

WATCHMAN

SECURITY & SAFETY TECHNOLOGY - NEWS - INDUSTRY LEADERS - EVENTS - LEGAL ISSUES

FROM THE PUBLISHER

AUGUST 2024

No Good Deed....

By: Jerry Lenander

I recently had a longtime security industry colleague drop by the beautiful Black Hills in South Dakota (Mt. Rushmore and Fuzzy Cos). We have known each other for 30 years, and while I don't work with the organizations that brought us together, we have maintained a friendship.

The discussion turned to the times I had worked with vendors and installing companies who were entering the industry. My approach was to encourage people to participate, to attend conferences and meetings, as a means to network with peers and suppliers. He spoke of one company whose principles had mentioned my efforts on their behalf many years ago. It appears I had introduced them to people who became partners or in other ways helped establish their company.

They are now a successful global company with outstanding reach in the market. The payback to the organization I served was being perceived as contributing to their success. They will benefit the group with attendance, sponsorship, advertising and an incredible amount of good will.

We do good things every day, the right things all the time, and sometime wonder if there is a return on that investment of time and courtesies. There is.

It made me think of the others I had worked with, providing newly unemployed individuals with access

to the organizations. Helping connect users and suppliers. I encourage you to be the good ambassador for your industry, help a friend in need, and extend a greeting and welcome to those entering the business.



TOP RIGHT DRAWER

Make Sales Part of Your Company's DNA

By Kevin O'Connor



It all began for me in the security industry in 1982: I was a college student who also worked the graveyard shift at a local Sonitrol central station, grinding for my living expenses like most college students do. At the time, I believed there was a means to an end with that as I had aspirations of becoming a police officer.

After hitting my two-year mark with Sonitrol and just as I was completing my program in school, the Branch Manager of the central station approached me to offer a position in sales. I had absolutely no interest in pursuing a career in sales as I had a very negative view of the profession, but he convinced me to think about it and give it further consideration. I solicited advice from the people I trusted most and after careful consideration I decided that, at twenty-one, I was young enough to try something new. If it didn't work out, I could always pursue my original career path into law enforcement.

After several years of working for a few dealer companies as either a sales rep or in sales management, I moved into a traditional sales role with Ademco, who was one of the oldest and most well-established manufacturers in the industry. Utilizing my prior experience with dealer companies, I had an inherent understanding of what was important to a dealer's decision-making process when partnering with a manufacturer.

At that time, most manufacturers offered sales training for dealers which mostly focused on the product or service, with little to no attention on helping a dealer's sales team understand how to **sell** the said product or service. Ademco was a manufacturer that not only made great products, but just as importantly also knew the power of properly supporting their dealers to know how to properly offer them back to the end-users.

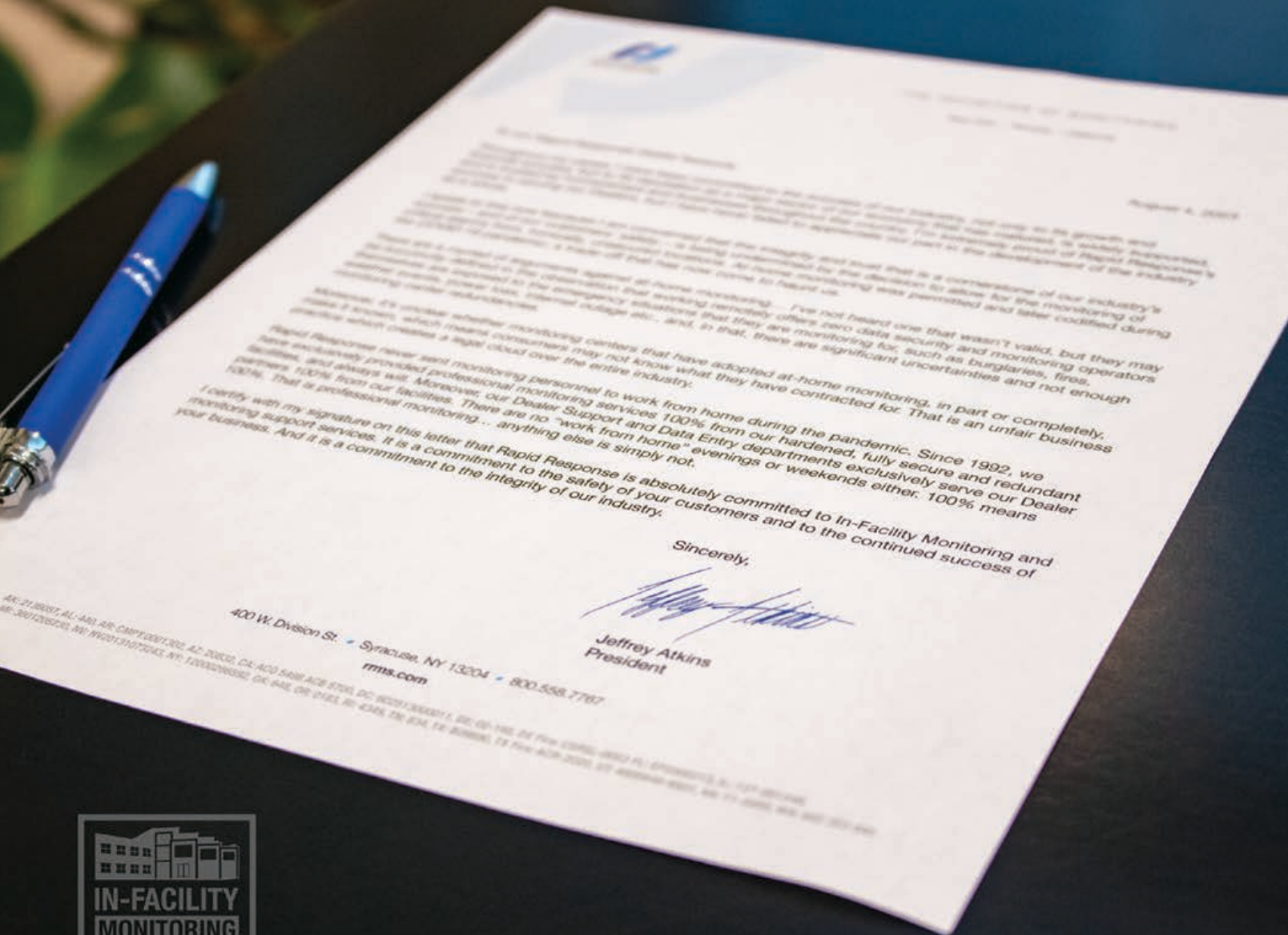
Through this model, I observed overwhelming success within Ademco's dealer network. There was a multi-layered system to support dealer's sales efforts through a



Top Right Drawer, continued on page 3

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TOP RIGHT DRAWER

Top Right Drawer, continued from page 1

commitment to train their people on more than just the products and services we offered. Ademco understood that a company can have the best products or services in the market, but nothing happens until something is sold.

My time at Ademco also provided the opportunity to work with, and for, some of the best salespeople and leaders in my career. In the mid 90's, Ademco hired Ben Cornett to run the sales organization. It would be an understatement to say that his leadership was transformational for me and so many others. Under Ben's guidance, our entire company adopted a culture where everyone was in sales. Sales was no longer viewed as only a department in the company, but an organizational philosophy.

Our culture changed from one with silos across the business to one where everyone supported departments company-wide with the mission of serving our customers. This culture helped us build on our position as a leading manufacturer with significant growth in the late 90's into where we were ultimately acquired by Honeywell in 2000. We continued to leverage that momentum as part of Honeywell, with a continued focus on our culture and retaining the organizational philosophy of sales. After the acquisition, Honeywell was universally viewed in the security industry as a dominant force within the arena of the large manufacturers. Looking back, this was the time where my career was most positively impacted because of the extraordinary leadership displayed at the top, notably by Ben Cornett.

In the security and life safety industry there are many organizations who adequately place importance of a sales philosophy being part of every department. Unfortunately, there are also some which still view sales and their salespeople as a necessary evil. The industry has continued to change and evolve over the years, but the most successful companies are the ones that value and invest in their people to ensure that everyone is engaged in both sales and supporting the customer. If you look at your company, are your people the best at representing your mission, values and culture to prospective and existing customers?

If you can't immediately answer yes, then it's important to look at the following:

- Do you have the right people?
- Do your people have the tools and resources they need?
- Is leadership focused and engaged in creating a sales/customer focused culture?
- Does your culture reward excellence or tolerate mediocrity?
- Do you invest in making your people better?

If you don't have the right people, it's important that you be honest and have a plan to put the right people in place. You may already have individuals in your organization that could move into a new role or take on new responsibilities and provide an immediate upgrade. Maybe you'll have to bring someone into the company

Top Right Drawer, continued on page 4



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For Editorial and Advertising information, contact:
 Jerry Lenander/Ryan Makovsky/Paul Udell
 Syncomm Management Group
 P.O. Box 203
 Custer, SD 57730
 Tel. 800-490-9680
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TOP RIGHT DRAWER

Top Right Drawer, continued from page 3

from outside that has the skills and attitude you need, but where will you find them? In the case of hiring salespeople, I always found that the easiest (and worst) approach is to hire a salesperson from a competitor. There can always be exceptions, but proceed with caution if you take this approach.

Always make sure that you are providing your team with the tools and resources that they need to represent themselves and your company in the best way possible. Customers today can go online to research and buy almost anything, so make sure that your website and social media are done well to make a strong first impression. When your people are interacting directly with your prospects or customers, make sure they have the necessary materials and training to look and sound professional.

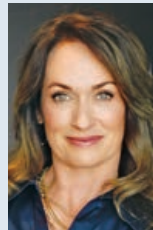
Whether a small business or a large corporation, leadership sets the tone for an entire organization. As mentioned earlier, I have worked with, and for, some world class leaders in my career (and a few horrible ones), and there is no question that they played a key role in the success or failure of the company. Some company leaders don't have a sales or customer facing background, but the good ones understand the importance of surrounding themselves with people who will compliment them in that area. One of my favorite quotes about leadership is from Tom Peters: "Leaders don't create followers; they create more leaders". Make sure that you are creating leaders across your organization (not just in sales) and success will follow.

Rewarding excellence is so important in any organization and the companies that do it well and consistently are so much more successful than those that do not. Rewarding behaviors and results that promote customer satisfaction will help build a great company culture and a dedicated and loyal workforce. People naturally love to be recognized and appreciated and when you provide incentives across the business, it will help to drive the behaviors that build a great culture. Sales incentives also need to be structured to encourage the behaviors you want from your salespeople, so if you want your salespeople to generate their own business, you need to make sure you are rewarding them when they do.

Invest in your people and help them continue to improve and grow with your organization. Provide them with the training and support they need to get better and build confidence in their ability. Learn what is important to them by getting to know them as people and not just employees. When people feel connected to the business and feel the company cares about them, they will be more than employees doing a job. At Honeywell, we created a training program that was focused on sales, but we included marketing, engineering, finance, customer service, legal and all other functions in the training as well. It was important to send the message that everyone is in sales, and by bringing in people from all different functions it helped create a better understanding of what each group did and why it was important to our success.

The industry is fortunate to have some manufacturers in both residential and commercial that provide training to help build the sales and customer support skills of all your employees. There are also sales training companies in the industry, some that are regular contributors or advertise in this publication that are knowledgeable and understand your business. Utilize them as a resource to help you build a world class sales organization. Most importantly, take the time to learn and understand your business, ensuring the people representing you are committed to being your partner in success!

Kevin O'Connor spent 39 years in the security and life safety industry, primarily in sales and sales management with industry leaders in both the dealer and manufacturing segments. He spent almost 20 years with Ademco/Honeywell in sales and management roles, notably as President of the First Alert Professional Dealer Program and Vice President of Global Sales for Honeywell Security. After leaving Honeywell, he worked in the personal emergency response system (PERS) market as President of Logicmark for 10 years until his retirement in 2021. He is currently a full-time grandpa and enjoys spending time with his grandkids, doing volunteer work and stays connected to the industry on a limited basis as a consultant and advisor to security and PERS companies.



Kelly Bond



Jay Bartlett



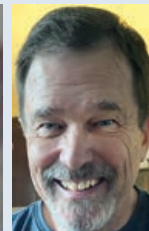
Audrey Pierson



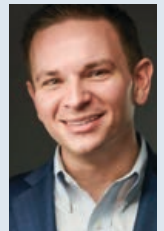
Marcus Haney



Josh Rings



Kevin O'Connor



Brandon Beal

EDITORIAL CONTRIBUTIONS

Be on the lookout for great future info from Kelly Bond, Jay Bartlett, Audrey Pierson, Marcus Haney, Josh Rings, Kevin O'Connor, Brandon Beal and many more contributors sharing their perspectives on the industry.

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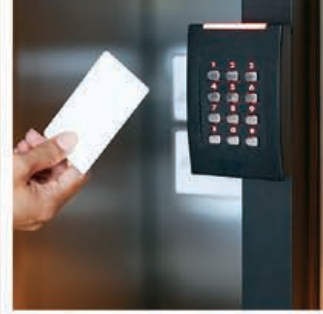
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Christian Brandow
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Cell: 631-786-3882
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Jason Harris
Western Regional Sales Manager
AK, WA, MT, ID, WY, UT,
CO, OR, N.CA, N.NV
Cell: 631-553-5067
jharris@napcosecurity.com

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April 2-4, 2025
Las Vegas, NV

SIA / ISC's Got Talent @ The Rockhouse 2025
April 1, 2025

AFFILIATE ASSOCIATIONS

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Arizona Alarm Association (AZAA)
www.azalarmassociation.org
480-831-1318
susan@azalarms.org
Executive Director, Susan Brenton

Colorado Burglar & Fire Alarm Association (CBFAA)
www.cbfaa.org
Jeanne@cbfaa.org
Executive Director, Jeanne Palmer

Electronic Security Association (ESA)
<https://esaweb.org/>
972-807-6800
membership@esaweb.org
Director / CEO, Merlin Guilbeau Nevada Security Association

Nevada Security Association (NSA)
Nevadasecurityassociation.org
702-551-4672
admin@nevadasecurityassociation.org
Executive Director, Jeanne Palmer

Security Industry Alarm Coalition (SIAC)
<https://siacinc.org/>
972-377-9041
stan@siacinc.org
Executive Director, Stan Martin

Partnership for Priority Verified Alarm Response (PPVAR)
<https://ppvar.org/>
844-967-7827
jeanne@ppvar.org
Executive Director, Jeanne Wulforst

Utah Alarm Association (UAA)
www.utahalarmassociation.com
385-229-2120
utahesa@gmail.com
President, Jacob Menke

AFFILATE ASSOCIATION MEETING CALENDAR 2024

Syncomm provides online registration links for all event listings, if available, in the EVENTS DIRECTORY page of our website www.snnonline.com

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Mitch Reitman has much more than a pencil now, he still has the desire and ability to serve the industry.

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HID Releases State of Physical Access Control Report for 2024

HID announced the availability of their 2024 State of Physical Access Control Report, identifying five key trends that are shaping the future of access control. Produced by IFSEC Global in partnership with HID, the report surveyed more than 1,200 security professionals across the globe to paint a picture of an industry that has been going through considerable transformations.

Conducted between November 2023 and January 2024, the survey reveals the following five trends:

- 1). Mobile access and digital ID are set to become ubiquitous.
- 2). Open standards are driving smart buildings phenomenon.
- 3). Sustainability is becoming a greater influence on business decisions.
- 4). The rise of artificial intelligence (AI) is becoming more common.
- 5). The biometrics market is growing at a rapid pace – especially contactless solutions.

For the full report, visit www.hidglobal.com

ESA Names New Award After SIAC Executive Director Stan Martin

The Electronic Security Association (ESA) has recognized Stan Martin's decades of service and leadership in the electronic security industry by establishing the Stan Martin Excellence in Advocacy Award. The Stan Martin Excellence in Advocacy Award will spotlight ESA volunteers who:

- Distinguish themselves through grassroots advocacy at the local, state, or federal levels, or by influencing the codes and standards development process.
- Proactively collaborate with ESA to advance initiatives that protect the industry and enhance public safety.
- Exemplify the dedication and attributes demonstrated by Stan Martin during his service to the industry.

"Our goal was to create a prestigious award named after a true champion of advocacy, so recipients would immediately understand the exceptional level of service they had provided," said ESA Chief Executive Officer Merlin Guilbeau. "Naming it after Stan Martin was an obvious and easy decision."

Stan Martin began his service with the association as a volunteer in 1987 when he was asked to reorganize the National Burglar and Fire Alarm Association (NBFAA) state chapter program. In 1989 he received the Sara E. Jackson Memorial Award, presented annually by ESA to a committee chairperson who displays outstanding leadership and in 1990 he was recognized as the Morris F. Weinstock Person of the Year, the association's most prestigious honor. His success as a volunteer led to his appointment as Executive Director of the NBFAA.

Since 1994, he has led a national effort to reduce unnecessary alarm dispatches, first by leading programs like Model Cities and Model States to develop best practices for law enforcement, and then for the last 20-plus years as the Executive Director of the Security Industry Alarm Coalition (SIAC). He remains the driving force behind the utilization of

industry best practices like Enhanced Call Verification and the development of codes and standards like ANSI SIAC CP-01 for alarm control panels.

"I'm humbled to have this award named in my honor," said Martin. "ESA's support has been instrumental to our success as has the hard work and dedication of SIAC's board and staff."

The first Stan Martin

Excellence in Advocacy Award went to Shane M. Clary for his contributions as a highly effective industry advocate.



Z-Wave Alliance Release New Guide

The Z-Wave Alliance, the standards development organization dedicated to advancing smart homes and Z-Wave® technology, announced the release of the 2024A Z-Wave Specification Package, which includes new User Credential Command Class features and specs. The Alliance has also published a new Z-Wave Reference Application Design (ZRAD), a publicly available repository of data including detailed schematics and reference designs to help developers create Z-Wave products with enhanced range capabilities using Z-Wave Long Range. Both can be found at <http://z-wavealliance.org>.

The Z-Wave User Credential Command Class (CC) is a specification within the Z-Wave protocol that defines how user credentials, such as passwords or PIN codes, are managed and communicated between devices in a Z-Wave network. Unprecedented in the smart lock category and exclusive to Z-Wave, this Command Class update provides a standardized way for smart locks to handle user authentication in access control, ensuring secure and reliable operation within a Z-Wave smart home network. By adhering to the Z-Wave User Credential Command Class and User Credential Control Specification, Z-Wave devices can offer robust, secure, and interoperable user authentication and access control, enhancing the overall security and user experience of the smart home network.

ZRAD is a game-changer for the Z-Wave community, dramatically lowering the barrier to entry for development and providing a clear path from concept to product. ZRAD offers the tools required to leverage the full power of Z-Wave technology and ZWLR. It is a publicly available repository of data, including detailed schematics and reference designs, to help developers create Z-Wave products with enhanced range capabilities. The ZRAD design features a USB controller with a best-in-class RF range. It achieved over 2 miles of successful transmission in line of sight (LoS) testing and yielded exceptional performance in noisy urban environments with over 1 mile of successful transmission. The design can be implemented as both a controller connected to a computer or as an end device with battery power, enabling the development of versatile applications.



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The Necessity of Selecting an Industry-Specific Insurance Provider

By Josh Ring, President, El Dorado Insurance Services

When you say “insurance” in front of alarm company owners, it generally conjures up feelings of a very large expense for something that is not typically used or understood. For most security alarm firms, insurance is their second-largest expense (behind payroll) and anything that can be done to reduce that expense will be explored. However, this is exactly where company owners can fall into a trap if they are not careful. All insurance programs are not the same and even if you are able to save a few dollars short-term, the long-term effects could be devastating.

Unlike many industries, the alarm industry is a highly-specialized area that requires additional coverages to guarantee that a corporation is properly insured. One of the most important extensions of coverage to look for is Errors & Omissions, also known as Professional Liability. E&O protection is vital to an alarm company, as it provides protection against “failure to...” scenarios. A common example of this is if an alarm installer fails to correctly program an alarm system and the system does not signal the monitoring station. As the claim develops, the attorneys for the claimant could allege the alarm company owners “Failed to properly supervise their employee”, “Failed to properly train their employee”, or even “Failed to properly conduct prior-employment verification.”

Obviously, any creative attorney can produce a number of these scenarios for any given claim situation. Another key combination of coverages for any alarm company would be Care, Custody & Control along with Third Party Theft. It is within these extensions of coverage that your customer’s goods are protected, either through fault of the installer or a third-party participant.

What should concern alarm company owners is that these coverages are not included on a “standard” general liability policy. In fact, these coverages are specifically excluded on most liability insurance policies. There are only a few, select liability insurance programs properly equipped to handle the needs of the alarm profession.

By choosing to do business with an insurance broker who does not fully understand these concerns, an alarm firm could very well wind up with a “DECLINED” claim and be forced to forever close their doors.

What can be done, as alarm company owners, to ensure that these vital coverages appear on your liability insurance policy? The chief concern lies with your insurance broker. First, how transparent are their quotes for your insurance? Do they list all coverages and exclusions that will appear on your policy? If not, that should raise some serious concerns. A professional insurance broker should always list extensions of coverage and exclusions up front, on their proposal. If they do not, how can you be sure what you are purchasing? You certainly would not buy a car based on an ad that read, “2002 Sedan, Black.”

One must wonder if a potential insurance broker doesn’t list coverages that are so vital to this industry; do they really understand the industry at all? Secondly, is your policy being quoted through a reputable carrier with a sufficient financial rating? Like any professional partnership, you want to do business with a carrier (and broker) who are successful and who will be there for you tomorrow. If an insurance broker is quoting you a policy through a company with a B or C rating, this should raise another very large red flag. You should be concerned about the stability of that carrier to be there if you have a claim sometime down the line. Also, how will this lower rating affect your contracts, both current and future?

Most contracts require at least an A- rating, thereby making your company in non-compliance if you partner with a low-rated insurance carrier. Finally, as discussed earlier, insurance for the alarm profession is extremely involved and requires specialized knowledge. Does your prospective insurance broker have a history of providing quotes for the alarm industry? Are they familiar with the service issues that must be addressed on a daily basis?

Insurance is a vital component of any successful private alarm company. Choosing the proper insurance broker to act as your “Buyer of Insurance” is one of the largest pieces to the puzzle. If your current or potential insurance broker does not stack up to the questions previously posed, you are doing your company a disservice and more importantly, putting your livelihood at risk. Because of its’ large expense and the headaches it can sometimes cause, insurance should not be taken lightly. Ignoring glaring issues such as the ones raised in this article may save a few dollars up front, but is it worth the welfare of your entire company?

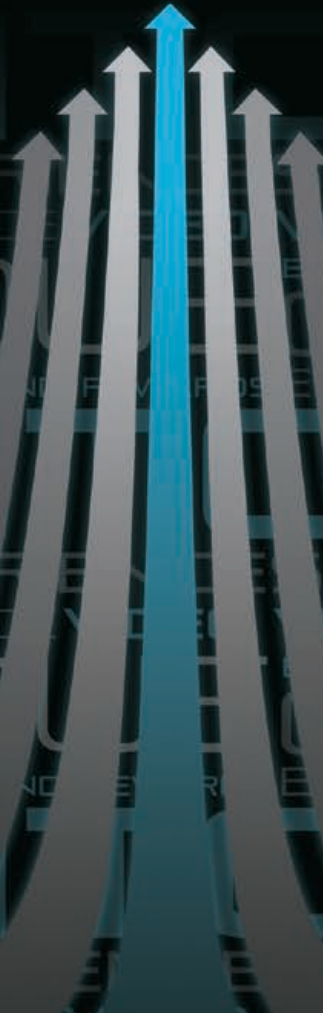
Josh Ring is the President of El Dorado Insurance Agency, Inc. For over 55 years, El Dorado has represented companies to find the best insurance solutions at the lowest premiums possible. Unlike other insurance brokers, El Dorado specializes in offering tailored programs and services to meet the specific and demanding needs of the security industry. For further questions, please feel free to contact Josh at 800-221-3386 or joshring@eldoradoinsurance.com.





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DMP announced the addition of the XTLplus Wireless Packages to their line of offerings. The newest wireless solutions allow for easy, flexible installation and are full of features for dealers and end users, including ease of installation, reduced false alarms, verification of arming / disarming of system and point of entry identification, among others. "This



is a fully wireless solution that can be installed very quickly. It also allows you to take advantage of the tools we have in Dealer Admin," says Aaron McGhee, product manager of control panels at DMP. "This system gives customers a beautiful display and all the features they desire while adding critical security measures that all-in-one solutions do not provide."

NAPCO Access Pro announced the release of its latest enterprise security management platform, CA4K v1.2. This scalable new platform simplifies and enhances security, access control, and video through seamless integration with their top-rated wireless access locks by Alarm Lock, Continental Controllers, and an expanding roster of technology partners specializing in intercoms, biometrics, video, and visitor management. CA4K v1.2 features a redesigned, intuitive interface for effortless management of users and multiple credential types, including mobile solutions with geofencing. It allows for customized notifications, easy HR interactions, inlists, and customized reporting.



Advanced security features include built-in multi-factor authentication (MFA), single sign-on (SSO), and Microsoft Entra ID integration. The platform supports expiring operator log-ins, MiFare/DESFire & OSDP-V1, and is compatible with Windows 11 and Windows Server 2022. Remote administration is possible via a secure, enhanced web client and smart app with geofencing, and it offers global and peer-to-peer lockdown and threat-level management capabilities.

COMCAST SMART SOLUTIONS announced expanded strategic relationships with **Eagle Eye Networks** and **C2RO**. The collaboration expands Comcast Smart Solutions' existing Video Analytics expertise while giving clients more flexibility to choose the right smart video solution. "As technology continues to innovate and industries continue to face new challenges, organizations must reassess how they are using and managing their video and analytics systems," said Michael Slovin, Vice President and General Manager of Comcast Smart Solutions. "By solidifying our relationships with Eagle Eye Networks and C2RO, two distinct video analytics leaders with highly valuable and complementary offerings, we are providing our clients with stronger and more flexible solutions. Our goal is to provide broader access to video analytics and AI-powered technologies that can deliver the data, insights, and real-time alerts they need."

ZENTRA has integrated resident keys capability in Apple Wallet for use by customers and their residents. This enables residents to easily and securely add their resident keys to Apple Wallet and unlock their apartment with a simple tap of an iPhone or Apple Watch. "This new feature reflects our commitment to prioritizing the needs of multifamily property owners and operators," said Dave Ilardi, senior vice president and president of Allegion Americas. The Zentra and resident key in Apple Wallet solution is available on the Schlage Control® Mobile Enabled Smart Lock, award-winning Schlage NDE Mobile Enabled Wireless Cylindrical Lock, Schlage MTB Mobile Enabled Multi-technology Reader, and Schlage RC Reader Controller. Zentra has plans to expand its capabilities to the new Schlage XE360 Series later this year.

NAPCO SECURITY TECHNOLOGIES, INC. announced several key personnel changes within its Napco Access Pro Division sales team (formerly Continental Access). Joining its VP Aaron Black in Sales Management is the newly promoted **Rob Etmans**, Director of Sales, succeeding the well-respected icon Scott Schramme, who retired earlier this month.

Additionally, **Gio Carillo** has been appointed as



the Napco Access Pro Regional Sales Manager for the Southeast Territory, based in Miami, covering Florida, Kentucky, Tennessee, North & South Carolinas, Georgia, Alabama and Mississippi. Stephen Spinelli commented, "This is an opportune moment for our new Access team to infuse fresh ideas and energy, perfectly aligned with Napco Access



Pro's upcoming launch of several new access control products and platforms."

IDIS AMERICAS announced the recent launch of their new I-Mobile System, ushering in a new era of advanced transit video surveillance. The new solution delivers high-performance 4K video resolution, ease of scalability and a highly intuitive user interface, providing high performance mobile security to businesses that

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PRODUCT SERVICE NEWS CONTINUED

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operate transit and fleet companies. "Our innovative I-Mobile System is a user-friendly, advanced mobile video surveillance solution that pairs IDIS America's proven product reliability with a low total cost of ownership, providing the perfect combination of high performance and cost-efficiency," said Scott Switzer, Chief Executive Officer, IDIS Americas. IDIS has been a leader in mobile equipment in North America for over 20 years, and the I-Mobile Transit Video Security Solution leads the way in transforming mobile security for transit and fleet businesses, offering innovative, customer-centric solutions to enhance safety, efficiency, and reliability.



Brad Heckert has joined **DMP** as the director of sales, West. He will direct and support the regional sales managers in the Northwest, Southwest, Northern California, Central California, Los Angeles and Southern California territories. "I'm excited about the opportunity to grow with DMP and help to advance the industry and protect the community," says Heckert. "You never know when or how what you do will have an impact and protect someone you know and care for." Brad has over 20 years of experience in the security industry in numerous roles, from an installing and service

technician to sales management. Heckert has a Master's Degree in Organizational Leadership and most recently worked at Convergent.

Jeff Montoya has joined **DMP** as the regional sales manager for **X1 WEST**. He will provide ongoing service and support to DMP dealers throughout the western United States as well as the Central and Lower Midwest, specifically focusing on X1 series products, a cloud based access control system featuring ease of installation and locally stored programming.. "It's an honor to join the DMP family which has such a rich history and a high level of respect in our industry. It's a pleasure to be part of that legacy," says Montoya. "I've worked with DMP products in my many years of being in the



industry and have found them to be second to none in features and quality, along with an incredible support structure from sales, customer service and technical support. My goal is to continue the legacy that DMP has set forth."

Montoya is a sales executive with over 25 years of experience in security systems integration, distribution and manufacturing. He's primarily served in the video surveillance, access control and Cloud/SaaS solution markets

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The Rise of the Smartphone: A Secure and Convenient Future for Access Control

By Jay Jason Bartlett, Cozaint Corp

For its employees, clients, and guests, physical security has always been a top concern for businesses of any size. Specifically, access control systems are essential to protecting these individuals and their belongings. In its original form, access control was authorized using physical keys or keycards. But with the proliferation of smartphones and their connection with safe digital technologies like Google Wallet and Apple Wallet, things continue to shift very quickly.

Let's examine the growing significance of smartphone-based access control, emphasizing its advantages, security benefits, and the role that Google Wallet and Apple Wallet integration play.

The Development of Access Control

There is a long history of physical access restriction. Restricting access to authorized individuals is the same objective regardless of the type of locking system used, from basic wooden locks and keys to advanced computerized technology. Keycards or fobs with embedded chips that interacted with readers at entrance points were the mainstay of early electronic systems.

Compared to physical keys, these systems provided better security, but they required replacement or reprogramming because they were easily lost or stolen.

A big change has occurred with the introduction of mobile credentials kept on smartphones. Users can now use their phone to gain secure access to a restricted area, making actual tokens unnecessary resulting in streamlined access control for businesses.

Personal behaviors have already taught us that misplacing or losing an access card or key fob is like dropping a penny on the ground. However, one would put on a search party if their smartphone was misplaced or stolen. Furthermore, giving someone your access card is a more beneficial idea than allowing them to use your smartphone to enter a building.

The Importance of Integrating Google Wallet and Apple Wallet

There are several security benefits for both the business and the user when integrating smartphone access control with digital wallets like Apple Wallet and Google Wallet. Without listing them all, the most important may be the usage of the secure enclave of the users cellphone, which protects critical data and is impenetrable. The ease of use to the end user is an added bonus, where the overall procedure is made to be simple to use, providing fast access by simply unlocking their phone and holding it close to the reader.

For the business, real-time monitoring of user behavior may reveal important information about how buildings are used and identify any security risks. Advanced features like geofencing, where access is only allowed while the user is within a certain location, are made possible by smartphone-based access control. It is also possible to impose time-based access limitations, which would only permit admission during designated hours. Overall, these features are among the most important of creating better audit trails.

Smartphones' Power as Credentials

As credentials for access control, smartphones have many benefits, convenience is perhaps the biggest advantage. To gain rapid access, users need only unlock their phone and place it close to the scanner. The smartphone has also offered a more cost-effective method of credential by doing away with the requirement for real tokens while making it easy to add, remove, or change user access. The majority of access control systems available in today's marketplace have a smooth integration process with current smartphone technology, which reduces deployment expenses.

The use of smartphones for access control is transforming physical security. By utilizing current technology, people can enter restricted places with a single tap of their phone and do away with keycards and fobs. Multi-factor authentication and lost phone protocols are important security issues that are integral to this entire solution set. An additional layer of protection is provided by the integration of Google Wallet and Apple Wallet, which allow tamper-proof storage and encrypted communication. In addition to being convenient, this technology provides advantages including improved security features and real-time monitoring. Access control will likely become more mobile in the future due to improvements in biometrics and security procedures as well as anticipated broader use.

Jay Bartlett has been in the computer industry for over four decades and in the storage management since 2000. A serial entrepreneur, Jay has founded software and hardware companies and has managed many technical teams to deliver innovative solutions to the market. As the CEO of Cozaint, Jay is driving intelligent surveillance solutions to the physical security market.



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Boosting Sales Success: The Case for Leaving Phones at the Door

By Audrey Pierson, Audrey Pierson Consulting

My phone is always by my side. How about you? We're in the security industry, after all, and being on call 24/7/365 can be part of our job description. I spent years as the first person called when a subscriber needed help. Twenty years later I still check to be sure my phone is next to me before going to sleep.

I've also spent over thirty-five years in sales and can definitely say we need to pay attention to how our mobile phones play a role in the sales process. In sales, success hinges on the ability to forge strong connections, demonstrate unwavering professionalism, and maintain laser-focused attention on clients' needs. While it is of great benefit to capture the important visuals with our mobile phones during site visits, they can also be detrimental to the crucial early stages of the sales process.

There is a strong argument to be made against bringing a phone into any meeting, especially when it's just you and the prospect or client, which can be counter-productive to the ultimate goal of closing a deal. Be sure to read to the end to discover a better tool to use instead.

Undivided Attention

A significant advantage of leaving your phone outside is that it allows you to give your undivided attention to the client. In sales, building rapport and understanding your client's needs are crucial. When you are fully present, you pick up subtle cues, body language, and underlying concerns that might not be evident if you are distracted. Clients appreciate it when they feel heard and understood, and this attentiveness sets you apart from competitors who appear less engaged.



Professionalism and Respect

Not bringing your phone shows you value the client's time and are fully committed to the discussion at hand. Checking your phone, even briefly, can be perceived as rude and disrespectful. It suggests you are not entirely focused on the client and their concerns. Not having a phone conveys a powerful message: the client is your top priority.

Enhanced Focus and Productivity

Even phones set to vibrate are notorious for being sources of distraction. Notifications from emails, social media, and messages can interrupt your thought process and derail the flow of a meeting. Without these interruptions, you can maintain a clear and focused mind, leading to more productive and meaningful conversations. This uninterrupted focus allows you to better address the client's needs, present your solutions effectively, and navigate any objections or concerns they may have.

Build Trust and Credibility

Trust is the cornerstone of any successful sales relationship, particularly in the security industry. Clients need to trust that you are reliable, competent, and genuinely interested in helping them. They are more likely to trust someone who is fully engaged and dedicated to their success, rather than someone who appears easily distracted or disengaged.

Foster a Positive Meeting Environment

The presence of a mobile phone can subtly alter the dynamics of a meeting by creating an environment where participants are less engaged and more prone to distractions. If you check your phone, it invites your prospects to do the same. If they lose focus on what you're presenting, the opportunity for a sale may be lost without you even realizing it. Without phones, meetings tend to be more interactive and collaborative. Participants are more likely to contribute to discussions, share ideas, and engage in problem-solving.

In an era dominated by digital communication, face-to-face interaction remains a powerful tool in sales. Show that you value the human element of sales and are committed to building a genuine relationship with the client.

Instead...

Use a tablet rather than a phone and you can take photos, demo an app, display spec sheets or video clips, provide proposals, and sign contracts without worrying about incoming phone calls or other notifications affecting your sales process. A tablet does not have the same impact on the prospect that a phone does. Making this simple yet impactful choice, you can significantly improve your chances of success in sales and strengthen your relationships with clients.

*Audrey is a 35-year veteran of the electronic security industry who advises, trains, and coaches security sales teams and alarm dealers to achieve success. Her **Security Sales Academy** delivers online training and live coaching to participants to expand their skills, gain self-confidence, and increase sales. Audrey can be reached at www.audreypierson.com, 831-277-7447, or audrey@audreypierson.com*



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Harnessing the Power of Patriots: Veterans Driving Innovation in Security



Editor's Note: AllegiantVETS started in 2010 to honor the men and woman who have served and sacrificed for our freedoms, and to support them in their ongoing transition back to civilian life. AllegiantVETS' mission is to provide opportunities for the community to honor, invest, and connect with veterans within the AllegiantVETS network. For more information about how to forge powerful alliances that not only drive your business objectives forward but also honor the service and skills of veterans, visit www.allegiantvets.org.

By: Marcus Haney, AllegiantVETS

As we celebrated Independence Day last month by honoring the valor and dedication of our military, it's still a great time to consider how former service members can enhance your security operations. Leveraging their disciplined training and technical expertise offers a unique strategic advantage in the rapidly advancing security landscape.

Military experience with cybersecurity protocols, advanced surveillance tools, and unmanned systems equips these individuals

to lead the integration of innovations like artificial intelligence (AI), machine learning (ML), and blockchain into the security industry. Their methodical approach ensures that AI-driven systems are effective and ethical, enhancing overall system resilience.

Blockchain technology, known for its secure and transparent nature, also benefits significantly from their expertise. Their understanding of secure communication and information integrity makes them invaluable in deploying blockchain solutions for data security, supply chain integrity, and identity verification.

Service members excel in integrating emerging technologies into comprehensive security strategies. Their strategic thinking and leadership skills allow them to see the broader implications of technology deployment, ensuring that new systems are effectively woven into existing security frameworks. This holistic approach not only improves operational efficiency but also strengthens defenses against evolving threats.

Beyond technical prowess, these professionals play crucial roles as educators and mentors within the security industry. Leading training programs and workshops, they share their knowledge and experience, ensuring that the workforce remains current with the latest technological advancements and best practices.

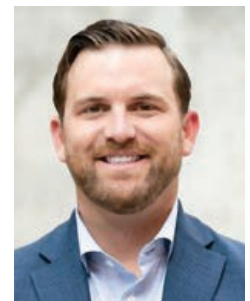
For organizations looking to stay competitive, leveraging the expertise of former service members can provide a significant strategic advantage. Their ability to adapt to new technologies, combined with their strategic insights and ethical standards, makes them indispensable in driving innovation and maintaining robust security postures.

As we celebrate the freedoms secured by our military, let's recognize the value service members bring to our nation's security landscape. They're not merely adapting to technological advancements—they're driving them. By integrating AI, ML, and blockchain into security strategies, they enhance the effectiveness and reliability of security operations. Companies aiming to lead in the security space should consider the unique skills and experiences these professionals bring to the table.

If you are a service member looking to transition into the security industry or a company seeking to innovate, connecting with organizations like AllegiantVETS.org can open doors to a wealth of opportunities. By tapping into this pool of talent, businesses can secure their future while benefiting from the unmatched expertise of former service members.

Always by your side.

Marcus Haney is the CEO of AllegiantVETS and a battle-tested Marine turned visionary leader behind its' cause, championing the transition of service members into trailblazing careers. His dynamic approach is shaped by resilience and a deep commitment to his fellow veterans and fuels their mission to empower and transform lives through unparalleled support and opportunities.



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Decoding the Value in Your Security Business – Part 1

Editor's Note: The following article by Kelly Bond is the first of a two-part article, exploring true valuation from RMR (Part 1) and EBIDTA (Part 2 – September) business models

By Kelly Bond, Davis Mergers & Acquisitions

The IRS loosely defines fair market value as the price at which a business would change hands between a willing buyer and a willing seller when the former is not under any compulsion to buy and the latter is not under any compulsion to sell; both parties having reasonable knowledge of relevant facts.

That is a clarifying statement and is purportedly what occurs in every transaction. It also supports the theory that your business is worth what someone is willing to pay for it. But what is that number? How do you know what price to expect when you are ready to sell? Most security companies are valued either on their Recurring Monthly Revenue “RMR” or their Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA). In the security industry, this is often the difference in the value of an alarm company or an integration company.

Let's begin this two-part article by discussing the value of RMR built businesses.

Generally, the sales multiple of most RMR companies is in the 30X – 40X range with most transactions landing at a multiple of 32X-36X. Those multiples have stayed relatively consistent for many years, however, not all companies with the same amount of RMR look alike. Most companies that are focused on RMR ensure there is a contract in place that identifies what services are offered/included and what the end user, be it commercial or residential, is paying for the service. As I have discussed in other articles, there are specific items, terms and conditions that should be included in all contracts, but let's assume all of those are in place.

Not all elements of RMR hold the same value. Certain buyers may pay the same multiple for alarm and fire monitoring, cloud access control and remote video, etc., but may deduct the multiple for maintenance plans or managed services, etc. Due diligence, which a buyer will complete during the sales process, will identify the profit margins of each type of RMR and will lead a buyer to price them

accordingly. Buyers often comprise a “blended multiple” which includes the overall purchase multiple they are willing to pay for all the RMR.

Although the sales price for a company may be based on the total RMR, there are several important factors which impact the value of a RMR business:

Where are the accounts located? Buyers seek different traits in a business. Some buyers (very few) are looking for accounts over a national footprint. Most buyers would prefer to see accounts located within 50 miles of an office location and in major markets. Businesses located in rural areas or cities with historically low credit may experience a longer sales cycle as the pool of buyers is smaller.

Do the top 10% of the customers generate the majority of the RMR? Business owners place great value on their top revenue customers but when those customers generate a significant part of the overall revenue, buyers may become skittish when faced with the impact if one of those customers cancels.

Are the margins too high or too low? Some markets across the country have low-cost leaders who prefer a higher volume of customers vs. greater revenue from fewer customers. Adversely, some business owners offer automation or managed services at high monthly rates. While keeping consistently growing margins is important, standing out with monthly fees that are too high or too low can have a significant impact on your value.

Is the company charging for service time and materials? It is not uncommon for businesses to realize that over-time they have been giving away service to many of their seasoned customers. This is problematic when they sell their business as their cost of service is greater than the service revenue generated. This is an easy trap to fall into and can be a red flag when buyers consider what impact billing these customers for future services may have on attrition.

How were the accounts generated? Accounts that were generated by door-knocking efforts, offered as free systems or DIY may turn some buyers away as the stability of these accounts have historically included higher attrition.

What is the gross attrition and what is the leading cause of it? All business owners should be keenly aware of their gross annualized attrition and where it is coming from. High attrition (greater than 11% - industry average) can have a significant financial impact on a transaction.

Does the seller have a contractual commitment to their central station(s)? Breaking a long-term contractual commitment to a central station can result in a costly endeavor if a buyer requires accounts be moved at the closing of a transaction. Consider your exit plan before making a long-term commitment.

Are the accounts on receiver lines that are owned by the company? Ensuring that all accounts are on “clean” lines which are owned by the seller is paramount. If accounts are programmed to shared lines, its likely to eliminate most buyers or at best, a seller will realize a dramatically reduced purchase multiple.

How efficient is the operation? Operational efficiency directly affects profitability and, consequently, business value. Efficient



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RMR Part 1, continued on page 28

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RMR, Part 1, continued

operations involve effective management, cost control, and technology utilization. Streamlining processes to optimize productivity and implement cost-saving measures can enhance operational efficiency and ultimately a company's value.

Is there clear growth potential? The market position of your security business significantly impacts its value. This includes market share, competitive advantage, and brand reputation. A strong market position often translates to higher valuation due to established customer trust and recognition.

Is there positive cash flow? Cash flow analysis is another critical component of value. Positive cash flow ensures the business can meet its obligations, invest in growth opportunities, and handle economic downturns.

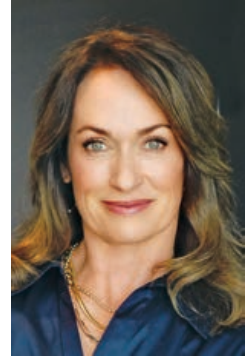
What are your all-in creation costs? High creation costs can strain a company's short-term profitability and cash flow, potentially lowering its immediate market value. As with margins, buyers will want to understand the full creation costs for all new accounts.

Decoding the value of your security business involves a thorough understanding of various factors that contribute to its overall worth.

This process encompasses financial performance, market position, operational efficiency, and growth potential. By examining these aspects, you can gain a clearer picture of your business's value and identify areas for improvement. If you are unsure of what the value of your business is, reach out to DMAG, we will be happy to review your business with you.

Watch for part-two in the September issue where we will discuss Decoding the Value of EBITDA Businesses.

Kelly Bond brings over twenty-five years of industry experience to her clients. Newly inducted into the Security Sales and Integration Hall of Fame in 2024 at ISC West, she currently serves as Partner with Davis Mergers and Acquisitions Group, representing buyers and sellers of Alarm and Integration companies. .kbond@davismergers.com.



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Fostering Innovation Through Culture and Process

By Brandon Beal, CameraShine

Early in my career in the electronic security industry, I remember someone telling me that you are either born into this industry or you fall into it. My experience was the latter. Almost twenty years ago it began with an opening for an inside salesperson at Honeywell Security in Louisville, KY. Since then, I've enjoyed working for small dealers, large integrators, and other manufacturers. I've been in vaults with \$40 million in cash, secured critical infrastructure, and helped men wearing earbuds and sunglasses protect our country. It's been an amazing experience and I'm proud to have helped hundreds of clients along the way. One thing that stands out to me is that the most successful companies that attract the best talent and land the best clients, place a high level of focus on innovation.

Establish A Culture of Innovation

In a rapidly changing world, companies who prioritize a culture which emphasizes innovation are better positioned to adapt, grow, and thrive. Creating and maintaining this culture begins at the top and involves deliberate strategies, strong leadership, and an environment where creativity and risk-taking is encouraged. Leadership must set the tone by articulating a clear vision that prioritizes innovation as a core organizational value. This vision should be communicated consistently, ensuring that every employee understands their role in the process from taking an initial thought in a group whiteboarding session to a product or service that is ready to go to market. Leaders must embody this vision by being open to new ideas, demonstrating a willingness to take calculated risks, and embrace a culture of constant change.

An important part of a strong culture is a strong establishment of trust. As an ice climber, we say "trust your gear." This references each component of our equipment: climbing harness, ropes, carabiners, boots, crampons, ice tools, helmet, descenders, etc. When nerves are getting the better of you, whether ascending a frozen waterfall or descending into a narrow crevasse, it's time to trust your gear. It's faith that your support systems won't fail when you need them the most. Similarly, when you don't trust that your company has your back, you won't trust yourself enough to try a new approach or strategy, possibly preventing growth. A culture of innovation inherently involves taking risks, and not every idea will succeed. Organizations must create an environment where risk-

taking is encouraged, and failure is viewed as a learning opportunity rather than a setback. Celebrating successes and patiently analyzing the lessons learned from failures can reinforce this mindset, encouraging employees to experiment and push boundaries without fear of negative consequences. Build that culture and be ready to catch your team, earn their trust, and get them "back on the ice".

Effective Innovation is a Process

While creativity can sometimes appear spontaneous, having structured processes in place ensures that innovative ideas are captured, evaluated, and developed effectively. Fostering an innovative culture in any organization is more than repeating the cliché "think outside the box." It requires a multifaceted approach, encompassing leadership, structure, continuous learning, and a safe space for risk-taking. Establishing concise steps such as ideation, prototyping, testing, implementation, and customer feedback allows for rapid creation. Regular innovation meetings or idea submission platforms can help gather and assess new concepts which are under consideration. This structured approach not only nurtures creativity but also provides a roadmap for turning ideas into actionable solutions.

Stanley Black and Decker's innovation process, as an example, allowed anyone in any division to take part in various corporate "Challenges" with the goal to benefit the community as well as the company. The winners of those challenges could be selected to take part in an ExO Sprint put on by Exponential Organizations, a community for fast-accelerating corporations and businesses. These sprints targeted real business needs identified and paid for by the supporting business division. Our fastener division selected me for their sprint after I developed a DeWalt battery powered wireless surveillance camera. Our sprint team developed the world's first "smart bolt" meant to be used in critical infrastructure and in just a few weeks, the idea developed to working prototype. It set in motion an entire new revenue stream for the business, solving difficult inspection challenges remotely and adding an RMR model to a hardware-based company. Not to mention the accomplishments of the other teams that participated.

Whether you are a small business owner or a leader of a Fortune 100, innovation is the lifeblood of any successful organization. Build it into your people, products, and processes. Structure your process for controlled risk taking and trust your people enough to let them fail. Your business is going to look and act different than it does today. In one year, two, five, you may not even recognize it. Add innovation into your culture and you will be shocked by it's impact.

Brandon Beal is the CEO of CameraShine, a manufacturer of camera cleaning products and other video surveillance maintenance services. The recent recipient of industry innovation awards from ESX and Security Business Magazine, he brings nearly 20 years of sales management experience with some of the most recognizable organizations in the industry including Honeywell, Stanley Black & Decker, and Securitas. When not busy developing the next great line of products, Brandon enjoys adventuring in the great outdoors and time with his family.



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Tatiana Abramek
Senior Sales Executive
e. tabramek@nmccentral.com
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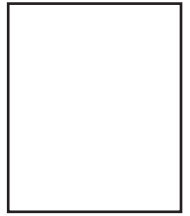
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For advertising contact: Ryan Makovsky 800-490-9680 310-940-7726 cell
Paul Udell 800-490-9680 530-580-0432 cell