

**SECURITY DISTRIBUTING & MARKETING**

# SDM<sup>®</sup>

*10th Annual*

# 100 SDM

ONE HUNDRED

*Untouchable Digital Video, p.72 ... Success Stories Sell Systems, p.68*

*ISC Expo/Chicago, June 20-22*

10th Annual

# SDM

## ONE HUNDRED

## Top Security Firms Extend Their Reach

*Through dealer programs and product diversification, the electronic security industry's largest companies attempt to gain market share and better profits.*

By Laura E. Stepanek  
Senior Editor, SDM

**D**ealer programs and product diversification were two main guiding strategies in 1999 among the SDM 100, *SDM Magazine's* 10th annual ranking of the largest electronic security installing firms by revenue. These two strategies—plus lots of hard work—were responsible for the exceptional growth in 1999 for SDM 100 companies. Revenues climbed 17 percent to \$4.46 billion.

In dealer programs, usually larger firms establish relationships with smaller independent companies to sell and install, then “feed” the monitoring contracts to the larger firm, or “parent” company. There are benefits for both sides. The parent is able to extend its market reach without physically opening new branch offices or acquiring whole operations; plus, it now has a consistent method for expanding its subscriber base and recurring monthly revenue, by purchasing subscriber contracts from prequalified dealers in its program.

Authorized dealer programs now have become widespread in the industry. As testament: six of the top 10 ranked firms—and 12 of the top 25—report that they operate dealer programs in which their company acts as the parent. An additional 23 companies

report that they participate in dealer programs in which another firm is the parent.

The SDM 100, like dealers throughout the security industry, also are developing adjunct markets to both distinguish themselves in the marketplace and improve profit margins. Traditionally a ranking of burglar alarm companies, the SDM 100 now is much more active in both commercial and residential integration, CCTV, fire alarm, and access control. Evidence: the percentage of total sales revenue derived from burglar alarms has dropped from 61 percent in 1997 to 54 percent in 1999.

Good news and challenges: As a group, the SDM 100 reported employing nearly 7,000 more people than the previous year. Still, they say their most current critical business challenge is finding new employees, distantly followed by protecting profit margins. **SDM**

*Staff editor Allison Perlik contributed to the SDM 100.*

**Editor's note:** For a firm to qualify for the SDM 100, it must be an installation company in the electronic security business. Questions about the SDM 100 should be sent in writing to Laura Stepanek, senior editor, *SDM*; e-mail [lstepanek@cahners.com](mailto:lstepanek@cahners.com); fax (847)390-2140.

## SDM 100 Stats

**This table presents the aggregate totals for the 2000 SDM 100. In a \$16.1 billion industry in 1999, these firms captured \$4.46 billion and counted more than eight million customers. It's important to note that most electronic security companies—even among the top 100—are privately held, and therefore, aren't required to release financial information. Most firms—but not all—reported recurring revenue, subscriber accounts, and installation volume. Therefore, one should exercise caution when using this information to extrapolate industry totals or to benchmark.**

Total 1999 annual revenue: **\$4.46 billion\***

Total subscribers (year-end 1999): **8.2 million\*\***

Recurring annual revenue: **\$2.92 billion** (annualized, based on reported RMR 12/31/99) †

Total installations/sales revenue: ††

Residential units/revenue: **1.47 million/\$106.5 million**

Non-residential units/revenue: **262,113/\$217.1 million**

Business locations: **1,051\*\*\***

People employed: **45,890 full-time; 786 part-time †††**

Number of firms operating Web sites: **72**

Source: 2000 SDM 100, SDM Magazine, May 2000

### Footnotes:

\* Total annual (1999) revenue from security system sales, installation, service, leasing and monitoring as reported to or estimated by *SDM*.

† Total annual (1999) recurring revenue, based on reported (or estimated) RMR of Dec. 31, 1999, and annualized by *SDM*. Based on responses (or estimates) from 94 firms. Not included: Honeywell Security Products, Guardomatic, SDA Security Systems, Custom Alarm, Sonitrol Management Corp., and SSD Systems/Kern Security Systems.

\*\* Based on responses (or estimates) from 88 firms. Not included: Sonitrol Management Corp., SSD Systems/Kern Security Systems, Greater Alarm, Safeguard Security Services, DGA Security Systems, First Alarm, SDA Security Systems, Koorsen Protection Services, Sonitrol of Silicon Valley, Sonitrol of Tallahassee, Guardomatic, Safe Systems.

†† Based on responses (or estimates) from 88 firms. (Note: Some

firms reported unit sales or installation revenues only, while most reported both.) Not included in either unit sales or revenue: Honeywell Security Products, Guardian Alarm Co., Dallas Security Systems/DSS Fire, DGA Security Systems, Post Alarm Systems, SDA Security Systems, Koorsen Protection Services, Sentry Alarm Systems of America, Custom Alarm, Guardomatic, Pacific Alarm Systems, and Safe Systems. These firms reported (or *SDM* estimated) unit sales only: ADT Security Services, Protection One Alarm Monitoring, SecurityLink from Ameritech, Brink's Home Security, Edison Security Services, SSD Systems/Kern Security Systems, First Alarm, and SCANA Security.

\*\*\* Business locations based on responses from 99 firms. Not included: Edison Security Services.

††† Based on responses from 93 firms. Not included: Honeywell Security Products, Edison Security Services, Greater Alarm, DGA Security Systems, Koorsen Protection Services, Sentry Alarm Systems of America and Guardomatic.

### SDM 100 Notes & Quotes

**No. 2:** "Last year, we began a comprehensive plan to improve customer service, reduce the cost of adding customers and to de-leverage our balance sheet. During the third and fourth quarters of 1999, our efforts continued to improve customer service, integrate operations and build the platform for controlled, economic growth," said Annette Beck, president and COO of Protection One, in a press release dated March 29, 2000.

**No. 3:** "SecurityLink has teamed with Home Director Inc. to deliver home networking systems to U.S. homeowners. This partnership offers a turnkey solution for home builders. Under the agreement, SecurityLink becomes the first national systems integrator for Home Director," the firm stated.

**No. 9:** "1999 was once again an exciting year for Bay Alarm Co. Our focus continued to be the growth of recurring revenue and profitable sales, which included enhanced installation efficiencies. As a technology company preparing for the year 2000, we are extremely pleased with the outstanding

development of our Information Systems processes," said Howard Himmelman, vice president of sales.

**No. 24:** Per Mar Security consolidated five central stations into one super central station.

**No. 28:** Electronic Security Services Co. celebrates its 10th year in business.

**No. 44:** Doyle Security sold its industrial security business to focus the company on "RMR dollars," said Kevin Stone, executive vice president.

**No. 68:** "[We] doubled our facility size with a new conference center for end-user product seminars," said Kenneth Jacobs of JMG Security Systems Inc.

**No. 69:** "Moving away from zero or 'free' systems to higher grade 'sold' systems," said Onne Heeren, president of Custom Security Systems. "Higher priced systems produce better customers."

#### Some New Faces

\* No. 17: Centex Home Team Security, a division of Centex Corp.

\* No. 19: Security Solutions Inc.; operates 12 branches in the Southeast; an authorized ADT dealer.

\* No. 61: Alarmco; founded 1950.



**No. 42: Alert Alarm of Hawaii purchased a new facility near the Honolulu Int'l Airport.**



**No. 100: The team at A.C. Daughtry Inc., Montville, N.J.**

\* No. 65: National Protective Services/Security Systems Inc.

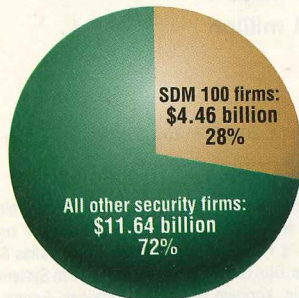
\* No. 80: Priority One Security.

\* No. 83: UPS; specializes in commercial integrated systems.

\* No. 91: Sonitrol Security Systems of Pittsburgh; since 1975.

\* No. 93: Sonitrol of Eugene/Salem.

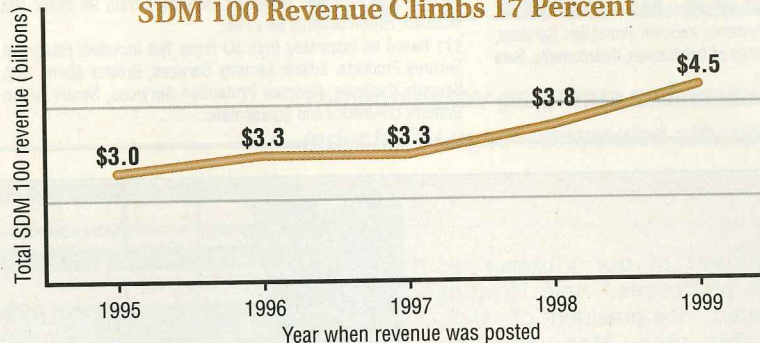
**Share of Market Exceeds 25 Percent for First Time**



Revenue in 1999 for SDM 100 firms was \$4.46 billion, or 28 percent of total industry revenue, which was \$16.1 billion. This is the first time since the SDM 100 has been published (May 1991) that these firms have exceeded 25 percent market share.

Based on SDM's 2000 Forecast Survey  
Source: 2000 SDM 100, SDM Magazine, May 2000

**SDM 100 Revenue Climbs 17 Percent**



Source: 2000 SDM 100, SDM Magazine, May 2000

SDM 100 revenue grew by 17 percent in 1999, largely because of the outstanding performance of the top 10 firms. Among the top 10 alone, performance in annual revenue was 23 percent higher than the previous year.

**Total Employees at SDM 100 Firms**

General management:	.746
Sales/marketing:	2,333
Installation:	2,297
Technical service:	1,384
Central station:	1,549
Customer service:	460
Administrative support:	1,046
Other:	334

**Avg. Employees per SDM 100 Firm**

General management:	.9
Sales/marketing:	.28
Installation:	.28
Technical service:	.17
Central station:	.19
Customer service:	.6
Administrative support:	.13
Other:	.4

Source: 2000 SDM 100, SDM Magazine, May 2000

SDM 100 firms reported employing nearly 7,000 more people on a full-time basis in 1999 than in 1998. The top table shows total full-time employees in various departments; the bottom table presents average employees per company.

**How to Use the SDM 100**

The 2000 SDM 100 ranks companies that provide electronic security systems and services to both residential and nonresidential customers. This ranking is based on information either provided to or 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 main table, which begins on page 53, ranks 100 firms by their 1999 total gross revenue. The firm with the highest revenue is ranked as No. 1, and so on.

For each of the 100 companies, the

following information is provided:

- ✓ Current year rank (in color print), which is based on total 1999 gross revenues.
- ✓ Previous year rank (in black print). If the firm was not previously ranked, then no number appears in this column.
- ✓ Company name as used in the marketplace (except in the case of No. 23) and headquarters city and state.
- ✓ Total gross revenue in millions of dollars. This number represents total revenue in calendar- or fiscal-year 1999 from security system sales/installation, service, leasing, and monitoring. An e following the revenue indicates it is an SDM estimate.
- ✓ Percentage of growth or descent

- from 1998 to 1999, where applicable.
- ✓ Number of subscribers (customers) each firm counted at year-end 1999. This number reflects contracts that are owned; it does not include additional subscribers that the firm may monitor but not own.
- ✓ Number of new system installations in 1999. The letter R represents residential systems; the letter C represents non-residential, or commercial.
- ✓ Number of full-time employees.
- ✓ Number of business locations in the U.S., including headquarters and branches.

These 100 firms are re-ranked by installation volume (p. 62) and by RMR (p. 64). To locate a firm by name, use the alphabetical index (p. 66)

## The 2000 SDM 100

Rank 2000•1999	Company, location	Gross revenue 1999 (\$ millions)	Growth rate '98 to '99	Subscribers (1999)	Installations (1999)	Full-time employees	Business locations
<b>1•1</b>	ADT Security Services Boca Raton, Fla.	\$1,700.0	27.8%	2,780,456	627,000 (R) 165,000 (C)	20,000	220
<b>2•3</b>	Protection One Alarm Monitoring Inc. Topeka, Kansas	\$605.2	43.7%	1,623,201	288,581 (R) n/a (C)	4,600	135
<b>3•2</b>	SecurityLink from Ameritech Oak Brook Terrace, Ill.	\$530.0 <sup>e</sup>	10.0%	1,215,000	170,000 (R) 25,000 (C)	6,500	114
<b>4•4</b>	Brink's Home Security Inc. Irving, Texas	\$228.7	12.3%	643,000	117,000 (R) 4,000 (C)	2,400	57
<b>5•5</b>	Honeywell Security Products Minneapolis	\$220.8 <sup>e</sup>	10.0%	275,000 <sup>e</sup>	n/a	n/a	55
<b>6•6</b>	Edison Security Services San Dimas, Calif.	\$90.0 <sup>e</sup>	0.0%	250,000 <sup>e</sup>	70,000 <sup>e</sup> (R) 5,000 <sup>e</sup> (C)	n/a	n/a
<b>7•7</b>	Slomin's Security Hicksville, N.Y.	\$80.2	18.2%	132,600	27,062 (R) 980 (C)	1,352	9
<b>8•11</b>	Vector Security Inc. Pittsburgh	\$67.6	63.0%	112,365	6,049 (R) 2,020 (C)	632	21
<b>9•9</b>	Bay Alarm Co. Walnut Creek, Calif.	\$50.0	0.0%	69,647	5,986 (R) 8,123 (C)	457	10
<b>10•10</b>	Guardian Alarm Co. Southfield, Mich.	\$45.0	0.0%	89,600	n/a	415	8
<b>11•12</b>	Guardian Protection Services Inc. Pittsburgh	\$41.8	12.8%	92,790	13,358 (R) 1,425 (C)	585	11
<b>12•17</b>	Sonitrol Management Corp. Westlake, Texas	\$38.0	29.3%	n/a	n/a (R) 2,300 (C)	391	21
<b>13•13</b>	AFA Protective Systems Syosset, N.Y.	\$37.3	9.0%	31,000	1,800 (R) 3,500 (C)	336	11
<b>14•14</b>	Smith Alarm Systems Dallas	\$33.9	1.4%	50,000	15,000 (R) 2,000 (C)	500	11
<b>15•16</b>	Interface Security Systems St. Charles, Mo.	\$32.9	11.0%	22,759	1,800 (R) 1,500 (C)	400	19
<b>16•20</b>	Protection Service Industries Rancho Cucamonga, Calif.	\$26.3	15.8%	60,500	1,914 (R) 2,800 (C)	313	13
<b>17•—</b>	Centex HomeTeam Security Dallas	\$23.6	n/a	19,756	10,339 (R) 486 (C)	313	12
<b>18•37</b>	Security First Pasadena, Calif.	\$20.7	120.5%	2,000	15,500 (R) 2,000 (C)	54	20
<b>19•—</b>	Security Solutions Inc. Raleigh, N.C.	\$19.3	n/a	1,950	11,246 (R) 791 (C)	145	12
<b>20•23</b>	Guardian Int'l & Mutual Central Alarm Hollywood, Fla.	\$18.2	20.2%	25,801	1,992 (R) 1,095 (C)	200	4
<b>21•21</b>	Alarm Detection Systems Inc. Aurora, Ill.	\$17.8	4.4%	19,569	136 (R) 2,210 (C)	162	2
<b>22•15</b>	Protect America Inc. Round Rock, Texas	\$17.0	-45.3%	13,500	17,000 (R) n/a	419	22
<b>23•19</b>	SLP Ventures L.P. St. Louis	\$16.8	-27.9%	46,824	3,244 (R) 200 (C)	105	14
<b>24•24</b>	Per Mar Security Services Davenport, Iowa	\$16.0	6.8%	26,345	820 (R) 1,980 (C)	207	13
<b>25•27</b>	Checkpoint Ltd. & Adelphia Security Naples, Fla.	\$13.9	16.5%	47,139	3,600 (R) 900 (C)	253	6
<b>26•25</b>	SSD Systems/Kern Security Systems Anaheim, Calif.	\$13.8	6.3%	n/a	511 (R) 1,804 (C)	201	8

KEY: e=SDM estimate R=residential C=commercial or non-residential n/a=not available or not applicable

**1.** ADT Security Services tripled its residential installation volume in 1999. ADT recurring revenue is an SDM estimate; **2.** Total systems installed for Protection One (288,581) includes systems that were both installed and purchased; **3.** SecurityLink from Ameritech financial data is an SDM estimate; **5.** All data for Honeywell Security Products is an SDM estimate; **6.** All data for Edison Security Services is an SDM estimate; **7.** Both total revenue and subscriber account base for Slomin's Security increased by 18%; **8.** Vector Security acquired the security business of Response USA on Sept. 30, 1999; **11.** Guardian Protection is SDM's 1999 Dealer of the Year; **16.** The PSI dealer program experienced an 836% increase in units installed on a run-rate basis and a 300% increase in the number of dealers; **17.** Centex Home Team Security is a division of Centex Corp., a Fortune 500 company specializing in the building and related financial services businesses; **20.** Guardian Int'l purchased 3,000 accounts; branched into home systems market (see related story on page 125); **21.** Alarm Detection Systems nearly tripled its installation volume; **22.** Protect America's revenue declined 45 percent due to a shift in strategy regarding the participation in a dealer program. In 2000, the firm expects recurring revenue to increase 100 percent, but total revenue to decrease 30 percent because no contract sales are anticipated; **23.** SLP Ventures owns Digital Detection Systems.



**The 2000 SDM 100**

Rank 2000•1999	Company, location	Gross revenue 1999 (\$ millions)	Growth rate '98 to '99	Subscribers (1999)	Installations (1999)	Full-time employees	Business locations
<b>27•33</b>	Security Corp. Novi, Mich.	\$13.0	26.6%	2,200	41 (R) 752 (C)	103	6
<b>28•28</b>	Electronic Security Services Co. LP Nashville, Tenn.	\$12.9	9.3%	24,638	2,285 (R) 1,177 (C)	168	11
<b>29•31</b>	Protection Networks Boca Raton, Fla.	\$12.2	16.6%	12,670	5,997 (R) 1,199 (C)	181	6
<b>30•39</b>	Greater Alarm Irvine, Calif.	\$11.7	30.9%	n/a	n/a	n/a	5
<b>31•34</b>	Dallas Security Systems Inc./DSS Fire Inc. Dallas	\$11.4	11.7%	4,450	n/a	100	1
<b>32•32</b>	Safeguard Security Services Inc. Scottsdale, Ariz.	\$11.2	7.5%	n/a	1,000 (R) 150 (C)	225	2
<b>33•36</b>	DGA Security Systems Inc. New York	\$11.0	13.4%	n/a	n/a	n/a	2
<b>34•35</b>	Kimberlite Corp. Concord, Calif.	\$10.9	6.9%	6,378	82 (R) 548 (C)	130	7
<b>35•38</b>	E.P.S. (Engineered Protection Systems) Grand Rapids, Mich.	\$10.4	13.5%	7,063	420 (R) 550 (C)	100	5
<b>36•42</b>	First Alarm Aptos, Calif.	\$10.2	22.1%	n/a	491 (R) 994 (C)	103	5
<b>37•41</b>	Mountain Alarm Ogden, Utah	\$9.9	18.0%	17,137	1,212 (R) 890 (C)	99	7

KEY: e=SDM estimate R=residential C=commercial or non-residential n/a=not available or not applicable  
**28.** Electronic Security Services Co. is celebrating its 10th year in business; **29.** Protection Networks increased its subscriber base by 152 percent to 12,670 subscribers; **30.** Greater Alarm acquired one firm and substantially grew its internal sales/installation; **32.** Safeguard Security Services consolidated its operations and moved into a new facility; **34.** Kimberlite Corp. owns and operates 11 Sonitrol franchise dealerships in northern and central California; **37.** Mountain Alarm increased its subscriber base by 50 percent, to 17,137 subscribers.

**Law of Averages**

Average revenue per employee:  
 .....\$89,557

Average RMR per employee:  
 .....\$5,136/month

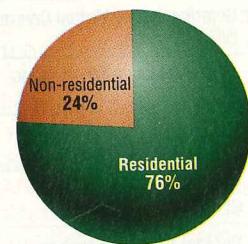
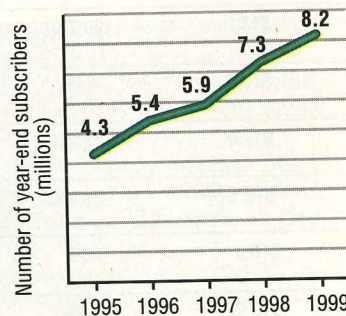
Average RMR per central station operator:  
 .....\$22,116/month

Average number of accounts per central station operator:  
 .....733

Source: 2000 SDM 100, SDM Magazine, May 2000

*These averages are based on full-time employees only, and calculated among firms from which both revenue and employee counts were available.*

**SDM 100 Grows Subscriber Base by 12 Percent**



Source: 2000 SDM 100, SDM Magazine, May 2000

Based on responses (or estimates) from 88 firms. Not included: Sonitrol Management Corp., SSD Systems/Kern Security Systems, Greater Alarm, Safeguard Security Services, DGA Security Systems, First Alarm, SDA Security Systems, Koorsen Protection Services, Sonitrol of Silicon Valley, Sonitrol of Tallahassee, Guardomatic, Safe Systems.

**Subscriber ownership jumped 12 percent to 8.2 million customers. Dealer programs in which smaller dealers "feed" larger ones with new customers played a large part in the growth. Among the entire SDM 100 subscriber base, more than three-fourths are residential. This is primarily attributable to the larger firms. Many other SDM 100 firms are more evenly split, or heavier on the commercial side.**

## The 2000 SDM 100

Rank 2000•1999	Company, location	Gross revenue 1999 (\$ millions)	Growth rate '98 to '99	Subscribers (1999)	Installations (1999)	Full-time employees	Business locations
<b>38•53</b>	Security One Systems Inc. Ft. Lauderdale, Fla.	\$9.2	42.3%	2,300	50 (R) 350 (C)	76	7
<b>39•60</b>	CPI Security Systems Charlotte, N.C.	\$8.8	56.6%	23,500	2,000 (R) 500 (C)	140	4
<b>40•47</b>	Central One Boca Raton, Fla.	\$8.8	17.3%	15,500	400 (R) 200 (C)	99	2
<b>41•44</b>	General Security Plainview, N.Y.	\$8.7	7.3%	25,360	3,080 (R) 620 (C)	93	7
<b>42•30</b>	Alert Alarm of Hawaii Honolulu	\$8.5	-19.4%	11,149	922 (R) 990 (C)	65	4
<b>43•40</b>	Post Alarm Systems Inc. Arcadia, Calif.	\$8.4 <sup>e</sup>	0.0%	18,600	n/a	57	2
<b>44•29</b>	Doyle Security Systems Inc. Rochester, N.Y.	\$8.3	-25.3%	13,511	621 (R) 430 (C)	78	5
<b>45•46</b>	SDA Security Systems Inc. San Diego	\$8.2	7.6%	n/a	n/a	84	2
<b>46•45</b>	Sonitrol Security Systems of Hartford Inc. Hartford, Conn.	\$8.1	3.8%	12,981	52 (R) 300 (C)	60	2
<b>47•43</b>	Supreme Security Systems Inc. Union, N.J.	\$8.1	-3.3%	11,475	497 (R) 491 (C)	87	1
<b>48•55</b>	Koorsen Protection Services Inc. Indianapolis	\$7.8	24.0%	n/a	n/a	n/a	16
<b>49•48</b>	Sonitrol of Silicon Valley San Jose, Calif.	\$7.8	6.8%	n/a	50 (R) 500 (C)	66	1
<b>50•58</b>	American Alarm & Communications Inc. Arlington, Mass.	\$7.6	26.8%	12,351	652 (R) 780 (C)	75	1
<b>51•59</b>	Ackerman Security Systems Atlanta	\$7.3	24.5%	18,000	2,560 (R) 640 (C)	75	1
<b>52•50</b>	Sentry Alarm Systems of America Inc. Monterey, Calif.	\$7.3	4.0%	10,000	n/a	n/a	5
<b>53•54</b>	Sonitrol Pacific Portland, Ore.	\$7.2	13.0%	4,000	25 (R) 295 (C)	73	3
<b>54•62</b>	SCANA Security Columbia, S.C.	\$7.0 <sup>e</sup>	29.8%	15,549	6,830 (R) n/a (C)	100	6
<b>55•52</b>	Custom Security Systems Lacey, Wash.	\$6.9	6.3%	6,729	384 (R) 525 (C)	109	2
<b>56•67</b>	Trans-Alarm Inc. Burnsville, Minn.	\$6.8	35.4%	3,477	185 (R) 554 (C)	67	1
<b>57•64</b>	Sonitrol of Sacramento North Highlands, Calif.	\$6.6	25.6%	3,247	15 (R) 504 (C)	31	1
<b>58•63</b>	Security Equipment Inc. Omaha, Neb.	\$6.6	23.1%	8,117	630 (R) 550 (C)	72	4
<b>59•56</b>	Sonitrol Security Systems of Buffalo Inc. Buffalo, N.Y.	\$6.5	2.2%	6,032	53 (R) 280 (C)	80	3
<b>60•57</b>	World Wide Security — GC Alarm Garden City, N.Y.	\$6.4	4.1%	10,025	1,000 (R) 400 (C)	67	1
<b>61•—</b>	Alarmco Inc. Las Vegas	\$6.1	0.0%	16,326	315 (R) 1,057 (C)	95	1

KEY: e=SDM estimate R=residential C=commercial or non-residential n/a=not available or not applicable  
**39.** CPI Security Systems had a 44 percent growth in its subscriber base; most are residential; **43.** Financial data for Post Alarm Systems is an SDM estimate; **44.** Doyle Security was SDM's 1997 Dealer of the Year; **51.** Ackerman increased its subscriber account base by 28 percent, to 18,000 subscribers, through acquisitions and internal sales; **54.** SCANA Security revenue is an SDM estimate; **56.** Trans-Alarm Inc. handled a large industrial integrated systems project for Northern States Power (featured in February 2000 SDM), which contributed to its 35 percent growth in 1999.

## The 2000 SDM 100

Rank 2000•1999	Company, location	Gross revenue 1999 (\$ millions)	Growth rate '98 to '99	Subscribers (1999)	Installations (1999)	Full-time employees	Business locations
62•61	Argus Security Systems Inc. McAllen, Texas	\$6.0	8.0%	7,850	1,016 (R) 522 (C)	105	3
63•66	Electronix Systems Central Station Alarms Inc. Huntington Station, N.Y.	\$5.9	15.7%	8,083	312 (R) 849 (C)	77	2
64•49	American Response Costa Mesa, Calif.	\$5.6	-21.8%	2,628	2,497 (R) 131 (C)	100	3
65•—	National Protective Services/Security Systems Inc. Rocky Hill, Conn.	\$5.5	n/a	14,077	3,106 (R) 330 (C)	81	3
66•75	Sonitrol Security Services Inc. Charlotte, N.C.	\$5.4	25.9%	2,780	40 (R) 267 (C)	49	2
67•72	All-Guard Alarm Systems Inc. Hayward, Calif.	\$5.4	21.3%	7,702	390 (R) 166 (C)	57	1
68•69	JMG Security Systems Inc. Fountain Valley, Calif.	\$5.0	5.7%	2,068	38 (R) 320 (C)	28	1
69•76	Custom Security Systems Inc. Baton Rouge, La.	\$5.0	16.6%	13,807	2,100 (R) 375 (C)	51	1
70•82	Custom Alarm Rochester, Minn.	\$4.7	38.2%	4,400	n/a	55	5
71•68	Peak Alarm Co. Inc. Salt Lake City	\$4.6	-5.6%	8,905	259 (R) 718 (C)	56	3
72•71	American Security Systems Inc. New York	\$4.5	0.0%	3,000	250 (R) 650 (C)	40	1
73•70	Sonitrol Tri-County Farmington Hills, Mich.	\$4.4	-4.6%	4,052	45 (R) 775 (C)	53	3
74•79	Matson Alarm Co. Inc. Fresno, Calif.	\$4.2	19.9%	11,000	400 (R) 600 (C)	43	5
75•83	Sylvester's Security Alarms Inc. Santa Maria, Calif.	\$4.2	23.6%	6,771	318 (R) 523 (C)	55	3

KEY: e=SDM estimate R=residential C=commercial or non-residential n/a=not available or not applicable  
70. Custom Alarm added 25 employees.

## Public Companies on the SDM 100

Company	Symbol	52-week		Price	Earn/Shr	P/E Ratio
		Low	High			
ADT Security Services (Tyco International)	TYC	22 1/2	53 7/8	46 1/4	.78	63.46
AFA Protective Systems	AFAP	175	275	n/a	n/a	n/a
Brink's Home Security (Pittston Brinks Group)	PZB	15	30	16 13/16	1.06	15.68
Centex HomeTeam Security	CTX	17 1/2	42 7/8	25 3/16	4.30	5.62
Edison Security Services (Edison International)	EIX	15 1/4	30	17 1/8	1.79	9.46
Guardian International Inc.	GIIS	1 5/32	1 7/32	.9687	-0.523	-1.85
Honeywell Inc. Home & Building Control	HON	40 5/16	68 5/8	52 7/8	1.95	28.75
Protection One Inc.	POI	1 3/8	6 1/4	1 7/16	0.65	2.31
SCANA Security (Scana Corp.)	SCG	22	29	25	1.73	14.56
SecurityLink from Ameritech (SBC Communications Inc.)	SBC	34 13/16	59 7/8	47 11/16	1.93	24.48

Note: All figures taken at the close of trading April 12, 2000

Source: 2000 SDM 100, SDM Magazine, May 2000

There are 10 public companies on the SDM 100 this year, down from 12 in 1999. Dropped from the list in 2000 are Checkpoint Security Systems Group Inc. (moved to SDM's Top Systems Integrators Report) and Response USA Inc. (sold its security business to Vector Security).



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## The 2000 SDM 100

Rank 2000•1999	Company, location	Gross revenue 1999 (\$ millions)	Growth rate '98 to '99	Subscribers (1999)	Installations (1999)	Full-time employees	Business locations
76•86	Scarsdale Security Systems Inc. Scarsdale, N.Y.	\$4.0	22.2%	3,973	255 (R) 191 (C)	47	1
77•78	Sonitrol of Tallahassee Inc. Tallahassee, Fla.	\$3.9	9.5%	n/a	27 (R) 312 (C)	36	1
78•92	A-Com Protection Services Inc. Columbus, Ga.	\$3.9	35.9%	7,601	1,419 (R) 214 (C)	58	3
79•77	Washington Alarm Inc. Seattle	\$3.8	1.2%	5,941	26 (R) 240 (C)	41	1
80•—	Priority One Security Greenville, S.C.	\$3.7	n/a	7,423	2,287 (R) 303 (C)	68	3
81•84	Sievers Co. Cleveland	\$3.7	10.0%	3,879	156 (R) 125 (C)	25	3
82•95	American Home Security Alexandria, Va.	\$3.5	33.3%	2,715	180 (R) 40 (C)	28	1
83•—	UPS Security Systems Orange, Calif.	\$3.4	n/a	178	n/a (R) 178 (C)	22	1
84•91	Security Systems of America Pittsburgh	\$3.4	10.4%	10,336	450 (R) 160 (C)	47	3
85•88	Guardomatic Inc. Tempe, Ariz.	\$3.4	8.7%	n/a	n/a	n/a	2
86•85	Pacific Alarm Systems Inc. Culver City, Calif.	\$3.4	3.0%	3,227	n/a	53	1
87•80	Richmond Alarm Co. and SACC Richmond, Va.	\$3.4	-2.2%	6,400	200 (R) 200 (C)	51	2
88•87	Global Security & Communication Inc. Vancouver, Wash.	\$3.3	2.1%	7,919	1,155 (R) 40 (C)	40	4
89•81	Associated Security Corp. East Hartford, Conn.	\$3.2	-5.9%	8,350	200 (R) 200 (C)	31	2
90•89	Audio Sentry Corp. Fraser, Mich.	\$3.2	1.3%	7,018	203 (R) 121 (C)	39	2
91•—	Sonitrol Security Systems of Pittsburgh Pittsburgh	\$3.2	0.0%	2,815	35 (R) 217 (C)	30	2
92•22	Sentry Detection Inc. Hicksville, N.Y.	\$3.1	-79.7%	10,000	10,000 (R) 1,000 (C)	287	5
93•—	Sonitrol of Eugene/Salem Eugene, Ore.	\$3.0	n/a	3,207	100 (R) 261 (C)	48	2
94•94	Sonitrol of New Orleans Inc. Metairie, La.	\$2.6	-1.4%	1,608	31 (R) 155 (C)	34	1
95•—	Central Security Group Inc. Tulsa, Okla.	\$2.6	n/a	8,156	546 (R) 234 (C)	39	1
96•—	Bolt Security Scottsdale, Ariz.	\$2.5	n/a	1,144	414 (R) 22 (C)	31	3
97•97	Safe Systems Inc. Boulder, Colo.	\$2.5	-1.8%	n/a	n/a	30	1
98•99	Sonitrol of Tidewater Virginia Beach, Va.	\$2.2	3.1%	3,220	45 (R) 150 (C)	17	1
99•—	Sonitrol of Hawaii Inc. Honolulu	\$2.1	-1.1%	1,171	21 (R) 72 (C)	24	1
100•—	A.C. Daughtry Inc. Montville, N.J.	\$2.0	n/a	2,663	160 (R) 112 (C)	16	1

KEY: e=SDM estimate R=residential C=commercial or non-residential n/a=not available or not applicable  
 78. Doubled installation volume over 1998; 92. Sentry Detection, ranked No. 22 last year, no longer participates in an authorized dealer program and now retains and funds its own accounts.



**Fastest Growing Firms**

*By Total Revenue:*

1. Security First . . . 120.5%
2. Vector Security . . . 63%
3. CPI Security Sys. . . 56.6%
4. Protection One. . . 43.7%
5. Security One Sys. 42.3%
6. Custom Alarm . . . 38.2%
7. A-Com  
Protection Svcs. . . 35.9%
8. Trans-Alarm . . . . . 35.4%
9. American  
Home Security . . . 33.3%
10. Greater Alarm. . . 30.9%

*By RMR:*

1. Protection  
Networks. . . . . 152.9%
2. Centex Home  
Team Security . . . 121.2%
3. Security First. . . . . 100%
4. Vector Security. . . 77.7%
5. Protect America. . 66.7%
6. Mountain Alarm . . 61.9%
7. Security Solutions 54.6%
8. Priority One  
Security. . . . . 44.8%
9. CPI Security Sys. . 44.4%
10. SLP Ventures L.P. 41.5%

*Note: "Fastest Growing Firms by RMR" is based on those firms that provided RMR figures for both 1998 and 1999.*

*Source: 2000 SDM 100, SDM Magazine, May 2000*

**Ranked by growth rate in total revenue and RMR, these are the top 10 fastest-growing firms during 1999. Rankings represent a one-year comparison among companies that provided figures for 1998 and 1999.**

**Rank by Installation Volume**

RESIDENTIAL SYSTEMS					NON-RESIDENTIAL SYSTEMS				
Rank by Installation Volume	Company	Systems installed (1999)	SDM 100 rank	Rank by Installation Volume	Company	Systems installed (1999)	SDM 100 rank		
1	ADT Security Services	627,000	1	1	ADT Security Services	165,000	1		
2	Protection One	288,581	2	2	SecurityLink from Ameritech	25,000	3		
3	SecurityLink from Ameritech	170,000	3	3	Bay Alarm Co.	8,123	9		
4	Brink's Home Security Inc.	117,000	4	4	Edison Security Services	5,000*	6		
5	Edison Security Services	70,000*	6	5	Brink's Home Security Inc.	4,000	4		
6	Slomin's Security	27,062	7	6	AFA Protective Systems	3,500	13		
7	Protect America Inc.	17,000	22	7	Protection Service Industries	2,800	16		
8	Security First	15,500	18	8	Sonitrol Management Corp.	2,300	12		
9	Smith Alarm Systems	15,000	14	9	Alarm Detection Systems Inc.	2,210	21		
10	Guardian Protection Svcs. Inc.	13,358	11	10	Vector Security Inc.	2,020	8		
11	Security Solutions Inc.	11,246	19	11	Smith Alarm Systems	2,000	14		
12	Centex HomeTeam Security	10,339	17	12	Security First	2,000	18		
13	Sentry Detection Inc.	10,000	92	13	Per Mar Security Services	1,980	24		
14	SCANA Security	6,830	54	14	SSD Systems/Kern Security Systems	1,804	26		
15	Vector Security Inc.	6,049	8	15	Interface Security Systems	1,500	15		
16	Protection Networks	5,997	29	16	Guardian Protection Services Inc.	1,425	11		
17	Bay Alarm Co.	5,986	9	17	Protection Networks	1,199	29		
18	Checkpoint Ltd. & Adelphia Security	3,600	25	18	Electronic Security Services Co. LP	1,177	28		
19	SLP Ventures L.P.	3,244	23	19	Guardian Int'l & Mutual Central Alarm	1,095	20		
20	National Protective Services/ Security Systems Inc.	3,106	65	20	Alarmco Inc.	1,057	61		
21	General Security	3,080	41	21	Sentry Detection Inc.	1,000	92		
22	Ackerman Security Systems	2,560	51	22	First Alarm	994	36		
23	American Response	2,497	64	23	Alert Alarm of Hawaii	990	42		
24	Priority One Security	2,287	80	24	Slomin's Security	980	7		
25	Electronic Security Services Co. LP	2,285	28	25	Checkpoint Ltd. & Adelphia Security	900	25		
26	Custom Security Systems Inc.	2,100	69	26	Mountain Alarm	890	37		
27	CPI Security Systems	2,000	39	27	Electronix Systems Central Station Alarms Inc.	849	63		
28	Guardian Int'l & Mutual Central Alarm	1,992	20	28	Security Solutions Inc.	791	19		
29	Protection Service Industries	1,914	16	29	American Alarm & Communications Inc.	780	50		
30	AFA Protective Systems	1,800	13	30	Sonitrol Tri-County	775	73		
31	Interface Security Systems	1,800	15	31	Security Corporation	752	27		
32	A-Com Protection Services Inc.	1,419	78	32	Peak Alarm Co. Inc.	718	71		
33	Mountain Alarm	1,212	37	33	American Security Systems Inc.	650	72		
34	Global Security & Communication Inc.	1,155	88	34	Ackerman Security Systems	640	51		
35	Argus Security Systems Inc.	1,016	62	35	General Security	620	41		
36	Safeguard Security Services Inc.	1,000	32	36	Matson Alarm Co. Inc.	600	74		
37	World Wide Security — GC Alarm	1,000	60	37	Trans-Alarm Inc.	554	56		
38	Alert Alarm of Hawaii	922	42	38	E.P.S.	550	35		
39	Per Mar Security Services	820	24	39	Security Equipment Inc.	550	58		
40	American Alarm & Communications Inc.	652	50	40	Kimberlite Corp.	548	34		
41	Security Equipment Inc.	630	58	41	Custom Security Systems	525	55		
42	Doyle Security Systems Inc.	621	44	42	Sylvester's Security Alarms Inc.	523	75		
43	Central Security Group Inc.	546	95	43	Argus Security Systems Inc.	522	62		
44	SSD Systems/Kern Security Systems	511	26	44	Sonitrol of Sacramento	504	57		
45	Supreme Security Systems Inc.	497	47	45	CPI Security Systems	500	39		
46	First Alarm	491	36	46	Sonitrol of Silicon Valley	500	49		
47	Security Systems of America	450	84	47	Supreme Security Systems Inc.	491	47		
48	E.P.S. (Engineered Protection Systems)	420	35	48	Centex HomeTeam Security	486	17		
49	Bolt Security	414	96	49	Doyle Security Systems Inc.	430	44		
50	Central One	400	40	50	World Wide Security — GC Alarm	400	60		

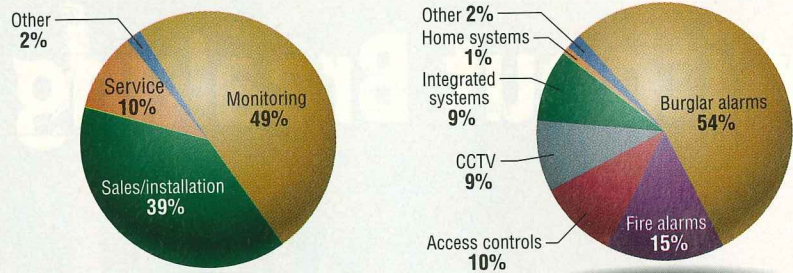
KEY: e=SDM estimate

**The table above re-ranks SDM 100 companies by both residential (left column) and non-residential (right column) installation volume as completed in 1999. The top 50 companies in each sector are ranked.**

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A breakdown of revenue into categories of sales/installation, service, and monitoring (left pie) shows that about half of total revenue stems from monitoring. (Excluded from this calculation are firms that primarily provide either sales only or monitoring only, in order to offer an accurate picture of full-service firms—a majority SDM 100 companies.) SDM 100 companies are branching into other electronic systems (right pie). Last year, 59 percent of revenue came from burglar alarms; this year, 54 percent.

**SDM 100 Revenue by Service and Product Segments**



Source: 2000 SDM 100, SDM Magazine, May 2000

**Rank by Recurring Monthly Revenue**

Rank by Recurring Revenue	Company	Recurring monthly revenue (1999) (\$ millions)	SDM 100 rank	Rank by Recurring Revenue	Company	Recurring monthly revenue (1999) (\$ millions)	SDM 100 rank
1	ADT Security Services	\$90.00 <sup>e</sup>	1	34	Sonitrol Security Systems of Hartford Inc.	\$0.41	46
2	SecurityLink from Ameritech	\$43.00 <sup>e</sup>	3	35	Mountain Alarm	\$0.41	37
3	Protection One Alarm Monitoring Inc.	\$39.20	2	36	Sonitrol Pacific	\$0.40	53
4	Brink's Home Security Inc.	\$16.90	4	37	Protect America Inc.	\$0.40	22
5	Edison Security Services	\$4.50 <sup>e</sup>	6	38	All-Guard Alarm Systems Inc.	\$0.40	67
6	Vector Security Inc.	\$3.11	8	39	Post Alarm Systems Inc.	\$0.39 <sup>e</sup>	43
7	Slomin's Security	\$3.02	7	40	Protection Networks	\$0.38	29
8	Bay Alarm Co.	\$2.94	9	41	SCANA Security	\$0.38	54
9	Guardian Alarm Co.	\$2.84	10	42	Sonitrol of Silicon Valley	\$0.36	49
10	Guardian Protection Services Inc.	\$2.63	11	43	Doyle Security Systems Inc.	\$0.35	44
11	AFA Protective Systems	\$1.93	13	44	Sentry Detection Inc.	\$0.35	92
12	Smith Alarm Systems	\$1.82	14	45	Safeguard Security Services Inc.	\$0.32	32
13	Protection Service Industries	\$1.63	16	46	Sonitrol of Sacramento	\$0.32	57
14	SLP Ventures L.P.	\$1.55	23	47	Electronix Systems Central Station Alarms Inc.	\$0.32	63
15	Guardian Int'l & Mutual Central Alarm	\$1.04	20	48	Custom Security Systems	\$0.30	55
16	Alarm Detection Systems Inc.	\$0.97	21	49	American Alarm & Communications Inc.	\$0.30	50
17	Checkpoint Ltd. & Adelpia Security	\$0.97	25	50	Sonitrol Security Systems of Buffalo Inc.	\$0.29	59
18	Interface Security Systems	\$0.93	15	51	World Wide Security — GC Alarm	\$0.29	60
19	DGA Security Systems Inc.	\$0.80	33	52	Custom Security Systems Inc.	\$0.28	69
20	Per Mar Security Services	\$0.67	24	53	Ackerman Security Systems	\$0.27	51
21	CPI Security Systems	\$0.65	39	54	Sylvester's Security Alarms Inc.	\$0.25	75
22	Kimberlite Corp.	\$0.64	34	55	Bolt Security	\$0.25	96
23	Electronic Security Services Co. LP	\$0.62	28	56	Sonitrol Security Services Inc.	\$0.24	66
24	Central One	\$0.62	40	57	Washington Alarm Inc.	\$0.23	79
25	Centex HomeTeam Security	\$0.59	17	58	Pacific Alarm Systems Inc.	\$0.23	86
26	General Security	\$0.58	41	59	Peak Alarm Co. Inc.	\$0.23	71
27	Alert Alarm of Hawaii	\$0.53	42	60	Matson Alarm Co. Inc.	\$0.23	74
28	Supreme Security Systems Inc.	\$0.53	47	61	Sentry Alarm Systems of America Inc.	\$0.23	52
29	First Alarm	\$0.48	36	62	Priority One Security	\$0.22	80
30	E.P.S. (Engineered Protection Systems)	\$0.42	35	63	Sonitrol Tri-County	\$0.22	73
31	National Protective Services/ Security Systems Inc.	\$0.41	65	64	Security Equipment Inc.	\$0.22	58
32	Koorsen Protection Services Inc.	\$0.41	48	65	Global Security & Communication Inc.	\$0.20	88
33	Greater Alarm	\$0.41	30	66	Sonitrol of Tallahassee Inc.	\$0.19	77

KEY: e=SDM estimate

The table above re-ranks 66 of the SDM 100 companies by RMR. Firms were asked to report RMR of Dec. 31, 1999. Not included are firms that did not provide this information nor firms for which an estimate could not be derived.

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### Electronic Version Of the SDM 100

A great marketing tool, the SDM 100 is available in electronic format, containing much more information than printed here. It includes contact name(s), mailing address, telephone and fax numbers, Web site URL, branch office locations, and more.

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### 2000 SDM 100 Alphabetical Index

Company	SDM 100 rank	Company	SDM 100 rank
A-Com Protection Services Inc.	78	National Protective Services/Security Systems Inc.	65
A.C. Daughtry Inc.	100	Pacific Alarm Systems Inc.	86
Ackerman Security Systems	51	Peak Alarm Co. Inc.	71
ADT Security Services	1	Per Mar Security Services	24
AFA Protective Systems	13	Post Alarm Systems Inc.	43
Alarm Detection Systems Inc.	21	Priority One Security	80
Alarmco Inc.	61	Protect America Inc.	22
Alert Alarm of Hawaii	42	Protection Networks	29
All-Guard Alarm Systems Inc.	67	Protection One Alarm Monitoring	2
American Alarm & Communications Inc.	50	Protection Service Industries	16
American Home Security	82	Richmond Alarm Co. and Security Alliance Command Center	87
American Response	64	Safe Systems Inc.	97
American Security Systems Inc.	72	Safeguard Security Services Inc.	32
Argus Security Systems Inc.	62	SCANA Security	54
Associated Security Corp.	89	Scarsdale Security Systems Inc.	76
Audio Sentry Corp.	90	SDA Security Systems Inc.	45
Bay Alarm Co.	9	Security Corporation	27
Bolt Security	96	Security Equipment Inc.	58
Brink's Home Security Inc.	4	Security First	18
Centex HomeTeam Security	17	Security One Systems Inc.	38
Central One	40	Security Solutions Inc.	19
Central Security Group Inc.	95	Security Systems of America	84
Checkpoint Ltd. & Adelphia Security	25	SecurityLink from Ameritech	3
CPI Security Systems	39	Sentry Alarm Systems of America Inc.	52
Custom Alarm	70	Sentry Detection Inc.	92
Custom Security Systems	55	Sievers Company	81
Custom Security Systems Inc.	69	Slomin's Security	7
Dallas Security Systems Inc./DSS Fire Inc.	31	Smith Alarm Systems	14
DGA Security Systems Inc.	33	Sonitrol Management Corp.	12
SLP Ventures L.P.	23	Sonitrol of Eugene/Salem	93
Doyle Security Systems Inc.	44	Sonitrol of Hawaii Inc.	99
E.P.S. (Engineered Protection Systems)	35	Sonitrol of New Orleans Inc.	94
Edison Security Services	6	Sonitrol of Sacramento	57
Electronic Security Services Co. LP	28	Sonitrol of Silicon Valley	49
Electronix Systems Central Station Alarms Inc.	63	Sonitrol of Tallahassee Inc.	77
First Alarm	36	Sonitrol of Tidewater	98
General Security	41	Sonitrol Pacific	53
Global Security & Communication Inc.	88	Sonitrol Security Services Inc.	66
Greater Alarm	30	Sonitrol Security Systems of Buffalo Inc.	59
Guardian Alarm Co.	10	Sonitrol Security Systems of Hartford Inc.	46
Guardian Int'l & Mutual Central Alarm	20	Sonitrol Security Systems of Pittsburgh	91
Guardian Protection Services Inc.	11	Sonitrol Tri-County	73
Guardomatic Inc.	85	SSD Systems/Kern Security Systems	26
Honeywell Security Products	5	Supreme Security Systems Inc.	47
Interface Security Systems	15	Sylvester's Security Alarms Inc.	75
JMG Security Systems Inc.	68	Trans-Alarm Inc.	56
Kimberlite Corp.	34	UPS Security Systems	83
Koorsen Protection Services Inc.	48	Vector Security Inc.	8
Matson Alarm Co. Inc.	74	Washington Alarm Inc.	79
Mountain Alarm	37	World Wide Security — GC Alarm	60