DUE: Thursday, March 26, 2020

Enter your response online: https://www.surveygizmo.com/s3/5475241/2020-SDM-Qualification-Form

Or print and complete this application and return by e-mail to:
SDM Magazine, Attn. Laura Stepanek
E-mail: stepanekl@bnpmedia.com

PLEASE PRINT OR TYPE ALL ANSWERS

CONTACT INFORMATION

1. Please state your:
Company name _____

(Doing business as) _____
Note: the DBA is the name your company will be ranked with, unless otherwise stated.)

Address _____

City _____ State _____ Zip _____

Phone(s) _____

Website: _____

CEO _____

Please state the name of your *parent* company, if applicable.
_____

2. So we may contact you with questions about your application, please state:

Your name: _____ Your title: _____

Your phone: _____ Your email: _____

BUSINESS ACTIVITY

3. What is your company's primary business? (check one that *best* describes)

_____ Security dealer (system sales, installation, service and monitoring by either your own
             central station or a third party)
_____ Security system sales and installation only (sell all/most accounts to another party)
_____ Security system monitoring only
_____ Systems integrator (primarily sell access control, video, etc. to non-residential market)
_____ Residential electronic systems contractor
_____ Authorized-dealer company (subscriber account purchase, billing, monitoring, etc.)
_____ Engineered fire systems distributor
_____ Other (please state) _____

4. What was your company's TOTAL gross revenue in calendar or fiscal year 2019?

$ _____

Please state full amount, rounding to the nearest dollar, and do not abbreviate. As an example, if revenue was
$4,589,002, please do not enter $4.6M; please enter the FULL AMOUNT of $4,589,002.

5. If your company's *primary* business is <u>NOT</u> security, then please state what percentage of your
company's TOTAL gross revenue in 2019 was security-related. _____ %

PLEASE NOTE: To verify your answers you MUST submit either an audited or reviewed financial statement or a
copy of your company's tax return (only the page that shows total gross receipts), which will be kept
confidential. If neither of these documents is available, please complete and return this form with a note
stating the expected date on which you will furnish these documents. You may return this Qualification Form
*first, if necessary, followed by financial documents later. **NO APPLICATION WILL BE CONSIDERED WITHOUT***
THIS INFORMATION.

Your answer to question 6 (below) is the number that will be used to rank companies on the <u>Top Systems</u>
<u>Integrators Report</u>. If your company does not sell and/or install integrated security system projects, then
please skip to question 7.

6. What was your company's total <u>NORTH AMERICAN</u> (not worldwide) revenue in (calendar-year or fiscal-
year) 2019 from SECURITY SYSTEMS INTEGRATION PROJECTS? Integration includes: Solutions such as design,
project management, product, installation, programming, start-up, training, and T&M-based service sold
directly to an end-user customer or through a tier of contractors. This includes revenue related to security,
such as: access control, ID/badging, video surveillance/analytics, intrusion alarms, perimeter security,
electronic gate entry, intercom/communications, fire protection, etc. <u>DO NOT</u> <u>INCLUDE</u> revenue from *non-*
security products and services such as energy management, process control, IT networks, etc., unless it was an
integral part of the total project that also included security. <u>DO NOT</u> <u>INCLUDE</u> revenue from product
manufacturing or wholesale distribution.

PLEASE NOTE: Recurring revenue from services and monitoring when provided to an end-user customer should
NOT be included in your answer to question 6, but it should be included in question 7.

$ _____ North American revenue from SECURITY SYSTEMS INTEGRATION (non-resi)

Your answer to question 7 (below) is the number that will be used to rank companies on the <u>SDM 100</u>.
Answer this question if you have RMR to report that wasn't included in question 6.

7a. What was your company's Recurring <u>Monthly</u> Revenue (RMR) in both 2018 and 2019?
RMR is the amount of contractually recurring revenues due from customers in force, as of the end of the year,
expressed monthly. For instance, a $20 per month residential monitoring customer, whether billed quarterly
$60, semi-annually $120, or annually $240, is a $20 RMR customer. Similarly, a $60 per month commercial

customer (which may include monitoring, maintenance, leasing and/or Security-as-a-Service) is a $60 RMR customer irrespective of their billing cycle. RMR should not include amounts for maintenance if billed on a Time & Materials basis, rather than a contractually fixed charge.

PLEASE NOTE: Your answer must include RMR from contracts that your company bills. Do not include RMR from contracts that were sold to others.

$ _____ Monthly RMR on December 31, 2018
$ _____ Monthly RMR on December 31, 2019
$ _____ Net gain or loss (amount on 12/31/19 less amount on 12/31/18)

7b. In 12/31/19 RMR above, is any amount from non-owned accounts that you monitor/bill for other companies? [ ] yes [ ] no If yes, how much? $ _____

The following question pertains to companies that have customers (subscribers) under contract for monitoring and other recurring-revenue based services. If you have customers that don't subscribe to services that produce recurring revenue, then do not answer this question.

7c. Please complete the following formula to help indicate customer account activity. Start with:

Total customers at year-end 2018:	_____
ADD customers gained through new sales in 2019:	_____
ADD customers gained through purchase in 2019:	_____
ADD customers gained through other means in 2019:	_____
[SUBTOTAL:]	_____
Now, SUBTRACT customers sold to others in 2019:	_____
And, SUBTRACT customers lost in 2019:	_____
[SUBTOTAL:]	_____
ADD or SUBTRACT other activity affecting customer accounts:	_____
BOTTOM LINE: Total customers at year-end 2019:	**_____**

7d. Of your total RMR customer accounts at year-end 2019, approximately how many were:
Residential _____ Non-residential _____

PLEASE NOTE: DO NOT use a percentage for this reply.

Question 8 below attempts to measure revenue split by various types of services.

8. If you were to break down your 2019 TOTAL REVENUE by <u>type of service,</u> approximately what percentage was derived from:
_____% Sales/Installation
_____% Service contracts
_____% Non-contracted service
_____% Test and inspection
_____% Equipment leases
_____% Monitoring
_____% Hosted and managed services
_____% Sales of subscriber contracts to other parties
_____% Consulting
_____% Risk analysis
_____% Other (please state) _____
100%   TOTAL (Total must equal 100% of sales revenue)

9. If you were to break down your 2019 SALES REVENUE by <u>type of product / technology,</u> approximately what percentage was derived from:

_____% Integrated non-residential systems (including some or all of the technologies listed below)

_____ % Integrated residential systems (may include structured wiring, security and connected home technologies such as lighting or lock controls, energy management, audio systems, home theater, etc.)

_____% Access control systems **(stand-alone)**

_____% Video surveillance systems **(stand-alone)**

_____% Security (intrusion alarm) systems, including residential burg/fire **(stand-alone)**

_____% Fire protection systems, commercial **(stand-alone)**

_____% Intercom and communication systems **(stand-alone)**

_____% Badging systems **(stand-alone)**

_____% Perimeter/outdoor security and gate controls **(stand-alone)**

_____% PERS – Personal Emergency Response systems and home health systems

_____% IT hardware, software and services as related to security

_____% Other (please state) _____

100%   TOTAL (Total must equal 100% of sales revenue)

10. What was your company's net profit margin in 2019? _____

11. Did your company's net profit margin increase, decrease or stay about the same in 2019 compared with 2018, and by how much?

[ ] Increased by _____%   [ ] Decreased by _____%   [ ] Same

12. Please rank the following non-residential markets (from 1 – 5) in order of those that provided the most significant portion of your 2019 revenue (1 being the greatest, etc.) If your company does not serve non-residential markets, please skip to the next question.

_____	Airports	_____	Healthcare
_____	Corporate office space	_____	Hotel / Hospitality
_____	Correctional	_____	Industrial
_____	Education / Campus	_____	Law Enforcement
_____	Entertainment / Sports Venues	_____	Retail / Restaurants
_____	Financial / Banking	_____	Transportation / Distribution
_____	Gaming	_____	Utilities / Critical Infrastructure
_____	Government	_____	Other _____

INTERNAL OPERATIONS

13. Is your firm (or its parent) publicly traded? [ ] Yes, trading symbol is _____ [ ] No

14a. Including your main office/headquarters, how many business locations does your company operate?

_____

14b. Where are branch offices located? (list mailing addresses; send as attachment if necessary)
a. _____
b. _____
c. _____

15a. Do you operate your own central station?   [ ] Yes   [ ] No
15b. If yes, please estimate how much you spent in equipment purchases for your central station in 2019. (Include cost for items such as receivers, software, computers, etc.) $ _____

16a. How many RESIDENTIAL systems did your company install in 2019? _____
16b. Please estimate the total sales (*non-recurring*) revenue for residential system installations in 2019: $ _____

17a. How many NON-RESIDENTIAL systems did your company install, or integrated system projects did your company start in 2019? _____
17b. Please estimate the total sales (*non-recurring*) revenue for non-residential system installations/projects in 2019: $ _____

PLEASE NOTE: A "new installation/project" is defined as an installation/project for a client that your company previously did not have as a client, or a brand-new site for an existing client, or a completely brand-new installation/project for an existing customer at an existing site. Under "new installations/projects," do not count add-ons for the same "system."

18a. In terms of revenue, what was the <u>LARGEST</u> security project or system installation your company started in 2019? $ _____

18b. In terms of revenue, what was the <u>SMALLEST</u> security project or system installation your company started in 2019? $ _____

19. Please describe a recent project or installation that you feel demonstrates your company's capabilities and staff talents well:
_____
_____
_____
PLEASE NOTE: If high-resolution project photos are available, please feel free to submit one or two for possible publication.

20. What percentage of projects sold in 2019 incorporated IP-based technology?
[ ] zero   [ ] 1% - 25%   [ ] 26% - 50%   [ ] 51% - 75%   [ ] 76% - 100%

21a. Do you participate in an authorized dealer program (i.e., ADT, Brinks, Guardian, etc.) as an authorized dealer?
[ ] Yes   [ ] No   [ ] Not sure

21b. If yes, which one(s)? _____

22. How many people does your company currently employ in North America? (Please state only those employees in the security and life-safety business; do not include non-security-related businesses.)

	Full-time	Part-time
Executive management	_____	_____
General management	_____	_____
Sales/marketing	_____	_____
Project management	_____	_____
Engineering/design	_____	_____
IT (information/network tech.)	_____	_____
Installation	_____	_____
Technical service	_____	_____
Central station	_____	_____
Customer service	_____	_____
Administrative support	_____	_____
Finance/accounting	_____	_____
Other _____	_____	_____
TOTAL	**_____**	**_____**

23. Did your firm purchase any security companies in 2019?
[ ] Yes; number of companies _____ Number of subscriber accounts purchased _____ [ ] No

24. Please list your top three suppliers (both manufacturers and distributors) in order of volume purchased from them (#1 is largest volume).

Manufacturers	Distributors
1. _____	1. _____
2. _____	2. _____
3. _____	3. _____

25. Who, at your company, is responsible for making equipment-purchase decisions, and what is their title?
_____

26. Are you a member of any of the following professional organizations or industry groups?
- ☐ AiN (Alarm Installer Network)
- ☐ ASIS (chapter and/or national)
- ☐ BICSI
- ☐ CEDIA
- ☐ The Monitoring Association (TMA)
- ☐ Electronic Security Association (ESA) (national and/or chapters)
- ☐ National Fire Protection Association
- ☐ National Security Integrators
- ☐ National Systems Contractors Association (NSCA)
- ☐ NetOne (formerly SNA)
- ☐ PSA Security Network
- ☐ Security Industry Association (SIA)
- ☐ Security-Net
- ☐ Others _____

27. How many vehicles are in your company's fleet?
_____ Technical
_____ Sales
_____ Other _____

OUTLOOK & OPINION

28. Please describe the market for security system sales and integrated systems projects in 2019 compared with 2018. Was the market strong, average or weak? What segments exhibited the best/worst growth?
_____
_____
_____

29. What was your company's most significant accomplishment in 2019?
_____
_____
_____

30. How do you expect revenues in 2020 to compare with revenues in 2019?
[ ] Up by _____%   [ ] Down by_____%   [ ] Stay the same

31. Do you think end-users' funding for security projects was generally better, worse, or about the same in 2019 as it was in 2018?
[ ] Better   [ ] Worse   [ ] About the same   [ ] Don't know
Why? _____
_____

32. Which of the following services does your company offer to customers? (check all that apply)
[ ] Maintenance contracts
[ ] Managed access control
[ ] Cloud-based access control
[ ] Remote video monitoring
[ ] Cloud-based video surveillance as a service (VSaaS)
[ ] Network monitoring
[ ] Cybersecurity services
[ ] Other _____

33. What issues and trends do you think will have the greatest impact on your business in 2019? Please consider things such as cybersecurity; do-it-yourself (DIY) security; self-monitoring; the IoT (Internet of Things); active shooters; crime/terrorism, etc. (This question is open-ended so feel free to elaborate.)
_____
_____
_____

The information furnished on this application is accurate to the best of my knowledge, and I am authorized by my company to sign off on this application.

Signature _____ Date _____

Thank you! Applications are due no later than Thursday, March 26, 2020