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May 2012

SDM

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1000

Breaking Through

Two SDM 100 companies **broke through the ranks** this year, taking the **No. 2** and **No. 3** spots for the first time.

Read the SDM 100 Report on page 61.

Fourth in the exclusive series
**State of the Market:
Fire Protection**

Begins on page 82.

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SDM

Breaking Through

Not only does the SDM 100 now have a new top 3, but signs of the SDM 100 becoming more of a services-focused business model are apparent.

By Laura E. Stepanek, Editor

Since the SDM 100 began ranking security companies by their recurring monthly revenue (RMR) in 2007, the top three companies have been ADT, Protection 1 and Monitronics (with the exception of Brink's Home Security/Broadview, which subsequently was acquired by ADT).

But that long-standing order got shattered this year — Stanley Convergent Security moved up to No. 2, and Vivint Inc. moved into the No. 3 spot. ADT retained the No. 1 position in the SDM 100 report.

Stanley's story is that parent Stanley Black & Decker acquired systems integrator Niscayah in 2011. Not only had Niscayah reported \$200 million in North American systems integration revenue (2010) to *SDM's* Top Systems Integrators Report, but the company also generated a significant amount of RMR — adding greatly to Stanley Convergent Security's numbers.

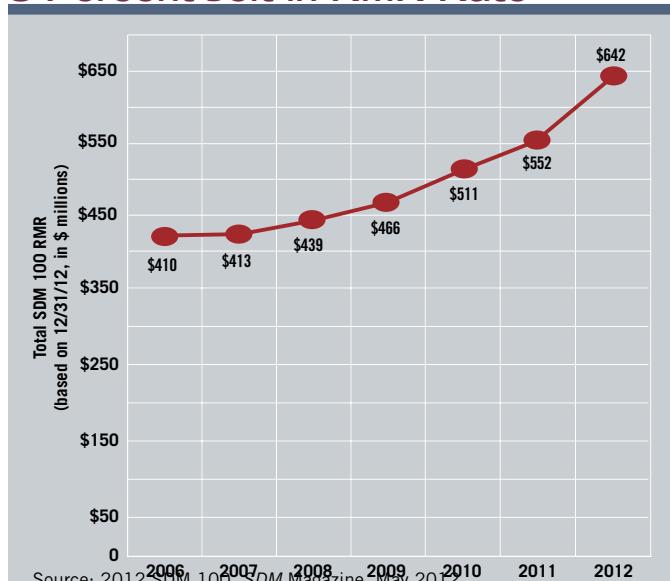
"Niscayah is a very unique and industry-leading, top tier systems integrator," said Brett Bontrager, senior vice president and group executive, Stanley Security Solutions. "It specializes not only in comprehensive global enterprise security solutions, but also provides a complete line of security services, such as monitoring, maintenance plans, program management, tests and inspections, and video cloud storage, to name a few. Thus, Niscayah adds significantly to our installed base and recurring monthly revenue. More importantly, Niscayah adds to our capabilities and resources to deliver best-in-class security solutions."

Stanley nearly doubled its RMR, reporting \$35.7 million (Dec. 31, 2011) compared with \$18.7 million (Dec. 31, 2010). Additionally, the company reported one-half-million subscriber accounts in 2011, compared with just over 300,000 in the prior year.

APX Alarm Security Solutions Inc. debuted on the SDM 100 in 2007 at No. 18, and has been steadily moving up the ranks since then. Last year it made No. 4 with \$20.6 million in RMR (Dec. 31, 2010) and a new name — Vivint Inc.

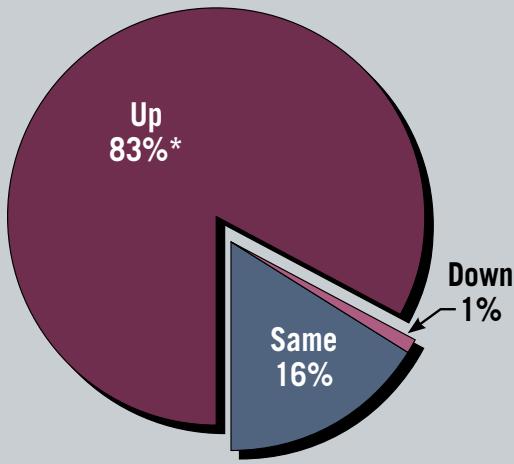
This year, Vivint ranks as No. 3, reporting \$27.8 million in RMR (Dec. 31, 2011) and nearly 573,000 subscriber accounts. The company spent 2011 rebranding and marketing its expanded services which include home automation and energy management solutions. In December 2011, Vivint was honored as *SDM's* Dealer of the Year.

8 Percent Jolt in RMR Rate



Recurring monthly revenue (RMR) — a prime revenue stream for SDM 100 companies — improved 8 percent in 2011. While it doesn't match the 10 percent growth in RMR in 2010, it is certainly a healthy increase and is supported by the fact that 9 out of 10 SDM 100 companies individually improved.

Security's Positive Viewpoint for 2012 Revenue

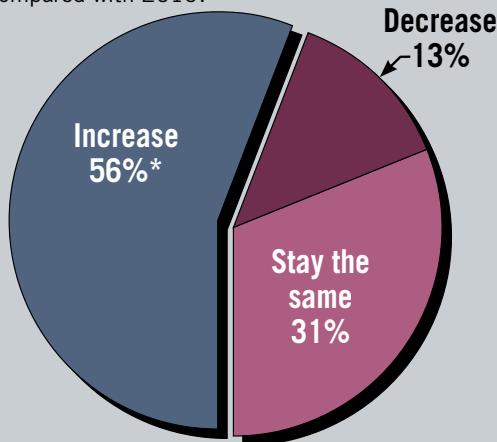


*percentage of SDM 100 companies, based on 96 responses
Source: 2012 SDM 100, SDM Magazine, May 2012

This time last year, 82 percent of SDM 100 companies predicted that their total annual revenue would improve in 2011 compared with 2010. They predicted correctly: In fact, 87 percent of companies for which revenue could be compared year-over-year, experienced an actual increase in total gross revenue in 2011. The outlook is also positive for 2012.

SDM 100 Profit Margin Results

SDM 100 companies were asked, "Did your company's net profit margin increase, decrease or stay about the same in 2011 compared with 2010?"



*percentage of SDM 100 companies, based on 86 responses
Source: 2012 SDM 100, SDM Magazine, May 2012

Most SDM 100 companies reported that they increased their net profit margins in 2011, and among those who did, the average rate of increase was 41 percent. For the 13 percent of companies that reported a decrease in net profit, the average rate of decrease was just 4 percent.

On the whole, another break-through came in the way of improved RMR for the SDM 100 companies collectively. Growth of 8 percent — from \$510.7 million to \$552.3 million — was logged. On an individual basis, nine of 10 ranked companies registered an increase in their RMR. Collectively, the SDM 100 also grew their subscriber base 9 percent to 13.3 million customers.

A recurring theme was tied to the upward jolt in recurring revenue: services. Security dealers and integrators repeated the word over and over again — "managed services," "hosted services," "interactive services," "specialty monitoring services."

One cannot ignore the sharp competitive edge that such services can give security companies. (See related article in "Editor's Angle" on page 14.) Representative of that trend is a recent announcement about the merger of Interface Security with Westec Interactive. (See related article, "Interface & Westec Merge to Offer Enhanced Managed Services," on page 17.)

"Our company's strategic decision in 2007 to expand into the IP managed services market with both physical security and logical security services along with IP-based remote video and digital voice services has proven to be extremely successful: We have more than doubled our RMR in the last four years as a result and expect to add over \$2 million of new RMR in 2012 all through organic growth," Interface Security Systems reported to SDM. The company grew RMR from \$4.5 million (Dec. 31, 2010) to \$5.8 million (Dec. 31, 2011).

Overall, only 1 percent of total revenue for SDM 100 companies, collectively, stemmed from hosted and managed services (see page 70); however, that figure is expected to increase substantially next year.

Those companies that experienced growth in the residential sector often pointed to interactive functionality and remote control of security systems as technology solutions that stimulated growth. In the words of Central Security Group Inc., ranked No. 14, "Demand for interactive security has increased exponentially, driving both volume and RMR growth."

Compared with 2010's "bleak to average" summation of the state of the market, this year's comments were much more upbeat. In general, SDM 100 companies thought that the marketplace was anywhere from "stable" to "strong" in 2011.

"Market was definitely stronger in 2011," commented No. 78, Richmond Alarm Co. "We saw growth in all our normal sectors. Residential grew for existing homeowners, but not new construction. Commercial was up pretty much across the board."

Noted No. 28, Electric Guard Dog, "The market appears to be continuing the steady improvement from the bottom of the recession, but still hasn't completely returned."

A shift in the average percentage of total revenue from both integrated commercial and integrated residential systems may be pointing to a trend — meaning that stand-alone security systems are having a lesser role in a security company's sales, while integrated systems that encompass multiple product categories are becoming more of a core offering. As evidence, SDT Inc., No. 96, commented that large integrated security systems were the company's greatest growth area in 2011.

| RANK 2012 | RANK 2011 | COMPANY | RECURRING MONTHLY REVENUE, DEC. 31, 2011 | RMR COMPARED WITH DEC. 31, 2010 | SUBSCRIBERS | SALES REVENUE, RES. INSTALLS | SALES REVENUE, NON-RES. INSTALLS | GROSS REVENUE 2011 (\$ MIL) | FULL TIME EMPLOYEES | NO. OF LOCATIONS |
|-----------|-----------|--|--|---------------------------------|-------------|------------------------------|----------------------------------|-----------------------------|---------------------|------------------|
| 1 | 1 | ADT Boca Raton, Fla. | \$299,900,000 | ↑ | 6,800,000 | na | na | \$5,100.0 | 26,000 | 350 |
| 2 | 5 | Stanley Convergent Security Indianapolis, Ind. | \$35,749,000 | ↑ | 500,000 | na | \$390,200,000 | \$798.4 | 4,200 | 100+ |
| 3 | 4 | Vivint Inc. Provo, Utah | \$27,800,000 | ↑ | 572,897 | \$21,000,000 | na | \$312.9 | 5,000 | 2 |
| 4 | 2 | Protection 1 Romeoville, Ill. | \$25,200,000 | ↑ | 1,585,000 | na | na | \$345.6 | 2,160 | 65 |
| 5 | 3 | Monitronics International Dallas, Texas | \$22,342,047 | ↑ | 610,844 | na | na | \$313.0 | 686 | 1 |
| 6 | 6 | Slomins Inc. Hicksville, N.Y. | \$14,693,590 | ↑ | 282,917 | \$31,902,865 | \$28,469,760 | \$257.0 | 620 | 6 |
| 7 | 7 | Vector Security Inc Pittsburgh, Pa. | \$10,200,000 | ↑ | 250,757 | \$11,143,000 | \$63,135,000 | \$212.1 | 1,033 | 38 |
| 8 | 8 | Guardian Protection Services Warrendale, Pa. | \$9,104,531 | ↑ | 251,985 | \$26,398,165 | \$8,232,659 | \$136.4 | 899 | 18 |
| 9 | 9 | ASG Security Beltsville, Md. | \$7,026,924 | ↑ | 163,430 | \$4,030,929 | \$24,340,345 | \$106.2 | 862 | 23 |
| 10 | 10 | Bay Alarm Company Pacheco, Calif. | \$6,680,600 | ↑ | 111,473 | \$3,987,516 | \$10,648,347 | \$96.5 | 612 | 15 |

No. 1 – In Oct. 2011, Tyco announced plans to separate Tyco's businesses, including ADT, into three separate, publicly traded operating companies: ADT North America Residential and Small Business Security, Commercial Fire and Security, and Flow Control. In March 2012, Tyco announced that ADT North America Commercial Security business unit would change its name to Tyco Integrated Security. ■ No. 2 – Parent Stanley Black & Decker (NYSE: SWK) acquired No. 8 Top Systems Integrator, Niscayah, which had \$200M in North American Systems integration revenue in 2010. Stanley CSS made six acquisitions in 2011. SDM's 2009 Dealer of the Year. ■ No. 3 – SDM's 2011 Dealer of the Year. ■ No. 4 – Reduced attrition 24 percent from 2009 to 2011. Increased RMR by 820 percent in multi-family division and 131 percent in national accounts. ■ No. 5 – In March 2012, rolled out new application enabling its dealers to fill out contract information electronically. ■ No. 6 – Created remote services system without using a third-party cloud based system. ■ No. 9 – Deployed ASG Connect, an enhanced service platform in the intrusion category that gives customers the ability to interact with their security systems in real time, including integrated video, lights, locks, and environmental control, via PC, smart phone or tablet. SDM's 2008 Dealer of the Year.

Key to Using the SDM 100

The 2012 SDM 100 ranks U.S. companies that provide electronic security systems and services to both residential and non-residential customers. This ranking is based on information provided to or, in 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.

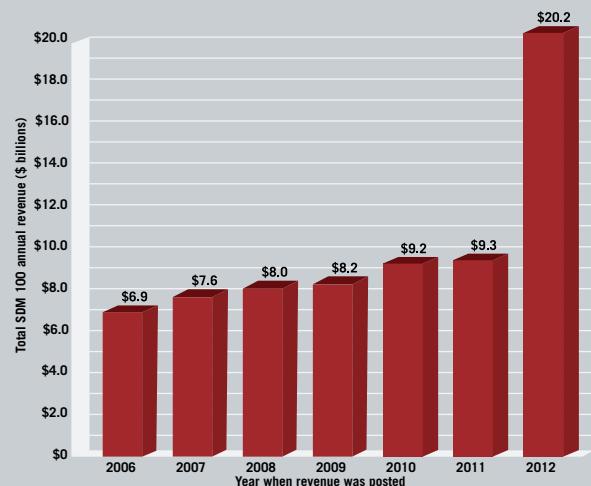
The main table, which begins on this page, ranks 100 firms by their recurring monthly revenue (RMR) of December 31, 2011. The firm with the highest RMR is ranked as No. 1, and so on. For each of the 100 companies, the following information is provided, from left to right:

- Current year rank, which is based on December 31, 2011, RMR.
- Prior year rank.
- Company name, as used in the marketplace, and headquarters location.
- Amount of RMR billed on December 31, 2011.
- Indication of whether the RMR amount increased, decreased or stayed the same as RMR of December 31, 2010.
- Number of subscribers (recurring-billable customers) at year-end 2011.
- Amount of sales revenue from residential system installations in 2011.
- Amount of sales revenue from non-residential system installations in 2011.
- Total gross revenue in millions of dollars. This number represents total revenue in calendar-year or (the company's) fiscal-year 2011 from security system sales/installation, service, leasing, and monitoring.
- Number of full-time employees.
- Number of business locations, including headquarters.

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

To find a company by name, use the alphabetical index on page 80.

Total Annual Revenue: \$9.3 Billion



Total annual revenue for the SDM 100 companies was \$9.32 billion, a 1.5 percent improvement in 2011 compared with the prior year. As many as 87 percent of ranked companies registered an increase in their total revenue. No. 1, ADT, reported total revenue of \$5.1 billion compared with \$4.4 billion in 2010. Also notable, Stanley Convergent Security reported 2011 revenue of \$798.4 million compared with 2010 revenue of \$467 million.

| RANK 2012 | RANK 2011 | COMPANY | RECURRING MONTHLY REVENUE, DEC. 31, 2011 | RMR COMPARED WITH DEC. 31, 2010 | SUBSCRIBERS | SALES REVENUE, RES. INSTALLS | SALES REVENUE, NON-RES. INSTALLS | GROSS REVENUE 2011 (\$ MIL) | FULL TIME EMPLOYEES | NO. OF LOCATIONS |
|-----------|-----------|--|--|---------------------------------|-------------|------------------------------|----------------------------------|-----------------------------|---------------------|------------------|
| 11 | 11 | Interface Security Systems Holdings Inc. Earth City, Mo. | \$5,804,282 | ↑ | 121,035 | \$1,500,000 | \$19,506,041 | \$87.4 | 555 | 21 |
| 12 | 17 | Security Networks West Palm Beach, Fla. | \$5,134,000 | ↑ | 126,000 | na | na | \$53.2 | na | 2 |
| 13 | 13 | Protect America Inc. Austin, Texas | \$4,574,200 | ↑ | 131,010 | \$1,652,700 | na | \$52.9 | 330 | 1 |
| 14 | 14 | Central Security Group, Inc. Tulsa, Okla. | \$4,545,644 | ↑ | 150,595 | \$300,000 | \$93,500 | \$53.1 | 262 | 6 |
| 15 | 16 | Guardian Alarm Company Southfield, Mich. | \$4,240,000 | ↑ | 110,318 | na | na | \$55.6 | 415 | 9 |
| 16 | 19 | Security Systems, Inc. Cromwell, Conn. | \$4,236,927 | ↑ | 114,433 | \$725,000 | \$177,710 | \$42.7 | 167 | 4 |
| 17 | 18 | Devcon Security Hollywood, Fla. | \$4,052,398 | ↑ | 140,000 | na | na | \$61.6 | 1,110 | 33 |
| 18 | 15 | Kastle Systems Springfield, Va. | \$3,900,000 | ↑ | na | na | na | \$64.0 | 350 | 8 |

No. 11 – Completed the Dollar General project and increased RMR by more than \$1.3 million. Announced merger with Westec Intelligent Surveillance, April 2012. ■ No. 12 – Significant growth and expansion into Western markets ■ No. 14 – Rolled out interactive services, upgraded central station, expanded Dealer network ■ No. 17 – Further-defined brand voice and image; also performed reviews of all customer interactions in 2011. Named new CEO, Steve Hafen, in March 2012.

SDM 100: a Collective Look

| | 2011 | 2010 | 2009 | 2008 |
|--|----------------------------|-------------|-------------|-------------|
| Total recurring monthly revenue | \$552.3 mil* | \$510.7 mil | \$465.8 mil | \$439.1 mil |
| Total subscribers | 13.3 mil [†] | 12.2 mil | 12.6 mil | 12.9 mil |
| Total annual revenue | \$9.3 bil** | \$9.2 bil | \$8.2 bil | \$8.0 bil |
| Total residential sales revenue | \$170.1 mil ^{††} | \$146.6 mil | \$157.4 mil | \$297.6 mil |
| Total non-residential sales revenue | \$852.47 mil ^{††} | \$1.83 bil | \$2.31 bil | \$2.35 bil |
| SDM 100 Span a Thousand Locations | | | | |
| Business locations operated | 995 | 1,044 | 996 | |
| Full time employees | 53,219*** | 56,259 | 53,086 | |
| Part time employees | 1,037 | 512 | 618 | |
| Acquisitions | 60 | 73 | 50 | |
| Accounts gained | 34,242 | 49,178 | 42,738 | |

Source: 2012 SDM 100, SDM Magazine, May 2012

The table, above, presents aggregate figures for the SDM 100 group of companies, which are ranked by their recurring monthly revenue — an industry standard of valuation of a security monitoring business. Most of the SDM 100 firms are privately held. Submitting recurring monthly revenue is required for ranking; other figures are not required but mostly provided. Most firms — but not all — also reported their total annual revenue, number of subscribers, and installation revenues. Therefore, one should exercise caution in using this information to extrapolate industry totals or to benchmark. Note: A major change in 2011 was the inclusion of “systems integrator” companies that collect RMR in the SDM 100.

* Total monthly recurring revenue, based on RMR of Dec. 31, 2011. Based on responses from 100 firms.

[†] Based on responses from or estimates of 97 firms. Not included: ARK Systems Inc.; Kastle Systems; SSD Alarm Systems / Kern Security & Fire / Alpha Security & Fire

** Total annual (2011) revenue from electronic security system sales, installation, service, leasing, monitoring, and sales of subscriber accounts, as reported to or estimated by SDM. Based on responses from 99 firms. Not included: SAFE Security Companies

^{††} Based on responses from or estimates of 79 firms. Note: Some firms either did not choose to report this figure or did not have sales/installation revenue to report in one of the categories. Not included in Residential Sales Revenue are: Acadiana Security Plus; A-Com Protection Services Inc.; ADI; Alarm Capital Alliance; ARK Systems Inc.; Briscoe Protective Systems Inc.; Devcon Security; DTT Surveillance; Electric Guard Dog; Fire Protection Inc.; General Security Inc.; Guardian Alarm Co.; Intelligent Access Systems; Kastle Systems; Monitronics Int'l; Protection 1; Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL; SDT Inc.; Security Networks; Security Systems of America; SMG Security Systems Inc.; Sonitrol of Indianapolis; SSD Alarm Systems / Kern Security & Fire / Alpha Security & Fire; Stanley Convergent Security; Tri-Signal Integration Inc.; Washington Alarm Inc.; Westec Intelligent Surveillance

Not included in Non-residential Sales Revenue are: Acadiana Security Plus; A-Com Protection Services Inc.; ADI; Alarm Capital Alliance; ARK Systems Inc.; Devcon Security; Electric Guard Dog; Fire Protection Inc.; Guardian Alarm Co.; Kastle Systems; Monitronics Int'l; NorthStar Alarm Services LLC; Protect America Inc.; Protection 1; Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL; Security Networks; SMG Security Systems Inc.; SSD Alarm Systems / Kern Security & Fire / Alpha Security & Fire; Vision Security; Vivint Inc.; Washington Alarm Inc.

*** Based on responses from or estimates of 97 firms. Not included: Security Networks; SSD Alarm Systems / Kern Security & Fire / Alpha Security & Fire; American Security Systems Inc.; A-Com Protection Services Inc.

| RANK 2012 | RANK 2011 | COMPANY | RECURRING MONTHLY REVENUE, DEC. 31, 2011 | RMR COMPARED WITH DEC. 31, 2010 | SUBSCRIBERS | SALES REVENUE, RES. INSTALLS | SALES REVENUE, NON-RES. INSTALLS | GROSS REVENUE 2011 (\$ MIL) | FULL TIME EMPLOYEES | NO. OF LOCATIONS |
|-----------|-----------|--|--|---------------------------------|-------------|------------------------------|----------------------------------|-----------------------------|---------------------|------------------|
| 19 | 20 | CPI Security Systems, Inc. Charlotte, N.C. | \$3,611,883 | ↑ | 91,925 | \$3,656,000 | \$929,000 | \$47.8 | 329 | 5 |
| 20 | 21 | Alarm Capital Alliance Media, Pa. | \$3,587,955 | ↑ | 111,170 | na | na | \$39.1 | 108 | 1 |
| 21 | 22 | AFA Protective Systems Inc. Syosset, N.Y. | \$2,419,000 | ↑ | 47,000 | \$100,000 | \$31,200,000 | \$71.5 | 437 | 19 |
| 22 | 23 | Alarm Detection Systems Inc. Aurora, Ill. | \$2,176,193 | ↑ | 25,714 | \$503,597 | \$5,287,555 | \$33.7 | 214 | 1 |
| 23 | 24 | ADS Security L.P. Nashville, Tenn. | \$1,943,697 | ↓ | 66,149 | \$2,146,503 | \$4,461,415 | \$32.2 | 257 | 14 |
| 24 | 27 | Ackerman Security Systems Atlanta, Ga. | \$1,865,423 | ↑ | 76,125 | \$5,967,708 | \$5,946,223 | \$34.1 | 266 | 2 |
| 25 | 25 | Westec Intelligent Surveillance Plano, Texas | \$1,730,270 | ↑ | 14,110 | \$0 | \$7,500,000 | \$27.0 | 205 | 1 |
| 26 | 26 | SAFE Security Companies San Ramon, Calif. | \$1,724,862 | ↑ | 63,620 | \$181,600 | \$48,000 | na | 74 | 2 |
| 27 | 28 | Per Mar Security Services Davenport, Iowa | \$1,516,433 | ↑ | 33,448 | \$1,113,195 | \$14,085,323 | \$37.4 | 361 | 13 |
| 28 | 29 | Electric Guard Dog Columbia, S.C. | \$1,482,639 | ↑ | 2,562 | na | na | \$17.5 | 64 | 1 |
| 29 | | DTT Surveillance Los Angeles, Calif. | \$1,408,000 | ↑ | 7,257 | na | \$3,739,000 | \$17.2 | 226 | 3 |
| 30 | 30 | SSD Alarm Systems / Kern Security & Fire / Alpha Security & Fire Anaheim, Calif. | \$1,204,400 | ↑ | na | na | na | \$30.1 | na | 12 |
| 31 | 31 | First Alarm Aptos, Calif. | \$1,140,040 | ↑ | 18,710 | \$2,134,968 | \$2,567,604 | \$21.3 | 140 | 5 |
| 32 | 37 | Safeguard Security Scottsdale, Ariz. | \$1,093,100 | ↑ | 23,942 | \$2,923,133 | \$8,962,067 | \$32.1 | 153 | 3 |
| 33 | 33 | EPS Security Grand Rapids, Mich. | \$1,070,030 | ↑ | 16,514 | \$810,000 | \$6,231,000 | \$20.8 | 168 | 6 |
| 34 | 32 | General Security Inc. Plainview, N.Y. | \$1,068,096 | ↑ | 44,865 | na | \$3,044,096 | \$18.7 | 157 | 9 |

■ No. 20 – Acquired more than \$1 million in RMR and implemented new CRM fully integrated with third-party monitoring station and phone system. ■ No. 21 – Converted computer operating system to allow it to interface both its operational and accounting facilities for significantly more efficiency. ■ No. 23 – Aggressive growth in cloud-based services including remote video, managed access control and remote services. ■ No. 24 – Moved from a 12,000 sq. ft. building occupied since 1992 to a new 33,000 sq. ft. facility. SDM's 2007 Dealer of the Year. ■ No. 25 – Consolidated multiple sales and distribution offices into one central location in Plano, Texas. Relocated command center from Des Moines to Plano. Announced merger with Interface Security Systems, April 2012. ■ No. 26 – Purchasing a monitoring station. ■ No. 28 – Restructured and expanded sales force during 2011; added regional outside sales reps for first time and added two national account directors. ■ No. 29 – Established \$20M credit facility with Capital Source. ■ No. 31 – Completed and integrated two significant acquisitions.

Despite break-throughs in certain markets, 2011 was not without challenges. For one, companies noted that because installation prices have fallen, that demands a higher quantity of sales in order to maintain goals.

And, alarmingly, the number of full-time people employed at SDM 100 companies fell by more than 5 percent to 53,219. The greatest loss was in the area of installation and technical staff, which in 2010 comprised 40 percent of a security company's workforce, but in 2011 made up just 32 percent.

Central station staff increased from 10 percent to 14 percent of total workforce (see page 76) — not a surprising fact given the number of SDM 100 companies preparing for the future of security as a service.

The SDM 100 is a ranking by RMR of the largest security companies in the United States. SDM 100 companies earn their revenues from the sale, installation, service and monitoring of electronic security systems. Now in its 22nd year of publication, the SDM 100 Report continues to prove that security is a significant concern of both homeowners and business leaders.

SDM 100: Its Purpose & Approach

The SDM 100 has been published since 1991. Its primary objective is to measure consumer dollars gained by alarm companies, in order to present an account of the size of the market captured by the 100 largest security providers. SDM 100 firms are ranked by their recurring monthly revenue. RMR is the amount of contractually recurring revenues due from customers, for such services as monitoring, contracted service and system maintenance, and leasing of security systems. It is the revenue associated with the contractual agreement between an alarm company and its subscriber — derived from customer billing for services such as monitoring, contracted service, managed solutions, and leasing of security systems — and is typically the basis for valuation of an alarm company. RMR is the language of alarm company executives and is meaningful in comparative analysis among industry peers. Of the 100 security dealers ranked, 35 of them earned more than \$1 million in RMR in 2011.

| RANK 2012 | RANK 2011 | COMPANY | RECURRING MONTHLY REVENUE, DEC. 31, 2011 | RMR COMPARED WITH DEC. 31, 2010 | SUBSCRIBERS | SALES REVENUE, RES. INSTALLS | SALES REVENUE, NON-RES. INSTALLS | GROSS REVENUE 2011 (\$ MIL) | FULL TIME EMPLOYEES | NO. OF LOCATIONS |
|-----------|-----------|--|--|---------------------------------|-------------|------------------------------|----------------------------------|-----------------------------|---------------------|------------------|
| 35 | 35 | Mountain Alarm Ogden, Utah | \$1,031,044 | ↑ | 18,448 | \$400,000 | \$5,000,000 | \$19.9 | 150 | 6 |
| 36 | 34 | Kimberlite Corp. Fresno, Calif. | \$960,795 | ↑ | 6,127 | \$359,373 | \$3,354,146 | \$16.2 | 108 | 7 |
| 37 | 38 | Sonitrol New England Rocky Hill, Conn. | \$899,504 | ↑ | 24,935 | \$187,229 | \$3,857,317 | \$16.0 | 112 | 3 |
| 38 | 36 | Sonitrol Pacific Portland, Ore. | \$898,898 | ↑ | 4,622 | \$80,598 | \$3,115,969 | \$13.9 | 81 | 5 |
| 39 | 40 | American Alarm & Communications Arlington, Mass. | \$864,922 | ↑ | 16,016 | \$2,315,532 | \$9,262,129 | \$24.5 | 159 | 4 |

No. 36 – Logged 722 criminal apprehensions, on top of 740 in 2010. ■ No. 37 – Acquisition of HB Alarm in Rhode Island. Won 2010 Sonitrol National Dealer Top Dealer Award (presented 2011). ■ No. 38 – Three first-place winners and recognition of many employees at the 2011 Sonitrol National Dealers Association convention.

TOP COMPANIES RANKED BY RESIDENTIAL CUSTOMERS

| RANK BY RESIDENTIAL SUBSCRIBERS | COMPANY | RESIDENTIAL SUBSCRIBERS | TOTAL SUBSCRIBERS | SDM 100 RANK | RANK BY RESIDENTIAL SUBSCRIBERS | COMPANY | RESIDENTIAL SUBSCRIBERS | TOTAL SUBSCRIBERS | SDM 100 RANK |
|---------------------------------|--|-------------------------|-------------------|--------------|---------------------------------|--|-------------------------|-------------------|--------------|
| 1 | Vivint Inc. | 572,897 | 572,897 | 3 | 32 | American Alarm & Communications | 10,446 | 16,016 | 39 |
| 2 | Monitronics International | 550,000 | 610,844 | 5 | 33 | Sonitrol New England | 9,944 | 24,935 | 37 |
| 3 | Protection 1 | 402,000 | 1,585,000 | 4 | 34 | Koorsen Fire & Security | 8,965 | 12,807 | 53 |
| 4 | Slomins Inc. | 263,113 | 282,917 | 6 | 35 | Habitec Security | 8,820 | 14,699 | 60 |
| 5 | Guardian Protection Services | 228,802 | 251,985 | 8 | 36 | Matson Alarm Co. Inc. | 8,800 | 19,048 | 51 |
| 6 | Vector Security Inc | 211,466 | 250,757 | 7 | 37 | First Alarm | 8,600 | 18,710 | 31 |
| 7 | Central Security Group, Inc. | 140,053 | 150,595 | 14 | 38 | World Wide Security & GC Alarm Inc. | 8,600 | 14,941 | 68 |
| 8 | Protect America Inc. | 131,010 | 131,010 | 13 | 39 | EPS Security | 8,000 | 16,514 | 33 |
| 9 | ASG Security | 121,755 | 163,430 | 9 | 40 | F.E. Moran Inc. Alarm and Monitoring Services | 7,874 | 20,723 | 47 |
| 10 | Security Networks | 120,000 | 126,000 | 12 | 41 | Post Alarm Systems | 7,759 | 14,059 | 55 |
| 11 | Security Systems, Inc. | 104,134 | 114,433 | 16 | 42 | Acadiana Security Plus | 7,331 | 11,278 | 74 |
| 12 | Alarm Capital Alliance | 94,495 | 111,170 | 20 | 43 | Security Systems of America | 7,010 | 10,689 | 75 |
| 13 | CPI Security Systems, Inc. | 85,525 | 91,925 | 19 | 44 | Security Equipment Inc. | 7,000 | 15,093 | 43 |
| 14 | Ackerman Security Systems | 66,066 | 76,125 | 24 | 45 | All Guard Alarm Systems Inc. | 6,979 | 11,632 | 46 |
| 15 | Bay Alarm Company | 58,314 | 111,473 | 10 | 46 | Mountain Alarm | 6,930 | 18,448 | 35 |
| 16 | SAFE Security Companies | 50,896 | 63,620 | 26 | 47 | Vision Security | 6,760 | 6,760 | 77 |
| 17 | ADS Security L.P. | 39,027 | 66,149 | 23 | 48 | Scarsdale Security Systems Inc. | 6,000 | 15,000 | 71 |
| 18 | Interface Security Systems Holdings Inc. | 36,311 | 121,035 | 11 | 49 | Advent Security Corporation | 5,846 | 7,329 | 82 |
| 19 | General Security Inc. | 35,313 | 44,865 | 34 | 50 | Supreme Security Systems Inc. | 5,206 | 8,318 | 45 |
| 20 | EMC Security | 31,000 | 35,085 | 42 | 51 | Electronix Systems Central Station Alarms Inc. | 5,184 | 13,537 | 72 |
| 21 | Amherst Alarm, Inc. | 19,630 | 24,538 | 87 | 52 | Yarnell Security Systems | 5,179 | 8,632 | 95 |
| 22 | NorthStar Alarm Services LLC | 17,697 | 17,697 | 40 | 53 | Alarmco, Inc. | 5,093 | 14,979 | 59 |
| 23 | Custom Security Systems Inc. | 17,403 | 24,861 | 49 | 54 | Bonds Alarm Co. Inc. | 4,850 | 7,795 | 90 |
| 24 | Blue Ridge Security Systems Inc. | 14,288 | 34,547 | 63 | 55 | Richmond Alarm Company | 4,105 | 7,745 | 78 |
| 25 | Per Mar Security Services | 14,085 | 33,448 | 27 | 56 | Allied Fire & Security | 3,823 | 6,372 | 98 |
| 26 | Doyle Security Systems Inc. | 13,785 | 22,973 | 44 | 57 | Select Security | 3,700 | 9,182 | 69 |
| 27 | Custom Security Systems | 12,814 | 46,340 | 48 | 58 | Peak Alarm Co. Inc. | 3,650 | 10,762 | 67 |
| 28 | AFA Protective Systems Inc. | 12,800 | 47,000 | 21 | 59 | Valley Alarm | 3,538 | 7,529 | 89 |
| 29 | NCA | 12,311 | 14,845 | 99 | 60 | Intertech Security | 3,290 | 4,398 | 54 |
| 30 | A-Com Protection Services Inc. | 12,175 | 16,233 | 62 | 61 | The Protection Bureau | 3,275 | 7,210 | 61 |
| 31 | Alarm Detection Systems Inc. | 11,408 | 25,714 | 22 | | | | | |

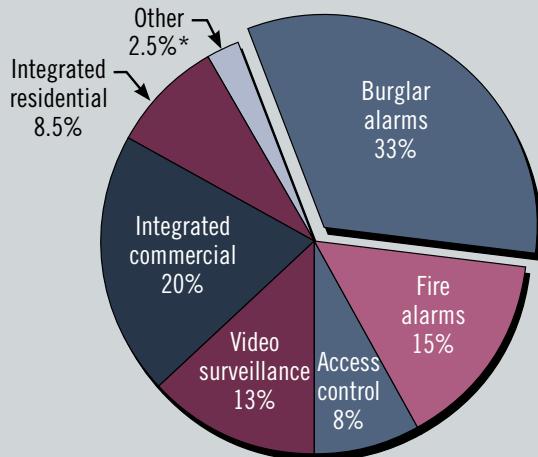
SDM 100 companies are ranked here by the number of their residential customers. Note that some of the larger companies, including ADT and Stanley Convergent Security, are not ranked because they did not break out their total subscribers into residential and non-residential. Companies that reported fewer than 3,000 residential customers are not included in this table.

| RANK 2012 | RANK 2011 | COMPANY | RECURRING MONTHLY REVENUE, DEC. 31, 2011 | RMR COMPARED WITH DEC. 31, 2010 | SUBSCRIBERS | SALES REVENUE, RES. INSTALLS | SALES REVENUE, NON-RES. INSTALLS | GROSS REVENUE 2011 (\$ MIL) | FULL TIME EMPLOYEES | NO. OF LOCATIONS |
|-----------|-----------|---|--|---------------------------------|-------------|------------------------------|----------------------------------|-----------------------------|---------------------|------------------|
| 40 | 47 | NorthStar Alarm Services LLC Orem, Utah | \$758,030 | ↑ | 17,697 | \$168,080 | na | \$8.6 | 141 | 1 |
| 41 | 42 | Sonitrol of Sacramento & Sonitrol Orange County Roseville, Calif. | \$723,016 | ↑ | 4,437 | \$54,053 | \$3,104,319 | \$12.1 | 49 | 2 |
| 42 | 49 | EMC Security Suwanee, Ga. | \$660,248 | ↑ | 35,085 | \$2,904,280 | \$1,242,209 | \$11.3 | 98 | 1 |
| 43 | 44 | Security Equipment Inc. Omaha, Neb. | \$648,027 | ↑ | 15,093 | \$530,000 | \$10,130,227 | \$20.0 | 137 | 4 |
| 44 | 45 | Doyle Security Systems Inc. Rochester, N.Y. | \$647,031 | ↑ | 22,973 | \$609,721 | \$2,040,525 | \$11.2 | 84 | 4 |
| 45 | 46 | Supreme Security Systems Inc. Union, N.J. | \$600,177 | ↓ | 8,318 | \$286,500 | \$694,534 | \$8.8 | 68 | 1 |
| 46 | 48 | All Guard Alarm Systems Inc. Hayward, Calif. | \$598,310 | ↑ | 11,632 | \$355,172 | \$1,091,155 | \$9.1 | 61 | 2 |
| 47 | 51 | F.E. Moran Inc. Alarm and Monitoring Services Champaign, Ill. | \$589,084 | ↑ | 20,723 | \$516,000 | \$8,335,000 | \$19.5 | 111 | 6 |
| 48 | 50 | Custom Security Systems Lacey, Wash. | \$538,262 | ↑ | 46,340 | \$356,000 | \$1,736,400 | \$10.1 | 98 | 3 |

■ No. 41 – Awarded largest project in company's history. ■ No. 42 – PERs business documented seven lives saved (transported to hospital or EMTs dispatched due to customer distress). ■ No. 43 – Deployed a number of hosted/cloud services for clients. ■ No. 46 – Capital investments in video monitoring and interactive video services. ■ No. 48 – Topped \$10M sales first time.

Dealer Revenue Across Technology Categories

Average percentage of total revenue among SDM 100 companies, distributed by types of products

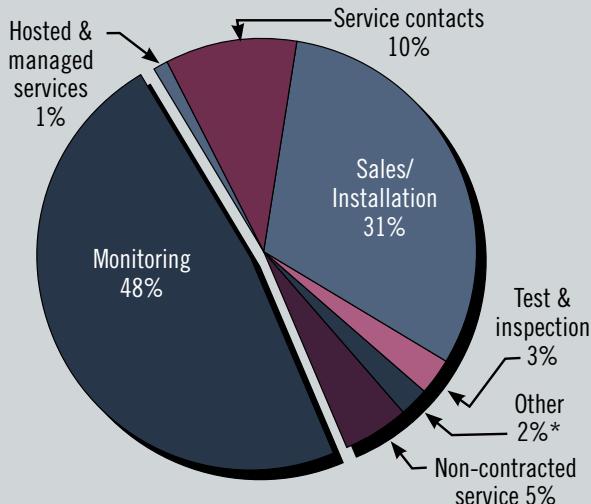


*includes intercom, badging systems, perimeter security, IT hardware/software Source: 2012 SDM 100, SDM Magazine, May 2012

Security companies derive their total revenue from a wide variety of product categories, including the most sizeable, burglar alarm systems, which comprised 33 percent of dealers' revenue in 2011. The category of integrated commercial systems is growing to be a larger piece of the pie, at 20 percent of the total in 2011, up from 17 percent the previous year. This could be attributed to more systems integrators joining the ranks of RMR-based security providers.

Dealer Revenue Across Business Services

Average percentage of total revenue among SDM 100 companies, distributed by types of services



*includes equipment leases and consulting Source: 2012 SDM 100, SDM Magazine, May 2012

Security alarm companies derive their revenue from a wide variety of service categories, including the most sizeable — monitoring, which comprises nearly half of all revenue. The SDM 100 recently began tracking the average percentage of revenue from managed services; at only 2 percent of 2010 revenue and 1 percent of 2011 revenue, it is expected to grow significantly in 2012 based on what SDM 100 companies are saying about implementing more services.

| RANK 2012 | RANK 2011 | COMPANY | RECURRING MONTHLY REVENUE, DEC. 31, 2011 | RMR COMPARED WITH DEC. 31, 2010 | SUBSCRIBERS | SALES REVENUE, RES. INSTALLS | SALES REVENUE, NON-RES. INSTALLS | GROSS REVENUE 2011 (\$ MIL) | FULL TIME EMPLOYEES | NO. OF LOCATIONS |
|-----------|-----------|---|--|---------------------------------|-------------|------------------------------|----------------------------------|-----------------------------|---------------------|------------------|
| 49 | 55 | Custom Security Systems Inc. Baton Rouge, La. | \$526,906 | ↑ | 24,861 | \$1,415,743 | \$951,093 | \$9.3 | 49 | 1 |
| 50 | 52 | Sonitrol of Buffalo, Rochester, Toronto Buffalo, N.Y. | \$523,171 | ↓ | 5,744 | \$45,000 | \$3,751,590 | \$10.7 | 86 | 3 |
| 51 | 54 | Matson Alarm Co. Inc. Fresno, Calif. | \$523,147 | ↑ | 19,048 | \$400,000 | \$1,466,250 | \$8.5 | 61 | 4 |
| 52 | 73 | SMG Security Systems Inc. Elk Grove Village, Ill. | \$522,768 | ↑ | 5,200 | na | na | \$9.0 | 55 | 1 |
| 53 | 75 | Koorsen Fire & Security Indianapolis, Ind. | \$520,164 | ↑ | 12,807 | \$676,990 | \$8,106,140 | \$73.5 | 37 | 22 |
| 54 | 53 | Intertech Security Pittsburgh, Pa. | \$497,009 | ↓ | 4,398 | \$350,000 | \$10,900,000 | \$19.3 | 125 | 7 |
| 55 | 56 | Post Alarm Systems Arcadia, Calif. | \$484,413 | ↑ | 14,059 | \$1,472,958 | \$3,436,903 | \$10.7 | 115 | 2 |
| 56 | 60 | American Security Systems Inc. Long Island City, N.Y. | \$470,164 | ↑ | 7,106 | \$2,500,000 | \$100 | \$8.2 | na | 1 |
| 57 | 61 | Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL Tallahassee, Fla. | \$469,035 | ↑ | 5,658 | na | na | \$8.7 | 74 | 6 |
| 58 | 59 | Sonitrol Tri-County Farmington Hills, Mich. | \$460,584 | ↑ | 9,742 | \$142,054 | \$2,459,260 | \$8.9 | 72 | 3 |
| 59 | 57 | Alarmco, Inc. Las Vegas, Nev. | \$459,571 | ↓ | 14,979 | \$155,907 | \$418,300 | \$6.9 | 92 | 1 |
| 60 | 62 | Habitec Security Toledo, Ohio | \$452,814 | ↑ | 14,699 | \$725,000 | \$1,555,000 | \$8.6 | 81 | 3 |
| 61 | 63 | The Protection Bureau Exton, Pa. | \$443,795 | ↑ | 7,210 | \$80,000 | \$8,700 | \$15.2 | 98 | 2 |
| 62 | 64 | A-Com Protection Services Inc. Columbus, Ga. | \$435,812 | ↑ | 16,233 | na | na | \$8.1 | 0 | 6 |
| 63 | 66 | Blue Ridge Security Systems Inc. Anderson, S.C. | \$407,456 | ↑ | 34,547 | \$3,600,590 | \$6,595,156 | \$10.2 | 88 | 3 |
| 64 | | Sonitrol of Evansville Inc. Evansville, Ind. | \$407,030 | ↑ | 4,111 | \$35,328 | \$877,859 | \$6.7 | 43 | 3 |
| 65 | 68 | Tri-Signal Integration Inc. Sylmar, Calif. | \$400,000 | ↑ | 4,020 | na | \$26,000,000 | \$37.0 | 265 | 9 |
| 66 | 72 | JMG Security Systems Inc. Fountain Valley, Calif. | \$377,175 | ↑ | 1,716 | \$350,000 | \$4,774,000 | \$11.7 | 48 | 1 |
| 67 | 70 | Peak Alarm Co. Inc. Salt Lake City, Utah | \$376,631 | ↑ | 10,762 | \$210,000 | \$1,205,000 | \$6.7 | 69 | 4 |
| 68 | 76 | World Wide Security & GC Alarm Inc. Garden City, N.Y. | \$375,000 | ↑ | 14,941 | \$500,000 | \$1,100,000 | \$5.9 | 50 | 2 |
| 69 | 74 | Select Security Lancaster, Pa. | \$374,000 | ↑ | 9,182 | \$280,000 | \$2,800,000 | \$9.1 | 121 | 7 |
| 70 | 69 | Sonitrol SW Ohio Mason, Ohio | \$373,902 | ↑ | 5,989 | \$50,000 | \$2,030,243 | \$7.0 | 48 | 2 |
| 71 | 71 | Scarsdale Security Systems Inc. Scarsdale, N.Y. | \$368,824 | ↑ | 15,000 | \$500,000 | \$5,332,810 | \$11.3 | 86 | 2 |
| 72 | | Electronix Systems Central Station Alarms Inc. Huntington Station, N.Y. | \$353,742 | ↓ | 13,537 | \$757,266 | \$1,289,398 | \$7.9 | 69 | 1 |
| 73 | 78 | Safe Systems Louisville, Colo. | \$350,921 | ↑ | 9,092 | \$239,670 | \$2,138,110 | \$7.0 | 58 | 1 |
| 74 | 77 | Acadiana Security Plus Broussard, La. | \$340,638 | ↑ | 11,278 | na | na | \$6.9 | 59 | 1 |
| 75 | 79 | Security Systems of America Pittsburgh, Pa. | \$338,746 | ↑ | 10,689 | na | \$300,000 | \$6.6 | 69 | 5 |
| 76 | 80 | Washington Alarm Inc. Seattle, Wash. | \$306,242 | ↑ | 5,288 | na | na | \$5.4 | 43 | 1 |

No. 53 – 63 percent increase in security alarm sales, 31 percent increase in annual monitoring revenue, 55 percent increase in Dec. RMR. Selection of new central station and swing of 11,000 subscriber accounts from two prior central stations. ■ No. 56 – Became an FCI/Gamewell dealer. ■ No. 58 – Completed build-out of new 14,000 sq. ft. facility that houses corporate offices and central station, consolidating from four offices to three. ■ No. 59 – Added remote video services to offerings. ■ No. 60 – Grew RMR organically nearly \$20,000. ■ No. 61 – Large museum project. Increased managed services from central station. SDM's 2010 Dealer of the Year. ■ No. 63 – Sustained level of sales at \$10M level. Project at new local Emergency Call Center (911) and at Shaw Air Force Base. ■ No. 69 – Entry into Ohio market through purchase of Medina-based FM Systems. ■ No. 71 – Opened new Remote Observation Center for loss prevention services. ■ No. 72 – \$1.3M video and access installation. Note: Electronix Systems was inadvertently omitted from the 2011 SDM 100.

| RANK 2012 | RANK 2011 | COMPANY | RECURRING MONTHLY REVENUE, DEC. 31, 2011 | RMR COMPARED WITH DEC. 31, 2010 | SUBSCRIBERS | SALES REVENUE, RES. INSTALLS | SALES REVENUE, NON-RES. INSTALLS | GROSS REVENUE 2011 (\$ MIL) | FULL TIME EMPLOYEES | NO. OF LOCATIONS |
|-----------|-----------|---|--|---------------------------------|-------------|------------------------------|----------------------------------|-----------------------------|---------------------|------------------|
| 77 | | Vision Security Orem, Utah | \$304,221 | ↑ | 6,760 | \$16,665,795 | na | \$19.4 | 17 | 1 |
| 78 | 81 | Richmond Alarm Company Midlothian, Va. | \$299,025 | ↑ | 7,745 | \$1,040,000 | \$925,000 | \$6.7 | 69 | 2 |
| 79 | 94 | DynaFire Inc. Casselberry, Fla. | \$294,677 | ↑ | 4,580 | \$12,950 | \$2,348,133 | \$6.4 | 74 | 3 |
| 80 | 89 | Sonitrol of Lexington / Bates Security Lexington, Ky. | \$282,120 | ↑ | 4,471 | \$266,795 | \$4,748,483 | \$8.2 | 57 | 1 |
| 81 | 91 | Fire Protection Inc. Everett, Wash. | \$268,000 | ↑ | 6,058 | na | na | \$13.4 | 67 | 3 |
| 82 | 84 | Advent Security Corporation Oreland, Pa. | \$260,664 | ↑ | 7,329 | \$337,378 | \$336,055 | \$4.2 | 30 | 1 |

■ No. 77 – Increased RMR 119 percent, while only increasing debt 100 percent. ■ No. 79 – Developed private radio network. ■ No. 80 – Rebranded ADR Security Services part of business to Bates Security. Completed two acquisitions. Won one of the top four Marketing Excellence Awards and divisional Dealer of the Year at First Alert convention.

TOP COMPANIES RANKED BY NON-RESIDENTIAL INSTALLATION REVENUE

| RANK BY INSTALLATION REVENUE | COMPANY | NON-RESIDENTIAL INSTALLATIONS 2011 | NON-RESIDENTIAL REVENUE | SDM 100 RANK | RANK BY INSTALLATION REVENUE | COMPANY | NON-RESIDENTIAL INSTALLATIONS 2011 | NON-RESIDENTIAL REVENUE | SDM 100 RANK |
|------------------------------|---|------------------------------------|-------------------------|--------------|------------------------------|---|------------------------------------|-------------------------|--------------|
| 1 | Vector Security Inc | 7,164 | \$63,135,000 | 7 | 30 | Sentry Communications & Security | 20 | \$4,050,000 | 100 |
| 2 | AFA Protective Systems Inc. | 6,250 | \$31,200,000 | 21 | 31 | Sonitrol New England | 476 | \$3,857,317 | 37 |
| 3 | Slomins Inc. | 1,302 | \$28,469,760 | 6 | 32 | Sonitrol of Buffalo, Rochester, Toronto | 210 | \$3,751,590 | 50 |
| 4 | Tri-Signal Integration Inc. | 500 | \$26,000,000 | 65 | 33 | DTT Surveillance | 2,113 | \$3,739,000 | 29 |
| 5 | ASG Security | 16,465 | \$24,340,345 | 9 | 34 | Post Alarm Systems | 314 | \$3,436,903 | 55 |
| 6 | Allied Fire & Security | 150 | \$19,600,000 | 98 | 35 | Kimberlite Corp. | 336 | \$3,354,146 | 36 |
| 7 | Interface Security Systems Holdings Inc. | 18,600 | \$19,506,041 | 11 | 36 | Sonitrol Pacific | 400 | \$3,115,969 | 38 |
| 8 | Per Mar Security Services | 3,123 | \$14,085,323 | 27 | 37 | Sonitrol of Sacramento & Sonitrol Orange County | 1,336 | \$3,104,319 | 41 |
| 9 | Intelligent Access Systems | 350 | \$13,305,797 | 92 | 38 | Select Security | 521 | \$2,800,000 | 69 |
| 10 | Intertech Security | 900 | \$10,900,000 | 54 | 39 | Sentry Security | 110 | \$2,700,000 | 86 |
| 11 | Bay Alarm Company | 9,264 | \$10,648,347 | 10 | 40 | First Alarm | 1,072 | \$2,567,604 | 31 |
| 12 | SDT Inc. | 623 | \$10,137,000 | 96 | 41 | Sonitrol Tri-County | 424 | \$2,459,260 | 58 |
| 13 | Security Equipment Inc. | 850 | \$10,130,227 | 43 | 42 | DynaFire Inc. | 274 | \$2,348,133 | 79 |
| 14 | American Alarm & Communications | 2,941 | \$9,262,129 | 39 | 43 | Yarnell Security Systems | 150 | \$2,180,000 | 95 |
| 15 | Safeguard Security | 400 | \$8,962,067 | 32 | 44 | Safe Systems | 937 | \$2,138,110 | 73 |
| 16 | F.E. Moran Inc. Alarm and Monitoring Services | 2,268 | \$8,335,000 | 47 | 45 | Doyle Security Systems Inc. | 825 | \$2,040,525 | 44 |
| 17 | Guardian Protection Services | 4,013 | \$8,232,659 | 8 | 46 | Sonitrol SW Ohio | 268 | \$2,030,243 | 70 |
| 18 | Koorsen Fire & Security | 2,000 | \$8,106,140 | 53 | 47 | Moon Security Services Inc. | 350 | \$1,754,171 | 94 |
| 19 | Westec Intelligent Surveillance | 1,550 | \$7,500,000 | 25 | 48 | Custom Security Systems | 580 | \$1,736,400 | 48 |
| 20 | Blue Ridge Security Systems Inc. | 2,134 | \$6,595,156 | 63 | 49 | Habitec Security | 550 | \$1,555,000 | 60 |
| 21 | EPS Security | 1,800 | \$6,231,000 | 33 | 50 | Briscoe Protective Systems Inc. | 65 | \$1,471,198 | 97 |
| 22 | Ackerman Security Systems | 1,547 | \$5,946,223 | 24 | 51 | Matson Alarm Co. Inc. | 1,337 | \$1,466,250 | 51 |
| 23 | Custom Alarm | 844 | \$5,400,000 | 88 | 52 | Electronix Systems Central Station Alarms Inc. | 624 | \$1,289,398 | 72 |
| 24 | Scarsdale Security Systems Inc. | 1,000 | \$5,332,810 | 71 | 53 | Sonitrol of Indianapolis | 140 | \$1,276,535 | 85 |
| 25 | Alarm Detection Systems Inc. | 838 | \$5,287,555 | 22 | 54 | EMC Security | 800 | \$1,242,209 | 42 |
| 26 | Mountain Alarm | 1,000 | \$5,000,000 | 35 | 55 | Peak Alarm Co. Inc. | 708 | \$1,205,000 | 67 |
| 27 | JMG Security Systems Inc. | 350 | \$4,774,000 | 66 | 56 | World Wide Security & GC Alarm Inc. | 550 | \$1,100,000 | 68 |
| 28 | Sonitrol of Lexington / Bates Security | 452 | \$4,748,483 | 80 | 57 | All Guard Alarm Systems Inc. | 304 | \$1,091,155 | 46 |
| 29 | ADS Security L.P. | 2,431 | \$4,461,415 | 23 | | | | | |

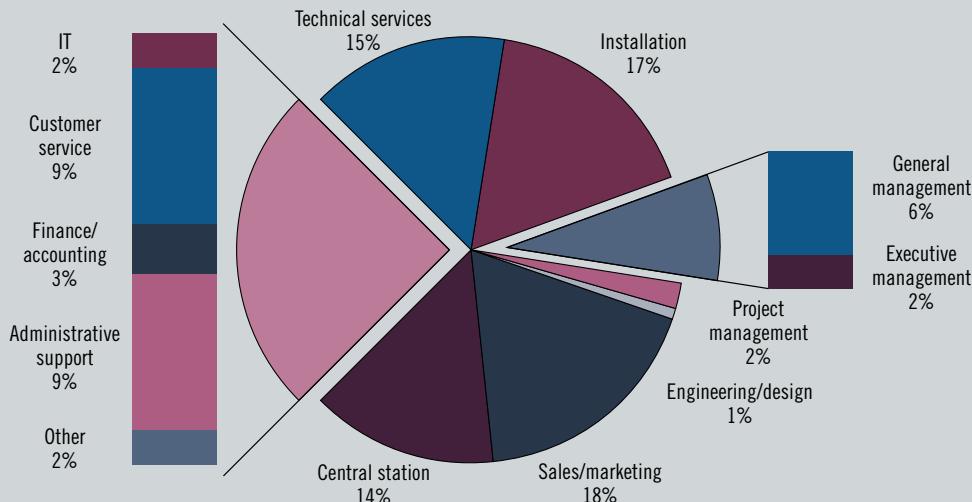
SDM 100 companies are ranked here by the amount of their installation revenue from non-residential projects. Note that some of the larger companies, including ADT, Stanley Convergent Security, and Protection 1, are not ranked because they did not report this number to SDM. Companies that reported less than \$1 million are not included in this table.

| RANK 2012 | RANK 2011 | COMPANY | RECURRING MONTHLY REVENUE, DEC. 31, 2011 | RMR COMPARED WITH DEC. 31, 2010 | SUBSCRIBERS | SALES REVENUE, RES. INSTALLS | SALES REVENUE, NON-RES. INSTALLS | GROSS REVENUE 2011 (\$ MIL) | FULL TIME EMPLOYEES | NO. OF LOCATIONS |
|-----------|-----------|---|--|---------------------------------|-------------|------------------------------|----------------------------------|-----------------------------|---------------------|------------------|
| 83 | 85 | Pacific Alarm Systems Inc. Culver City, Calif. | \$259,661 | ↑ | 4,149 | \$88,294 | \$258,417 | \$4.2 | 44 | 1 |
| 84 | 90 | Gillmore Security Systems Inc. Cleveland, Ohio | \$258,788 | ↑ | 5,633 | \$430,821 | \$148,366 | \$4.7 | 39 | 1 |
| 85 | 88 | Sonitrol of Indianapolis Indianapolis, Ind. | \$253,797 | ↑ | 1,972 | na | \$1,276,535 | \$4.5 | 29 | 1 |
| 86 | 83 | Sentry Security Wheeling, Ill. | \$253,699 | ↓ | 3,972 | \$250,000 | \$2,700,000 | \$6.7 | 24 | 1 |
| 87 | 93 | Amherst Alarm Inc. Amherst, N.Y. | \$249,576 | ↑ | 24,538 | \$1,013,286 | \$844,622 | \$5.7 | 60 | 1 |
| 88 | 87 | Custom Alarm Rochester, Minn. | \$247,792 | ↑ | 5,788 | \$600,000 | \$5,400,000 | \$10.0 | 71 | 2 |
| 89 | 92 | Valley Alarm Sun Valley, Calif. | \$247,615 | ↑ | 7,529 | \$93,288 | \$631,110 | \$3.8 | 17 | 1 |
| 90 | 95 | Bonds Alarm Co. Inc. Phoenix, Ariz. | \$241,900 | ↑ | 7,795 | \$76,600 | \$525,600 | \$3.8 | 26 | 2 |
| 91 | 97 | ARK Systems Inc. Columbia, Md. | \$231,836 | ↑ | na | na | na | \$17.0 | 112 | 3 |
| 92 | | Intelligent Access Systems Garner, N.C. | \$215,070 | ↑ | na | na | \$13,305,797 | \$13.5 | 60 | 5 |
| 93 | 98 | Sentry Alarm Systems Monterey, Calif. | \$214,910 | ↓ | 6,398 | \$363,000 | \$460,159 | \$4.0 | 37 | 2 |
| 94 | | Moon Security Services Inc. Pasco, Wash. | \$214,650 | ↑ | 6,408 | \$986,721 | \$1,754,171 | \$8.1 | 104 | 3 |
| 95 | 100 | Yarnell Security Systems Lancaster, Pa. | \$209,400 | ↑ | 8,632 | \$500,000 | \$2,180,000 | \$5.2 | 46 | 1 |
| 96 | 99 | SDT Inc. Newtown, Pa. | \$207,701 | ↓ | 1,211 | na | \$10,137,000 | \$12.6 | 88 | 1 |
| 97 | | Briscoe Protective Systems Inc. Centereach, N.Y. | \$187,409 | ↑ | 1,829 | na | \$1,471,198 | \$4.9 | 29 | 1 |
| 98 | | Allied Fire & Security Spokane, Wash. | \$186,000 | ↑ | 6,372 | \$150,000 | \$19,600,000 | \$20.5 | 120 | 3 |
| 99 | | NCA Nashville, Tenn. | \$161,305 | ↓ | 14,845 | \$1,426,785 | \$107,187 | \$3.5 | 20 | 1 |
| 100 | | Sentry Communications & Security Hicksville, N.Y. | \$140,000 | ↑ | 2,020 | \$25,000 | \$4,050,000 | \$5.1 | 41 | 3 |

■ No. 83 – Total remodel and upgrade of UL listed central station. ■ No. 86 – Developed a sales channel for residential installations of interactive services systems via web-related marketing ■ No. 88 – Set up a new classroom-style training center with a resource center stocked with training tools. Set all training classes up online in order to assign classes and track course completions. Became CSAA Five Diamond central station. ■ No. 96 – Landed very large pharmaceutical project. ■ No. 98 – Restructured and centralized service dispatch; implemented automated mobile workforce solution.

Window to a Security Staff

Average percentage of staff employed in various departments at SDM 100 companies



Source: 2012 SDM 100, SDM Magazine, May 2012

Installation and technical service comprise the majority of positions within an SDM 100 company, together accounting for approximately one-third (32 percent) of employees on a security company's workforce. However, they accounted for a larger share (40 percent) of staff in 2010.

RANK BY TOTAL ANNUAL REVENUE

| RANK BY TOTAL REVENUE | COMPANY | TOTAL GROSS REVENUE, 2011 (\$ MIL) | TOTAL GROSS REVENUE, 2010 (\$ MIL) | SDM 100 RANK | RANK BY TOTAL REVENUE | COMPANY | TOTAL GROSS REVENUE, 2011 (\$ MIL) | TOTAL GROSS REVENUE, 2010 (\$ MIL) | SDM 100 RANK |
|-----------------------|--|------------------------------------|------------------------------------|--------------|-----------------------|--|------------------------------------|------------------------------------|--------------|
| 1 | ADT | \$5,100.0 | \$4,400.0 | 1 | 57 | Sonitrol of Buffalo, Rochester, Toronto | \$10.7 | \$14.8 | 50 |
| 2 | Stanley Convergent Security | \$798.4 | \$467.0 | 2 | 58 | Blue Ridge Security Systems Inc. | \$10.2 | \$10.0 | 63 |
| 3 | Protection 1 | \$345.6 | \$350.0 | 4 | 59 | Custom Security Systems | \$10.1 | \$9.6 | 48 |
| 4 | Monitronics International | \$313.0 | \$284.4 | 5 | 60 | Custom Alarm | \$10.0 | \$8.9 | 88 |
| 5 | Vivint Inc. | \$312.9 | \$245.2 | 3 | 61 | Custom Security Systems Inc. | \$9.3 | \$9.1 | 49 |
| 6 | Slomins Inc. | \$257.0 | \$227.4 | 6 | 62 | Select Security | \$9.1 | \$6.5 | 69 |
| 7 | Vector Security Inc | \$212.1 | \$205.0 | 7 | 63 | All Guard Alarm Systems Inc. | \$9.1 | \$9.1 | 46 |
| 8 | Guardian Protection Services | \$136.4 | \$127.7 | 8 | 64 | SMG Security Systems Inc. | \$9.0 | \$7.8 | 52 |
| 9 | ASG Security | \$106.2 | \$103.6 | 9 | 65 | Sonitrol Tri-County | \$8.9 | \$7.9 | 58 |
| 10 | Bay Alarm Company | \$96.5 | \$91.0 | 10 | 66 | Supreme Security Systems Inc. | \$8.8 | \$9.1 | 45 |
| 11 | Interface Security Systems Holdings Inc. | \$87.4 | \$67.9 | 11 | 67 | Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL | \$8.7 | \$8.1 | 57 |
| 12 | Koorsen Fire & Security | \$73.5 | \$67.7 | 53 | 68 | NorthStar Alarm Services LLC | \$8.6 | \$6.9 | 40 |
| 13 | AFA Protective Systems Inc. | \$71.5 | \$72.6 | 21 | 69 | Habitec Security | \$8.6 | \$8.4 | 60 |
| 14 | Kastle Systems | \$64.0 | \$60.2 | 18 | 70 | Matson Alarm Co. Inc. | \$8.5 | \$8.3 | 51 |
| 15 | Devcon Security | \$61.6 | \$53.4 | 17 | 71 | Sonitrol of Lexington / Bates Security | \$8.2 | \$5.1 | 80 |
| 16 | Guardian Alarm Company | \$55.6 | \$51.0 | 15 | 72 | American Security Systems Inc. | \$8.2 | \$7.8 | 56 |
| 17 | Security Networks | \$53.2 | \$40.0 | 12 | 73 | Moon Security Services Inc. | \$8.1 | na | 94 |
| 18 | Central Security Group, Inc. | \$53.1 | \$47.1 | 14 | 74 | A-Com Protection Services Inc. | \$8.1 | \$7.5 | 62 |
| 19 | Protect America Inc. | \$52.9 | \$48.8 | 13 | 75 | Electronix Systems Central Station Alarms Inc. | \$7.9 | na | 72 |
| 20 | CPI Security Systems, Inc. | \$47.8 | \$44.1 | 19 | 76 | Sonitrol SW Ohio | \$7.0 | \$6.3 | 70 |
| 21 | Security Systems, Inc. | \$42.7 | \$34.9 | 16 | 77 | Safe Systems | \$7.0 | \$6.3 | 73 |
| 22 | Alarm Capital Alliance | \$39.1 | \$32.6 | 20 | 78 | Alarmco, Inc. | \$6.9 | \$6.9 | 59 |
| 23 | Per Mar Security Services | \$37.4 | \$33.2 | 27 | 79 | Acadiana Security Plus | \$6.9 | \$6.8 | 74 |
| 24 | Tri-Signal Integration Inc. | \$37.0 | \$39.9 | 65 | 80 | Peak Alarm Co. Inc. | \$6.7 | \$6.3 | 67 |
| 25 | Ackerman Security Systems | \$34.1 | \$28.0 | 24 | 81 | Richmond Alarm Company | \$6.7 | \$6.5 | 78 |
| 26 | Alarm Detection Systems Inc. | \$33.7 | \$32.8 | 22 | 82 | Sonitrol of Evansville Inc. | \$6.7 | na | 64 |
| 27 | ADS Security L.P. | \$32.2 | \$31.3 | 23 | 83 | Sentry Security | \$6.7 | \$5.4 | 86 |
| 28 | Safeguard Security | \$32.1 | \$30.0 | 32 | 84 | Security Systems of America | \$6.6 | \$7.2 | 75 |
| 29 | SSD Alarm Systems / Kern Security & Fire / Alpha Security & Fire | \$30.1 | \$31.9 | 30 | 85 | DynaFire Inc. | \$6.4 | \$5.2 | 79 |
| 30 | Westec Intelligent Surveillance | \$27.0 | \$32.6 | 25 | 86 | World Wide Security & GC Alarm Inc. | \$5.9 | \$5.6 | 68 |
| 31 | American Alarm & Communications | \$24.5 | \$20.5 | 39 | 87 | Amherst Alarm Inc. | \$5.7 | \$5.6 | 87 |
| 32 | First Alarm | \$21.3 | \$14.6 | 31 | 88 | Washington Alarm Inc. | \$5.4 | \$5.3 | 76 |
| 33 | EPS Security | \$20.8 | \$19.2 | 33 | 89 | Yarnell Security Systems | \$5.2 | \$5.1 | 95 |
| 34 | Allied Fire & Security | \$20.5 | na | 98 | 90 | Sentry Communications & Security | \$5.1 | na | 100 |
| 35 | Security Equipment Inc. | \$20.0 | \$18.4 | 43 | 91 | Briscoe Protective Systems Inc. | \$4.9 | na | 97 |
| 36 | Mountain Alarm | \$19.9 | \$15.9 | 35 | 92 | Gillmore Security Systems Inc | \$4.7 | \$4.1 | 84 |
| 37 | F.E. Moran Inc. Alarm and Monitoring Services | \$19.5 | \$14.5 | 47 | 93 | Sonitrol of Indianapolis | \$4.5 | \$4.3 | 85 |
| 38 | Vision Security | \$19.4 | na | 77 | 94 | Pacific Alarm Systems Inc. | \$4.2 | na | 83 |
| 39 | Intertech Security | \$19.3 | \$18.6 | 54 | 95 | Advent Security Corporation | \$4.2 | \$4.0 | 82 |
| 40 | General Security Inc. | \$18.7 | \$18.7 | 34 | 96 | Sentry Alarm Systems | \$4.0 | \$3.9 | 93 |
| 41 | Electric Guard Dog | \$17.5 | \$15.8 | 28 | 97 | Valley Alarm | \$3.8 | \$3.8 | 89 |
| 42 | DTT Surveillance | \$17.2 | na | 29 | 98 | Bonds Alarm Co. Inc. | \$3.8 | \$3.5 | 90 |
| 43 | ARK Systems Inc. | \$17.0 | \$18.7 | 91 | 99 | NCA | \$3.5 | na | 99 |
| 44 | Kimberlite Corp. | \$16.2 | \$15.6 | 36 | | | | | |
| 45 | Sonitrol New England | \$16.0 | \$14.8 | 37 | | | | | |
| 46 | The Protection Bureau | \$15.2 | \$14.0 | 61 | | | | | |
| 47 | Sonitrol Pacific | \$13.9 | \$13.0 | 38 | | | | | |
| 48 | Intelligent Access Systems | \$13.5 | na | 92 | | | | | |
| 49 | Fire Protection Inc. | \$13.4 | \$11.2 | 81 | | | | | |
| 50 | SDT Inc. | \$12.6 | \$14.6 | 96 | | | | | |
| 51 | Sonitrol of Sacramento & Sonitrol Orange County | \$12.1 | \$12.0 | 41 | | | | | |
| 52 | JMG Security Systems Inc. | \$11.7 | \$11.6 | 66 | | | | | |
| 53 | Scarsdale Security Systems Inc. | \$11.3 | \$10.4 | 71 | | | | | |
| 54 | EMC Security | \$11.3 | \$11.1 | 42 | | | | | |
| 55 | Doyle Security Systems Inc. | \$11.2 | \$10.5 | 44 | | | | | |
| 56 | Post Alarm Systems | \$10.7 | \$11.0 | 55 | | | | | |

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SDM 100 ALPHABETICAL INDEX

| COMPANY | SDM 100 RANK | COMPANY | SDM 100 RANK |
|--|--------------|---|--------------|
| Acadiana Security Plus | 74 | NCA | 99 |
| Ackerman Security Systems | 24 | NorthStar Alarm Services LLC | 40 |
| A-Com Protection Services Inc. | 62 | Pacific Alarm Systems Inc. | 83 |
| ADS Security L.P. | 23 | Peak Alarm Co. Inc. | 67 |
| ADT | 1 | Per Mar Security Services | 27 |
| Advent Security Corporation | 82 | Post Alarm Systems | 55 |
| AFA Protective Systems Inc. | 21 | Protect America Inc. | 13 |
| Alarm Capital Alliance | 20 | Protection 1 | 4 |
| Alarm Detection Systems Inc. | 22 | Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL | 57 |
| Alarmco, Inc. | 59 | Richmond Alarm Company | 78 |
| All Guard Alarm Systems Inc. | 46 | SAFE Security Companies | 26 |
| Allied Fire & Security | 98 | Safe Systems | 73 |
| American Alarm & Communications | 39 | Safeguard Security | 32 |
| American Security Systems Inc. | 56 | Scarsdale Security Systems Inc. | 71 |
| Amherst Alarm Inc. | 87 | SDT Inc. | 96 |
| ARK Systems Inc. | 91 | Security Equipment Inc. | 43 |
| ASG Security | 9 | Security Networks | 12 |
| Bay Alarm Company | 10 | Security Systems of America | 75 |
| Blue Ridge Security Systems Inc. | 63 | Security Systems, Inc. | 16 |
| Bonds Alarm Co. Inc. | 90 | Select Security | 69 |
| Briscoe Protective Systems Inc. | 97 | Sentry Alarm Systems | 93 |
| Central Security Group, Inc. | 14 | Sentry Communications & Security | 100 |
| CPI Security Systems, Inc. | 19 | Sentry Security | 86 |
| Custom Alarm | 88 | Slomins Inc. | 6 |
| Custom Security Systems | 48 | SMG Security Systems Inc. | 52 |
| Custom Security Systems Inc. | 49 | Sonitrol New England | 37 |
| Devcon Security | 17 | Sonitrol of Buffalo, Rochester, Toronto | 50 |
| Doyle Security Systems Inc. | 44 | Sonitrol of Evansville Inc. | 64 |
| DTT Surveillance | 29 | Sonitrol of Indianapolis | 85 |
| DynaFire Inc. | 79 | Sonitrol of Lexington / Bates Security | 80 |
| Electric Guard Dog | 28 | Sonitrol of Sacramento & Sonitrol Orange County | 41 |
| Electronix Systems Central Station Alarms Inc. | 72 | Sonitrol Pacific | 38 |
| EMC Security | 42 | Sonitrol SW Ohio | 70 |
| EPS Security | 33 | Sonitrol Tri-County | 58 |
| F.E. Moran Inc. Alarm and Monitoring Services | 47 | SSD Alarm Systems / Kern Security & Fire / Alpha Security & Fire | 30 |
| Fire Protection Inc. | 81 | Stanley Convergent Security | 2 |
| First Alarm | 31 | Supreme Security Systems Inc. | 45 |
| General Security Inc. | 34 | The Protection Bureau | 61 |
| Gillmore Security Systems Inc | 84 | Tri-Signal Integration Inc. | 65 |
| Guardian Alarm Company | 15 | Valley Alarm | 89 |
| Guardian Protection Services | 8 | Vector Security Inc | 7 |
| Habitec Security | 60 | Vision Security | 77 |
| Intelligent Access Systems | 92 | Vivint Inc. | 3 |
| Interface Security Systems Holdings Inc. | 11 | Washington Alarm Inc. | 76 |
| Intertech Security | 54 | Westec Intelligent Surveillance | 25 |
| JMG Security Systems Inc. | 66 | World Wide Security & GC Alarm Inc. | 68 |
| Kastle Systems | 18 | Yarnell Security Systems | 95 |
| Kimberlite Corp. | 36 | | |
| Koorsen Fire & Security | 53 | | |
| Matson Alarm Co. Inc. | 51 | | |
| Monitronics International | 5 | | |
| Moon Security Services Inc. | 94 | | |
| Mountain Alarm | 35 | | |