

The Markets

RALLY

Around Integrated Security

While challenges persist, great improvement was seen between 2012 and 2013, and it continues into 2014.

By Laura Stepanek, Editor

ASDM's Top Systems Integrators — a report that ranks companies by their North American Systems integration revenue — collectively grew revenue by 17 percent in 2013 to reach \$7.36 billion. This marks the first year for positive growth since 2009. While some of the growth can be attributed to upward estimates for several of the largest integrators (Tyco Integrated Security and Stanley Security), the rest stems from the fact that almost every single integrator in the top 25, as well as many lower-ranked integrators, moved forward. Some improved significantly: Convergent Technologies, for example, grew from \$278 million in 2012 to \$328 million in 2013.

“The petrochemical market continues to be strong, along with the healthcare market. Data centers also continue to be a strong growing market for us,” describes Convergent, ranked No. 6. The company added, however, that K-12 education and state colleges and universities exhibited slower growth last year.

Systems integrators largely described the 2013 market as strong. The rebounding of new construction, the expansion of businesses, and a continued awareness of the need for protecting people and property were the major growth factors.

“The markets TSI serves created a strong year for 2013 security volumes. We participated in many new projects as well as long-term system upgrades and systems remediation,” comments Tech Systems Inc., No. 18.

MidCo Inc., No. 34, noticed more opportunities. “Companies are spending more for new projects and new buildings,” the company observes.

“We found the market just a little stronger than average. Corporate spending loosened up and money was budgeted for security upgrades at some Corporate 100 sites,” notes Koorsen

Security Technology, ranked No. 40.

In addition to a higher level of new construction market and business expansion observed by the integrators, another prime factor continues to be the push from analog to IP, and convergence. According to No. 19, SDI, “We see a few things driving the demand: Certainly, the slow migration from analog to IP

How to Read the Top Systems Integrators Report

The 2014 Top Systems Integrators Report ranks North American companies by their security systems integration revenue. This ranking is based on data provided to or, in a few cases, estimated by *SDM*. Ranked companies were asked to submit either an audited or reviewed financial statement, or a copy of their income tax return showing total gross receipts for the stated period. The vast majority of the firms ranked are privately held.

The main table, which begins on page 62, ranks 117 companies by their North American revenue in 2013 from their security system integration projects. Integration includes solutions such as design, project management, product, installation, programming, start-up, training, and time-and-materials-based service sold directly to an end-user customer or through a tier of contractors. This includes revenue related to security, such as: access control, ID/badging, video surveillance/analytics, intrusion alarms, perimeter security, electronic gate entry, intercom/communications, fire protection, etc. It does not include recurring revenue, as that is counted towards ranking on the *SDM* 100 (www.SDMmag.com/SDM100Report).

Note: an e following the figure indicates it is an *SDM* estimate.

To find a company by name, use the alphabetical index on page 82.



MORE ONLINE

To find this article online, as well as previous years' editions of the Top Systems Integrators Reports, visit www.SDMmag.com/Top-Systems-Integrators-Report

2014 Rank	2013 Rank	Company & Headquarters Location	North American Systems Integration Revenue 2013	Number of New Projects 2013	Value of Largest New Project	Value of Smallest New Project	Top 3 Markets Contributing to Revenue	Full-time Employees	Business Locations
1	1	Tyco Integrated Security Boca Raton, Fla.	\$3,141,000,000e	na	na	na	na	10,000e	200e
2	2	Siemens Industry Inc., Building Technologies Buffalo Grove, Ill.	\$546,000,000e	na	\$2,326,000	\$1,500	edu, govt, corp	9,393	100
3	3	Diebold Security Uniontown, Ohio	\$500,000,000	na	na	na	finance, commercial, industrial	0	110
4	4	Stanley Convergent Security Solutions Indianapolis, Ind.	\$500,000,000e	na	na	na	na	8,300e	100e
5	6	Johnson Controls Inc. Milwaukee, Wis.	\$400,000,000	3,004	\$1,900,000	\$67	healthcare, edu, airports	1,786	122
6	5	Convergent Technologies LLC Schaumburg, Ill.	\$328,436,189	875	\$15,150,000	\$2,500	industrial, corp, healthcare	1,600	46
7	7	Kratos Public Safety & Security Solutions Inc. San Diego, Calif.	\$209,700,000	na	\$18,000,000	na	transport, corp, edu	0	32
8	8	G4S Technology LLC Omaha, Neb.	\$112,658,000	300	\$14,000,000	\$1,500	govt, utilities, transport	671	19
9	11	Protection 1 Romeoville, Ill.	\$95,000,000	25,146	\$4,000,000	\$2,500	retail, financial, industrial	2,743	74
10	9	Schneider Electric Carrollton, Texas	\$90,859,000	205	\$4,800,000	\$10,000	govt, healthcare, edu	220	17
11	10	Vector Security Inc. Pittsburgh, Pa.	\$78,500,000	7,781	na	na	retail, healthcare, corp	0	38
12		ISI Security Irving, Texas	\$70,443,000	na	\$10,000,000	\$3,800	correctional, corp, utilities	273	8
13	18	Securadyne Systems LLC Carrollton, Texas	\$69,000,000	na	\$2,800,000	\$10,000	edu, utilities, healthcare	311	16
14	13	NAVCO Anaheim, Calif.	\$47,149,000	na	na	na	na	0	10
15	14	AFA Protective Systems Inc. Syosset, N.Y.	\$44,274,656	6,500	\$1,237,000	\$300	retail, industrial, financial	443	18
16	16	RFI Communications & Security Systems San Jose, Calif.	\$43,609,599	1,391	\$1,612,000	\$3,818	corp, edu, govt	254	5
17	20	VTI Security Burnsville, Minn.	\$42,793,499	na	\$2,400,000	\$10,000	corp, utilities, edu	150	6
18	17	Tech Systems Inc. Duluth, Ga.	\$39,028,483	1,000	\$508,551	\$1,000	healthcare, corp, utilities	198	3
19	37	SDI Chicago, Ill.	\$38,668,000	242	\$1,908,465	\$15,075	govt, airports, financial	157	11
20	15	Tri-Signal Integration Inc. Sylmar, Calif.	\$38,542,356	409	\$2,800,000	\$18,600	healthcare, corp, edu	250	8
21		Universal Protection Security Systems LP Santa Ana, Calif.	\$30,742,326	941	\$750,000	\$1,000	healthcare, utilities, corp	139	14

No. 2 – *SDM's* 2010 Systems Integrator of the Year. ■ No. 3 – *SDM's* 2011 Systems Integrator of the Year. ■ No. 4 – *SDM's* 2009 Dealer of the Year. ■ No. 5 – New release of the P2000 security management system with Mercury integration, “makes our platform more open which enables us to deliver on the customer’s need for flexibility and their choice of hardware provider and implementation,” according to the company. *SDM's* 2009 Systems Integrator of the Year. ■ No. 6 – Recognized as the No. 1 systems integrator (by volume) by UTC/Lenel, Axis & Milestone. *SDM's* 2012 & 2007 Systems Integrator of the Year. ■ No. 8 – *SDM's* 2013 Systems Integrator of the Year (and 2008 Systems Integrator of the Year as Adesta). ■ No. 9 – National Account division grew 813 percent from 2010 to 2013, which the company attributes to how it has established its National Account Operations Center and customer-centric account management teams. Recorded 8.4 percent net attrition. *SDM's* 2012 Dealer of the Year. ■ No. 12 – First-time ranking on Top Systems Integrators Report. Completed project for the California Health Care Facility, Stockton, Calif. ■ No. 15 – Following Hurricane Sandy, overhauled disaster recovery system and increased redundancies throughout the organization. ■ No. 18 – In 2013 received 18,644 service calls from FOCUS clients; missed only 22 for response time of either 4 or 8 hours (99.88%) and 19 for full functionality at the end of the site visit (99.90%). Through ISO 9001 Certification, company is continually analyzing its processes and procedures. *SDM's* 2004 Systems Integrator of the Year. ■ No. 21 – Acquired Thrive Intelligence (2013) and City-Wide Electronic Systems (2014).

e = *SDM* estimate. na = not available. Abbreviations to markets: airport = airports; corp = corporate office space; correctional = correctional; edu = education/campus; entertainment = entertainment/sports venues; finance = financial/banking; gaming = casinos/gaming; govt = government; health = healthcare; hospitality = hotels/hospitality; industrial = industrial; law = law enforcement; retail = retail/restaurants; transport = transportation/distribution; utility = utilities/critical infrastructure.

for video and access controls is continuing to move along. More meaningfully, however, we see a significant increase in the convergence of the traditional IT and physical security worlds — adding project scope.”

Revenue classified as North American systems integration revenue rose from \$6.29 billion in 2012 to \$7.36 billion in 2013 — even though seven fewer companies are included in the report. However, for comparison purposes, *SDM* measures the top 100 companies’ 2012 integration revenue (\$6.25 billion) against the top 100’s 2013 integration revenue (\$7.33 billion). Several larger-sized systems integrators did not report their earnings this year and were omitted from the report; including BCI Technologies, Northland Control Systems, and Securityhunter. However, the report has been re-energized by the addition of several dynamic systems integrators that are new to the report this year, including ISI Security, Universal Protection Security Systems LP, Dakota Security Systems Inc., Electric Guard Dog, TRL Systems, Utah Yamas Controls, and several others.

“We saw just under 10 percent growth in 2013,” reports Dakota Security Systems, ranked No. 23. “We cover a number of geographies and saw broad economic recovery across all of our customer demographics.”

Within certain vertical sectors, the Top Systems Integrators noticed varying degrees of opportunity. Noted growth areas were transportation, energy, warehouses, industrial/manufacturing, education, healthcare, financial institutions, construction/equipment rental, and even government.

The integrators were divided about two of three top market sectors in 2013: education and healthcare. On the one hand,

“healthcare exhibited growth through a need to enhance the patient experience and reduce the number of hospital-acquired infectious disease re-admissions,” shares Johnson Controls Inc., No. 5. On the other hand, “the healthcare market is showing caution over the Affordable Care Act,” notes Universal Protection Security Systems, ranked No. 21.

The challenges that systems integrators face continue to be greater competition and tighter profit margins. “We found significantly more work in the security sphere in 2013 versus 2012, though the margins were tighter,” reports No. 113, Protex Central Inc.

“There was an increased competitive profile due to more entries into the market from the IT side of the business,” observes No. 31-ranked Genesis Security Systems.

And while most integrators found video surveillance to be the strongest technology in demand, others are seeing video turning softer due to a bigger supply of integrators. “The camera business has slowed down due to technology companies entering the market,” notes Habitec Security, No. 109.

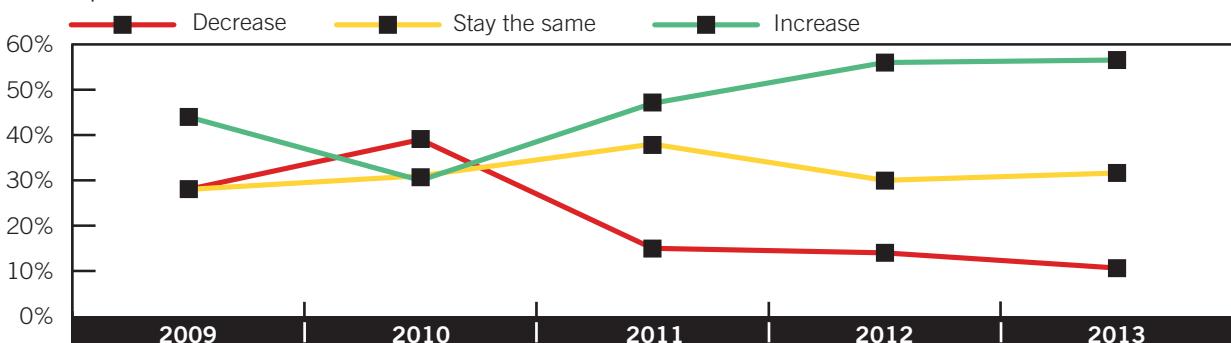
While challenges persist, there is no doubt that great improvement was seen between 2012 and 2013, and it continues into 2014. “We started to see companies release planned budgets in 2013 that were pent up in 2012 due to weaker financial markets,” relates Protection 1, ranked No. 9.

“The general market for security was marginally improved over 2012. The lack of economic growth kept us from seeing larger improvements, but overall the market seems favorable,” says Electric Guard Dog, ranked No. 28.

Among *SDM*’s Top Systems Integrators, 80 percent expect revenues to increase in 2014 compared with last year. ■

Net Profit Holding up Well

Top Systems Integrators were asked, “Did your company’s net profit margin increase, decrease or stay about the same in 2013 compared with 2012?”



Well more than half (57 percent) of Top Systems Integrators increased their net profit in 2013, compared with the previous year. An average of 19 percent growth in net profit was recorded among the companies that improved.

**percentage of Top Systems Integrators indicating each answer; based on 108 responses*

Source: SDM Top Systems Integrators Report, July 2014

2014 Rank	2013 Rank	Company & Headquarters Location	North American Systems Integration Revenue 2013	Number of New Projects 2013	Value of Largest New Project	Value of Smallest New Project	Top 3 Markets Contributing to Revenue	Full-time Employees	Business Locations
22	21	Entech Sales & Service Inc. Dallas, Texas	\$25,422,645	100	\$1,672,000	\$5,000	corp, telecom / data centers, healthcare	201	5
23		Dakota Security Systems Inc. Sioux Falls, S.D.	\$25,088,878	2,182	\$777,690	\$2,000	financial, healthcare, corp	115	8
24	24	DTT Los Angeles, Calif.	\$23,923,893	2,625	\$560,000	\$1,100	na	356	3
25	113	MSA Systems Integration Eatontown, N.J.	\$23,200,000	250	\$2,500,000	\$2,000	utilities, financial, edu	96	8
26	27	Sound Incorporated Naperville, Ill.	\$23,178,498	250	\$1,500,000	\$2,000	corp, edu, healthcare	102	1
27	31	Intertech Security Pittsburgh, Pa.	\$22,500,000	850	\$1,200,000	\$3,000	industrial, corp, financial	132	7
28		Electric Guard Dog Columbia, S.C.	\$22,396,857	384	na	na	transport, industrial, utilities	99	1
29	58	Security Equipment Inc. Omaha, Neb.	\$21,564,036	864	\$485,000	\$99	edu, corp, financial	147	4
30	32	Unlimited Technology Inc. Chester Springs, Pa.	\$20,500,000	680	\$2,200,000	\$500	utilities, corp, correctional	71	5
31	34	Genesis Security Systems LLC Germantown, Md.	\$20,500,000	75	\$5,500,000	\$10,000	DoD contractors, financial, utilities	51	1
32	29	Allied Fire & Security Spokane, Wash.	\$20,000,000	150	\$800,000	\$199	healthcare, corp, financial	126	3
33	22	Security Corporation Novi, Mich.	\$18,992,739	na	na	na	na	0	3
34	33	MidCo Inc. Burr Ridge, Ill.	\$18,880,885	2,040	\$1,250,000	\$6,500	corp, govt, industrial	106	2
35	53	Advanced Electronic Solutions College Point, N.Y.	\$17,854,202	na	\$1,450,000	\$58,000	corp, financial, airports	64	3
36	40	SSD Alarm Systems / Kern Security & Fire / McNeil Security & Alpha Alarm Anaheim, Calif.	\$17,552,011	na	na	na	na	305	13
37	48	Advanced Cabling North Little Rock, Ark.	\$17,500,000	300	\$2,000,000	\$2,500	na	140	4
38	42	Integrated Security Technologies Herndon, Va.	\$16,859,573	422	\$1,687,258	\$2,500	govt, edu, healthcare	70	2
39		TRL Systems Rancho Cucamonga, Calif.	\$15,900,000	350	\$2,000,000	\$5,000	healthcare, transport, industrial	96	4
40	41	Koorsen Security Technology Indianapolis, Ind.	\$15,502,155	100	\$2,900,000	\$5,000	healthcare, corp, edu	53	2
41	54	GSI Troy, Mich.	\$15,309,874	630	\$1,250,000	\$180	corp, utilities, industrial	51	2
42	36	ARK Systems Inc. Columbia, Md.	\$15,000,000	250	\$323,000	\$1,000	na	119	3
43	51	The Protection Bureau Exton, Pa.	\$14,640,620	689	\$941,682	\$99	corp, retail, industrial	86	3
44	55	Mountain Alarm Ogden, Utah	\$14,000,000	1,559	\$650,000	\$199	hospitality, financial, edu	153	6

No. 23 – Passed \$25 million for the first time in 38-year history. ■ No. 25 – Completing a \$1.3 million access and video system deployment in 30 days. Providing services for the New York Marathon: video, mass notification systems, bomb dogs, security consulting, screening runners. ■ No. 28 – Tripled sales force with an additional 14 sales reps across the country. ■ No. 29 – Deployed new central station automation software that offers extensive online tools for customers. ■ No. 31 – Moved to a new headquarters, doubling size to 13,000 sq. ft. Completed a \$5.5 million highly integrated and complex project. ■ No. 32 – Purchased own facility in Seattle. ■ No. 34 – Landing and expanding two new national accounts, Ace Hardware and Catamaran. ■ No. 37 – Opening two additional branches in Oklahoma. ■ No. 40 – Installation of video, access and intercom at a new ground-up hospital, Eskenazi Health, in Indianapolis. ■ No. 44 – Acquired a competitor that was an offshoot from company in the 1960s.

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Largest Project Winners

Company	Value of Largest Project	2014 Rank	Company	Value of Largest Project	2014 Rank
Kratos Public Safety & Security Solutions Inc.	\$18,000,000	7	Ferndale Electric Systems Integration Division	\$1,100,000	65
Convergent Technologies LLC	\$15,150,000	6	Midstate Security Company	\$1,100,000	57
G4S Technology LLC	\$14,000,000	8	Operational Security Systems Inc.	\$1,005,000	62
intraWorks	\$13,000,000	61	AVS Technology	\$1,000,000	67
ISI Security	\$10,000,000	12	The Protection Bureau	\$941,682	43
Minuteman Security Technologies Inc.	\$6,722,211	64	Tele Tector of Maryland	\$918,820	83
Genesis Security Systems LLC	\$5,500,000	31	Allied Fire & Security	\$800,000	32
CTSI	\$5,273,517	48	Advance Technology Inc.	\$800,000	71
F.E. Moran Inc. Alarm and Monitoring Services	\$5,200,000	54	Utah Yamas Controls	\$785,000	55
Schneider Electric	\$4,800,000	10	Dakota Security Systems Inc.	\$777,690	23
CONTAVA Inc.	\$4,800,000	47	Universal Protection Security Systems LP	\$750,000	21
Protection 1	\$4,000,000	9	PASS Security	\$750,000	70
Koorsen Security Technology	\$2,900,000	40	SDT Inc.	\$684,535	58
Securadyne Systems LLC	\$2,800,000	13	Access Control Consultants	\$660,000	81
Tri-Signal Integration Inc.	\$2,800,000	20	Sentry Communications & Security	\$650,000	75
MSA Systems Integration	\$2,500,000	25	Mountain Alarm	\$650,000	44
VTI Security	\$2,400,000	17	EPS Security	\$600,000	90
Siemens Industry Inc. Building Technologies	\$2,326,000	2	Guardian Protection Services	\$593,723	72
Unlimited Technology Inc.	\$2,200,000	30	ArCom Systems Inc.	\$574,777	63
Redrock Security & Cabling Inc.	\$2,200,000	93	DTT	\$560,000	24
Advanced Cabling Systems	\$2,000,000	37	Ackerman Security Systems	\$550,000	74
TRL Systems	\$2,000,000	39	Tech Systems Inc.	\$508,551	18
SDI	\$1,908,465	19	APL Access & Security Inc.	\$500,000	76
Johnson Controls Inc.	\$1,900,000	5	Dallas Security Systems Inc. & DSS Fire Inc.	\$500,000	51
Firstline Security Systems Inc.	\$1,885,000	52	ASG Security	\$500,000	49
Integrated Security Technologies	\$1,687,258	38	Sonitrol SW Ohio	\$500,000	66
Entech Sales & Service Inc.	\$1,672,000	22	Triad Protective Service	\$488,000	100
RFI Communications & Security Systems	\$1,612,000	16	CGL Electronic Security Inc.	\$486,000	79
American Security Systems Inc.	\$1,500,000	92	Security Equipment Inc.	\$485,000	29
ESIGroup	\$1,500,000	69	Strategic Security Solutions	\$483,600	103
Sound Incorporated	\$1,500,000	26	Security Integrations	\$470,000	53
Advanced Electronic Solutions	\$1,450,000	35	DynaFire Inc.	\$438,000	94
ACT	\$1,407,233	50	Electronic Security Concepts LLC	\$427,000	85
MidCo Inc.	\$1,250,000	34	Sonitrol New England	\$400,752	68
GSI	\$1,250,000	41	Sonitrol Security Systems of the Triangle	\$400,000	112
AFA Protective Systems Inc.	\$1,237,000	15	Bates Security LLC / Sonitrol of Lexington	\$387,484	80
Intertech Security	\$1,200,000	27	Protex Central Inc.	\$330,000	113
Enterprise Security Inc.	\$1,200,000	73	ARK Systems Inc.	\$323,000	42
Will Electronics	\$1,175,000	77	SCI Inc.	\$300,000	101
			American Alarm & Communications	\$300,000	45

These 79 systems integrators reported having the highest-value security projects started in 2013. Note: Five of the top 10 companies did not report their largest project size, as requested by *SDM*. Projects below \$300,000 are not ranked here.

Source: *SDM Top Systems Integrators Report, July 2014*

2014 Rank	2013 Rank	Company & Headquarters Location	North American Systems Integration Revenue 2013	Number of New Projects 2013	Value of Largest New Project	Value of Smallest New Project	Top 3 Markets Contributing to Revenue	Full-time Employees	Business Locations
45	52	American Alarm & Communications Arlington, Mass.	\$13,384,649	4,769	\$300,000	\$50	property managers, financial, corp	213	5
46	39	Idesco Corporation New York, N.Y.	\$13,355,000	1,000	na	na	edu, corp, industrial	34	1
47	44	CONTAVA Inc. Edmonton, Alberta	\$13,075,000	300	\$4,800,000	\$6,000	utilities, govt, gaming	63	2
48	56	CTSI Chantilly, Va.	\$12,967,954	465	\$5,273,517	\$5,000	healthcare, govt, edu	48	1
49	25	ASG Security Beltsville, Md.	\$12,955,568	7,776	\$500,000	\$200	govt, industrial, edu	1,090	22
50	46	ACT Clifton, N.J.	\$12,488,667	na	\$1,407,233	\$3,855	financial, edu, healthcare	41	1
51	63	Dallas Security Systems Inc. & DSS Fire Inc. Dallas, Texas	\$12,124,880	1,000	\$500,000	\$199	healthcare, corp, transport	166	1
52	70	Firstline Security Systems Inc. Anaheim, Calif.	\$11,690,000	114	\$1,885,000	\$1,000	utilities, corp, financial	49	2
53	47	Security Integrations Albany, N.Y.	\$11,375,735	390	\$470,000	\$6,000	utilities, correctional, industrial	35	3
54	67	F.E. Moran Inc. Alarm and Monitoring Services Champaign, Ill.	\$11,300,058	5,910	\$5,200,000	\$200	retail, financial, corp	171	7
55		Utah Yamas Controls Draper, Utah	\$10,763,000	na	\$785,000	\$1,200	edu, govt, correctional	97	4
56		ADS Security L.P. Nashville, Tenn.	\$10,759,807	3,039	\$79,824	\$9	retail, corp, industrial	262	15
57	72	Midstate Security Company Grandville, Mich.	\$10,621,013	550	\$1,100,000	\$700	airports, correctional, retail	69	2
58	50	SDT Inc. Newtown, Pa.	\$10,348,801	157	\$684,535	\$4,500	edu, healthcare, corp	85	1
59	49	Safeguard Security Scottsdale, Ariz.	\$9,593,371	207	na	na	na	180	3
60	81	Scarsdale Security Systems Inc. Scarsdale, N.Y.	\$9,140,248	na	na	na	retail, edu, corp	0	2
61		intraWorks Albuquerque, N.M.	\$8,999,736	na	\$13,000,000	\$250	govt, retail, financial	58	3
62	62	Operational Security Systems Inc. Atlanta, Ga.	\$8,922,992	383	\$1,005,000	\$1	utilities, edu, healthcare	46	2
63	61	ArCom Systems Inc. North Little Rock, Ark.	\$8,653,697	189	\$574,777	\$8,442	healthcare, industrial, edu	61	3
64	68	Minuteman Security Technologies Inc. Andover, Mass.	\$8,600,000	272	\$6,722,211	\$1,000	na	34	2
65	65	Ferndale Electric Systems Integration Division Ferndale, Mich.	\$8,540,300	330	\$1,100,000	\$1,000	industrial, corp, healthcare	39	1
66	122	Sonitrol SW Ohio Mason, Ohio	\$8,401,048	285	\$500,000	\$299	corp, transport, industrial	47	2
67	89	AVS Technology Totowa, N.J.	\$8,272,248	250	\$1,000,000	\$20,000	industrial, corp, edu	23	3

No. 51 – Implemented video verification of alarm signals. ■ No. 56 – Instituting new company mission statement and Raving Fan Index company-wide. ■ No. 63 – Integration, testing and turn-on of the NEA Baptist Memorial hospital in Jonesboro, Ark. ■ No. 64 – MBTA Bus project installing more than 1,200 cameras with an IP video system using LTE wireless platform. ■ No. 66 – Nominated for the Cincinnati BBB Torch Award for business practices and ethics.

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Top Systems Integrators' Aggregate Performance

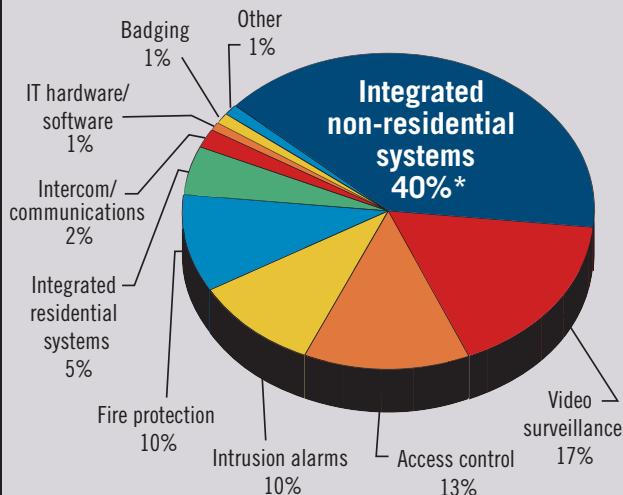
2013

Total North American systems integration revenue:	\$7.36 billion
New systems started:	117,426
Total full-time employed:	47,021
Business locations operated:	1,277

Total North American revenue from systems integration for the 117 largest integrators reached \$7.36 billion in 2013 from solutions such as design, project management, product, installation, programming, start-up, and training sold directly to an end-user customer or through a tier of contractors. It does not include recurring revenue from service and monitoring, as integrators were asked to report that amount separately in order to be ranked on the SDM 100, a report based on RMR in the security industry. Last year's Top Systems Integrators Report ranked 124 systems integrators; this year's report ranks 117 companies. A comparison between the top 100 companies ranked this year and the top 100 ranked in 2013 shows a 17 percent increase in systems integration revenue. *Source: SDM Top Systems Integrators Report, July 2014*

Integrators' Sales Revenue by Product Category

Top Systems Integrators were asked to break out their 2013 revenue by type of product. The majority is earned from integrated non-residential systems that combine two or more different technology solutions. No significant changes were recorded from 2012 to 2013 in the percentage of revenue from these types of products.

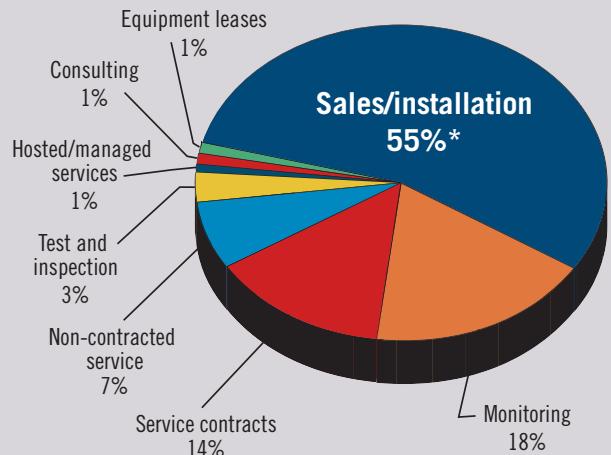


*percentage of Top Systems Integrators' 2013 sales revenue; based on 109 responses.

Source: SDM Top Systems Integrators Report, July 2014

Integrators' Sales Revenue by Service Category

Top Systems Integrators were asked to break out their 2013 revenue by type of service. The majority is earned from system sales and installation. No significant changes were recorded from 2012 to 2013 in the percentage of revenue from these types of services.



*percentage of Top Systems Integrators' 2013 service revenue; based on 111 responses.

Source: SDM Top Systems Integrators Report, July 2014

2014 Rank	2013 Rank	Company & Headquarters Location	North American Systems Integration Revenue 2013	Number of New Projects 2013	Value of Largest New Project	Value of Smallest New Project	Top 3 Markets Contributing to Revenue	Full-time Employees	Business Locations
68	84	Sonitrol New England Rocky Hill, Conn.	\$8,237,366	2,743	\$400,752	\$199	na	107	5
69	91	ESIGroup Houston, Texas	\$7,659,657	250	\$1,500,000	\$1,000	corp, healthcare, industrial	25	1
70	74	PASS Security Fairview Heights, Ill.	\$7,252,920	250	\$750,000	\$1,000	edu, utilities, healthcare	46	1
71	64	Advance Technology Inc. Scarborough, Maine	\$7,208,192	300	\$800,000	\$5,000	financial, healthcare, edu	40	2
72	60	Guardian Protection Services Warrendale, Pa.	\$6,898,988	2,968	\$593,723	\$0	industrial, healthcare, edu	929	13
73	69	Enterprise Security Inc. Anaheim, Calif.	\$6,855,982	75	\$1,200,000	\$5,000	na	38	3
74	78	Ackerman Security Systems Atlanta, Ga.	\$6,755,052	2,036	\$550,000	\$199	retail, utilities, govt	299	2
75	76	Sentry Communications & Security Hicksville, N.Y.	\$6,400,000	300	\$650,000	\$100	corp, healthcare, retail	53	3
76	75	APL Access & Security Inc. Gilbert, Ariz.	\$6,382,607	50	\$500,000	\$5,000	corp, govt, healthcare	35	2
77	83	Will Electronics St. Louis, Mo.	\$6,328,100	25	\$1,175,000	\$5,000	utilities, financial, healthcare	31	1
78	82	Per Mar Security Services Davenport, Iowa	\$6,182,662	7,186	\$83,000	\$99	industrial, healthcare, corp	332	13
79	80	CGL Electronic Security Inc. Norwood, Mass.	\$6,180,480	275	\$486,000	\$17,000	edu, utilities, corp	33	1
80	89	Bates Security LLC / Sonitrol of Lexington Lexington, Ky.	\$5,790,368	238	\$387,484	\$98	edu, govt, corp	55	1
81	85	Access Control Consultants Greensboro, N.C.	\$5,200,000	na	\$660,000	\$4,000	edu, healthcare, corp	38	4
82	92	SecurAlarm Systems Inc. Grand Rapids, Mich.	\$5,137,475	400	\$144,000	\$99	healthcare, corp, edu	38	1
83	59	Tele Tector of Maryland Columbia, Md.	\$5,039,737	314	\$918,820	\$4,758	healthcare, govt, edu	40	1
84	77	Custom Alarm Rochester, Minn.	\$4,963,320	904	\$129,676	\$99	healthcare, edu, retail	64	2
85	93	Electronic Security Concepts LLC Scottsdale, Ariz.	\$4,726,973	450	\$427,000	\$850	govt, healthcare, edu	24	2
86	98	Kimberlite Corp. Fresno, Calif.	\$4,618,052	75	\$117,000	\$1,700	edu, govt, industrial	107	8
87	95	Electronic Security Systems Warren, Mich.	\$4,500,000	25	\$250,000	\$5,000	healthcare, edu, corp	26	2
88	100	Sonitrol of Sacramento & Orange County, Cybex Security Roseville, Calif.	\$4,425,836	na	\$185,000	\$295	na	45	2
89		Stone Security Salt Lake City, Utah	\$4,421,544	na	\$188,786	\$1,059	edu, transport, corp	19	1
90	99	EPS Security Grand Rapids, Mich.	\$4,358,201	1,000	\$600,000	\$199	edu, corp, healthcare	196	6

No. 71 – Integrated managed services into company offerings. ■ No. 72 – *SDM's* 2013 Dealer of the Year & 1999 Dealer of the Year. Expanded dealer program value proposition to include a financing option for qualified dealers. ■ No. 76 – Awarded the City of Tucson's City Wide 5 year contract. ■ No. 79 – Celebrated 15th consecutive year in business, achieving positive annual revenue growth each year. ■ No. 80 – Awarded Lexington's local chamber Small Business of the Year Award. ■ No. 83 – Deployed gun-shot recognition system onto existing CCTV system. ■ No. 85 – Purchased a new 10,000 sq. ft. facility with planned move in May 2014. ■ No. 86 – Upgrading central station platform and IT infrastructure.

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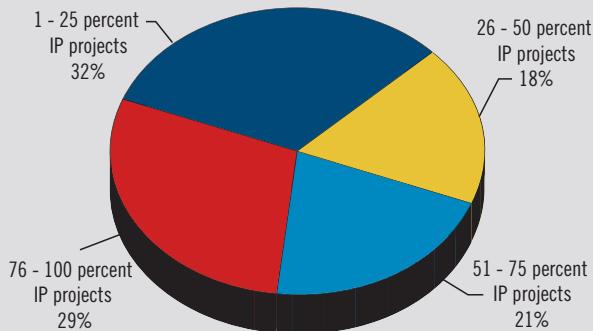
2014 Rank	2013 Rank	Company & Headquarters Location	North American Systems Integration Revenue 2013	Number of New Projects 2013	Value of Largest New Project	Value of Smallest New Project	Top 3 Markets Contributing to Revenue	Full-time Employees	Business Locations
91	88	Atlantic Coast Alarm Inc. Mays Landing, N.J.	\$4,303,045	769	na	na	govt, utilities, edu	31	3
92	101	American Security Systems Inc. Long Island City, N.Y.	\$4,250,000	150	\$1,500,000	\$299	multi-family, hospitality, corp	148	2
93	94	Redrock Security & Cabling Inc. Irvine, Calif	\$4,200,000	75	\$2,200,000	\$10,000	corp, industrial, edu	82	2
94		DynaFire Inc. Casselberry, Fla.	\$3,857,385	184	\$438,000	\$159	healthcare, retail, corp	131	4
95	106	Custom Security Systems Lacey, Wash.	\$3,759,802	655	\$136,000	\$500	govt, edu, utilities	103	3
96	103	Matson Alarm Co. Inc. Fresno, Calif.	\$3,587,707	729	\$200,000	\$100	retail, corp, industrial	72	4
97		Fleenor Security Systems Johnson City, Tenn.	\$3,406,994	na	\$98,583	\$750	corp, industrial, healthcare	49	1
98		Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL Tallahassee, Fla.	\$3,146,391	na	na	na	na	64	6
99	111	Sonitrol Pacific Portland, Ore.	\$3,132,635	410	\$289,714	\$250	edu, corp, retail	78	5
100	112	Triad Protective Service Union, N.J.	\$3,105,005	135	\$488,000	\$750	corp, edu, healthcare	20	1

■ No. 92 – Launching a version of Video Doorman into affordable-housing buildings. To date, this has accounted for 65 installations, \$845,000 installation revenue and \$45,000 in new RMR. ■ No. 94 – Doubled installation backlog from the previous year-end. ■ No. 96 – Installed new accounting and monitoring software. ■ No. 97 – Upgraded operations and monitoring software.

e = *SDM* estimate. na = not available. Abbreviations to markets: airport = airports; corp = corporate office space; correctional = correctional; edu = education/campus; entertainment = entertainment/sports venues; finance = financial/banking; gaming = casinos/gaming; govt = government; health = healthcare; hospitality = hotels/hospitality; industrial = industrial; law = law enforcement; retail = retail/restaurants; transport = transportation/distribution; utility = utilities/critical infrastructure.

IP Technology Present in All Projects to Varying Degrees

Top Systems Integrators were asked, “What percentage of projects sold in 2013 incorporated IP-based technology?”



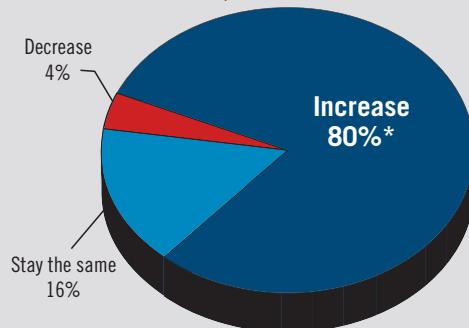
Top Systems Integrators demonstrate a wide range of experience in the use of IP technology on the job. Half of all integrators incorporated IP technology in their projects at least 50 percent of the time in 2013.

**percentage of Top Systems Integrators indicating each category; based on 104 responses*

Source: *SDM Top Systems Integrators Report, July 2014*

More Sunshine Than Clouds in 2014

Top Systems Integrators were asked, “How do you expect revenues in 2014 to compare with revenues in 2013?”



Eight of 10 Top Systems Integrators (80 percent) expect their 2014 revenues to exceed 2013's. These results are just slightly better than the expectations systems integrators had in 2013.

**percentage of Top Systems Integrators indicating each answer; based on 110 responses*

Source: *SDM Top Systems Integrators Report, July 2014*

Top Systems Integrators: 8-Year Performance



North American systems integration revenue (as reported to or estimated by *SDM*) reached \$7.36 billion in 2013, based on reporting from 117 Top Systems Integrators. However, for comparison purposes, *SDM* measures the top 100 companies (\$7.33 billion) against the top 100 companies from the previous year (\$6.25 billion in 2012), which registers a 17 percent increase.

*2007 figure reflects a correction to reported revenues for Johnson Controls and ADT, following incorrect reporting in 2006. While it appears that there was a 17 percent increase in total revenue between 2006 and 2007, it was actually 4 percent growth.

†In the 2010 report, several notable companies did not participate, including SAIC, Red Hawk Security, North American Video, and National Security Systems Inc., which skewed the results. Among systems integrators for which a year-to-year comparison could be made, there was actually only a 4.4 percent decrease in performance between 2009 and 2010.

**Two major factors contributed to the decrease in systems integration revenue; ADT was not ranked, and Siemens Industry Inc. systems integration revenue was adjusted downward by an *SDM* estimate.

Source: *SDM Top Systems Integrators Report, July 2014*

Top 3 Market Sectors: Office Space, Education, Healthcare

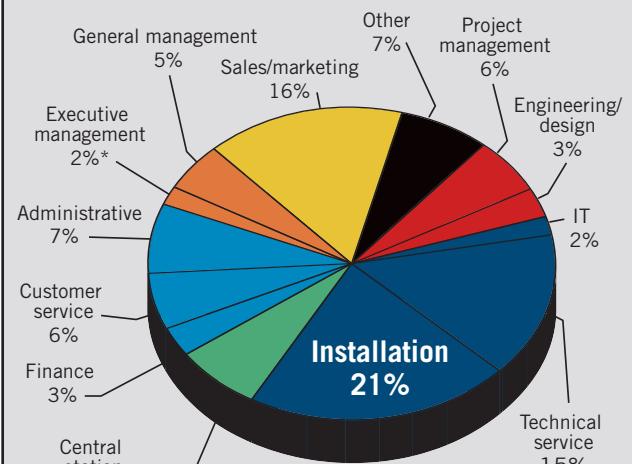
Top Systems Integrators were asked to rank the sectors that provided the most significant portion of their 2013 revenue.

- | 2013 | 2012 |
|--------------------------------------|--------------------------------------|
| 1. Corporate office space | 1. Corporate |
| 2. Education/campus | 2. Education/campus |
| 3. Healthcare | 3. Healthcare |
| 4. Industrial | 4. Retail/restaurant |
| 5. Government | 5. Government |
| 6. Utilities/critical infrastructure | 6. Utilities/critical infrastructure |
| 7. Financial/banking | 7. Financial/banking |
| 8. Retail/restaurant | 8. Industrial |
| 9. Transportation/distribution | 9. Correctional |
| 10. Hotel/hospitality | 10. Law enforcement |

These top 10 market sectors provided the most significant portion of revenues to systems integrators in 2013. For the past several years, corporate/property management, education, and healthcare have steadfastly been among the top market sectors for integrators.

Source: *SDM Top Systems Integrators Report, July 2014*

Anatomy of an Integrator Staff



This chart, which you can use to compare job titles in your own company with industry averages, shows the average percentage distribution of job titles among Top Systems Integrator companies. Sales jobs increased in 2013, while installation and technical service decreased.

*average percentage distribution of staff titles among systems integrators; based on 106 responses

Source: *SDM Top Systems Integrators Report, July 2014*

2014 Rank	2013 Rank	Company & Headquarters Location	North American Systems Integration Revenue 2013	Number of New Projects 2013	Value of Largest New Project	Value of Smallest New Project	Top 3 Markets Contributing to Revenue	Full-time Employees	Business Locations
101	107	SCI Inc. Albuquerque, N.M.	\$3,025,938	251	\$300,000	\$5,000	govt, edu, utilities	15	1
102		Atronic Alarms Inc. Lenexa, Kansas	\$2,900,116	na	\$200,000	\$0	corp, hospitality, utilities	42	1
103	115	Strategic Security Solutions Raleigh, N.C.	\$2,745,947	60	\$483,600	\$500	corp, healthcare, edu	12	1
104	119	EMC Security Suwanee, Ga.	\$2,484,128	172	\$230,000	\$149	edu, hospitality, transport	109	1
105	124	All Systems Designed Solutions Inc. Kansas City, Kansas	\$2,277,183	36	\$157,210	\$3,326	govt, edu, healthcare	41	2
106	105	Sonitrol of Buffalo, Rochester, Toronto Buffalo, N.Y.	\$2,100,000	187	\$180,000	\$2,000	corp, industrial, healthcare	86	3
107	114	Sentry Security Wheeling, Ill.	\$2,000,777	65	\$120,000	\$99	healthcare, industrial, corp	22	1
108	102	Engineered Security Systems Towaco, N.J.	\$1,917,425	na	na	na	corp, healthcare, govt	50	3
109	108	Habitec Security Toledo, Ohio	\$1,815,000	500	\$150,000	\$100	edu, retail, industrial	83	3
110		Gillmore Security Systems Inc. Cleveland, Ohio	\$1,767,877	191	\$50,000	\$500	na	42	1
111	86	Telenet VoIP Inc. El Segundo, Calif.	\$1,750,000	8	\$250,000	\$5,000	edu, healthcare, industrial	57	1
112		Sonitrol Security Systems of the Triangle Raleigh, N.C.	\$1,544,828	100	\$400,000	\$1,000	corp, govt, edu	18	1
113	123	Protex Central Inc. Hastings, Neb.	\$1,340,188	360	\$330,000	\$800	industrial, healthcare, edu	58	4
114	121	First Alarm Aptos, Calif.	\$1,100,000	1,350	\$275,000	\$250	edu, corp, industrial	138	5
115	120	Washington Alarm Inc. Seattle, Wash.	\$1,098,522	580	\$65,000	\$0	corp, edu, retail	45	1
116		Alarmco Inc. Las Vegas, Nev.	\$1,071,106	665	\$6,109	\$100	gaming, hospitality, govt	90	1
117		Acadiana Security Plus Broussard, La.	\$1,056,310	na	\$250,239	\$199	govt, financial, industrial	67	1

No. 102 – Implemented Sedona Office for backend software. ■ No. 103 – Moved into new headquarters facility. ■ No. 104 – Deployed iPads to every salesperson and installation/service personnel. Company is almost entirely paperless. ■ No. 108 – Completing a new central station build out. ■ No. 109 – Securing a large integration project with \$8,000 RMR. ■ No. 111 – Completed a \$2 million structured cabling project for Martin Luther King Jr. Hospital in Los Angeles County. ■ No. 113 – Completing one of the largest networked fire protection projects in the country at Offutt Air Force Base near Omaha, Neb. ■ No. 114 – Company is upgrading its MASTermind software. ■ No. 115 – Completing a complete conversion from STUs to AES radios for more than 250 customers. ■ No. 117 – Partnering with companies such as Astute Financial, OPT Business Services and ACH Payments for data mining, critical flash reporting, etc.

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More from the Report

To gain additional information beyond that published in this issue and online, the complete *SDM* Top Systems Integrators Report and Database is available in Excel format. Included are contact names, mailing addresses, telephone numbers, website URLs, targeted vertical markets, branch office locations, and much more. *SDM's* Top Systems Integrators Report and

Database contains the information needed to target products and services to the systems integration market.

The cost of the report is \$595. It may be ordered by contacting Heidi Fusaro at 630-518-5470 or by emailing fusaroh@bnpmedia.com.

Alphabetical Index to Companies

Company	2014 Rank	Company	2014 Rank	Company	2014 Rank
Acadiana Security Plus	117	ESIGroup	69	Schneider Electric	10
Access Control Consultants	81	F.E. Moran Inc. Alarm and Monitoring Services	54	SCI Inc.	101
Ackerman Security Systems	74	Ferndale Electric Systems Integration Division	65	SDI	19
ACT	50	First Alarm	114	SDT Inc.	58
ADS Security L.P.	56	Firstline Security Systems Inc.	52	Securadyne Systems LLC	13
Advance Technology Inc.	71	Fleenor Security Systems	97	SecurAlarm Systems Inc.	82
Advanced Cabling Systems	37	G4S Technology LLC	8	Security Corporation	33
Advanced Electronic Solutions	35	Genesis Security Systems LLC	31	Security Equipment Inc.	29
AFA Protective Systems Inc.	15	Gillmore Security Systems Inc.	110	Security Integrations	53
Alarmco Inc.	116	GSI	41	Sentry Communications & Security	75
All Systems Designed Solutions Inc.	105	Guardian Protection Services	72	Sentry Security	107
Allied Fire & Security	32	Habitec Security	109	Siemens Industry Inc., Building Technologies	2
American Alarm & Communications	45	Idesco Corporation	46	Sonitrol New England	68
American Security Systems Inc.	92	Integrated Security Technologies	38	Sonitrol of Buffalo, Rochester, Toronto	106
APL Access & Security Inc.	76	Intertech Security	27	Sonitrol of Sacramento & Orange County, Cybex Security	88
ArCom Systems Inc.	63	intraWorks	61	Sonitrol Pacific	99
ARK Systems Inc.	42	ISI Security	12	Sonitrol Security Systems of the Triangle	112
ASG Security	49	Johnson Controls Inc.	5	Sonitrol SW Ohio	66
Atlantic Coast Alarm Inc.	91	Kimberlite Corp.	86	Sound Incorporated	26
Atronic Alarms Inc.	102	Koorsen Security Technology	40	SSD Alarm Systems / Kern Security & Fire / McNeill Security & Alpha Alarm	36
AVS Technology	67	Kratos Public Safety & Security Solutions Inc.	7	Stanley Convergent Security Solutions	4
Bates Security LLC / Sonitrol of Lexington	80	Matson Alarm Co. Inc.	96	Stone Security	89
CGL Electronic Security Inc.	79	MidCo Inc.	34	Strategic Security Solutions	103
CONTAVA Inc.	47	Midstate Security Company	57	Tech Systems Inc.	18
Convergint Technologies LLC	6	Minuteman Security Technologies Inc.	64	Tele Tector of Maryland	83
CTSI	48	Mountain Alarm	44	Telenet VoIP Inc.	111
Custom Alarm	84	MSA Systems Integration	25	The Protection Bureau	43
Custom Security Systems	95	North American Video	14	Triad Protective Service	100
Dakota Security Systems Inc.	23	Operational Security Systems Inc.	62	Tri-Signal Integration Inc.	20
Dallas Security Systems Inc. & DSS Fire Inc.	51	PASS Security	70	TRL Systems	39
Diebold Security	3	Per Mar Security Services	78	Tyco Integrated Security	1
DTT	24	Protection 1	9	Universal Protection Security Systems LP	21
DynaFire Inc.	94	Protex Central Inc.	113	Unlimited Technology Inc.	30
Electric Guard Dog	28	Redrock Security & Cabling Inc.	93	Utah Yamas Controls	55
Electronic Security Concepts LLC	85	Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL	98	Vector Security Inc.	11
Electronic Security Systems	87	RFI Communications & Security Systems	16	VTI Security	17
EMC Security	104	Safeguard Security	59	Washington Alarm Inc.	115
Engineered Security Systems	108	Scarsdale Security Systems Inc.	60	Will Electronics	77