



A Chesley Brown White Paper



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BLENDING BOOTS AND TECHNOLOGY

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In order to grow and succeed in the security industry in the 21st Century, we must look at innovative solutions and take a new approach to security. Although there are many polyester guard companies with the same DNA, they are simply staffing companies for guards on post and nothing more. The next generation of the security industry will look far beyond that. Simply put, it's taking a client's need for a security solution and looking at it from a creative, innovative approach. Beginning with the early years of Chesley Brown, we always had the philosophy that security is much more than just simply placing a person on post or placing passive electronics on a site.

Blending Boots and Technology.

I like to say that security will always require boots on the ground. Security officers will never be obsolete. Security officers were needed back in the days of old England where we find our origins into the security industry. The uniform security industry in the United States has a long rich history with companies such as The Pinkerton National Detective Agency founded in 1850. The founder, Allan Pinkerton, was also the organizer of the United States Secret Service who protected Abraham Lincoln during the Civil War. Even today, there are needs for security officers in uniform securing facilities. However, to look at the overall approach to how you secure a facility, you have to look at blending boots with technology.

In 2004 I began looking at where the security industry was going. It appeared to me that while there were mergers and acquisitions of some of the old security brands in the U.S. being bought out by foreign companies. As exciting as it was to be part of a growing industry that always had potential and was always on the top tier of companies performing, I realized there was a bigger, better and more efficient way to do things. As my research began, I looked at the technology side. We had proven ourselves in the security uniform business as a go to company; providing consulting and auditing and ultimately executing great security programs. We gained this reputation by providing high level, better-trained security officers with an even greater focus on security management or what we refer to as our Director level. However, it appeared to me that we had a greater ability to provide better security services and solutions, more cost effectively, if we blended uniform security with electronics.

Up until this point, the electronic security industry was what I referred to as a passive security program, generally utilizing alarm monitoring; an alarm goes off, it's either false or real. Response is after the fact. There's no way of determining exactly what's going on at the property without looking in and seeing, and with alarms that simply is not possible. In searching for solutions, we first went to the idea of being able to look at cameras and CCTV systems remotely. While the technology was not new, it was generally a fancy tool that property managers and owners utilized to look into their property and see what was going on, but rarely did they sit and monitor from a remote location. It also was nearly impossible to provide adequate security in those old systems because the video resolution was very poor. However, I was determined to find a more reliable source that could take this and pull it off of a location and put it in a secured environment with highly trained officers who can help those on the ground respond.

During our research we found an Australian company that had been working on this technology and actually had perfected it. Without getting into the technical aspects, in effect, it takes the signal that is generated at a property, and at lightning speed sends it over the internet in real time to a secure, off site location. During this research, we also determined that this product was relatively non-existent in the United States. However, the U.K. had been using this for about seven to ten years prior and had some outstanding examples of how it worked. In early 2006, my research took me to the United Kingdom where I researched three distinctly different companies that provided remote monitoring through what they refer to as Central Stations. Ironically, two of these three companies had previously been guarding companies that had scuttled their guarding operations to use this technology for their customers.

The first company was a small regional player that was formerly not only a guarding company but also an integrator. Although they had a good operation and a good company, their business model was flawed in that they would not monitor anything that they did not directly install themselves, which grossly limited their abilities of building a bigger and better company.

The second company, also in the London area, was a publicly traded company. Although they had the technology, they seemed to be focused more on software and selling the software. Their Central Station, although well protected because of requirements by the U.K. government, was not an impressive operation at all. In fact, once in the Central Station, it was almost scarier than being on the streets – the type of people who monitored the equipment, the way the equipment was set up was not conducive to the ability to truly monitor and respond to the needs of a client.



The third and final company we visited was in Manchester, England. This young entrepreneur had taken his father's guarding business and turned it into a high tech security solutions company. In fact, he had done so much pioneering in the industry; the U.K. government ultimately went to him to set up the standards for how companies similar to this type of protection provided the services. His Central Station was impressive. It was well protected -- through fences and mantraps. It included a non-descript location. It also had air-purifying units so that any attempt to take the Central Station out would fail. They could pump bad air out and sustain themselves. They had developed themselves in a company that had over 800 clients. They had been so successful that in many of the jurisdictions that provided their services, the local police department had decided that unless you had a visual of what you were dispatching them to, they would not respond. This was a big up on the traditional alarm company. Not only was this an interesting company to profile, it showed me that they had not only provided a better solution, but in fact replaced many boots on the ground. Boots that were not as well functioning as they could do at a central location. There were manufacturing facilities as well as other types of facilities that converted boots on the ground to electronic security from their Central Station.

Chesley Brown brought this knowledge and research back, and in mid-2006 established a subsidiary company called InCommand Worldwide; ultimately building our Command Centers here in the U.S. We would become the first U.S. security company to use the technology and to build Command Centers functioning the way that we've designed them to function. It was a forward thinking and forward execution of a long-term plan. People within the industry would scoff at what we were doing; say that we're going to cannibalize our own business. Well, little did they know that the philosophy of Chesley Brown had always been to not look at how many boots we could put on the ground but how to provide the best, overall, comprehensive security solution; this technology became a part of that solution.

While Chesley Brown had operated a Corporate Command Center in Atlanta and a National Command Center in Kansas City, Missouri since prior to 2000, these had different functions. The Corporate Command Center was an idle command center established simply for command and control and the what if situations; that what if situation arrived on 9/11/2001. Our National Command Center was manned 24/7 and oversaw our flagship property as well as had communications actively established between all of the Chesley Brown properties around the country. We had also established procedures such as security conditions or what we refer to as SECCON. This is similar to the Department of Defense DEFCON; that anyone in DOD understands what DEFCON level means with regard to the way they operate and secure their facilities and bases. We did the same thing in our industry with our customers; a SECCON 2 to one client in Atlanta would be distinctly different from a SECCON 2 to a client in Salt Lake City, for example. Once again, we are innovative and ahead of our time. I have to remind everyone that this is prior to the establishment of the Department of Homeland Security that later came out with color code.



Being forward thinking, however, this was going to change our whole dynamic in the way we operated and the way we built our future Command Centers. We adopted the technology found with the Australian company and continued to look for other software solutions that would be more viable and cost effective solutions for our clients.

The Economic Downturn of 2009.

In mid to late 2009, the U.S. and world economy collapsed. It's been described as the next worst thing to the Great Depression. That could be argued in a separate research paper. However, what it meant for this industry is that people needed security now more than ever, but had fewer budget dollars to spend. Solutions had to be established and developed. Chesley Brown was better prepared for that than anyone else because we had seen the future, used our creativity and our innovation to establish our Command Center structure that enhanced our security officers on the ground. When clients talked about cutting their budgets, which was not a fear to us because with the blending of boots and technology means that you can have better security for less budget dollars. Less uniforms on site, more technology equals a more cost effective solution. This does not mean that it's less of a security solution. In fact, despite the downturn in the economy, if we had a robust economy, it's still a better solution. Let me repeat: It's still a better solution. Properly blending boots and technology is not only the wave of the future, the future is here and is now.

The economy of 2009 was the perfect storm and it's not the first time that someone said, "Where there's a crisis, there is creativity and innovation." However, most companies in the security guard industry are not investing in infrastructure; not looking into the future. The idea of removing boots on the ground would lower billable hours and, in effect, viewed as loss of revenue, cannibalizing their business and was not something they were interested in pursuing. However, we pushed forward.

Cameras alone are not a viable solution. Cameras and CCTV systems not being actively monitored are what I refer to as passive security. If you're looking at true protection for your facility, then you don't want the events to happen at all. Having a nice color picture of the people who shut down your business, damaged your property or stole from you is not as exciting and not as helpful to your business as it is to keep it from happening in the first place. Over the years, the only solution to this has been boots on the ground. In Next Generation Security, it's a combination of the two. Depending on your type of facility, you may need 75% boots, 25% electronics or vice versa. You may not need boots on the ground at all. Electronics can handle it all from a remote location.



Being Prepared with the Infrastructure.

Over the last several years Chesley Brown invested in highly secured state-of-the-art Command Centers, located in totally different regions of the country. These command centers are totally redundant to each other so that any risk to the operations is automatically taken over by another command center. This provides an extra layer of security to our clients. This also means security program functions that had an officer sitting at a console or in a basement control room could be removed from that property and positioned more cost effectively in a more safe and secured environment. Think of it as this: You may try to compromise security to property; however, if security is ultimately controlled through a command and control center at a remote location, real time, by highly professional people, they can't be compromised. When our officers, through ICW, notify boots on the ground and/or local law enforcement or national or federal law enforcement, we know what we're talking about. We have eyes watching. It also means that through the use of this blended solution, we never sleep, we never eat, we never take a break, we never call off, because we're always watching, always protecting.

What Makes It Work.

ICW makes your security electronics proactive. It also makes your boots on the ground more proactive and can direct them to specific security breaches and risks. High tech means more than security officers. For example, if you have a truck or a person entering your facility and there's a security officer checking them in, it is common knowledge with the criminal element that if I can detain, delay or direct that security officer's attention, then I know I've got their attention and I can have someone else breach security elsewhere. Think of it from the perspective of talking to someone from a remote location: you don't know where that location is; you don't know how many people are behind the scenes; you don't know from what angles they're watching you; you don't know what level of security they have; therefore, it intimidates and ultimately moves the threat down the street. Through blending boots and technology we have more focused security operations. We can see what's going on; what's needed; where the focus needs to be. The ICW system:

- Is Alert driven
- Uses intelligent IQ
- Is Smart security
- Uses Video analytics
- Records what it sees



Through the use of sophisticated video analytics, the system allows for only breaches of security to be brought to the attention of a highly trained security officer at a remote location. That security officer quickly assesses the situation and dispatches the appropriate responses while the video is being recorded. Unlike boots on the ground, the video analytics records everything, thus eliminating perception and recording facts. This, in effect, is smarter security at reduced cost.

- Remote monitoring and blending boots on the ground equals cost savings. The example of one security officer working one post, 24/7, 365 days a year is equivalent in guard management terms as a 168 account or 168 hours a week. If you multiply, using the assumption that the cost of that security officer on the low end is \$15 an hour, whether that's a bill rate or a blended rate, \$15 an hour x 168 hours a week x 52 weeks is more than \$130,000 a year for one officer. On the contrary, blending boots with security, it can dramatically reduce the cost of your security operations by more than 20% to 30%.

Again, in the past, in order to reduce cost to your security program, your options were very limited. You cut the number of people, cut their benefits, cut their wages, cut deployment hours or go low bid. None of these help your overall security program. This solution, blending boots with technology, compromises none of those things. You can save 20% to 30% off your security operation and be enhancing your security. If you aren't challenged with a reduction in security budget, it's still the appropriate way to go. By using the blended boots and technology, boots can be redirected, focused, alert and morale increases.

It's exciting to be part of this new innovation in security. It's exciting to be pioneering the new security. The security industry has gone through a dramatic change, a setback of sorts, over the last several years. This is Next Generation Security and Next Generation Security that is available to you today.

About Chesley Brown International: Founded in 1990, Chesley Brown is a security management company providing customized security solutions including consulting, on-site management, and interactive remote monitoring. It's founder and CEO, Brent C. Brown is widely recognized as an industry expert and is routinely called on by local, national and international news services for commentary and advice and security related issues. News agencies include: NBC, MSNBC, FOX, ABC, CBS. Wall Street Journal, London Times, Japanese and German TV and many more. Chesley Brown, headquartered in Atlanta, GA USA has clients in 28 states and 3 countries. For more information and/or additional white papers please go to www.chesleybrown.com .

