in the information security industry, specifically in the areas of security management, architecture design, analysis and implementation, policy development, vulnerability and risk assessments and penetration



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Melillo Forges New Partnerships

Partnership with diCarta Provides Industry-Leading Enterprise Contract Management Solution

Melillo Consulting has entered into a partnership with diCarta, Inc., an industry-leading provider of Enterprise Contract Management (ECM) software. Under this partnership, Melillo will offer the diCarta Contracts solution as its preferred contract management platform to its customer list of over 500 corporate customers in the northeast US.

“By partnering with diCarta, we can provide our customers with a solution to minimize risk and reduce costs at every stage of the contract lifecycle,” said Matt Jacobson, General Manager, Enterprise Solutions Group at Melillo Consulting. “We see the diCarta Contracts solution as a compelling addition to Melillo’s enterprise application offerings and another opportunity to provide our customers with an industry-leading solution.”

With diCarta Contracts, companies gain control over their contract management processes, increase visibility into contractual obligations, and more effectively manage the terms of their agreements. The result is reduced legal and financial risk, as well as lower purchasing and operational costs. diCarta Contracts is the only contract management solution that spans every stage of the contract lifecycle, from contract creation and negotiation, to obligations management and compliance enforcement, through ongoing analysis and improvement.

Webwasher Partnership to Provide Comprehensive Internet Content Security Solutions

Melillo has also established a strategic relationship with Internet content security specialist Webwasher, a CyberGuard company, to offer comprehensive Internet security solutions to its clients. Webwasher’s software enables enterprises to deploy edge-based antivirus, URL filtering, email and spam filtering, SSL filtering, Instant Message/Peer-to-Peer management, and Internet usage reporting in standalone solutions or as a single package with any combination of components for easier administration, increased performance, and lower total cost of ownership.

“Internet content security is now one of the most significant concerns for the organizations that we serve, so we are pleased to be partnering with the world’s fastest growing provider of web filtering solutions,” said Melillo Consulting founder and CEO Mark Melillo. “We believe that Webwasher’s solutions — coupled with the security expertise that Florindo Gallicchio brings to our Information Security Practice Group — make an unbeatable combination for our customers.”

“Enterprises not only need policy enforcement tools, but the assurance that their investment in gateway security will protect the network now and in the future,” said Frances Schlosstein, Vice President, Business Development and Northeast Sales for Webwasher. “Melillo’s long-term relationships and commitment to preemptive security management complement in consulting services what Webwasher provides in its comprehensive ‘best-of-breed’ filtering solutions.”

Webwasher’s Content Security Management solutions provide secure protection at the central Internet gateway, with support for HTTP, SMTP, FTP, HTTPS and Instant Messaging protocols.

About Webwasher

Webwasher, a CyberGuard Corporation company, is a leading provider of Internet security solutions for corporations, educational institutions and government agencies. Webwasher develops and markets innovative products for the growing Content Security Management / Policy Enforcement Tool market. Products include stand-alone and integrated solutions for Internet content security and filtering, including URL filtering, e-mail and spam filtering, virus protection, SSL filtering, Instant Message/Peer-to-Peer blocking and Internet usage reporting.

About diCarta

diCarta is the leading provider of enterprise contract management solutions that eliminate expensive and potentially damaging risk across the entire contract lifecycle. diCarta Contracts provides the control and visibility companies need to create better contracts, actively ensure that companies meet contractual obligations, manage performance against contract terms, and continually improve contracts and operations.



Melillo Consulting GM Participates in NJTC CIO Conference

Matt Jacobson, General Manager, Enterprise Solutions Group, served as moderator for the panel discussion, “Compliance and the CIO — What Was Once Best Practice Is Now Law!” as part of the New Jersey Technology Council’s (NJTC) NJ CIO Conference 2004. Held at the

Garden State Convention Center in May, 2004, the conference’s theme was “The Emerging Role of the CIO in the Recovering Economy.”

Mr. Jacobson moderated the panel discussion, which was attended by over 70 CIOs from leading companies

throughout the New Jersey-New York area, which focused on how compliance issues have changed industry practices. With the passage of Sarbanes-Oxley (SOX), CIOs must now take on the challenges of enhancing their knowledge of internal control, understanding their company's overall SOX compliance plan, developing a compliance plan to specifically address IT control, and integrating this plan into the overall SOX compliance plan. The panel attempted to identify the main challenges for CIOs regarding these issues and what can be done to ensure full compliance.

The panelists included: Richard Cella, CIO, Alpharma, Inc.; Joseph Iannello, Senior VP and CIO, Movado Group Inc.; and, Marcia Ostfeld, Director of Infrastructure Operations, Becton Dickinson.

Melillo Offers New Identity Management Software From HP

Melillo now offers HP OpenView Select Access software as part of its Information Security and Compliance Practice solution offering. By offering this software solution, Melillo is now able to provide customers with enhanced secure management of their web services and enterprise resources.

HP's OpenView Select Access software provides access management functionality with an open security feature that facilitates user access to information across applications and Web services. HP OpenView Select Access offers the following functionality:

- Increased confidence and time savings through easy-to-use, reliable and highly automated identity management
- Reduced costs and increased IT alignment through systematic and secure management of Web services and enterprise resources
- The ability to meet increasing organizational and governmental regulatory requirements through high-integrity change control with secured audit features.



"We are delighted to offer the new OpenView Select Access solution because it will provide our clients with centralized relationship management of customers, suppliers, partners, and employees," explained Mark Melillo, President and Founder of Melillo Consulting. "And, it will provide multi-vendor access to information across networks, applications, and portals within an organization and across organizations via business-to-business transactions and Web services."

DID YOU KNOW?

Melillo Consulting is one of only six HP OpenView Elite partners in the US?

Industry Events

Pharma CIO-IT Summit
October 2004
Hyatt Regency
Philadelphia

2nd Annual Municipal
Information Systems Association
IT Security Conference
October 2004
Ottawa City Hall
Ottawa, Ontario

ISSA CISO Executive Forum
November 2004
Walt Disney World Swan Resort
Orlando, FL

Inside ID Conference & Expo
2004
November 2004
Washington Convention Center
Washington, DC

IT Compliance
December 2004
San Francisco



Sarbanes-Oxley Compliance: Section 404 Quick Facts

What is Section 404?

Section 404 of the Sarbanes-Oxley Act (SOX) states that publicly traded companies must establish, document, and maintain internal controls and procedures for financial reporting. It also requires companies to check the effectiveness of internal controls and procedures for financial reporting.

In order to do this, companies must

- Document existing controls and procedures that relate to financial reporting.
- Test their effectiveness.
- Report on any gaps or poorly documented areas.

Who is responsible for "sign off"?

- Management
- Independent accountant/auditor

What's the effective date?

Fiscal year ends on/after:

- November 15, 2004 for accelerated filers
- FY ending on/before July 15, 2005 for all others

What are the penalties for non-compliance?

The penalty for not having procedures in place by the deadline is de-listing of the company by the stock exchange or securities association through which its stock is traded.

How long must records be kept?

SOX does not dictate how long complaint records must be retained, but the disclosure requirement in Section 404 implies that records must be kept for at least the next fiscal year.

For more information, visit the US Securities and Exchange Commission website:

www.sec.gov/spotlight/sarbanes-oxley.htm



In simple terms, the Sarbanes-Oxley Act, requires management to certify the accuracy and legitimacy of corporate financial statements or face the possibility of punitive and criminal action

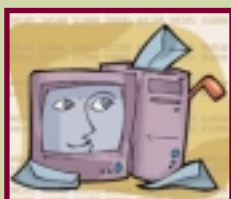
Security and Compliance

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testing, and information protection. He is a Certified Information Systems Security Professional (CISSP), and is also certified in National Security Agency INFOSEC Assessment Methodology (IAM) and Homeland Security – Level III (CHS-III). He currently holds SECRET clearance with the U.S. Department of Defense and has held Top Secret clearance with access to Sensitive Compartmented Information (SCI).

Most recently before joining Melillo Consulting, Mr. Gallicchio served as Director of Security Assessment and Compliance for Radianz, Inc. the leading provider of secure, reliable, and scalable connectivity to the global financial community. In that role, he was responsible for all global security assessments and compliance measures for the largest financial IP network in the world. Mr. Gallicchio has also developed and directed information security programs for such companies as esavio, Inc, The Prudential Insurance Company of America, and Johnson & Johnson, Inc.

For 10 years, Mr. Gallicchio also served as Cryptologic Technician, Operations Supervisor, Security Manager, and Security Instructor in the United States Naval Security Group and National Security Agency. As a cryptologic technician with the Naval Security Group, the naval arm of the National Security Agency, he was awarded numerous commendations for his leadership and work in special operations vital to national security.



Comments or suggestions?

Please email us at info@mjm.com

Melillo Consulting, Inc.
285 Davidson Avenue
Suite 202
Somerset, NJ 08873
1-800-TEAM-MJM
www.mjm.com