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SALES & MARKETING: Expanding Sales Horizons With Outdoor Protection

by Chris Reed

When broadening their offerings to customers, some security integrators and dealers are looking outside.

For many alarm customers, keeping someone from getting through the door or window is just not enough — they want to keep them from getting anywhere near the entry of their home, business or complex. Clients like this will hang up the phone on a company that is not able to perform perimeter protection installations.

“Dealers and integrators who don’t provide a complete suite of products are at risk of losing sales and service opportunities to competitors that offer one-stop shopping and the ability to integrate existing systems with new technologies,” says Jeff Swaddling, the assistant to the chairman for Dublin, Ohio, integrator and barrier-system manufacturer Intelligent Perimeter Systems Inc. “Indoor and outdoor perimeter protection are critical components of this evolving product bundle.”

That doesn’t mean installing firms can take up outdoor systems on a whim. Customers could end up just as enraged by a shoddy installation or poor service as they would if the company didn’t offer perimeter protection at all. Because of their much larger scope, it is more important for outdoor systems to be installed right the first time.

Get past a few obstacles and perimeter protection can truly be a moneymaker for an installing company.

Companies Chart New Territory With Perimeter Installations

The words perimeter protection usually bring to mind high-end installations: from a tycoon’s mansion to a government facility to a nuclear power plant.

It’s true that a clear majority of perimeter installations remain in the domain of customers who don’t get sticker shock from seeing six-, seven- or even eight-figure prices on their bill. However, improvements in products and their reliability are bringing outdoor protection down to earth.

“Outdoor microwave has come a long way. Even the fiber systems on the fence have come a long way,” says ADT Director of National Government Sales Paul Brisgone. More and more, perimeter installations are going up on such facilities as car dealerships, warehouses and other small businesses. It is even becoming a growing option for residential customers — including those who aren’t planning to start a trust fund.

“Everyone who has a building or owns a house is a potential customer,” says Dario Brebric, western regional sales manager for Sanyo Security Products. “It’s gone away from high-end business and homes to just about anyone who would be interested.”

Todd Leggett, senior vice president of security solutions provider Sonitrol, says a company that doesn’t provide outdoor protection is missing out. “You’re not providing a comprehensive solution to the client,” says Leggett. “Being prepared and trained to offer a complete solution is a value proposition.”

That doesn’t mean it is wise for anyone to just drive up, open their trunk and declare themselves a perimeter protection provider. While “trunk slammers” may get by with basic burglar alarms, installation mistakes are more glaring when they’re out in the open on a large-scale perimeter system.

In addition, while there are several types of customers who can be served by an outdoor system, an installer needs to be aware that many clients will have no need whatsoever for an outdoor system. Some perimeter systems may be overkill if a customer doesn’t really need it.

Swaddling says the primary targets for high-security systems include federal government agency facilities, dams and waterways, utility plants, airports, railroads, and large commercial sites.

In the end, it still comes down to the needs of the client. A perimeter system is less than feasible for a business in a high-rise on a busy city street and impractical for facilities like museums or entertainment complexes that see a great deal of entry and exit of visitors.

With that, perimeter is rarely a primary mode of a firm's business — even for those companies with a great deal of experience.

“We don't do a ton of them. The biggest advantage to us is offering a complete package to our customer, especially with government facilities,” says Kurt Kottkamp, president of Enterprise Security Systems Inc. of Pineville, N.C. “It's not a focus of our business ... It's another one of the tools of our trade.”

There's something to be said for experience, however. As any installer knows, more knowledge means better installations and a better return of satisfaction from the customer.

ADT's Brisgone, who has been involved in performing and supervising large perimeter installations — mainly for major government clients — since 1985, says even though most companies won't be working on perimeter installations on a daily basis, they should at least stay in practice.

“There's a lot of good integrators that work with these kinds of systems. We do it every day. If you don't, you lose that kind of flow. That's a big advantage for us,” says Brisgone. “If you don't play the piano every day, you can get a little rusty. A lot of these systems call for 24-hour response and you need spare parts on hand.”

Creating Layers of Protection Help Ensure a Secure System

Perhaps one of the major needs end users will see in an outdoor system is the importance of having human beings on site to back it up. There seems little purpose to having a perimeter system if there aren't guards or other security personnel on site to immediately intercept a possible intruder.

“The big thing is you need someone to react to the alarms,” says Shawn Reader, installation manager for Scottsdale, Ariz.'s International Electronic Protection (IEP). “Otherwise, the system is useless.”

One thing for sure: A perimeter system can never be installed on the cheap. Costs may have come down, but an outdoor system is still much more expensive to both the client and installer than other systems. Swaddling says a “quality” perimeter system will cost between \$75,000 and \$1 million.

Security system design consultant Roy Bordes has more than 30 years of experience in the security field and says if someone is going to install a perimeter system, they must make sure they get it right, and that means not cutting corners.

“The problem most people run into is they only put in one line of protection. They don't maintain it and they do it on a low budget,” says Bordes, president and CEO of The Bordes Group Inc. “You can't do perimeter protection as a low-budget operation.”

Bordes, who serves as an on-air security consultant for the Fox News Channel, says no perimeter system is alike. He says installers need to have a good feel for the value of the asset they are protecting and weigh in the probability someone is going to attack the facility.

Bordes, a longtime ASIS Int'l board member, says an ideal perimeter system has four layers of protection: A first line of protection that includes the main, wire-mesh fence with a detection system; a second line of protection that includes another, less-expensive fence with detection; a line of assessment utilizing cameras; and a fourth line of protection that uses sensors and buried cable to pinpoint an intruder's

approach. (For more details on the four layers of protection, see the sidebar on page 64 of the July issue).

Keeping the Outside World Out Can Bring in Installation Profits

It's money that makes the world go round, and perimeter protection won't be much of an addition to a portfolio if it doesn't bring in revenue to an installing company.

However, if the installation is done right and the service is up or better than par, performing outdoor security installations can truly bring in "the dough."

With the price range of the typical perimeter installation, the installer knows going in that the customer isn't being stingy with their money when it comes to their security needs. When the cost of labor is added to the cost of the products being installed, the number of zeros in the final revenue to the installer keeps growing.

"In terms of the cost on 290 linear feet of fence, you're talking about \$105,000 for just the fence. The integrator who comes in and coordinates this, that's \$100,000 of work right there," says Bordes. "\$300,000 worth of work, just on a small installation."

According to Swaddling, several studies have suggested at least a 10-percent growth rate in the demand for perimeter protection systems in the coming years. But it doesn't take any study to see that customers are lining up.

"As terrorism and crime continues to take new forms and impact more people, sellers of outdoor perimeter protection systems will benefit more and more from their ability to offer people the opportunity to keep valuable human and physical assets safe from harm," Swaddling says. "Buyers will enjoy both the physical protection and the accompanying peace of mind."

Unlike larger operations like ADT — which actively markets perimeter systems in print media and directly to government customers — most of the midsize to small dealers and integrators that perform perimeter work don't necessarily actively market it alone. It will usually be brought up with clients as an added feature toward a complete security system. The needs of the client usually determine whether outdoor protection comes up at all.

Part of the profitability from installing perimeter systems can come from the fact that a majority of dealers and installers don't perform them.

"Our profitability on it has been consistent. It's maybe more profitable than other areas because I don't see many of my competitors offering systems like this," says Enterprise Security Systems' Kottkamp.

Because of its nature of being open to the elements and its large scale of size, it is not only a good move to service a perimeter system, it's a requirement. It also means that there is little room for error on the initial installation.

Unlike indoor systems, where it's easy to unscrew and move a sensor or reposition a camera, the logistics of a poorly positioned camera or a sensor that wasn't installed right could mean a great deal of digging, labor and unneeded costs to the installer.

"The profit is not just made during the sale but after the sale," says Sanyo's Brebric. "Will you install products that will last? That's where your profit will be measured." Stanley Security Solutions has seen where a quality installation and consistent service could lead. After Stanley performed initial perimeter installation at the Memphis Airport, the Memphis-Shelby County Airport Authority turned to Stanley again to expand it. "The payoffs for us have been the success of doing the initial installation. They were obviously satisfied with our work to give us this \$2 million project," says Kendall Crawford, a national account manager for Stanley Security Solutions. "When you do work with an airport authority or other entity, you can open other opportunities."