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Stanley Security Solutions Adds Systems Integrator to Its Mix

DC's ISR Solutions joins Stanley fold; integrator serves federal projects and large commercial operations

SIW Editorial Staff

The Stanley Works is staying true to form with another acquisition. Announced today was the news that ISR Solutions, Inc. will be part of the Stanley's Security Solutions family. Based out of the Washington, D.C.-area, ISR Solutions is a security systems integrator focused on federal government and commercial customers needing access control and security systems design, service, installation and maintenance.

According to a company press release, the acquisition adds more than 200 sales and service professionals to the company, and expands the company's involvement into systems integration. The move strengthened Stanley's position in the federal and homeland security markets, and should help link ISR to relationships that Stanley Security Solutions already held with government contractors.

"Our direct business model creates a unique value proposition for our end-user customers, and that is what distinguishes us from the competition," said Justin Boswell, president of Stanley Security Solutions in a prepared statement. "ISR brings a strong, experienced management team. It fits well with our strategy of expanding direct sales and service operations to more effectively serve our customers. This acquisition strengthens the presence we will gain with the proposed Security Group acquisition in a very important vertical market, the U.S. federal government. The ISR transaction provides an important entry into the Homeland Security sector, which we will continue to focus upon and where we anticipate substantial future growth."

Joseph Costa, president and CEO of ISR Solutions, will join the Stanley Security Solutions leadership team.

By acquiring ISR, annualized 2004 ISR revenues of close to \$40 million will create a 6 percent increase in Stanley Security Solutions' total revenue base. Stanley said that the acquisition is expected to be nominally accretive to earnings in 2005.

John Lundgren, chairman and CEO of The Stanley Works explained the acquisition.

"We recently announced the disposition of our less strategic consumer home decor business," said Lundgren in a prepared statement. "The ISR Solutions acquisition, together with the previously announced Security Group and Cal-Dor acquisitions, are expected to replace approximately two-thirds of the revenues and most and eventually all of the lost earnings from the home decor business sale. These moves continue the shift of our portfolio toward favored markets with higher inherent growth and profitability."

"Upon successful completion of the Security Group acquisition, we would expect our Security Solutions growth platform to account for approximately 25 percent of the company's revenues in 2005."

Lundgren added that he expects "acquisition activity to continue in 2005."