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## Daily Research

**Cybeats Technologies Corp. (CYBT-C, \$1.25) | No Rating | No Target |**  
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[Watchlist Report: A Cybersecurity Company with Policy Tailwinds Accelerating Early Adoption](#)

**Our Take:** Cybeats is a first mover in a dynamic cybersecurity industry where policy tailwinds are driving spend toward software bill of materials (SBOM) solutions to help enterprises manage risk associated with software security, including open-source software while improving protection and reducing costs

- **SBOM 101:** Software bill of materials (SBOM) is essentially a nutritional label on a food product – it lists the ingredients, highlighting content that may be harmful. A SBOM is a formal inventory of software components and dependencies, technical information, and the code's hierarchical relationships. A SBOM helps developers understand a code's origin to better determine whether it is secure and aids in mitigating known vulnerabilities. According to McKinsey, open-source software (OSS) development has risen from ~35% to ~75% of organizations' audited codebase. Enterprises use OSS to help with cost savings, developer flexibility and coding speed. A drawback of using OSS is exposing organizations to cyber risk – OSS is not regulated or overseen by a central authority and is available publicly, meaning OSS can contain vulnerabilities and out of date code.
- **SBOM Studio:** The Company's SBOM Studio was created to manage the growing need for software supply chain security. It is offered as a SaaS, self-hosted application, and a soon to be on-premise application, depending on customer needs. It is marketed to all software producers and consumers where supply chain transparency is core to their operation.

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