

# SDM

*NEW DIRECTIONS FOR SECURITY SYSTEMS & INTEGRATION*

# 100

*14th Annual SDM 100*



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# THE UP-DOWN TURNAROUND

**F**or the electronic security industry's largest firms, 2003 may be a year remembered as one with many ups and downs, which finally closed on a strong note in the fourth quarter. These companies were hit with several, sometimes conflicting market influences – a raised level of security awareness, but not enough capital spending until late in the year; a good housing market and higher crime rates in some areas, but too many canceled alarm contracts caused by subscribers losing their jobs.

The year was characterized by “average market demand that fluctuated as the economy tried to recover,” reported No. 14, Interface Security Systems, Earth City, Mo. “Residential market was consistent;


Starting 2003 lightly but finishing it strongly, the 2004 SDM 100 gained only 2 percent, but the industry's largest dealers are very optimistic about the near future.

By Laura E. Stepanek, Editor

commercial market fluctuated, but finished strong.”

Those sentiments were shared by a number of other large firms that rank on the 2004 SDM 100, SDM Magazine's exclusive report of the 100 largest electronic security installation and service firms operating in the United States.

## The Big Picture



Total 2003 annual revenue: <b>\$5.90 billion*</b>
Total 2003 recurring monthly revenue (RMR): <b>\$321.6 million†</b>
Total subscribers (year-end 2003): <b>9.16 million**</b>
Residential: <b>81%</b> Non-residential: <b>19%</b>
Total installations/sales revenue:††
Residential units: <b>216,179</b> Residential sales revenue: <b>\$162.1 million</b>
Non-residential units: <b>60,294</b> Non-residential sales revenue: <b>\$267.9 million</b>
Business locations: <b>668</b>
People employed: <b>38,911 full-time; 625 part-time***</b>
Number of companies acquired by SDM 100 firms: <b>51</b>

### Footnotes:

- \* Total annual (2003) revenue from electronic security system sales, installation, service, leasing, monitoring, and sales of subscriber accounts, as reported to or estimated by SDM.
- † Total monthly recurring revenue, based on reported (or estimated) RMR of Dec. 31, 2003. Based on responses (or estimates) from 97 firms. Not included: Greater Alarm, Nightwatch Security Systems Inc., and SSD Systems/Kern Security Systems.
- \*\* Based on responses (or estimates) from 94 firms. Not included: All-Guard Systems Inc., First Alarm, Greater Alarm, Guardian Security Systems Inc., Honeywell Security, and SSD Systems/Kern Security Systems. Residential/commercial percentage split was calculated among firms that reported all three data points (total, residential, and non-residential subscribers), and therefore does not include 11 firms, including Protection One and Honeywell among the top 10.
- †† Based on responses (or estimates) from 84 firms. Note: Some firms reported unit sales or installation revenues only, while most reported both. Not included in either units or sales revenue: ADT Security Services, Brink's Home Security Inc., Global Security & Communication Inc., Guardian Alarm Co., Honeywell Security, Manitronics International Inc. (monitoring only), Protection One, SAFE (monitoring only), Sontrol of Tallahassee Inc., Sontrol Security Systems of Buffalo Inc., and SSD Systems/Kern Security Systems.
- \*\*\* Based on responses from 97 firms. Not included: Honeywell Security, ProAlert LLC, and SSD Systems/Kern Security Systems.

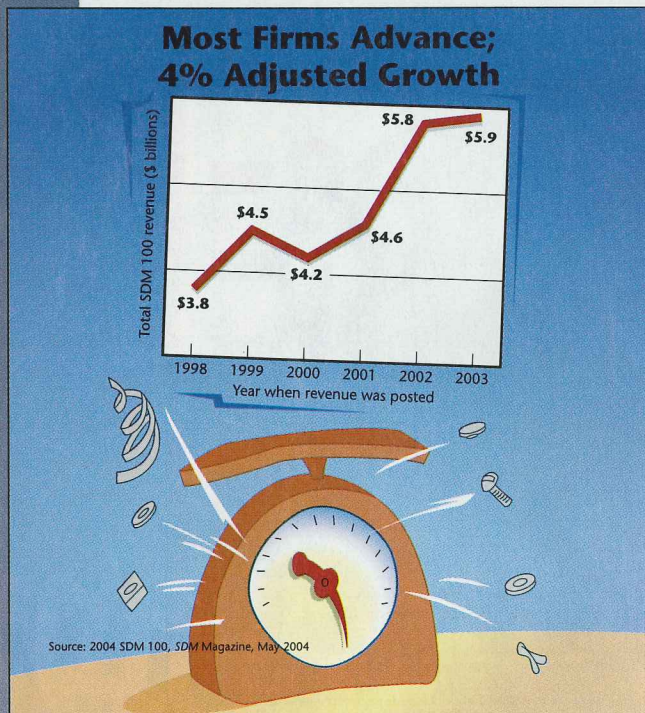
Source: 2004 SDM 100, SDM Magazine, May 2004

The table, above, presents aggregate figures for the SDM 100 group of companies. In a \$24.1 billion industry (2003 total industry revenues based on SDM's Forecast Study), these top 100 firms captured \$5.90 billion in revenue – about 25 percent market share – and counted 9.16 million subscribers in 2003. Most of the SDM 100 firms are privately held. Submitting total revenue is required for ranking, but other figures are not required. Therefore, one should exercise caution in using this information to extrapolate industry totals or to benchmark.

# The 14th Annual SDM 100

RANK	RANK	COMPANY	GROSS REVENUE 2003 (\$ MIL.)	+/- FROM PRIOR YEAR	SUBSCRIBERS 2003	RMR 12/03	INSTALLS, RESIDENTIAL 2003	INSTALLS, NON-RES. 2003	FULL TIME EMPLOYEES	NUMBER OF LOCATIONS
1	1	<b>ADT Security Services Inc.</b> Boca Raton, Fla.	\$3,580.00	0%	4,932,000	\$192.2 m(e)	n/a	n/a	21,000	148
2	3	<b>Brink's Home Security Inc.</b> Irving, Texas	\$310.40	10%	833,500	\$23.3 m	n/a	n/a	2,600	62
3	2	<b>Protection One</b> Topeka, Kansas	\$277.09	-5%	1,048,320	\$20.1 m	n/a	n/a	2,346	57
4	4	<b>Honeywell Security</b> Minneapolis, Minn.	\$200.00(e)	0%	n/a	\$8.5 m(e)	n/a	n/a	n/a	n/a
5	5	<b>Monitronics International Inc.</b> Dallas, Texas	\$126.40	13%	419,000	\$12.1 m	n/a	n/a	500	1
6	6	<b>Slomin's Security</b> Hicksville, N.Y.	\$113.12	6%	199,323	\$4.7 m	27,000	1,188	1,320	9
7	7	<b>Vector Security Inc.</b> Pittsburgh, Pa.	\$112.80	11%	137,420	\$4.4 m	n/a	1,958	712	21
8	11	<b>Ranger American</b> San Antonio, Texas	\$70.99	42%	38,852	\$941,350	47,121	240	927	15
9	8	<b>Sonitrol Management Corp.</b> Westlake, Texas	\$67.94	6%	38,083	\$3.6 m	n/a	4,000	449	25
10	9	<b>Bay Alarm Co.</b> Pacheco, Calif.	\$59.90	4%	78,642	\$3.9 m	6,174	5,220	487	11

No. 7 - SDM's 2003 Dealer of the Year



Between 2001 and 2002, the SDM 100 revenues surged 26 percent, but that was primarily driven by a large gain by ADT Security Services. Putting aside ADT's revenue would have resulted in just a 7 percent advance for the other 99 firms in that year. However, the SDM 100 slowed down considerably in 2003, gaining just under 2 percent (4 percent when ADT is excluded from the calculation).

"The market in 2003 was different from 2002 in that decision makers were asking for security proposals for work to be done and they would then hold the proposals without any buying decision being made. At the end of 2003, they started to place a large number of orders. This was due most likely to the fact that they needed to utilize budget money and that the economy was improving," reported No. 29, Dallas Security Systems Inc., Dallas. "The market factor that had the most impact on sales were clients still converting video recorders to digital and high-risk facilities taking extra precautions due to the threat of terrorism."

No. 24, ADS Security, Nashville, Tenn., reported that "overall, 2003 started weak compared to 2002, but picked up in the fourth quarter. In 2003, we saw a lot of residential move-outs, which hurt our cancellation numbers."

The objective of the SDM 100 is to measure consumer dollars captured by electronic security service providers. The majority of SDM 100 firms offer sales, installation, service, and monitoring. (A very few are considered "non-traditional" alarm companies in that they provide sales and installation only or monitoring only.)

Total 2003 revenue for this group increased by slightly less than 2 percent to \$5.9 billion. The top three companies played a key role in that rate. No. 1, ADT Security Services, reported no growth in 2003, a sudden halt after its spectacular 43 percent growth the previous year. Protection One reported a 5 percent decline, which, in concert with Brink's Home Security's 10 percent growth rate, helped these two firms switch places in the No. 2 and No. 3 positions for the first time in three years.

Because ADT's numbers can skew the aggregated figures for

RANK 2004	RANK 2003	COMPANY	GROSS REVENUE 2003 (\$ MIL.)	+/- FROM PRIOR YEAR	SUBSCRIBERS 2003	RMR 12/03	INSTALLS, RESIDENTIAL 2003	INSTALLS, NON-RES. 2003	FULL TIME EMPLOYEES	NUMBER OF LOCATIONS
11	13	<b>AFA Protective Systems Inc.</b> Syosset, N.Y.	\$56.16	16%	38,800	\$2.0 m	2,500	5,200	417	13
12	10	<b>Guardian Protection Services Inc.</b> Pittsburgh, Pa.	\$56.01	11%	122,685	\$3.5 m	16,135	887	525	8
13	12	<b>Guardian Alarm Co.</b> Southfield, Mich.	\$49.10	1%	85,135	\$3.2 m	n/a	n/a	377	6
14	15	<b>Interface Security Systems</b> Earth City, Mo.	\$32.78	4%	50,125	\$1.7 m	1,600	1,095	355	16
15	16	<b>Protect America Inc.</b> Round Rock, Texas	\$31.90	24%	92,100	\$2.9 m	23,200	n/a	211	1
16	14	<b>Protection Service Industries</b> Rancho Cucamonga, Calif.	\$28.93	-8%	53,155	\$1.8 m	n/a	n/a	241	8
17	17	<b>SAFE</b> San Ramon, Calif.	\$25.80	3%	83,000	\$2.1 m	n/a	n/a	106	1
18	21	<b>Guardian International Inc.</b> Hollywood, Fla.	\$25.30	11%	30,000	\$1.4 m	2,000	1,800	263	5
19	19	<b>Per Mar Security Services</b> Davenport, Iowa	\$25.13	7%	35,297	\$921,952	1,176	7,925	233	19
20	18	<b>SSD Systems/Kern Security Systems</b> Anaheim, Calif.	\$24.69	3%	n/a	n/a	n/a	n/a	n/a	9

all 100 firms, *SDM* also reviewed growth rates that exclude ADT in the aggregate numbers. Among the remaining 99 firms in this report, growth was a healthier 4 percent – still below, however, 2002’s 7 percent and 2001’s 10 percent.

A more comprehensive way to view performance is to review *SDM* 100 firms individually. Among firms with which two years of revenue could be compared, 71 percent experienced a revenue increase, and 26 percent decreased, while 3 percent stayed even. And although 46 percent of *SDM* 100 companies added staff in 2003, nearly just as many – 43 percent – subtracted employees.

“Inquiries were up with fewer resulting sales,” reported No. 76, EMC Security, Lawrenceville, Ga. “Commercial and multifamily construction were hardest hit. Single-family new construction and retrofit remained consistent. [We] lost more customers than expected due to financial difficulties and non-payment. Collection became a bigger problem in 2003.”

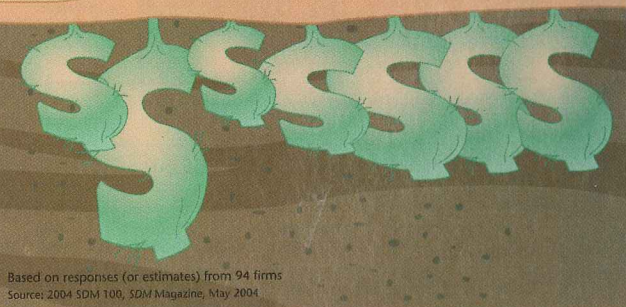
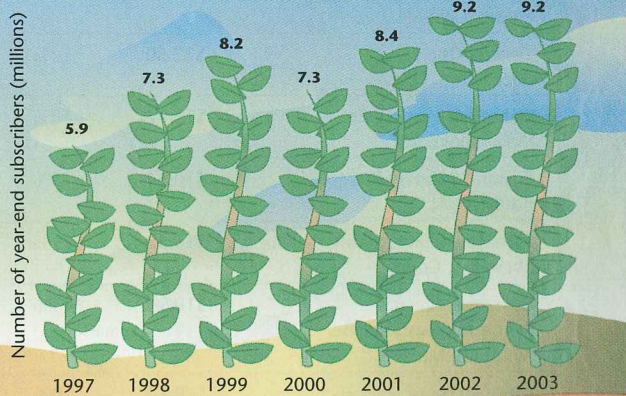
The vast majority of *SDM* 100 firms views the commercial market as having the greatest potential in 2004.

Non-residential installation revenue grew 11 percent.

“We had a record year. Our strongest growth came from the commercial and industrial sectors of the marketplace,” stated Blue Ridge Security Services, Anderson, S.C., new to the *SDM* 100 this year at No. 62.

By most accounts, the *SDM* 100, as it leads the industry, should look forward to the remainder of 2004 with higher expectations. ■

### Growth Can't Outpace Cancellations



Based on responses (or estimates) from 94 firms  
Source: 2004 *SDM* 100, *SDM* Magazine, May 2004

The total number of subscribers, or recurring-billable customers, of *SDM* 100 firms neither grew nor shrank in 2003, staying at approximately 9.2 million customers in 2003. Of note is that No. 1 ADT reported about 100,000 fewer subscribers than in 2002.

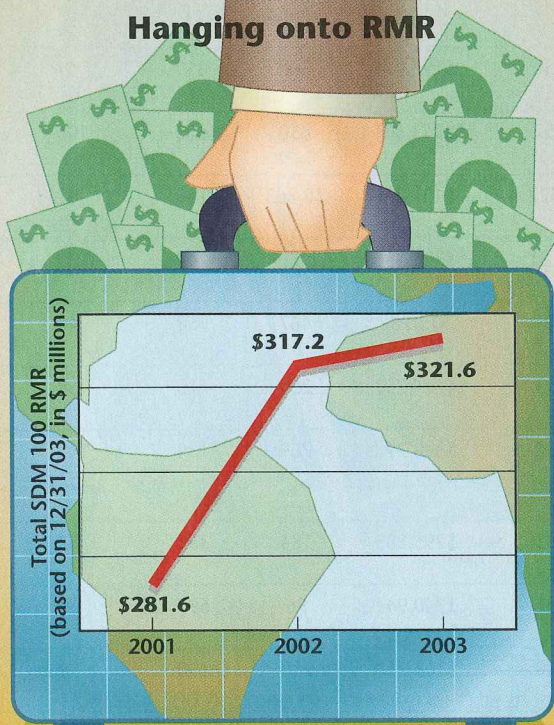
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21	22	<b>Alarm Detection Systems Inc.</b> Aurora, Ill.	\$24.40	8%	23,275	\$1.4 m	1,146	1,060	178	2
22	20	<b>Mountain Alarm</b> Ogden, Utah	\$22.71	-1%	26,713	\$670,000	860	1,566	134	7
23	24	<b>Greater Alarm</b> Irvine, Calif.	\$22.20	7%	n/a	n/a	n/a	n/a	155	6
24	26	<b>ADS Security</b> Nashville, Tenn.	\$20.57	14%	52,746	\$1.1 m	3,028	1,604	222	13
25	28	<b>CPI Security Systems</b> Charlotte, N.C.	\$18.88	18%	41,312	\$1.3 m	7,247	630	227	4
26	27	<b>Safeguard Security and Communications Inc.</b> Scottsdale, Ariz.	\$17.27	3%	13,188	\$561,552	600	400	125	3
27	-	<b>ASG Security</b> Beltsville, Md.	\$14.20		27,969	\$874,282	3,262	1,358	152	4
28	34	<b>Engineered Protection Systems Inc.</b> Grand Rapids, Mich.	\$13.72	17%	12,687	\$714,965	n/a	n/a	133	6
29	29	<b>Dallas Security Systems Inc.</b> Dallas, Texas	\$12.74	-11%	6,025	\$112,129	25	625	159	2
30	31	<b>First Alarm</b> Aptos, Calif.	\$12.70	-1%	n/a	\$613,000	570	1,040	115	6
31	43	<b>Central Security Group Inc.</b> Tulsa, Okla.	\$12.67	38%	42,526	\$1.1 m	1,341	586	117	2
32	33	<b>Kimberlite Corp.</b> Fresno, Calif.	\$12.67	4%	6,037	\$751,787	51	728	92	6
33	35	<b>Central One</b> Boca Raton, Fla.	\$12.50	12%	27,300	\$848,000	1,400	450	121	3
34	32	<b>Defender Security Co.</b> Indianapolis, Ind.	\$11.12	-12%	3,100	\$108,500	6,095	93	141	10
35	39	<b>General Security Inc.</b> Plainview, N.Y.	\$10.64	6%	36,080	\$829,843	2,649	811	121	6
36	44	<b>Safe Home Security Inc.</b> Rocky Hill, Conn.	\$10.52	19%	28,898	\$931,957	7,119	791	104	5
37	37	<b>American Alarm &amp; Communications Inc.</b> Arlington, Mass.	\$10.14	-5%	17,091	\$468,138	817	1,187	99	3
38	38	<b>Alert Alarm of Hawaii</b> Honolulu, Hawaii	\$10.13	0%	16,854	\$569,936	791	760	78	4
39	30	<b>Security Solutions Inc.</b> Raleigh, N.C.	\$9.90	-23%	4,036	\$152,380	3,309	96	98	7
40	47	<b>Ackerman Security Systems</b> Atlanta, Ga.	\$9.67	19%	19,526	\$414,874	2,879	541	102	1
41	42	<b>JMG Security Systems Inc.</b> Fountain Valley, Calif.	\$9.60	3%	3,497	\$234,491	25	n/a	40	1
42	40	<b>Supreme Security Systems Inc.</b> Union, N.J.	\$9.60	-4%	10,441	\$568,500	179	589	91	1
43	48	<b>Sonitrol of Sacramento/Gold Coast</b> North Highlands, Calif.	\$9.42	17%	3,235	\$449,705	9	380	51	2
44	45	<b>Sonitrol Pacific</b> Portland, Ore.	\$9.24	10%	4,000	\$530,460	20	460	74	4

No. 30 - Approximately 19% of revenue stems from Security and Patrol Div., as it directly relates to alarm company activity. Total company revenue is \$21.95 million.

RANK 2004	RANK 2003	COMPANY	GROSS REVENUE 2003 (\$ MIL.)	+/- FROM PRIOR YEAR	SUBSCRIBERS 2003	RMR 12/03	INSTALLS, RESIDENTIAL 2003	INSTALLS, NON-RES. 2003	FULL TIME EMPLOYEES	NUMBER OF LOCATIONS
45	55	<b>Tri-State Alarm LLC</b> Broomall, Pa.	\$9.19	30%	16,832	\$615,060	3,700	108	38	1
46	46	<b>Sonitrol Security Systems of Hartford Inc.</b> Hartford, Conn.	\$8.76	5%	13,497	\$479,216	76	242	64	2
47	49	<b>Custom Security Systems</b> Lacey, Wash.	\$8.45	7%	9,031	\$405,795	500	375	100	3
48	54	<b>Argus Security Systems Inc.</b> McAllen, Texas	\$8.11	15%	8,261	\$198,364	716	478	125	2
49	50	<b>Doyle Security Systems Inc.</b> Rochester, N.Y.	\$7.98	2%	15,461	\$390,809	946	630	82	5
50	53	<b>Sonitrol Security Systems of Buffalo Inc.</b> Buffalo, N.Y.	\$7.88	5%	5,765	\$355,000	n/a	n/a	88	3
51	-	<b>Matrix Security Systems LLC</b> Wilmington, Del.	\$7.65		16,055	\$404,377	n/a	320	60	5
52	64	<b>Priority One Security Services Inc.</b> Greenville, S.C.	\$7.00	17%	13,993	\$390,000	n/a	600	51	2
53	58	<b>Electronix Systems Central Station Alarms Inc.</b> Huntington Station, N.Y.	\$6.70	0%	10,633	\$300,400	451	475	82	2

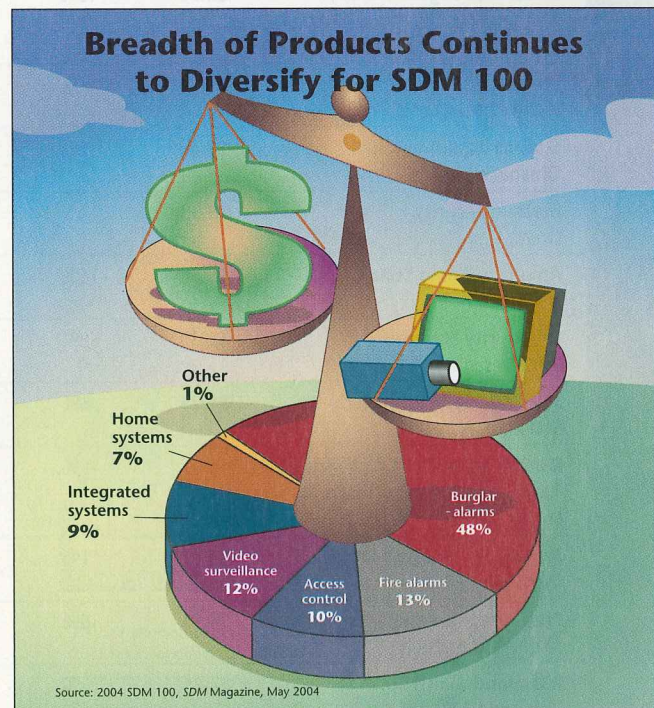
### Hanging onto RMR



Based on responses (or estimates) from 97 firms  
Source: 2004 SDM 100, SDM Magazine, May 2004

Recurring monthly revenue (RMR) – a prime revenue category for SDM 100 companies – grew 1 percent in 2003.

### Breadth of Products Continues to Diversify for SDM 100



Source: 2004 SDM 100, SDM Magazine, May 2004

Each year the percentage of revenue that is derived from the stand-alone burglar alarm category shrinks in size. Between 2002 and 2003 it fell from 52 percent of total revenue to 48 percent, as the video surveillance, access control, and home systems categories expanded as a percentage of the whole. Burglar alarms are now more often sold as part of a more comprehensive integrated security system.

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54	62	<b>Custom Alarm</b> Rochester, Minn.	\$6.70	7%	6,300	\$174,798	260	525	57	4
55	67	<b>Intelli-Tec Security Services LLC</b> Westbury, N.Y.	\$6.67	15%	4,383	\$157,441	90	116	51	1
56	57	<b>All-Guard Systems Inc.</b> Hayward, Calif.	\$6.55	-3%	n/a	\$404,000	580	200	55	2
57	56	<b>World Wide Security/GC Alarm</b> Garden City, N.Y.	\$6.50	-7%	8,600	\$220,000	400	100	47	1
58	-	<b>Rimi Security Systems</b> Los Angeles, Calif.	\$6.40		4,350	\$35,417	2,600	30	53	3
59	-	<b>Sentra Protective Systems Inc.</b> Waukesha, Wis.	\$6.30		1,549	\$25,000	95	100	18	1
60	72	<b>Matson Alarm Co. Inc.</b> Fresno, Calif.	\$6.19	18%	14,322	\$326,450	325	972	49	5
61	68	<b>Sonitrol of Tallahassee Inc.</b> Tallahassee, Fla.	\$6.17	7%	4,333	\$286,169	n/a	n/a	40	3
62	-	<b>Blue Ridge Security Services</b> Anderson, S.C.	\$6.06		27,180	\$238,000	380	720	56	1
63	84	<b>Trans-American Security Services Inc.</b> Burnsville, Minn.	\$5.83	45%	4,692	\$272,077	18	n/a	97	1
64	87	<b>Sonitrol of Eugene/Salem, East Cascade Security, Vyanet</b> Eugene, Ore.	\$5.70	43%	13,289	\$267,778	330	140	49	4
65	-	<b>Ultraguard / B&amp;T</b> Woburn, Mass.	\$5.60		6,150	\$197,000	300	850	67	1
66	80	<b>Security Equipment Inc.</b> Omaha, Neb.	\$5.41	32%	9,652	\$353,601	650	650	105	4
67	-	<b>Firstline Security</b> Orem, Utah	\$5.33		10,422	\$401,247	10,363	150	61	3
68	61	<b>American Home Security</b> Las Vegas, Nev.	\$5.32	-16%	11,181	\$381,076	2,319	249	39	1
69	96	<b>CS Security &amp; Sound</b> Palm Desert, Calif.	\$5.30	58%	637	\$13,282	467	52	40	1
70	71	<b>Scarsdale Security Systems Inc.</b> Scarsdale, N.Y.	\$5.29	1%	7,793	\$214,753	250	713	58	1
71	69	<b>Rancho Santa Fe - CAPS Security, Rancho Santa Fe Protective Services Inc.</b> Encinitas, Calif.	\$5.27	-5%	5,175	\$378,798	769	130	140	2
72	75	<b>Sylvester's Security Alarms Inc.</b> Santa Maria, Calif.	\$5.07	1%	7,863	\$295,883	184	383	63	1
73	73	<b>Peak Alarm Co. Inc.</b> Salt Lake City, Utah	\$4.91	-6%	7,963	\$240,944	96	697	52	3
74	81	<b>Richmond Alarm Co.</b> Richmond, Va.	\$4.85	19%	5,100	\$208,750	250	150	59	2
75	74	<b>A-Com Protection Services Inc.</b> Columbus, Ga.	\$4.82	-8%	9,567	\$235,713	715	336	43	4

No. 63 - The consolidated revenues of Trans-American Security Services [the parent holding company of Trans-Alarm and Automated Entrance Products] for 2003 is \$17.6 million. The \$5.83 million reported for SDM 100 represents the sum of revenues received from alarm and monitoring services. The remaining \$11.7 million are revenues from integrated systems and related services and will be reported on SDM's Top Systems Integrators Report.

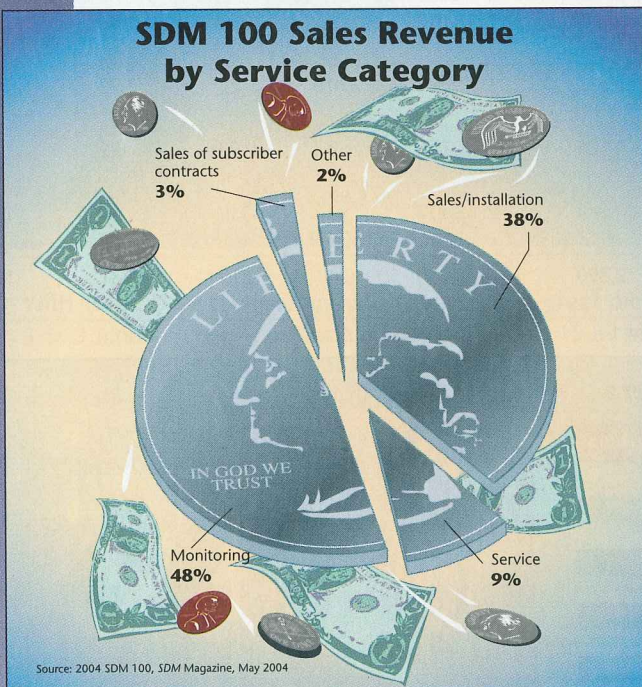
No. 66 - Security Equipment Inc.'s total 2003 revenue is \$13.5 million, of which \$5.4 million represents the alarm and monitoring business segment and \$8.1 million represents the integrated systems business segment and will be reported on SDM's 2004 Top Systems Integrators Report.

No. 68 - Formerly ranked as American Response Inc. Due to a divestiture of a business segment, total revenues decreased.

No. 73 - Total company revenue is \$7.7 million, which includes patrol and guard service

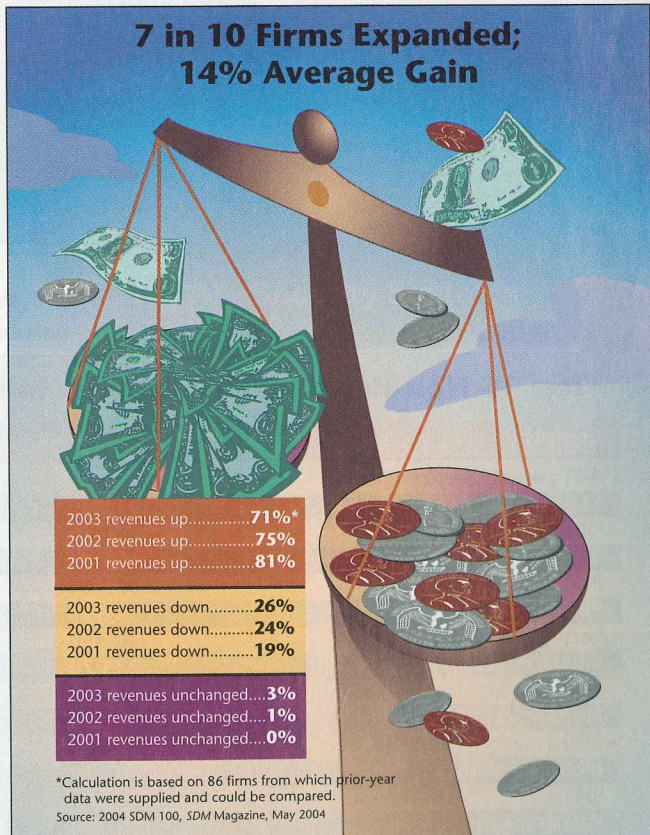
RANK	RANK	COMPANY	GROSS REVENUE 2003 (\$ MIL.)	+/- FROM PRIOR YEAR	SUBSCRIBERS 2003	RMR 12/03	INSTALLS, RESIDENTIAL 2003	INSTALLS, NON-RES. 2003	FULL TIME EMPLOYEES	NUMBER OF LOCATIONS
76	76	<b>EMC Security</b> Lawrenceville, Ga.	\$4.76	-2%	8,625	\$157,875	4,029	351	39	1
77	77	<b>Sonitrol Tri-County</b> Farmington Hills, Mich.	\$4.73	3%	4,519	\$259,407	3	422	41	3
78	-	<b>Icon Security</b> Provo, Utah	\$4.70		500	\$16,000	4,500	n/a	20	1
79	66	<b>American Security Systems Inc.</b> New York, N.Y.	\$4.63	-21%	4,724	\$165,000	400	800	48	1
80	82	<b>American Home Security</b> Alexandria, Va.	\$4.60	13%	2,695	\$116,331	1,326	102	44	1
81	91	<b>ProAlert LLC</b> West Valley City, Utah	\$4.58	21%	8,800	\$281,930	652	19	n/a	2
82	-	<b>Sentry Watch Inc.</b> Greensboro, N.C.	\$4.44		8,200	\$148,000	110	390	44	4
83	99	<b>Sonitrol of Southwest Ohio</b> Cincinnati, Ohio	\$4.35	37%	3,291	\$217,000	100	325	39	2
84	-	<b>Moon Security Services</b> Pasco, Wash.	\$4.28		4,468	\$110,937	200	200	56	3
85	-	<b>Century Tel Security Systems Inc.</b> Monroe, La.	\$4.22		8,968	\$325,546	n/a	n/a	47	3

### SDM 100 Sales Revenue by Service Category



The SDM 100 has long been known as "the monitoring companies." Nearly half of SDM 100 company revenue is recurring revenue. This figure was calculated by averaging the results of each firm that reported their revenue break-down by type of service. (Note: Several firms that provide monitoring only, such as Monitronics Int'l and SAFE, were excluded from this calculation so as not to skew the average.)

### 7 in 10 Firms Expanded; 14% Average Gain



Fewer SDM 100 companies improved in 2003 compared with the prior year. Among those that did, the average gain was 14 percent, compared with an average gain of 12 percent the previous year.



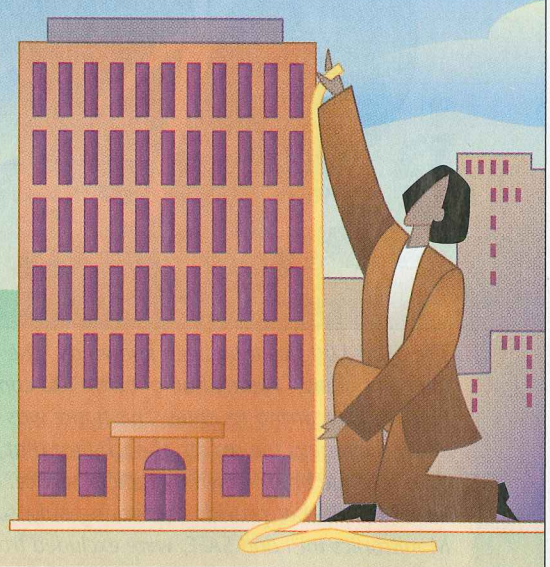
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86	-	<b>Associated Security Corp.</b> East Hartford, Conn.	\$4.20		8,900	\$150,000	n/a	100	33	1
87	-	<b>Acadiana Security Plus</b> Broussard, La.	\$4.14		6,329	\$169,578	769	199	52	1
88	-	<b>J. Smith and Sons</b> Sacramento, Calif.	\$4.00		2,302	\$47,000	600	20	30	1
89	89	<b>Sonitrol of Indianapolis Inc.</b> Indianapolis, Ind.	\$3.95	1%	1,833	\$173,969	n/a	240	29	1
90	-	<b>Guardian Security Systems Inc.</b> Anchorage, Alaska	\$3.92		n/a	\$140,000	200	50	33	6
91	90	<b>Global Security &amp; Communication Inc.</b> Vancouver, Wash.	\$3.91	3%	6,550	\$180,433	n/a	n/a	31	4
92	92	<b>Washington Alarm Inc.</b> Seattle, Wash.	\$3.84	2%	5,650	\$264,444	49	236	38	1
93	70	<b>Nightwatch Security Systems Inc.</b> Cincinnati, Ohio	\$3.79	-31%	13,895	n/a	2,546	n/a	51	4
94	88	<b>Audio Sentry Corp.</b> Fraser, Mich.	\$3.79	-3%	7,427	\$220,022	97	117	48	2
95	95	<b>Safe Systems Inc.</b> Boulder, Colo.	\$3.77	11%	5,685	\$153,312	n/a	n/a	38	1
96	85	<b>Sentry Alarm Systems</b> Monterey, Calif.	\$3.76	-6%	14,284	\$218,012	250	300	36	3
97	83	<b>JM Resources Inc.</b> King of Prussia, Pa.	\$3.66	-10%	5,510	\$125,286	2,010	23	22	1
98	-	<b>Fleenor Security Systems</b> Knoxville, Tenn.	\$3.46		2,165	\$56,047	64	92	32	1
99	93	<b>Pacific Alarm Systems Inc.</b> Culver City, Calif.	\$3.42	-3%	3,248	\$233,733	92	330	42	1
100	98	<b>Sonitrol Security of Pittsburgh</b> Pittsburgh, Pa.	\$3.39	5%	2,890	\$145,250	24	219	31	1

No. 90 - Guardian Security's total 2003 revenue is \$8.62 million including guard services.

### Top 15 Non-Residential Account Holders

Company	Number of non-residential subscribers
ADT Security Services Inc.	911,000
Monitronics International Inc.	41,900
Guardian Alarm Co.	39,866
Sonitrol Management Corp.	38,083
Bay Alarm Co.	37,104
Brink's Home Security Inc.	33,340
Vector Security Inc.	30,490
Interface Security Systems	28,070
AFA Protective Systems Inc.	24,200
Per Mar Security Services	21,178
ADS Security	18,988
Mountain Alarm	16,028
SAFE	14,940
Slomin's Security	12,288
Alarm Detection Systems Inc.	11,846

Source: 2004 SDM 100, SDM Magazine, May 2004



**RANK BY RESIDENTIAL INSTALLATION VOLUME**

RANK BY INSTALLATION VOLUME	COMPANY	RESIDENTIAL SYSTEMS INSTALLED, 2003	SDM 100 RANK	RANK BY INSTALLATION VOLUME	COMPANY	RESIDENTIAL SYSTEMS INSTALLED, 2003	SDM 100 RANK
1	Ranger American	47,121	8	33	Alert Alarm of Hawaii	791	38
2	Slomin's Security	27,000	6	34	Acadiana Security Plus	769	87
3	Protect America Inc.	23,200	15	35	Rancho Santa Fe - CAPS Security, Rancho Santa Fe Protective Services Inc.	769	71
4	Guardian Protection Services Inc.	16,135	12	36	Argus Security Systems Inc.	716	48
5	Firstline Security	10,363	67	37	A-Com Protection Services Inc.	715	75
6	CPI Security Systems	7,247	25	38	ProAlert LLC	652	81
7	Safe Home Security Inc.	7,119	36	39	Security Equipment Inc.	650	66
8	Bay Alarm Co.	6,174	10	40	Safeguard Security and Communications Inc.	600	26
9	Defender Security Co.	6,095	34	41	J. Smith and Sons	600	88
10	Icon Security	4,500	78	42	All-Guard Systems Inc.	580	56
11	EMC Security	4,029	76	43	First Alarm	570	30
12	Tri-State Alarm LLC	3,700	45	44	Custom Security Systems	500	47
13	Security Solutions Inc.	3,309	39	45	CS Security & Sound	467	69
14	ASG Security	3,262	27	46	Electronix Systems Central Station Alarms Inc.	451	53
15	ADS Security	3,028	24	47	World Wide Security/GC Alarm	400	57
16	Ackerman Security Systems	2,879	40	48	American Security Systems Inc.	400	79
17	General Security Inc.	2,649	35	49	Blue Ridge Security Services	380	62
18	Rimi Security Systems	2,600	58	50	Sonitrol of Eugene/Salem, East Cascade Security, Vyanet	330	64
19	Nightwatch Security Systems Inc.	2,546	93	51	Matson Alarm Co. Inc.	325	60
20	AFA Protective Systems Inc.	2,500	11	52	Ultraguard / B&T	300	65
21	American Home Security	2,319	68	53	Custom Alarm	260	54
22	JM Resources Inc.	2,010	97	54	Sentry Alarm Systems	250	96
23	Guardian International Inc.	2,000	18	55	Scarsdale Security Systems Inc.	250	70
24	Interface Security Systems	1,600	14	56	Richmond Alarm Co.	250	74
25	Central One	1,400	33	57	Moon Security Services	200	84
26	Central Security Group Inc.	1,341	31	58	Guardian Security Systems Inc.	200	90
27	American Home Security	1,326	80	59	Sylvester's Security Alarms Inc.	184	72
28	Per Mar Security Services	1,176	19	60	Supreme Security Systems Inc.	179	42
29	Alarm Detection Systems Inc.	1,146	21	61	Sentry Watch Inc.	110	82
30	Doyle Security Systems Inc.	946	49	62	Sonitrol of Southwest Ohio	100	83
31	Mountain Alarm	860	22				
32	American Alarm & Communications Inc.	817	37				

**Top 15 Residential Account Holders**

Company	Number of residential subscribers
ADT Security Services Inc.	4,021,000
Brink's Home Security Inc.	800,160
Monitronics International Inc.	377,100
Slomin's Security	187,035
Guardian Protection Services Inc.	118,794
Vector Security Inc.	106,930
Protect America Inc.	92,100
SAFE	68,060
Guardian Alarm Co.	45,269
Bay Alarm Co.	41,538
Central Security Group Inc.	38,273
CPI Security Systems	38,007
Ranger American	35,692
ADS Security	33,758
Safe Home Security Inc.	26,008

Source: 2004 SDM 100, SDM Magazine, May 2004



**RANK BY NON-RESIDENTIAL INSTALLATION REVENUE**

RANK BY INSTALLATION REVENUE	COMPANY	NON-RESIDENTIAL INSTALLATION VOLUME, 2003	SDM 100 RANK	RANK BY INSTALLATION REVENUE	COMPANY	NON-RESIDENTIAL INSTALLATION VOLUME, 2003	SDM 100 RANK
1	ADT Security Services Inc.	\$1,000,000,000	1	52	Priority One Security Services Inc.	\$1,000,000	52
2	Vector Security Inc.	\$38,520,000	7	53	Sentry Watch Inc.	\$1,000,000	82
3	AFA Protective Systems Inc.	\$27,081,000	11	54	Century Tel Security Systems Inc.	\$862,116	85
4	Sonitrol Management Corp.	\$21,840,000	9	55	EMC Security	\$850,000	76
5	Greater Alarm	\$10,800,000	23	56	Fleenor Security Systems	\$803,594	98
6	Interface Security Systems	\$10,125,921	14	57	Sylvester's Security Alarms Inc.	\$790,912	72
7	Mountain Alarm	\$10,000,000	22	58	CPI Security Systems	\$769,000	25
8	Security Equipment Inc.	\$8,182,929	66	59	Acadiana Security Plus	\$764,792	87
9	Slomin's Security	\$8,001,300	6	60	A-Com Protection Services Inc.	\$672,486	75
10	Per Mar Security Services	\$7,873,000	19				
11	Safeguard Security and Communications Inc.	\$6,912,000	26				
12	Bay Alarm Co.	\$6,783,000	10				
13	Sentra Protective Systems Inc.	\$5,400,000	59				
14	Guardian Protection Services Inc.	\$5,305,130	12				
15	Alarm Detection Systems Inc.	\$4,987,870	21				
16	Protection Service Industries	\$4,205,758	16				
17	Sonitrol of Sacramento/Gold Coast	\$4,035,908	43				
18	ADS Security	\$3,726,404	24				
19	Custom Alarm	\$3,709,515	54				
20	Engineered Protection Systems Inc.	\$3,497,385	28				
21	Kimberlite Corp.	\$3,457,565	32				
22	Blue Ridge Security Services	\$3,424,000	62				
23	Ultraguard / B&T	\$3,200,000	65				
24	American Alarm & Communications Inc.	\$3,063,500	37				
25	Intelli-Tec Security Services LLC	\$3,000,000	55				
26	Sonitrol Security Systems of Hartford Inc.	\$2,950,537	46				
27	First Alarm	\$2,550,000	30				
28	Sonitrol Pacific	\$2,525,000	44				
29	American Security Systems Inc.	\$2,400,000	79				
30	Supreme Security Systems Inc.	\$2,211,963	42				
31	Custom Security Systems	\$2,175,000	47				
32	Security Solutions Inc.	\$2,056,259	39				
33	Electronix Systems Central Station Alarms Inc.	\$2,000,000	53				
34	World Wide Security/GC Alarm	\$2,000,000	57				
35	Ackerman Security Systems	\$1,915,412	40				
36	Scarsdale Security Systems Inc.	\$1,863,267	70				
37	Matson Alarm Co. Inc.	\$1,791,888	60				
38	Richmond Alarm Co.	\$1,617,000	74				
39	Sonitrol of Indianapolis Inc.	\$1,604,765	89				
40	Alert Alarm of Hawaii	\$1,554,052	38				
41	Audio Sentry Corp.	\$1,528,444	94				
42	Peak Alarm Co. Inc.	\$1,503,921	73				
43	Associated Security Corp.	\$1,500,000	86				
44	Moon Security Services	\$1,500,000	84				
45	Sonitrol Tri-County	\$1,471,246	77				
46	ASG Security	\$1,414,000	27				
47	Doyle Security Systems Inc.	\$1,343,445	49				
48	Sonitrol Security of Pittsburgh	\$1,333,000	100				
49	Sonitrol of Southwest Ohio	\$1,275,000	83				
50	Sonitrol of Eugene/Salem, East Cascade Security, Vyanet	\$1,226,094	64				
51	Safe Systems Inc.	\$1,172,929	95				

**How to Use the SDM 100**

The 2004 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 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. A vast majority of the firms ranked are privately held.

The main table, which begins on page 46, ranks 100 firms by their 2003 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, from left to right:

- Current year rank, which is based on total 2003 gross revenues. (Note: If two firms have identical revenues, before rounding, then the number of subscribers is the second determining factor for ranking.)
- Previous year rank. If the firm was not previously ranked, then no number appears in this column.
- Company name, as used in the marketplace, and headquarters location.
- Total gross revenue in millions of dollars. This number represents total revenue in calendar-year or (the company's) fiscal-year 2003 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 2002 to 2003, where applicable.
- Amount of recurring monthly revenue (RMR) as reported to or estimated by SDM. This figure reflects RMR on Dec. 31, 2003.
- Number of subscribers (recurring-billable customers) that each firm counted at year-end 2003.
- Number of system installations (units) in 2003, residential.
- Number of system installations (units) in 2003, non-residential.
- Number of full-time employees.
- Number of business locations, including headquarters location.
- n/a = not available

To find a firm by name, use the alphabetical index on page 60.

**RANK BY RECURRING MONTHLY REVENUE**

RANK BY RMR	COMPANY	RMR 12/31/03 (\$ MIL)	SUBSCRIBERS YEAR-END 2003	SDM 100 RANK	RANK BY RMR	COMPANY	RMR 12/31/03 (\$ MIL)	SUBSCRIBERS YEAR-END 2003	SDM 100 RANK
1	ADT Security Services Inc.	\$192.24e	4,932,000	1	54	Sylvester's Security Alarms Inc.	\$0.30	7,863	72
2	Brink's Home Security Inc.	\$23.30	833,500	2	55	Sonitrol of Tallahassee Inc.	\$0.29	4,333	61
3	Protection One	\$20.10	1,048,320	3	56	ProAlert LLC	\$0.28	8,800	81
4	Monitronics International Inc.	\$12.10	419,000	5	57	Trans-American Security Services Inc.	\$0.27	4,692	63
5	Honeywell Security	\$8.50e	n/a	4	58	Sonitrol of Eugene/Salem, East Cascade Security, Vyanet	\$0.27	13,289	64
6	Slomin's Security	\$4.72	199,323	6	59	Washington Alarm Inc.	\$0.26	5,650	92
7	Vector Security Inc.	\$4.36	137,420	7	60	Sonitrol Tri-County	\$0.26	4,519	77
8	Bay Alarm Co.	\$3.86	78,642	10	61	Peak Alarm Co. Inc.	\$0.24	7,963	73
9	Sonitrol Management Corp.	\$3.60	38,083	9	62	Blue Ridge Security Services	\$0.24	27,180	62
10	Guardian Protection Services Inc.	\$3.48	122,685	12	63	A-Com Protection Services Inc.	\$0.24	9,567	75
11	Guardian Alarm Co.	\$3.15	85,135	13	64	JMG Security Systems Inc.	\$0.23	3,497	41
12	Protect America Inc.	\$2.90	92,100	15	65	Pacific Alarm Systems Inc.	\$0.23	3,248	99
13	SAFE	\$2.15	83,000	17	66	Audio Sentry Corp.	\$0.22	7,427	94
14	AFA Protective Systems Inc.	\$2.04	38,800	11	67	World Wide Security/GC Alarm	\$0.22	8,600	57
15	Protection Service Industries	\$1.85	53,155	16	68	Sentry Alarm Systems	\$0.22	14,284	96
16	Interface Security Systems	\$1.66	50,125	14	69	Sonitrol of Southwest Ohio	\$0.22	3,291	83
17	Alarm Detection Systems Inc.	\$1.45	23,275	21	70	Scarsdale Security Systems Inc.	\$0.21	7,793	70
18	Guardian International Inc.	\$1.35	30,000	18	71	Richmond Alarm Co.	\$0.21	5,100	74
19	CPI Security Systems	\$1.31	41,312	25	72	Argus Security Systems Inc.	\$0.20	8,261	48
20	Central Security Group Inc.	\$1.15	42,526	31	73	Ultraguad / B&T	\$0.20	6,150	65
21	ADS Security	\$1.13	52,746	24	74	Global Security & Communication Inc.	\$0.18	6,550	91
22	Ranger American	\$0.94	38,852	8	75	Custom Alarm	\$0.17	6,300	54
23	Safe Home Security Inc.	\$0.93	28,898	36	76	Sonitrol of Indianapolis Inc.	\$0.17	1,833	89
24	Per Mar Security Services	\$0.92	35,297	19	77	Acadiana Security Plus	\$0.17	6,329	87
25	ASG Security	\$0.87	27,969	27	78	American Security Systems Inc.	\$0.17	4,724	79
26	Central One	\$0.85	27,300	33	79	EMC Security	\$0.16	8,625	76
27	General Security Inc.	\$0.83	36,080	35	80	Intelli-Tec Security Services LLC	\$0.16	4,383	55
28	Kimberlite Corp.	\$0.75	6,037	32	81	Safe Systems Inc.	\$0.15	5,685	95
29	Engineered Protection Systems Inc.	\$0.71	12,687	28	82	Security Solutions Inc.	\$0.15	4,036	39
30	Mountain Alarm	\$0.67	26,713	22	83	Associated Security Corp.	\$0.15	8,900	86
31	Tri-State Alarm LLC	\$0.62	16,832	45	84	Sentry Watch Inc.	\$0.15	8,200	82
32	First Alarm	\$0.61	n/a	30	85	Sonitrol Security of Pittsburgh	\$0.15	2,890	100
33	Alert Alarm of Hawaii	\$0.57	16,854	38	86	Guardian Security Systems Inc.	\$0.14	n/a	90
34	Supreme Security Systems Inc.	\$0.57	10,441	42	87	JM Resources Inc.	\$0.13	5,510	97
35	Safeguard Security and Communications Inc.	\$0.56	13,188	26	88	American Home Security	\$0.12	2,695	80
36	Sonitrol Pacific	\$0.53	4,000	44	89	Dallas Security Systems Inc.	\$0.11	6,025	29
37	Sonitrol Security Systems of Hartford Inc.	\$0.48	13,497	46	90	Moon Security Services	\$0.11	4,468	84
38	American Alarm & Communications Inc.	\$0.47	17,091	37	91	Defender Security Co.	\$0.11	3,100	34
39	Sonitrol of Sacramento/Gold Coast	\$0.45	3,235	43	92	Fleenor Security Systems	\$0.06	2,165	98
40	Ackerman Security Systems	\$0.41	19,526	40	93	J. Smith and Sons	\$0.05	2,302	88
41	Custom Security Systems	\$0.41	9,031	47	94	Rimi Security Systems	\$0.04	4,350	58
42	Matrix Security Systems LLC	\$0.40	16,055	51	95	Sentra Protective Systems Inc.	\$0.03	1,549	59
43	All-Guard Systems Inc.	\$0.40	n/a	56	96	Icon Security	\$0.02	500	78
44	Firstline Security	\$0.40	10,422	67	97	CS Security & Sound	\$0.01	637	69
45	Doyle Security Systems Inc.	\$0.39	15,461	49					
46	Priority One Security Services Inc.	\$0.39	13,993	52					
47	American Home Security	\$0.38	11,181	68					
48	Rancho Santa Fe - CAPS Security, Rancho Santa Fe Protective Services Inc.	\$0.38	5,175	71					
49	Sonitrol Security Systems of Buffalo Inc.	\$0.36	5,765	50					
50	Security Equipment Inc.	\$0.35	9,652	66					
51	Matson Alarm Co. Inc.	\$0.33	14,322	60					
52	Century Tel Security Systems Inc.	\$0.33	8,968	85					
53	Electronix Systems Central Station Alarms Inc.	\$0.30	10,633	53					

**Stay tuned to SDM's June issue for SDM's "Up-and-Comers in Security" - premiering the next tier of security firms just behind the SDM 100!**

**SDM 100 INDEX TO COMPANIES**

COMPANY	SDM 100 RANK	COMPANY	SDM 100 RANK
Acadiana Security Plus	87	Pacific Alarm Systems Inc.	99
Ackerman Security Systems	40	Peak Alarm Co. Inc.	73
A-Com Protection Services Inc.	75	Per Mar Security Services	19
ADS Security	24	Priority One Security Services Inc.	52
ADT Security Services Inc.	1	ProAlert LLC	81
AFA Protective Systems Inc.	11	Protect America Inc.	15
Alarm Detection Systems Inc.	21	Protection One	3
Alert Alarm of Hawaii	38	Protection Service Industries	16
All-Guard Systems Inc.	56	Rancho Santa Fe – CAPS Security, Rancho Santa Fe Protective Services Inc.	71
American Alarm & Communications Inc.	37	Ranger American	8
American Home Security (Las Vegas, Nev.)	68	Richmond Alarm Co.	74
American Home Security (Alexandria, Va.)	80	Rimi Security Systems	58
American Security Systems Inc.	79	SAFE	17
Argus Security Systems Inc.	48	Safe Home Security Inc.	36
ASG Security	27	Safe Systems Inc.	95
Associated Security Corp.	86	Safeguard Security and Communications Inc.	26
Audio Sentry Corp.	94	Scarsdale Security Systems Inc.	70
Bay Alarm Co.	10	Security Equipment Inc.	66
Blue Ridge Security Services	62	Security Solutions Inc.	39
Brink's Home Security Inc.	2	Sentra Protective Systems Inc.	59
Central One	33	Sentry Alarm Systems	96
Central Security Group Inc.	31	Sentry Watch Inc.	82
Century Tel Security Systems Inc.	85	Slomin's Security	6
CPI Security Systems	25	Sonitrol Management Corp.	9
CS Security & Sound	69	Sonitrol of Eugene/Salem, East Cascade Security, Vyanet	64
Custom Alarm	54	Sonitrol of Indianapolis Inc.	89
Custom Security Systems	47	Sonitrol of Sacramento/Gold Coast	43
Dallas Security Systems Inc.	29	Sonitrol of Southwest Ohio	83
Defender Security Co.	34	Sonitrol of Tallahassee Inc.	61
Doyle Security Systems Inc.	49	Sonitrol Pacific	44
Electronix Systems Central Station Alarms Inc.	53	Sonitrol Security of Pittsburgh	100
EMC Security	76	Sonitrol Security Systems of Buffalo Inc.	50
Engineered Protection Systems Inc.	28	Sonitrol Security Systems of Hartford Inc.	46
First Alarm	30	Sonitrol Tri-County	77
Firstline Security	67	SSD Systems/Kern Security Systems	20
Fleenor Security Systems	98	Supreme Security Systems Inc.	42
General Security Inc.	35	Sylvester's Security Alarms Inc.	72
Global Security & Communication Inc.	91	Trans-American Security Services Inc.	63
Greater Alarm	23	Tri-State Alarm LLC	45
Guardian Alarm Co.	13	Ultraguard / B&T	65
Guardian International Inc.	18	Vector Security Inc.	7
Guardian Protection Services Inc.	12	Washington Alarm Inc.	92
Guardian Security Systems Inc.	90	World Wide Security/GC Alarm	57
Honeywell Security	4		
Icon Security	78		
Intelli-Tec Security Services LLC	55		
Interface Security Systems	14		
J. Smith and Sons	88		
JM Resources Inc.	97		
JMG Security Systems Inc.	41		
Kimberlite Corp.	32		
Matrix Security Systems LLC	51		
Matson Alarm Co. Inc.	60		
Monitronics International Inc.	5		
Moon Security Services	84		
Mountain Alarm	22		
Nightwatch Security Systems Inc.	93		

**You Can Purchase the SDM 100 Directory**

Wouldn't it be useful to have more information about each of the 100 firms ranked here? The 2004 SDM 100 Directory includes contact names, mailing addresses, telephone and fax numbers, Web site URLs, branch office locations, buyer names, installation data, revenue sources, and more. The SDM 100 Directory comes in Microsoft Excel format. To order the SDM 100 Directory, visit [www.sdmmag.com](http://www.sdmmag.com) and search under "More Resources" for "Exclusive Industry Research," or contact Donna Edwards at (248)244-6428 or by e-mail to [edwardsd@bnpmmedia.com](mailto:edwardsd@bnpmmedia.com).