

# SDM

*NEW DIRECTIONS FOR SECURITY SYSTEMS & INTEGRATION*

# 1000

**24TH ANNUAL REPORT**  
OF THE  
**LARGEST SECURITY COMPANIES**  
RANKED BY RMR

The 2014  
report begins  
on page 59.

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## Small Gains, Individual Successes

With a respectable 3.3 percent gain in RMR, the industry's largest security dealers continue to find opportunities, while keeping an eye on new competition.

By Laura E. Stepanek, Editor

The financial performance of the largest security system providers in the United States — the SDM 100 — was measured and healthy in 2013. SDM 100 companies, which earn their revenues from the sale/installation, leasing, service, hosting and monitoring of electronic security systems, collectively grew their recurring monthly revenue (RMR) just over 3 percent in 2013 to \$663 million. Approximately nine of every 10 companies recorded an increase in RMR, while the remainder of companies was flat or declined by no more than 2 percent each.

“The market was strong,” emphasizes Ackerman Security Systems, ranked No. 22. “Just as the industry continued to outpace our economy, we had another profitable and successful year utilizing cutting-edge technologies.” Ackerman Security’s three best-performing vertical markets were education, healthcare and commercial. The company grew RMR by 19.1 percent during 2013.

No. 6-ranked Protection 1, which experienced a 7.7 percent increase in RMR, attributes 2013’s healthy market in part to previously stifled demand. “We saw substantial growth in our

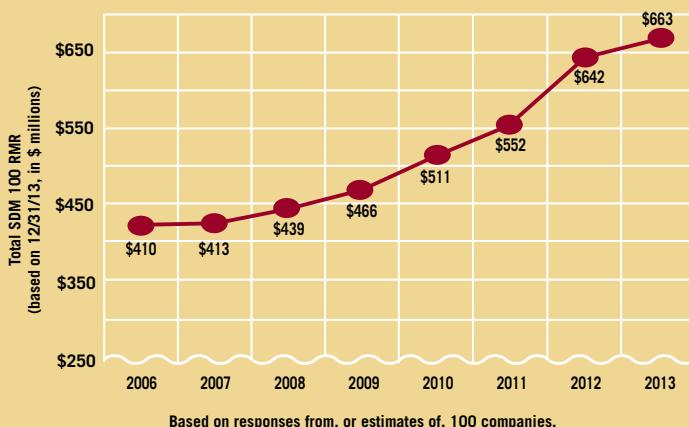
national account and integrated systems division. In addition, we started to see companies release planned budgets in 2013 that were pent up in 2012 due to weaker financial markets,” the company notes. Protection 1’s strongest growth areas in 2013 were retail, banking/financial and industrial markets.

World Wide Security & GC Alarm Inc., ranked No. 73, concurs there was “greater demand for security services and an increase in budgets to accomplish security goals.” The company, which logged a 3.2 percent increase in RMR, notes the best growth areas were video and managed services.

Valley Alarm grew its RMR billings by 5.7 percent during 2013, landing at No. 86 on the SDM 100. The company acknowledges that 2013 was “slightly better [than 2012] due to pent-up demand caused by deferred spending during the past few years’ recession and stagnant economy.”

SDM 100 companies that weighed in on the active market segments seem to agree that business in commercial markets outpaced residential, with the exception of multi-family sales. “All markets seem to be trending upwards in our area and the most

### RMR up 3.3 Percent

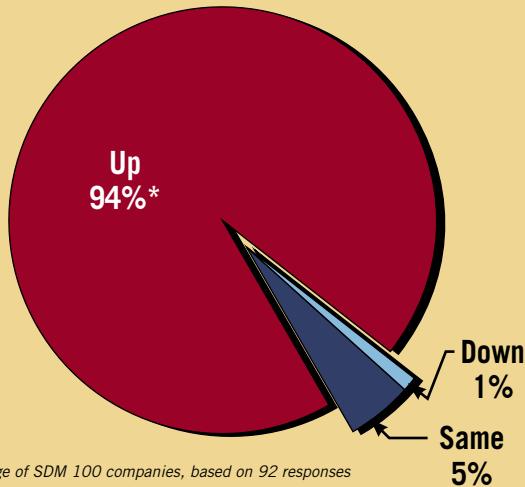


Based on responses from, or estimates of, 100 companies.

In 2013, the SDM 100 Report included several large systems integrators for the first time, including Tyco Integrated Security, Diebold Security, G4S Technology, and RFI Communications & Security Systems, resulting in a 16 percent increase in recurring monthly revenue (RMR). With those companies now ranked for the second time, the 2014 SDM 100 Report reflects a more stable measurement of RMR growth. This prime revenue stream for SDM 100 companies grew an average of 3.3 percent, from \$641.8 billion in 2012 to \$663.0 billion in 2013. Approximately nine of every 10 SDM 100 companies grew their RMR, while the remainder were flat or declined by no more than 2 percent each.

Source: 2014 SDM 100, SDM Magazine, May 2014

## Prediction for 2014 Revenue: Excellent

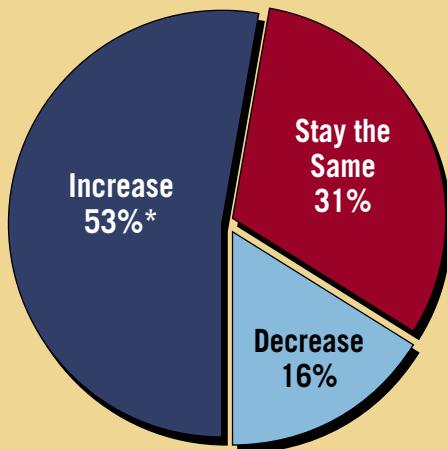


\*percentage of SDM 100 companies, based on 92 responses  
Source: 2014 SDM 100, SDM Magazine, May 2014

*This time last year, 86 percent of SDM 100 companies predicted that their total annual revenue would improve in 2013 compared with 2012. They did better than predicted: 89 percent of companies for which revenue could be compared year-over-year experienced an actual increase in RMR. For 2014, 94 percent say the outlook is excellent for growth.*

## SDM 100 Profit Margins

SDM 100 companies were asked, "Did your company's net profit margin increase, decrease or stay about the same in 2013 compared with 2012?"



\*percentage of SDM 100 companies, based on 88 responses  
Source: 2014 SDM 100, SDM Magazine, May 2014

*More than half of SDM 100 companies reported they increased their net profit margins in 2013, and among those that did, the average rate of increase was 10.6 percent. Approximately three in 10 companies (31 percent) had no change in net profit.*

significant growth happened in the commercial market," notes Fleenor Security, No. 100. "It seems commercial lending relaxed a little, making funds for commercial growth available and thus trickled down to our industry."

Some of the lucrative areas noted by SDM 100 companies were technology businesses, medical/healthcare, manufacturing/distribution, utilities, energy, corporate office space, and small commercial business. The fire protection market also provided generous sales and service opportunities in 2013, according to the SDM 100, as did conversions from analog to digital technology in video surveillance systems.

"In the healthcare market, [growth] is due to the increased regulations surrounding HIPAA and needing to track and audit access to records, medications and physical space. In the education market, it is due to the continued threats to schools and our children and how to protect them in all ways possible," comments Custom Alarm, No. 91.

New construction showed promise; several dealers were able to tap into large projects for the first time since the recession ended. "The market was strong and the construction market grew, allowing us to get into some new locations as well as replace systems that consumers were holding off on," notes Per Mar Security Services, which grew its RMR by 6.9 percent and moved up two places to rank at No. 29. "The economy is continuing to come back from the recession and people are getting more comfortable spending money on capital expenditures and security again."

Despite some dealers saying their residential business was flat or down, those dealers who specialize in residential generally had a positive year, marked by increased spending on home automation capabilities and interactive services.

"The market was stronger in 2013 than 2012, especially in the adoption of home automation," says Vivint Inc., ranked No. 5, with 23.1 percent growth in RMR. The company reports that almost all of its 2013 systems were home automation-enabled, while 61 percent of customers adopted at least one home automation feature, up 8 percent from 2012.

"The market was strong. We experienced our highest growth in our home technologies department in our company history," says Security Force Inc., which had a 70.4 percent surge in RMR and moved up to No. 57.

Security Force is an AiN Group dealer, along with Guardian Protection Services, which noted that home automation services are "on the rise." Guardian Protection Services, up 12.5 percent in RMR, is vigilant about the residential segment experiencing "significant competition with respect to the various service offerings out in the market and sizable new entrants into the security space."

No. 87, Advent Security Corporation, also felt the pinch from the new home security/automation competitors, saying, "The market itself was strong but the number of telco companies has devalued the purchase price, making the profit margin go down."

More than half of SDM 100 companies reported that they increased their net profit margins in 2013, and among those that did, the average rate of increase was 10.6 percent.

Continues on page 66

RANK 2014	RANK 2013	COMPANY / HEADQUARTERS	RECURRING MONTHLY REVENUE, DEC. 31, 2013	RMR UP/DOWN COMPARED WITH DEC. 31, 2012 (%)	SUBSCRIBERS	SALES REVENUE, RES. INSTALLS 2013	SALES REVENUE, NON-RES. INSTALLS 2013	GROSS REVENUE 2013 (\$ MIL)	FULL TIME EMPLOYEES	NO. OF LOCATIONS
1	1	<b>ADT</b> Boca Raton, Fla.	\$253,414,396e	4.8 ↑	6,428,266e	na	na	\$3,378,387,889	16,000e	200
2	2	<b>Tyco Integrated Security</b> Boca Raton, Fla.	\$62,500,000e	na	500,000e	na	na	\$3,891,000,000e	10,000e	200e
3	3	<b>Stanley Convergent Security Solutions</b> Indianapolis, Ind.	\$54,200,000e	na	550,000e	na	na	\$1,259,960,000e	8,300e	100e
4	5	<b>Monitronics International</b> Dallas, Texas	\$42,785,787	33.3 ↑	1,046,155	na	na	\$451,033,000	1,100	3
5	4	<b>Vivint Inc.</b> Provo, Utah	\$42,200,000	23.1 ↑	801,773	na	na	\$500,908,338	2,546	5
6	6	<b>Protection 1</b> Romeoville, Ill.	\$28,000,000	7.7 ↑	1,500,000	\$20,200,000	\$90,400,000	\$429,600,000	2,743	74
7	7	<b>Slomins Inc.</b> Hicksville, N.Y.	\$17,412,364	10.8 ↑	302,358	\$36,882,600	\$56,245,940	\$314,093,422	670	6
8	8	<b>Diebold Security</b> Uniontown, Ohio	\$13,800,000	8.7 ↑	200,000	na	na	\$2,857,000,000	0	110
9	9	<b>Vector Security Inc.</b> Pittsburgh, Pa.	\$13,500,000	21.6 ↑	285,077	\$12,465	\$76,000,000	\$256,204,000	0	38
10	10	<b>Guardian Protection Services</b> Warrendale, Pa.	\$11,458,849	12.5 ↑	278,736	\$29,293,345	\$6,898,988	\$158,283,860	929	13

e = SDM estimate na = not available or not applicable

No. 3 – SDM’s 2009 Dealer of the Year. ■ No. 4 – Acquired dealer-program company, Security Networks, ranked No. 14 on the 2013 SDM 100. ■ No. 5 – Recognized in February by Forbes as one of the 100 most promising companies and in October by Inc. Hire as the No. 2 top job-creating private company in America. SDM’s 2011 Dealer of the Year. ■ No. 6 – 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. 8 – SDM’s 2011 Systems Integrator of the Year. ■ No. 9 – SDM’s 2003 Dealer of the Year. ■ No. 10 – Company expanded its dealer program value proposition to include a financing option for qualified dealers, permitting dealers to retain a percentage of the accounts they produce. SDM’s 2013 Dealer of the Year and 1999 Dealer of the Year.

## Key to Using the SDM 100

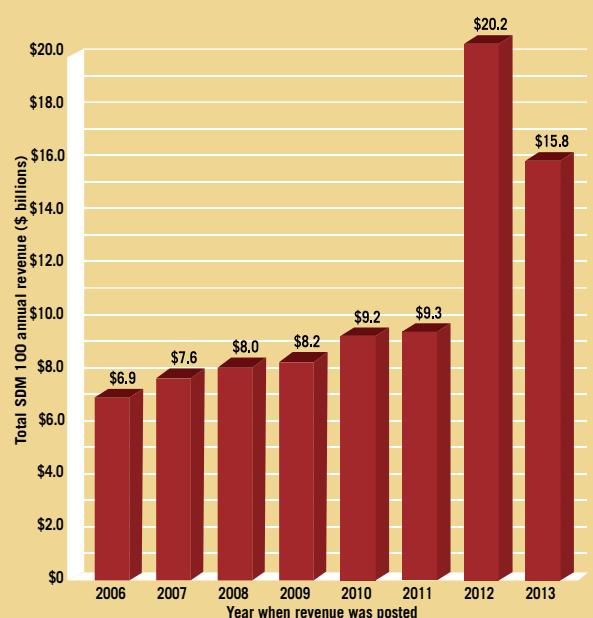
The 2014 SDM 100 ranks U.S. companies that provide electronic security systems and services to both residential and non-residential customers. This ranking is based on information provided to or, in few cases, estimated by SDM. Ranked companies were asked to submit an audited or reviewed financial statement, or a copy of their income tax return.

The main table, which begins on this page, ranks 100 companies by their recurring monthly revenue (RMR) of December 31, 2013. The company 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, 2013, RMR.
- Prior year rank.
- Company name, as used in the marketplace, and headquarters location.
- Amount of RMR billed on December 31, 2013.
- Percentage of RMR increase/decrease compared with December 31, 2012.
- Number of subscribers (recurring-billable customers) at year-end 2013.
- Amount of sales revenue from residential system installations in 2013.
- Amount of sales revenue from non-residential system installations in 2013.
- Total gross revenue in millions of dollars. This number represents total revenue in calendar-year or (the company’s) fiscal-year 2013 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: \$15.8 Billion



Total annual revenue for the SDM 100 companies was \$15.8 billion in 2013. The apparent decline in total annual revenue between 2012 and 2013 is strictly the result of SDM over-estimating revenue for Tyco Integrated Security in 2012. Total gross revenue grew positively for most SDM 100 companies in 2013.

RANK 2014	RANK 2013	COMPANY / HEADQUARTERS	RECURRING MONTHLY REVENUE, DEC. 31, 2013	RMR UP/DOWN COMPARED WITH DEC. 31, 2012 (%)	SUBSCRIBERS	SALES REVENUE, RES. INSTALLS 2013	SALES REVENUE, NON-RES. INSTALLS 2013	GROSS REVENUE 2013 (\$ MIL)	FULL TIME EMPLOYEES	NO. OF LOCATIONS
11	11	<b>ASG Security</b> Beltsville, Md.	\$8,750,139	10.8 ↑	218,361	\$12,660,843	\$20,563,652	\$132,610,177	1,090	22
12	12	<b>Interface Security Systems Holdings</b> Earth City, Mo.	\$8,411,787	7.6 ↑	103,692	\$1,400,000	\$24,000,000	\$126,678,967	842	22
13	13	<b>Bay Alarm Company</b> Pacheco, Calif.	\$7,781,772	7.4 ↑	119,622	\$4,341,494	\$12,694,796	\$112,013,032	687	15
14	17	<b>Central Security Group Inc.</b> Tulsa, Okla.	\$6,314,260	20.9 ↑	195,645	\$410,000	\$411,000	\$74,303,763	380	9
15	15	<b>Protect America Inc.</b> Austin, Texas	\$6,103,900	16.2 ↑	158,854	\$2,581,811	na	\$70,209,790	389	1
16	16	<b>Security Systems Inc.</b> Cromwell, Conn.	\$5,708,189	9.3 ↑	150,329	\$665,000	\$100,000	\$59,636,700	196	3
17	19	<b>Alarm Capital Alliance</b> Newtown Square, Pa.	\$5,003,208	14.0 ↑	145,411	\$745,000	na	\$58,987,541	420	7
18	18	<b>Guardian Alarm Company</b> Southfield, Mich.	\$4,850,300	4.9 ↑	116,500	na	na	\$85,592,300	441	9
19	22	<b>CPI Security Systems Inc.</b> Charlotte, N.C.	\$4,742,450	15.9 ↑	111,760	\$3,770,000	\$1,345,000	\$61,913,520	448	6

e = SDM estimate na = not available or not applicable

No. 11 – SDM's 2008 Dealer of the Year. ■ No. 14 – Completed the purchase and assimilation of SecureNet Alarm Systems. ■ No. 16 – Entered the PERS business. ■ No. 17 – Developed proprietary dealer boarding platform and sales tool. Integrated three large acquisitions and established three new branch offices. Expanded corporate headquarters into a 24,000 sq. ft. new facility. ■ No. 19 – SDM's 2000 Dealer of the Year.

## SDM 100: Collective Strength

	2010	2011	2012	2013
<b>Total recurring monthly revenue</b>	\$510.7 mil	\$552.3 mil	\$641.9 mil	\$663.0 mil*
<b>Total subscribers</b>	12.2 mil	13.3 mil	18.4 mil	14.6 mil†
<b>Total annual revenue</b>	\$23.2 bil	\$9.3 bil	\$20.2 bil	\$15.8 bil**
<b>Total residential sales revenue</b>	\$146.6 mil	\$170.1 mil	\$171.9 mil	\$184.7 mil††
<b>Total non-residential sales revenue</b>	\$1.83 bil	\$852.47 mil	\$947.2 mil	\$714.7 mil††
<b>Business locations operated</b>	1,044	995	992	1,163
<b>Full time employees</b>	56,259	53,219	55,950	56,115***
<b>Part time employees</b>	512	1,037	1,950	4,846
<b>Acquisitions</b>	73	60	87	81
<b>Accounts gained</b>	49,178	34,242	79,269	125,688

Source: 2014 SDM 100, SDM Magazine, May 2014

The table, above, presents aggregate figures for the SDM 100 group of companies, which are ranked by their recurring monthly revenue (RMR) — an industry standard of valuation of a security installation/monitoring business. Most of the SDM 100 companies are privately held. Submitting RMR is required for ranking; other figures are not required but mostly provided. Most companies — 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 that some figures — such as total annual revenue, subscribers, and non-residential sales revenue — fluctuate from year to year due to inconsistent reporting by the ranked companies.

\* Total monthly recurring revenue, based on RMR of Dec. 31, 2013. Based on responses or estimates from 100 companies.

† Based on responses from or estimates of 95 companies. Not included: Kastle Systems; Safeguard Security; SSD Alarm Systems / Kern Security & Fire / McNeill Security & Alpha Alarm; Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL; Scarsdale Security Systems Inc.

\*\* Total annual (2013) 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 or estimates of 100 companies.

†† Based on responses from or estimates of 85 companies. Note: Some companies 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: ADT; Tyco Integrated Security; Stanley Convergent Security Solutions; Monitronics Int'l; Vivint Inc.; Diebold Security; Guardian Alarm Co.; Kastle Systems; Safe Security Companies; DTT; Electric Guard Dog; SafeTouch; Safeguard Security; SSD Alarm Systems / Kern Security & Fire / McNeill Security & Alpha Alarm; RLC Security Inc.; Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL; Scarsdale Security Systems Inc.; Fire Protection Inc.; Security Systems of America; Sonitrol of Indianapolis; Briscoe Protective Systems Inc.; SDT Inc.

Not included in Non-residential Sales Revenue are: ADT; Tyco Integrated Security; Stanley Convergent Security Solutions; Monitronics Int'l; Vivint Inc.; Diebold Security; Protect America Inc.; Alarm Capital Alliance; Guardian Alarm Co.; Kastle Systems; Safe Security Companies; SafeTouch; G4S Technology LLC; SSD Alarm Systems / Kern Security & Fire / McNeill Security & Alpha Alarm; RLC Security Inc.; Vision Security; Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL; Scarsdale Security Systems Inc.; Fire Protection Inc.;

\*\*\* Based on responses from or estimates of 96 companies. Not included: Diebold Security; Vector Security Inc.; Kastle Systems; Koorsen Fire & Security; Scarsdale Security Systems Inc.;

## On the Job: Projects That Shine

### SDT Inc.

2.0 University Place is an inner-city construction project in Philadelphia, and is the city's first LEEDS Platinum Pre-Certified "green" office building. Completed in the summer of 2013, Security and Data Technologies Inc. (SDT) provided the building-wide fire alarm and detection system

as well as tenant-specific integrated security solutions. As part of an overall integrated security package, for the U.S. Citizenship and Immigration Services (a tenant in the 2.0 University Place facility),

SDT provided a FICAM (Federal Identity, Credential and Access Management), HSPD-12 (Homeland Security Presidential Directive 12)-compliant access control system, using FIPS200-compliant card readers. A security system and IP-based HD CCTV were also supplied and integrated with the access control system.

### Protection 1

Protection 1 did a conversion for Rite Aid, a customer with 4,600 stores who needed the entire process completed within a six-month time frame. P1 put its "Seal Team" on the project. Seal Team is a group of highly trained Protection 1 technicians named for their quick effectiveness and mobile attributes. In the first month, the Seal Team was able to convert 500 custom sites with minimal disruption to the customer. Over the six months of working on the Rite Aid project, the Seal Team hit a max at 740 conversions in one month. Each store was considered custom because there were number of variables to work with; stores had many different types of legacy security systems that needed to be converted or replaced completely. Additionally, some Rite Aid locations had pharmacies that had special requirements; some were part of a green initiative that allowed for lower electric bills if lighting controls were activated with the alarm system; and some required multiple communication paths.

P1 also credits its National Account Operations Center (NAOC) in Irving, Texas. "The NAOC houses our national account support team who communicated daily with the customer and the Seal Team to discuss status updates, subsequent store conversions and to help resolve any issues quickly," the company described.

### Advent Security Corp.

Advent Security combined several existing burglar and fire alarm systems in a building that was multi-level and multi-purpose (residential and commercial). The original systems were installed separately. This involved combining the systems using some existing equipment, installing new equipment and reconfiguring all of the zones (some of which were unknown). A portion of the building was under construction and the installation was further complicated by the plans and township requirements continually being changed.

### Guardian Protection Services

One of Guardian Protection Services' larger commercial clients is based on a campus environment comprised of 12 buildings with an additional four remote facilities located in the same region. Over the years, guards were deployed to each building and the alarms and cameras for each were terminated at the guard station in each lobby. About a year ago Guardian Protection began discussions with the end user that involved the development of a central security command

center located on the main campus, where all of these assets would be concentrated for a greater unity of command. The final result was the design and installation work which included: Converting the remaining analog video to IP while containing cost by using the existing cable; installing custom cabinetry that houses eight 42-inch DVI display panels; and interfacing these with a VMS server rendering a virtual matrix and spot monitor screen for the 240 cameras at all 16 buildings. One of the screens is dedicated to serving as an event log of the access control system for all 248 doors on the system. Alarms from all 16 buildings also are integrated into the access software and appear in the event log along with the event-driven video. The end user greatly reduced the number of guards while increasing their efficiency and accountability.

### First Alarm

First Alarm installed an integrated intrusion, access, and IP video system in a multi-building office complex. Access control breaches or intrusion events from the system are viewed at First Alarm's central station, and mobile patrol officers respond to investigate when appropriate.

### Ackerman Security Systems

For a major food service company, Ackerman Security Systems recently replaced a 32-camera analog video system with a 24-terabyte hybrid DVR. Additions to the system were 11 8MP 180-deg. IP cameras inside and 11 outside, plus nine additional 2MP IP bullet cameras and two 1.3MP mini domes. Four 42-inch LED TVs were added to the break room with HDMI extenders, for presentations from a laptop. One 42-inch LED TV was installed in the dock office to monitor the camera system; and several office software clients were set up to view the cameras from their PCs. At the client's request, an IT cabinet was added to the warehouse cooler area with a 48-port switch, and fiber optics run between the main IDF room and the new IDF cabinet. Forty-eight new network drops were performed to various locations throughout the warehouse and warehouse office, and 10 AP devices were added for handheld scanners. Working with the customer's telephone vendor, Ackerman agreed to install 28 additional speakers, two amplifiers, and a digital stereo tuner to the warehouse areas for the PA system.

### Custom Alarm

Custom Alarm is very proud of the integrated security and fire alarm system it completed in 2013 for a new school. The system consists of an integrated IP intercom system tied in with the access control with lockdown, as well as more than 60 IP cameras and tied in with the fire alarm and PA system. The Custom Alarm team worked with the customer to identify the areas for access and CCTV views through a custom-designed building map system. With one click, the customer can check status on a point on the map. The access system also operates as their intrusion system which ties in with their PA system. When the system is arming or armed up, it will communicate through the PA system, notifying anyone in the building that the system is changing to an armed status. "The successful completion of this installation ahead of deadline and exceeding the customer's expectations was a big win for all involved at Custom Alarm," the company described.

PHOTO BY ED SHUHART, SET/SDT INC.



PHOTO BY JEFFREY GOHRING/ACKERMAN SECURITY SYSTEMS



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20	21	<b>Kastle Systems</b> Falls Church, Va.	\$4,500,000	9.8 ↑	na	na	na	\$74,000,000	0	8
21	29	<b>SAFE Security Companies</b> San Ramon, Calif.	\$4,138,272	138.6 ↑	117,162	na	na	\$37,532,315	101	1
22	25	<b>Ackerman Security Systems</b> Atlanta, Ga.	\$2,686,088	19.1 ↑	111,460	\$7,804,720	\$5,282,590	\$45,496,065	299	2
23	23	<b>AFA Protective Systems Inc.</b> Syosset, N.Y.	\$2,501,000	-1.5 ↓	47,720	\$250,000	\$33,250,000	\$75,809,448	443	18
24	24	<b>Alarm Detection Systems Inc.</b> Aurora, Ill.	\$2,325,352	1.9 ↑	27,222	\$688,915	\$4,607,829	\$34,952,974	211	3
25	26	<b>ADS Security L.P.</b> Nashville, Tenn.	\$2,232,199	6.9 ↑	70,805	\$1,900,757	\$4,813,699	\$35,760,284	262	15
26	28	<b>DTT</b> Los Angeles, Calif.	\$2,181,000	22.6 ↑	9,574	na	\$1,982,000	\$23,923,893	356	3
27	30	<b>Electric Guard Dog</b> Columbia, S.C.	\$1,984,193	16.2 ↑	2,894	na	\$2,400,000	\$22,396,857	99	1
28	27	<b>SafeTouch</b> Jacksonville, Fla.	\$1,936,871	2.7 ↑	79,917	na	na	\$29,079,539	221	5
29	31	<b>Per Mar Security Services</b> Davenport, Iowa	\$1,723,102	6.9 ↑	34,176	\$1,269,899	\$17,648,459	\$43,927,842	332	13
30	32	<b>G4S Technology LLC</b> Omaha, Neb.	\$1,686,000	10.0 ↑	1,027	na	\$80,000,000	\$135,525,000	671	19
31	33	<b>Mountain Alarm</b> Ogden, Utah	\$1,445,000	18.0 ↑	22,923	\$423,800	\$13,500,000	\$24,219,114	153	6
32	34	<b>Safeguard Security</b> Scottsdale, Ariz.	\$1,381,805	24.3 ↑	na	\$2,793,269	\$10,294,223	\$34,226,000	180	3
33	36	<b>First Alarm</b> Aptos, Calif.	\$1,255,797	7.7 ↑	19,690	\$1,400,000	\$4,250,000	\$22,778,520	138	5
34	40	<b>NorthStar Alarm Services LLC</b> Orem, Utah	\$1,240,919	24.5 ↑	27,461	\$400,000	na	\$13,966,126	37	1
35	37	<b>EPS Security</b> Grand Rapids, Mich.	\$1,228,758	7.0 ↑	19,016	\$1,031,298	\$7,839,916	\$24,684,399	196	6
36	35	<b>SSD Alarm Systems / Kern Security &amp; Fire / McNeill Security &amp; Alpha Alarm</b> Anaheim, Calif.	\$1,171,892	0.1 ↑	na	na	na	\$32,086,659	305	13
37	38	<b>General Security Inc.</b> Plainview, N.Y.	\$1,138,743	2.9 ↑	44,802	\$1,637,455	\$3,840,995	\$20,275,889	160	9
38	39	<b>American Alarm &amp; Communications</b> Arlington, Mass.	\$1,112,566	10.4 ↑	21,306	\$2,019,164	\$12,318,351	\$31,084,547	213	5
39	42	<b>Kimberlite Corp.</b> Fresno, Calif.	\$956,932	1.3 ↑	6,070	\$25,000	\$3,128,594	\$15,478,129	107	8
40	41	<b>Sonitrol New England</b> Rocky Hill, Conn.	\$927,574	0.1 ↑	27,272	\$367,217	\$8,045,349	\$21,389,112	107	5

e = SDM estimate na = not available or not applicable

No. 22 – Year-over-year 16 percent increase in revenues, 57 percent increase in EBITDA, 20 percent increase in RMR — all organic. SDM's 2007 Dealer of the Year. ■ No. 25 – Instituting new company mission statement and Raving Fan Index companywide. ■ No. 29 – Created a sales culture for the first time that is allowing the company to hire salespeople that are more qualified, improve compensation plans and increase sales. ■ No. 31 – Acquired a competitor that was a offshoot from company in the 1960s. ■ No. 32 – SDM's 2002 Dealer of the Year. ■ No. 33 – Company is upgrading its MASTermind software. ■ No. 39 – Upgrading central station platform and IT infrastructure.

Continued from page 60

Approximately three in 10 companies had no change in net profit.

Even for security dealers who marked 2013 as an “average year” for sales and revenue growth, several expect 2014 to show improvement in sales opportunities, RMR gains, and profitability. Dealers continue to view 2008 as the “baseline” for exceptional performance, and admit that while 2013 was not near the 2008 level, business continues to strengthen each year.

“The overall climate continued to show an improvement. We saw strong growth in some verticals, with flat results in others. Overall, we see a moderate 6 percent to

8 percent growth trend,” says RFI Communications & Security Systems, No. 52.

Now in its 24th year of publication, the SDM 100 Report continues to prove that security is a significant concern of both homeowners and business leaders. As this fact continues to drive interest in and sales of security systems, dealers also are benefiting from an ongoing “technology refresh,” RFI observes, riding the wave of change from analog to IP-based technology, and capitalizing on the metamorphosis of security into a services-based industry marked by mobile platforms and interactivity.



# 24TH ANNUAL REPORT

RANK 2014	RANK 2013	COMPANY / HEADQUARTERS	RECURRING MONTHLY REVENUE, DEC. 31, 2013	RMR UP/DOWN COMPARED WITH DEC. 31, 2012 (%)	SUBSCRIBERS	SALES REVENUE, RES. INSTALLS 2013	SALES REVENUE, NON-RES. INSTALLS 2013	GROSS REVENUE 2013 (\$ MIL)	FULL TIME EMPLOYEES	NO. OF LOCATIONS
41	43	<b>Sonitrol Pacific</b> Portland, Ore.	\$914,020	1.3 ↑	4,320	\$35,000	\$2,628,255	\$14,122,133	78	5
42	44	<b>F.E. Moran Inc. Alarm and Monitoring Services</b> Champaign, Ill.	\$858,230	2.5 ↑	25,960	\$649,905	\$13,999,719	\$29,896,360	171	7
43	45	<b>EMC Security</b> Suwanee, Ga.	\$839,510	10.5 ↑	43,223	\$4,136,833	\$2,505,016	\$15,878,009	109	1
44	55	<b>RLC Security Inc.</b> Gibsonia, Pa.	\$835,377	56.9 ↑	19,707	na	na	\$7,851,580	2	1

e = SDM estimate na = not available or not applicable

■ No. 41 – Implemented new software programs. ■ No. 43 – Deployed iPads to every salesperson and installation/service personnel. Company is almost entirely paperless.

## 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	Monitronics International	988,937	1,046,155	4	32	AFA Protective Systems Inc.	11,200	47,720	23
2	Vivint Inc.	801,773	801,773	5	33	Post Alarm Systems	10,601	14,566	60
3	Protection 1	400,000	1,500,000	6	34	Crime Prevention Security Systems LLC	10,560	13,683	83
4	Slomins Inc.	280,000	302,358	7	35	Acadiana Security Plus	9,945	12,434	75
5	Guardian Protection Services	251,980	278,736	10	36	Electronix Systems Central Station Alarms Inc.	9,855	21,243	71
6	Vector Security Inc.	233,775	285,077	9	37	F.E. Moran Inc. Alarm and Monitoring Services	9,560	25,960	42
7	Protect America Inc.	158,854	158,854	15	38	EPS Security	9,500	19,016	35
8	Central Security Group Inc.	156,516	195,645	14	39	First Alarm	9,450	19,690	33
9	ASG Security	146,754	218,361	11	40	Matson Alarm Co. Inc.	9,300	20,133	51
10	Alarm Capital Alliance	116,329	145,411	17	41	Security Systems of America	8,333	13,278	77
11	CPI Security Systems Inc.	106,550	111,760	19	42	Habitec Security	8,000	15,166	62
12	Ackerman Security Systems	99,726	111,460	22	43	All Guard Alarm Systems Inc.	7,645	12,743	50
13	Bay Alarm Company	61,164	119,622	13	44	Security Equipment Inc.	6,983	15,659	46
14	Interface Security Systems Holdings Inc.	53,793	103,692	12	45	Advent Security Corporation	5,718	7,227	87
15	ADS Security L.P.	42,483	70,805	25	46	Bonds Alarm Co. Inc.	5,119	9,139	88
16	EMC Security	38,743	43,223	43	47	Richmond Alarm Company	4,947	10,125	81
17	General Security Inc.	34,948	44,802	37	48	Supreme Security Systems Inc.	4,726	7,501	53
18	NorthStar Alarm Services LLC	27,461	27,461	34	49	Alarmco Inc.	4,702	11,468	70
19	Custom Security Systems Inc.	20,249	28,927	49	50	Yarnell Security Systems	4,691	8,218	96
20	RLC Security Inc.	19,707	19,707	44	51	Gillmore Security Systems Inc.	4,603	6,303	80
21	Amherst Alarm Inc.	16,705	25,701	84	52	Allied Fire & Security	4,048	6,747	98
22	NCA	16,085	18,075	97	53	Peak Alarm Co. Inc.	3,919	11,915	66
23	Per Mar Security Services	15,424	34,176	29	54	Intertech Security	3,900	4,912	67
24	Blue Ridge Security Systems Inc.	15,344	36,403	64	55	Valley Alarm	3,785	8,229	86
25	Doyle Security Systems Inc.	14,468	24,114	45	56	Fleenor Security Systems	3,500	6,799	100
26	Sonitrol New England	13,692	27,272	40	57	Sentry Security	3,350	5,925	82
27	Custom Security Systems	13,409	47,279	55	58	Koorsen Fire & Security	3,307	13,670	56
28	Security Force Inc.	12,636	13,038	57	59	Safe Systems	3,211	9,944	65
29	Alarm Detection Systems Inc.	12,430	27,222	24	60	Custom Alarm	3,206	6,618	91
30	World Wide Security & GC Alarm Inc.	12,316	15,395	73	61	The Protection Bureau	3,184	7,767	69
31	American Alarm & Communications	11,795	21,306	38					

SDM 100 companies are ranked here by the number of their residential customers. Note that some of the larger companies, such as ADT, 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 2014	RANK 2013	COMPANY / HEADQUARTERS	RECURRING MONTHLY REVENUE, DEC. 31, 2013	RMR UP/DOWN COMPARED WITH DEC. 31, 2012 (%)	SUBSCRIBERS	SALES REVENUE, RES. INSTALLS 2013	SALES REVENUE, NON-RES. INSTALLS 2013	GROSS REVENUE 2013 (\$ MIL)	FULL TIME EMPLOYEES	NO. OF LOCATIONS
45	47	<b>Doyle Security Systems Inc.</b> Rochester, N.Y.	\$747,290	3.8 ↑	24,114	\$684,000	\$2,739,000	\$13,298,410	97	5
46	48	<b>Security Equipment Inc.</b> Omaha, Neb.	\$739,043	7.3 ↑	15,659	\$731,860	\$9,848,610	\$21,564,036	147	4
47	61	<b>Vision Security</b> Orem, Utah	\$696,321	46.7 ↑	14,507	\$16,720,268	na	\$24,474,962	47	1
48	59	<b>Select Security</b> Lancaster, Pa.	\$664,320	34.7 ↑	13,096	\$125,170	\$3,699,000	\$12,437,927	134	11
49	51	<b>Custom Security Systems Inc.</b> Baton Rouge, La.	\$627,209	9.5 ↑	28,927	\$1,460,293	\$1,075,951	\$10,821,860	69	1
50	49	<b>All Guard Alarm Systems Inc.</b> Hayward, Calif.	\$623,558	2.4 ↑	12,743	\$425,000	\$1,275,000	\$9,812,370	67	2
51	52	<b>Matson Alarm Co. Inc.</b> Fresno, Calif.	\$595,565	5.8 ↑	20,133	\$350,000	\$2,437,000	\$10,424,625	72	4
52	54	<b>RFI Communications &amp; Security Systems</b> San Jose, Calif.	\$574,339	7.0 ↑	2,986	\$491,625	\$43,609,599	\$45,031,602	254	5
53	50	<b>Supreme Security Systems Inc.</b> Union, N.J.	\$573,590	-0.5 ↓	7,501	\$322,689	\$1,048,408	\$8,850,458	72	1
54	74	<b>DynaFire Inc.</b> Casselberry, Fla.	\$557,880	44.5 ↑	5,638	\$1,800	\$3,857,385	\$10,626,777	131	4
55	53	<b>Custom Security Systems</b> Lacey, Wash.	\$548,657	0.4 ↑	47,279	\$267,303	\$1,901,836	\$10,297,941	103	3

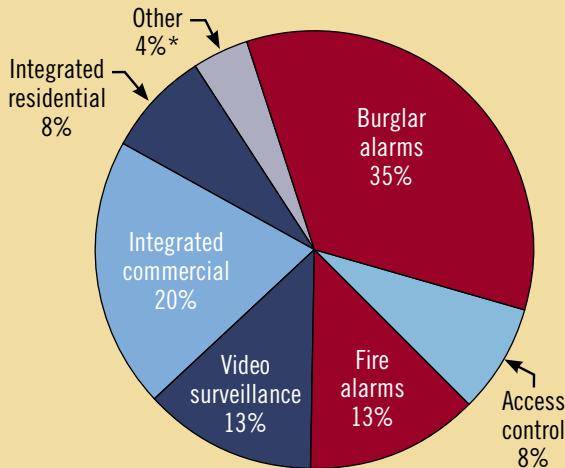
e = SDM estimate na = not available or not applicable

No. 46 – Deployed new central station automation software that offers extensive online tools for customers. ■ No. 49 – Converting from analog to IP video.

■ No. 51 – Installed new accounting and monitoring software.

## Revenue Segmented by Technology Categories

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



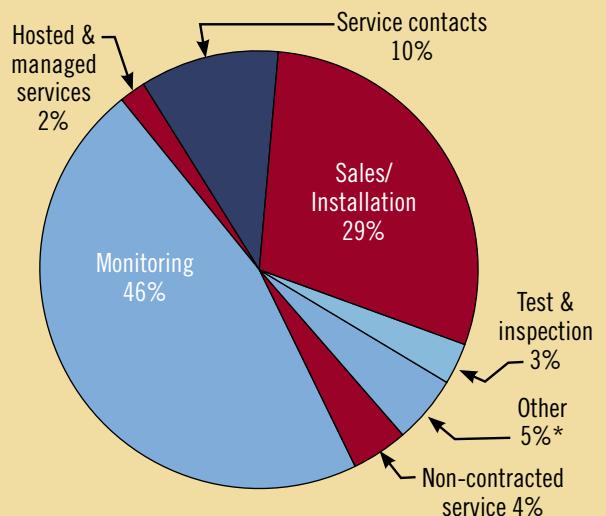
Total does not equal 100 percent due to rounding  
\*includes intercom, badging systems, PERS, perimeter security, IT hardware/software

Source: 2014 SDM 100, SDM Magazine, May 2014

Security companies derive their total revenue from a wide variety of product categories, including the single most sizable — burglar alarm systems, which comprised an average of 35 percent of security companies' revenue in 2013. Video surveillance as a stand-alone category gained 2 percentage points, increasing from 11 percent to 13 percent, on average, of SDM 100 revenue.

## Revenue Segmented by Business Services

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



\*includes equipment leases and sales of subscribers contracts.  
Total does not equal 100 percent due to rounding.

Source: 2014 SDM 100, SDM Magazine, May 2014.

Security companies derive their revenue from a wide variety of service categories, including the single most sizable — monitoring, which comprised an average of 46 percent of security companies' revenue in 2013. There were no significant differences compared with 2012.

RANK 2014	RANK 2013	COMPANY / HEADQUARTERS	RECURRING MONTHLY REVENUE, DEC. 31, 2013	RMR UP/DOWN COMPARED WITH DEC. 31, 2012 (%)	SUBSCRIBERS	SALES REVENUE, RES. INSTALLS 2013	SALES REVENUE, NON-RES. INSTALLS 2013	GROSS REVENUE 2013 (\$ MIL)	FULL TIME EMPLOYEES	NO. OF LOCATIONS
56	56	<b>Koorsen Fire &amp; Security</b> Indianapolis, Ind.	\$538,805	1.6 ↑	13,670	\$641,000	\$9,489,586	\$81,091,351	0	20
57	82	<b>Security Force Inc.</b> Raleigh, N.C.	\$531,837	70.4 ↑	13,038	\$500,000	\$65,000	\$9,227,836	50	3
58	57	<b>Sonitrol of Buffalo, Rochester, Toronto</b> Buffalo, N.Y.	\$509,835	-2.7 ↓	5,449	\$70,000	\$4,303,778	\$11,203,084	86	3
59	58	<b>Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL</b> Tallahassee, Fla.	\$505,638	2.3 ↑	na	na	na	\$9,195,483	64	6
60	60	<b>Post Alarm Systems</b> Arcadia, Calif.	\$503,012	2.7 ↑	14,566	\$240,973	\$1,146,812	\$10,286,759	119	2
61	63	<b>Sonitrol Tri-County</b> Grand Blanc, Mich.	\$487,741	3.0 ↑	9,842	\$71,545	\$2,737,250	\$9,557,048	66	3
62	64	<b>Habitec Security</b> Toledo, Ohio	\$479,494	2.3 ↑	15,166	\$650,000	\$1,800,000	\$9,526,000	83	3
63	62	<b>American Security Systems Inc.</b> Long Island City, N.Y.	\$468,100	-1.2 ↓	7,311	\$250,000	\$5,000,000	\$12,298,041	148	2
64	70	<b>Blue Ridge Security Systems Inc.</b> Anderson, S.C.	\$460,400	9.4 ↑	36,403	\$3,758,000	\$7,022,000	\$10,780,000	85	3
65	69	<b>Safe Systems</b> Louisville, Colo.	\$453,452	7.3 ↑	9,944	\$269,304	\$2,001,004	\$8,654,138	79	2
66	68	<b>Peak Alarm Co. Inc.</b> Salt Lake City, Utah	\$453,346	6.6 ↑	11,915	\$241,669	\$1,949,825	\$8,227,603	72	4
67	67	<b>Intertech Security</b> Pittsburgh, Pa.	\$449,871	3.9 ↑	4,912	\$165,000	\$14,875,000	\$23,700,000	132	7
68	65	<b>A-Com Protection Services Inc.</b> Columbus, Ga.	\$438,571	-1.8 ↓	15,057	\$1,212,205	\$1,150,400	\$8,057,458	60	6
69	66	<b>The Protection Bureau</b> Exton, Pa.	\$437,272	-1.9 ↓	7,767	\$109,487	\$6,541,143	\$14,640,620	86	3
70		<b>Alarmco Inc.</b> Las Vegas, Nev.	\$434,834	-1.6 ↓	11,468	\$400,000	\$650,000	\$6,657,818	90	1
71	75	<b>Electronix Systems Central Station Alarms Inc.</b> Huntington Station, N.Y.	\$417,400	10.2 ↑	21,243	\$525,686	\$3,472,276	\$9,432,660	65	1
72	71	<b>Sonitrol SW Ohio</b> Mason, Ohio	\$417,326	8.9 ↑	6,449	\$276,000	\$2,973,896	\$8,401,048	47	2
73	72	<b>World Wide Security &amp; GC Alarm Inc.</b> Garden City, N.Y.	\$415,000	3.2 ↑	15,395	\$900,000	\$1,400,000	\$7,900,000	50	1
74	73	<b>Scarsdale Security Systems Inc.</b> Scarsdale, N.Y.	\$409,100	4.1 ↑	na	na	na	\$13,813,033	0	2
75	76	<b>Acadiana Security Plus</b> Broussard, La.	\$401,739	8.1 ↑	12,434	\$662,564	\$891,275	\$8,385,635	67	1
76	79	<b>Fire Protection Inc.</b> Everett, Wash.	\$376,310	17.2 ↑	7,790	na	na	\$17,338,200	71	3
77	77	<b>Security Systems of America</b> Pittsburgh, Pa.	\$357,072	2.7 ↑	13,278	na	\$200,000	\$6,534,678	137	4
78	83	<b>Bates Security LLC / Sonitrol of Lexington</b> Lexington, Ky.	\$353,840	16.8 ↑	5,107	\$389,795	\$2,592,868	\$9,640,452	55	1
79	80	<b>Washington Alarm Inc.</b> Seattle, Wash.	\$322,348	2.6 ↑	5,869	\$215,461	\$986,481	\$6,034,796	45	1
80	84	<b>Gillmore Security Systems Inc.</b> Cleveland, Ohio	\$313,185	7.0 ↑	6,303	\$693,120	\$822,220	\$5,686,873	42	1
81	82	<b>Richmond Alarm Company</b> Midlothian, Va.	\$308,383	0.9 ↑	10,125	\$900,000	\$1,653,000	\$6,999,473	70	3
82	96	<b>Sentry Security</b> Wheeling, Ill.	\$298,076	29.6 ↑	5,925	\$135,000	\$1,865,777	\$5,920,220	22	1
83	87	<b>Crime Prevention Security Systems LLC</b> Gainesville, Fla.	\$290,400	2.7 ↑	13,683	\$2,448,294	\$395,086	\$8,315,680	76	2

e = SDM estimate na = not available or not applicable

No. 56 – Beginning an enterprise-wide IT upgrade and implementing a CRM system. ■ No. 60 – Upgrading are software to become almost 100 percent paperless. ■ No. 63 – Launched a version of Video Doorman into affordable housing buildings, resulting in 65 installations, \$845,000 installation revenue and \$45,000 in new RMR to date (as of Q1 2014). ■ No. 69 – SDM’s 2010 Dealer of the Year. ■ No. 72 – Nominated for the Cincinnati Better Business Bureau Torch Award for business practices and ethics. ■ No. 73 – Acquired and integrated a New York City-based integration firm. ■ No. 75 – Partnering with companies such as Astute Financial, OPT Business Services and ACH Payments for data mining, critical flash reporting, etc., to improve customer contact, business decisions and efficiency. ■ No. 78 – Awarded Lexington, Ky.’s local chamber’s Small Business of the Year Award. ■ No. 79 – Completing a complete conversion from STUs to AES radios for more than 250 customers. ■ No. 81 – Company “made significant gains” in the low-cost residential market. ■ No. 83 – As part of initiative to “reclaim company culture,” promoted some key employees into management roles.



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84	88	<b>Amherst Alarm Inc.</b> Amherst, N.Y.	\$288,012	5.5 ↑	25,701	\$1,800,000	\$1,560,000	\$5,907,963	57	1
85		<b>Hoffman Electronic Systems</b> Atwater, Calif.	\$281,946	12.6 ↑	4,425	\$181,676	\$429,998	\$3,383,354	37	2

e = SDM estimate na = not available or not applicable

■ No. 84 – Implementing major change in central station software and financial tools in forecasting. ■ No. 85 – First-time ranking on the SDM 100.

## TOP COMPANIES RANKED BY NON-RESIDENTIAL INSTALLATION REVENUE

RANK BY INSTALLATION REVENUE	COMPANY	NON-RESIDENTIAL INSTALLATION REVENUE, 2013	NON-RESIDENTIAL INSTALLATIONS, 2013	SDM 100 RANK	RANK BY INSTALLATION REVENUE	COMPANY	NON-RESIDENTIAL INSTALLATION REVENUE, 2013	NON-RESIDENTIAL INSTALLATIONS, 2013	SDM 100 RANK
1	Protection 1	\$90,400,000	25,146	6	34	Select Security	\$3,699,000	517	48
2	G4S Technology LLC	\$80,000,000	300	30	35	Electronix Systems	\$3,472,276	719	71
3	Vector Security Inc.	\$76,000,000	7,781	9	36	Kimberlite Corp.	\$3,128,594	75	39
4	Slomins Inc.	\$56,245,940	2,356	7	37	Triad Protective Service	\$3,080,105	135	99
5	RFI Communications & Security Systems	\$43,609,599	1,391	52	38	Sonitrol SW Ohio	\$2,973,896	285	72
6	AFA Protective Systems Inc.	\$33,250,000	6,500	23	39	Doyle Security Systems Inc.	\$2,739,000	550	45
7	Interface Security Systems Holdings Inc.	\$24,000,000	11,718	12	40	Sonitrol Tri-County	\$2,737,250	389	61
8	ASG Security	\$20,563,652	7,776	11	41	Sonitrol Pacific	\$2,628,255	410	41
9	Per Mar Security Services	\$17,648,459	7,186	29	42	Bates Security LLC / Sonitrol of Lexington	\$2,592,868	238	78
10	Allied Fire & Security	\$16,000,000	150	98	43	EMC Security	\$2,505,016	172	43
11	Intertech Security	\$14,875,000	850	67	44	Matson Alarm Co. Inc.	\$2,437,000	729	51
12	F.E. Moran Inc.	\$13,999,719	5,910	42	45	Electric Guard Dog	\$2,400,000	384	27
13	Mountain Alarm	\$13,500,000	1,559	31	46	Moon Security Services Inc.	\$2,164,229	396	93
14	Bay Alarm Company	\$12,694,796	9,500	13	47	Fleenor Security Systems	\$2,024,678	na	100
15	American Alarm & Communications	\$12,318,351	4,769	38	48	Safe Systems	\$2,001,004	1,068	65
16	Safeguard Security	\$10,294,223	207	32	49	DTT	\$1,982,000	2,625	26
17	Security Equipment Inc.	\$9,848,610	864	46	50	Peak Alarm Co. Inc.	\$1,949,825	1,518	66
18	Koorsen Fire & Security	\$9,489,586	2,000	56	51	Custom Security Systems	\$1,901,836	655	55
19	SDT Inc.	\$8,279,040	157	95	52	Sentry Security	\$1,865,777	65	82
20	Sonitrol New England	\$8,045,349	2,743	40	53	Habitec Security	\$1,800,000	500	62
21	EPS Security	\$7,839,916	1,000	35	54	Briscoe Protective Systems Inc.	\$1,717,242	103	92
22	Blue Ridge Security Systems Inc.	\$7,022,000	2,098	64	55	Richmond Alarm Company	\$1,653,000	260	81
23	Guardian Protection Services	\$6,898,988	2,968	10	56	Amherst Alarm Inc.	\$1,560,000	264	84
24	The Protection Bureau	\$6,541,143	689	69	57	Sonitrol of Indianapolis	\$1,548,261	170	89
25	Ackerman Security Systems	\$5,282,590	2,036	22	58	Atronic Alarms Inc.	\$1,501,554	na	94
26	Custom Alarm	\$5,161,014	904	91	59	World Wide Security & GC Alarm Inc.	\$1,400,000	300	73
27	American Security Systems Inc.	\$5,000,000	150	63	60	CPI Security Systems Inc.	\$1,345,000	1,552	19
28	ADS Security L.P.	\$4,813,699	3,039	25	61	All Guard Alarm Systems Inc.	\$1,275,000	458	50
29	Alarm Detection Systems Inc.	\$4,607,829	903	24	62	A-Com Protection Services Inc.	\$1,150,400	270	68
30	Sonitrol of Buffalo, Rochester, Toronto	\$4,303,778	187	58	63	Post Alarm Systems	\$1,146,812	459	60
31	First Alarm	\$4,250,000	1,350	33	64	Custom Security Systems Inc.	\$1,075,951	405	49
32	DynaFire Inc.	\$3,857,385	184	54	65	Supreme Security Systems Inc.	\$1,048,408	456	53
33	General Security Inc.	\$3,840,995	1,277	37					

SDM 100 companies are ranked here by the amount of their installation revenue from non-residential projects. Note that some of the larger companies, such as ADT, Tyco Integrated Security, and Stanley Convergent Security, 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.

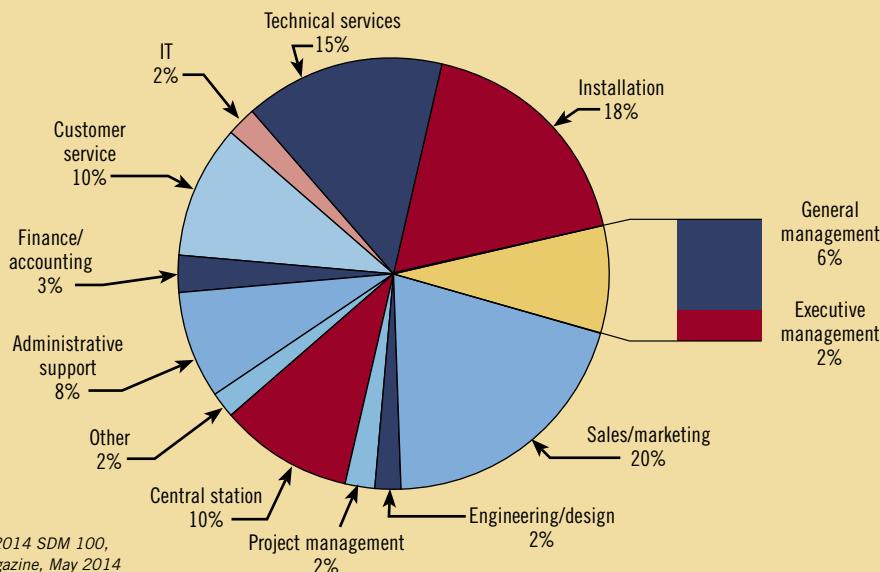
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86	91	<b>Valley Alarm</b> Sun Valley, Calif.	\$271,174	5.7 ↑	8,229	\$108,472	\$655,088	\$4,241,960	20	1
87		<b>Advent Security Corporation</b> Oreland, Pa.	\$263,608	-0.4 ↓	7,227	\$400,351	\$363,730	\$4,131,762	27	1
88	93	<b>Bonds Alarm Co. Inc.</b> Phoenix, Ariz.	\$262,724	6.5 ↑	9,139	\$213,000	\$500,000	\$4,060,563	31	3
89	89	<b>Sonitrol of Indianapolis</b> Indianapolis, Ind.	\$260,829	-0.9 ↓	1,985	na	\$1,548,261	\$4,880,000	28	1
90	90	<b>Pacific Alarm Systems Inc.</b> Culver City, Calif.	\$255,264	-0.7 ↓	4,100	\$143,595	\$457,912	\$4,078,359	33	1
91	92	<b>Custom Alarm</b> Rochester, Minn.	\$253,132	1.8 ↑	6,618	\$437,933	\$5,161,014	\$9,237,546	64	2
92	94	<b>Briscoe Protective Systems Inc.</b> Centereach, N.Y.	\$248,878	4.1 ↑	2,498	na	\$1,717,242	\$6,362,260	42	1
93	95	<b>Moon Security Services Inc.</b> Pasco, Wash.	\$247,566	2.2 ↑	7,072	\$1,271,056	\$2,164,229	\$9,159,518	98	3
94		<b>Atronic Alarms Inc.</b> Lenexa, Kan.	\$236,675	68.7 ↑	6,329	\$742,841	\$1,501,554	\$4,772,869	42	1
95	97	<b>SDT Inc.</b> Newtown, Pa.	\$234,055	3.1 ↑	633	na	\$8,279,040	\$13,157,467	85	1
96	98	<b>Yarnell Security Systems</b> Lancaster, Pa.	\$225,000	3.7 ↑	8,218	\$200,000	\$624,000	\$4,750,000	42	1
97	100	<b>NCA</b> Nashville, Tenn.	\$213,189	11.6 ↑	18,075	\$1,214,451	\$171,336	\$4,407,557	22	1
98		<b>Allied Fire &amp; Security</b> Spokane, Wash.	\$199,871	16.4 ↑	6,747	\$240,000	\$16,000,000	\$22,771,000	126	3
99		<b>Triad Protective Service</b> Union, N.J.	\$178,854	3.9 ↑	1,935	\$25,000	\$3,080,105	\$5,115,675	20	1
100		<b>Fleenor Security Systems</b> Johnson City, Tenn.	\$175,341	24.9 ↑	6,799	\$581,239	\$2,024,678	\$5,547,051	49	1

e = SDM estimate na = not available or not applicable

No. 87 – Advent has embraced “smart home, smart phone” technology and begun to market and upgrade existing customers. No. 90 – Partnered with a professional monitoring center in order to offer customers more security features. ■ No. 91 – Implemented new controls and measurements that have helped the company manage and run its business more efficiently and profitably. ■ No. 92 – Accomplished data conversion project from a Unix customized legacy software program, including 35 years of data, to SedonaOffice. ■ No. 94 – Implemented Sedona Office as its backend software. SDM’s 2004 Dealer of the Year. ■ No. 95 – Company added “very significant product lines” to enhance its ability to provide total integrated security solutions. ■ No. 97 – In 2013, 61 percent of NCA’s new subscriber accounts were conversions. ■ No. 98 – Purchased its own facility in Seattle. ■ No. 99 – First-time ranking on the SDM 100. ■ No. 100 – Recently upgraded operations and monitoring software. First-time ranking on the SDM 100.

## Makeup of a Security Staff

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



Installation and technical service jobs together comprise the single largest majority of positions within an SDM 100 company, together accounting for one-third, on average, of the employees on a security company’s workforce. The second largest group is sales and marketing, at an average of 20 percent of total workforce — up three percentage points from last year.

Source: 2014 SDM 100, SDM Magazine, May 2014



## RANK BY TOTAL ANNUAL REVENUE

RANK BY TOTAL REVENUE	COMPANY	TOTAL GROSS REVENUE, 2013	SDM 100 RANK	RANK BY TOTAL REVENUE	COMPANY	TOTAL GROSS REVENUE, 2013	SDM 100 RANK
1	Tyco Integrated Security	\$3,891,000,000	2	56	American Security Systems Inc.	\$12,298,041	63
2	ADT	\$3,378,387,889	1	57	Sonitrol of Buffalo, Rochester, Toronto	\$11,203,084	58
3	Diebold Security	\$2,857,000,000	8	58	Custom Security Systems Inc.	\$10,821,860	49
4	Stanley Convergent Security Solutions	\$1,259,960,000	3	59	Blue Ridge Security Systems Inc.	\$10,780,000	64
5	Vivint Inc.	\$500,908,338	5	60	DynaFire Inc.	\$10,626,777	54
6	Monitronics International	\$451,033,000	4	61	Matson Alarm Co. Inc.	\$10,424,625	51
7	Protection 1	\$429,600,000	6	62	Custom Security Systems	\$10,297,941	55
8	Slomins Inc.	\$314,093,422	7	63	Post Alarm Systems	\$10,286,759	60
9	Vector Security Inc.	\$256,204,000	9	64	All Guard Alarm Systems Inc.	\$9,812,370	50
10	Guardian Protection Services	\$158,283,860	10	65	Bates Security LLC / Sonitrol of Lexington	\$9,640,452	78
11	G4S Technology LLC	\$135,525,000	30	66	Sonitrol Tri-County	\$9,557,048	61
12	ASG Security	\$132,610,177	11	67	Habitec Security	\$9,526,000	62
13	Interface Security Systems Holdings Inc.	\$126,678,967	12	68	Electronix Systems Central Station Alarms Inc.	\$9,432,660	71
14	Bay Alarm Company	\$112,013,032	13	69	Custom Alarm	\$9,237,546	91
15	Guardian Alarm Company	\$85,592,300	18	70	Security Force Inc.	\$9,227,836	57
16	Koorsen Fire & Security	\$81,091,351	56	71	Redwire / Sonitrol of Tallahassee, Bay, NW FL, EC FL	\$9,195,483	59
17	AFA Protective Systems Inc.	\$75,809,448	23	72	Moon Security Services Inc.	\$9,159,518	93
18	Central Security Group Inc.	\$74,303,763	14	73	Supreme Security Systems Inc.	\$8,850,458	53
19	Kastle Systems	\$74,000,000	20	74	Safe Systems	\$8,654,138	65
20	Protect America Inc.	\$70,209,790	15	75	Sonitrol SW Ohio	\$8,401,048	72
21	CPI Security Systems Inc.	\$61,913,520	19	76	Acadiana Security Plus	\$8,385,635	75
22	Security Systems Inc.	\$59,636,700	16	77	Crime Prevention Security Systems LLC	\$8,315,680	83
23	Alarm Capital Alliance	\$58,987,541	17	78	Peak Alarm Co. Inc.	\$8,227,603	66
24	Ackerman Security Systems	\$45,496,065	22	79	A-Com Protection Services Inc.	\$8,057,458	68
25	RFI Communications & Security Systems	\$45,031,602	52	80	World Wide Security & GC Alarm Inc.	\$7,900,000	73
26	Per Mar Security Services	\$43,927,842	29	81	RLC Security Inc.	\$7,851,580	44
27	SAFE Security Companies	\$37,532,315	21	82	Richmond Alarm Company	\$6,999,473	81
28	ADS Security L.P.	\$35,760,284	25	83	Alarmco Inc.	\$6,657,818	70
29	Alarm Detection Systems Inc.	\$34,952,974	24	84	Security Systems of America	\$6,534,678	77
30	Safeguard Security	\$34,226,000	32	85	Briscoe Protective Systems Inc.	\$6,362,260	92
31	SSD Alarm Systems / Kern Security & Fire / McNeill Security & Alpha Alarm	\$32,086,659	36	86	Washington Alarm Inc.	\$6,034,796	79
32	American Alarm & Communications	\$31,084,547	38	87	Sentry Security	\$5,920,220	82
33	F.E. Moran Inc. Alarm and Monitoring Services	\$29,896,360	42	88	Amherst Alarm Inc.	\$5,907,963	84
34	SafeTouch	\$29,079,539	28	89	Gillmore Security Systems Inc.	\$5,686,873	80
35	EPS Security	\$24,684,399	35	90	Fleenor Security Systems	\$5,547,051	100
36	Vision Security	\$24,474,962	47	91	Triad Protective Service	\$5,115,675	99
37	Mountain Alarm	\$24,219,114	31	92	Sonitrol of Indianapolis	\$4,880,000	89
38	DTT	\$23,923,893	26	93	Atronic Alarms Inc.	\$4,772,869	94
39	Intertech Security	\$23,700,000	67	94	Yarnell Security Systems	\$4,750,000	96
40	First Alarm	\$22,778,520	33	95	NCA	\$4,407,557	97
41	Allied Fire & Security	\$22,771,000	98	96	Valley Alarm	\$4,241,960	86
42	Electric Guard Dog	\$22,396,857	27	97	Advent Security Corporation	\$4,131,762	87
43	Security Equipment Inc.	\$21,564,036	46	98	Pacific Alarm Systems Inc.	\$4,078,359	90
44	Sonitrol New England	\$21,389,112	40	99	Bonds Alarm Co. Inc.	\$4,060,563	88
45	General Security Inc.	\$20,275,889	37	100	Hoffman Electronic Systems	\$3,383,354	85
46	Fire Protection Inc.	\$17,338,200	76				
47	EMC Security	\$15,878,009	43				
48	Kimberlite Corp.	\$15,478,129	39				
49	The Protection Bureau	\$14,640,620	69				
50	Sonitrol Pacific	\$14,122,133	41				
51	NorthStar Alarm Services LLC	\$13,966,126	34				
52	Scarsdale Security Systems Inc.	\$13,813,033	74				
53	Doyle Security Systems Inc.	\$13,298,410	45				
54	SDT Inc.	\$13,157,467	95				
55	Select Security	\$12,437,927	48				

### How to Purchase the SDM 100 Directory

Wouldn't it be useful to have more information about each of the 100 companies ranked here? The 2014 SDM 100 Directory includes contact names, mailing addresses, telephone numbers, website URLs, product buyer names, and more. The SDM 100 Directory comes in Microsoft Excel format. To order, contact Heidi Fusaro at (630) 518-5470 or by e-mail to fusaroh@bnpmedia.com.

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### 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 revenue associated with the contractual agreement between a security company and its subscriber — derived from customer billing for services such as monitoring, contracted service/system maintenance, security-as-a-service/managed solutions, and leasing of security systems — and is typically the basis for valuation of a security company. RMR is the language of security company executives and is meaningful in comparative analysis among industry peers. Of the 100 security dealers ranked, 38 of them earned more than \$1 million in RMR in 2013.

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