

The SECURITY Advisor

a magazine published by Security ProAdvisors for the Security Industry

PRESIDENT'S CORNER

Hello and welcome to the latest edition of *The Security Advisor*.



The latter part of 2021 and early 2022 have been tumultuous for the American economy and society, with the unpredictable surges and falloffs of COVID-19, the highest inflation in 40 years, and the “Great Resignation” in the job market impacting guarding companies like many sectors. The Russian war against Ukraine, that began shortly before we went to press, adds to the uncertainties, among other reasons because of the possibilities of cyberattacks against American interests emanating from within the Kremlin. Against that backdrop, the security sector - both physical and cyber - has needed to be nimbler and more flexible than ever to respond to ever-changing scenarios and threats.

This issue features a Q-and-A with *Karen Frank*, senior director and head of global security services for *Pratt & Whitney*, a division of *Raytheon Technologies Corporation*. We talked with her about the challenges facing multinational corporations, especially during a global pandemic, and how she handles issues ranging from technology convergence, to company culture, to executive protection, to diversity and inclusion.

The M-and-A news for the past six months has stayed pretty robust despite the ups and downs of COVID-19. *Allied Universal* has been especially active with four purchases: *Security Guards, Inc.* of Wyomissing, Pennsylvania; *MSA Security*, New York; *The Millard Group*, Morton Grove, Illinois; and *Norred & Associates*, Atlanta. Meanwhile, *Reuters* reported a possible \$20 billion SPAC takeover of *Allied*, although two out of the three “blank check” companies involved were backed by buyout firm and current *Allied* owner *Warburg Pincus* (the third is an affiliate of billionaire real estate investor *Barry Sternlicht's JAWS Estates Capital LLC*).

Securitas has made two acquisitions: The Indianapolis-based electronics security solutions business of *Stanley Black & Decker*, the Swedish company's largest-ever purchase at \$3.2 billion; along with *Supreme Security Systems*, a New Jersey-based alarm monitoring service, for about \$20 million.

Other deals have included:

- *Corbett Technology Solutions* bought three companies this winter: *Systems Electronics*, Knightdale, North Carolina; *Star Asset Security*, Orlando; and *Structure Works*, Dover Plains, New York. Terms of the transactions were not disclosed
- *Convergent* purchased Canadian telecommunications and networking seller *Dramis Communications Solutions*, based in Nova Scotia, New Brunswick and Newfoundland; while *Leonard Green & Partners* and funds managed by *Harvest Partners* bought equity in *Convergent* from a fund managed by *Ares Private Equity Group*
- *ADT Commercial* acquired North Carolina-based
- *Edwards Electronics*, which provides fire safety, life safety and security systems
- *Protos Security* purchased *Off Duty Services*, a Katy, Texas-based firm that provides off-duty police officers as private security protection
- *GardaWorld* subsidiary *Crisis24* bought German risk management firm *EXOP Group*
- *Securiguard* acquired *Russell Security Services*, based in Ontario

Keith Oringer
Founder and President
Security ProAdvisors



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HEADLINES

Securitas Acquires Stanley Security, Supreme Security Systems



Securitas has purchased the electronic security solutions business of *Stanley Black & Decker* for \$3.2 billion, the Swedish company’s largest-ever acquisition, which returns to the company a business it sold in 2006, and which *Stanley* bought in 2011. Meantime, *Securitas* also has bought *Supreme Security Systems*, a nearly century-old alarm monitoring service in New Jersey for approximately \$20 million.

The 30-year-old Indianapolis-based unit, dubbed *Stanley Security*, provides installation, maintenance and monitoring of tech-enabled security services like alarm monitoring, systems integration and a specialized healthcare offering, spanning about 200 locations in about a dozen countries in North America and Europe, with a total of approximately 7,800 employees.

Stanley Security’s estimated sales were around \$1.7 billion in the U.S. in 2021, of which about 40% is recurring revenue, whereas Securitas enjoyed sales of about \$1.3 billion in commercial electronic security, meaning the deal will more than double sales in that area.

“The profile of Securitas changes from a leading guarding company with electronic security and solutions capabilities, to a leading intelligent security solutions partner,” said CEO Magnus Ahlqvist. *“The future of security is built around the combination of global presence, connected technology and intelligent use of data and, together with Stanley Security, Securitas is perfectly placed to win in this environment.”*

The deal should be consummated by midyear, with acquisition-related costs reaching about \$135 million, funded through an underwritten bridge facility by Swedish lender *SEB AB*, and a soon-to-be-launched \$915 million equity rights issue. The sale will help *Stanley Black & Decker* hone its focus on core businesses and partially fund a \$4 billion share repurchase this year, the company said.

Boosting electronic security sales has been a long-term goal of *Securitas*, a company with more than 350,000 employees, helping to bolster its global presence and

lower its staff-heavy guarding exposure as it attempts to double sales by 2023 from electronic security and higher-margin solutions.

“The future of security is built around the combination of global presence, connected technology and intelligent use of data and, together with Stanley Security, Securitas is perfectly placed to win in this environment,” the company said in a written statement.

The subsequent acquisition of *Supreme Security Systems* brings in a top-50 alarm monitoring company in the U.S., founded in 1929, which provides intrusion, video, fire and access control systems in addition to alarm monitoring that enjoyed about \$10 million in annual sales, more than 70% of which are from recurring monthly revenue.

“This acquisition strengthens Securitas’ position as a leader in protective services and continues our journey towards our ambition to double the size of our security solutions and electronic security business,” said Tony Byerly, president, global electronic security, *Securitas AB*. *“Supreme Security Systems’ strong recurring revenue base complements our North American electronic security business model and enhances our footprint in a population dense strategic market.”*



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HEADLINES

Allied Universal Purchases Security Guards Inc., MSA Security, Millard Group, Norred & Associates

Allied Universal has acquired four companies in the past several months: Wyomissing, Pennsylvania-based *Security Guards, Inc.*; New York-based *MSA Security*; Morton Grove, Illinois-based *The Millard Group*; and Atlanta-based *Norred & Associates, Inc.* Terms were not disclosed for any of the deals.

The purchase of *Security Guards, Inc.*, brings a company with more than 270 security officers and other staff as well as revenues of more than \$12.5 million. In addition to providing manned guarding services to large corporations for 60 years, *Security Guards, Inc.*, handles security consulting, executive searches for security and law enforcement, and, through its *W.S.K. & Associates* division, conducting of investigations.

"Security Guards, Inc.'s management team has built a reputable and successful business offering quality security services," said Steve Jones, global chairman & CEO of *Allied Universal*. *"This acquisition will increase our security resources in Pennsylvania and beyond."*

MSA Security, which provides threat protection and explosive detection canine teams, brings a 35-year-old company with revenue of nearly \$200 million, almost 700 canine teams deployed globally, and other services like armed and unarmed security personnel, 24/7 strategic threat monitoring, security training and consulting, and specialized investigations.

"The acquisition of MSA Security will not only expand our K9 program on a local and national level but will also increase our security resources around the world," Jones said. *"This acquisition aligns perfectly with our strategic goals for identifying strong and high performing companies that offer vast services and are continuing to grow."*



**MSA
SECURITY**



**The Millard
Group**

**NORRED
& ASSOCIATES, INC.**

During its ownership by middle-market private equity firm *GreyLion* during the past five years, *MSA* nearly quadrupled its revenue, according to CEO Glen Kucera.

"We are excited to further recognize our full potential by combining with another industry leader and I look forward to partnering with Steve Jones and his team," he said. *"Becoming part of an organization with the resources, technology focus, and depth of service that Allied Universal offers will allow MSA to expand on its success as the preeminent explosive detection canine business worldwide."*

The Millard Group, a third-generation, family-owned commercial facility services company founded in 1915 as *Chicago Window Cleaning*, will enable *Allied* to expand its janitorial services division, adding more than 2,150 employees in 30 states. *Millard* also handles window cleaning, metal maintenance and other specialty services within sectors like managed commercial, corporate campuses, education, retail, industrial, healthcare and hospitality.

"The acquisition of the Millard Group will help us strategically grow our janitorial services division throughout the United States and expand our services within the retail and commercial sectors," said Mark Olivas, president of *Allied Universal Janitorial Services*. *"Together, we will provide outstanding value and unparalleled service to clients on a national level."*

Norred & Associates, a full-service security firm, brings revenues of more than \$36 million and more than 830 employees. The company's services include manned guarding, investigations, pre-employment screening and security consulting.

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Q&A with Karen Frank, Pratt & Whitney

Karen Frank is the Senior Director and Head of Global Security Services for *Pratt & Whitney*, a division of *Raytheon Technologies Corporation*. In this role, she is responsible for developing and supporting the implementation of *Pratt & Whitney's* global security strategy and serves as the focal point for corporate security within the organization.

Frank previously held leadership roles at *Caterpillar Inc.* in enterprise security and IT service management, and she has prior law enforcement experience as a criminal investigator for the *Tazewell County State's Attorney's Office* in Illinois. She has a Bachelor of Science degree in law enforcement and justice administration from *Western Illinois University* and a Master of Business degree from *Illinois State University*.



We talked with Frank about the security challenges facing her firm, especially during a pandemic, as well as issues like how to handle technology convergence, contracting out services, promoting a company-wide security culture, partnering with law enforcement, and diversity and inclusion in the security profession.

Security Advisor: *What are some of the unique security challenges facing a multinational manufacturing and services company like Pratt & Whitney?*

Karen Frank: Foundationally, security services are the same core set of offerings at any company, and security leaders today all face common challenges such as pandemic-driven hybrid work environments, ever changing geopolitical risks, and affordability of security programming. Each company has its own risk tolerance and acceptance for a certain level of security services. How these services get incorporated into the business model is the unique challenge. At Pratt & Whitney, we regularly interact across our business at multiple levels of the organization to drive security awareness of what we see as concerns, but also to garner the necessary buy-in for adoption of our recommendations and offerings.

SA: *How has the COVID-19 pandemic impacted Pratt & Whitney's physical security operations over the past two years?*

KF: That answer is two-fold. At a tactical level, I cannot thank enough our security, fire, and life safety team members who remain onsite throughout the pandemic delivering quality services. The way they work day-to-day has changed from early 2020 to today, in terms of efforts to keep them safe and provide services on site.

At a more strategic level, the rest of the team has always been global and working away from the office when needed. We built a virtual global security operations model with a diverse team located in multiple regions a few years ago. We expanded our workplace threat assessment process to accommodate for onsite, hybrid, the business traveler, and permanently remote-based workforces.

SA: *Given the increasing pace of technology convergence, how does Pratt & Whitney approach collaboration between physical and IT security? And how were you involved in Caterpillar on the technology side?*

KF: At Pratt & Whitney, years ago we formed an enterprise security risk management council providing collaborative strategic oversight and common direction regarding all current and emerging security-related threats globally. The goal is to ensure respective shared and/or independent strategies mitigate risks in an appropriate and cost-effective manner minimizing the impacts on the business. Our chief information security officer is on this council, and we discuss initiatives where we have shared goals in an effort to avoid any gaps. We also have a dedicated security technology manager, who is focused on traditional security systems such as access control and how these technologies most effectively operate across IT infrastructure processes. This role is also focused on how information and physical security systems can share data to greater manage risk.

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Q&A with Karen Frank, Pratt & Whitney

continued

KF: At Caterpillar, I had an opportunity to be in both roles, the traditional global security organization and in IT infrastructure. I was accountable for identity management and IT service management and it was a great learning experience. But when you're on the other side of the house, you get an opportunity to look at the security organization from the outside in. And that's a fabulous opportunity, to wear those other shoes.

SA: *In this COVID-19 pandemic work world, what are your concerns about Pratt & Whitney's employees using Internet-connected devices for business outside of the office? What did you have in place before COVID and what did you change?*

KF: As a global company, many of our employees traveled extensively while conducting business, worked outside of the office with customers and suppliers before COVID, and continue to do so today. So for many employees, "business outside the office" has been occurring for many years. Additional employees began working remotely at the onset of the pandemic. Ensuring employees are adhering to guidance and security best practices to secure our information and assets remains more important now than ever. Given the dynamic cyber risks of today, employees are regularly reminded to only use company approved or managed devices and applications with the proper security stack applied to protect our information and the information entrusted to us contractually by others.

SA: *What kinds of changes or new challenges do you foresee for physical and IT security at Pratt & Whitney in the next 12 months?*

KF: We will continue adapting our programs regionally based on our business needs and our workforce. The potential for crisis fatigue and workplace threat management is something we continue to watch closely, as many employees are working in a modified approach and some may be dealing with additional stressors away from the workplace. Our highly engaged line managers and human resources team have brought us to the table regularly to support employee wellness efforts and drive expanded awareness of available mental health resources.

When you're in the workplace, you've got a coworker who may recognize the signs of a troubled employee. When you're remote-based, it's all the more important that people look to recognize, and stay engaged, and touch base, and check on each other.



Because you don't have that water cooler; you don't have that time in the cafeteria. So we can't take our eye off threats in the workplace, whatever the workplace is, whether that's home or the company building.

SA: *What advice do you have for CSOs in working with their organizations to add new security tools and technology?*

KF: Determine the technology appropriate to the risk tolerance of your organization and demonstrate that the homework was done in reviewing alternatives. Not every security program requires top-of-the-line expenditures when a lower-priced product delivers an acceptable level of quality and reliability. Take a step back and also seek for any value those outside the security organization may garner from the investment. For example, an off-the-shelf cloud-based visitor management system may improve the experience of your guest but also has a quantifiable savings to your information technology team. Purchasing risk intelligence software may help your travel security program and also offer the business strategy planning team predictive geopolitical or other intelligence for their next project.

SA: *When implementing or upgrading physical security technology, do you prefer to work with a security system integrator or do the work in-house?*

KF: We utilize both internal and external resources based on the complexity of the initiative. At a strategic level, our security technology manager is accountable to maintain a landscape view of current and emerging technology. A key part of this role is to maintain a close positive supplier relationship with our system integrators.

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Q&A with Karen Frank, Pratt & Whitney

continued

They may have creative solutions to bring to the table or provide a great sounding board for innovative ways we may be considering to use our technology. For example, early on during COVID, we wanted to better align our access control and thermal scanning efforts so we were able to leverage this level of partnership with an integrator and two manufacturers.

We have a dedicated full-time security technology manager on our global security team. Part of his role is looking at that overall landscape, maintaining the view at a top level, but also looking at the day-to-day efficiency and efficacy of the system. But one person can't do it all - and no one integrator can do it all, either. When you're looking at a global company, some have strengths in certain regions, so we do have multiple partners. And we intend to keep that supplier relationship management strong and use those various partners going forward.

SA: *How do you go about promoting a company-wide security culture, and how do you see that challenge evolving?*

KF: Employees onsite and remote based have multiple inflows of information each day from external news sources, other functional areas of the business, and messaging tied to their work deliverables. This is not likely to subside anytime in the near future. We seek to stand out amongst the volume by being succinct in content and limiting frequency of messaging so they take note when we communicate. We work to emotionally engage the employees and offer services in a way that they can readily embed security into the way they work. If they have a concern, they know where to easily report it. Required training is an 11-minute micro learning that covers multiple areas of security risk, rather than a series of lengthy voiceover power points or videos. We speak with one voice, so if another function has a critical employee message to send, we may insert a single line to reinforce one of our messages. Partnering with our communications team has been invaluable as they know the most effective delivery methods based on the topic.

SA: *How have your views about executive protection evolved over the last 10-15 years? Have you been directly involved in it yourself?*

KF: Executive protection, or the protection of any key employee based upon risk, has evolved as technology has advanced. The traditional office, residential, and business travel programming has expanded to include areas such as digital footprint risk assessments and partnering with information security professionals in managing specific, targeted cyber risks.

SA: *What are your lessons learned as corporate security executive when collaborating with law enforcement?*

KF: Effective collaboration with law enforcement starts with each site security designee developing a local relationship with their first responders for security, fire, and life safety. The time to develop that relationship isn't when there is an imminent incident. We are periodically meeting as well as offering access to our sites for their preparation and awareness. At the state, federal, and other similar international equivalents, the global security team builds and maintains those relationships proactively for information sharing. The partnership between private and public sector has increased security threat intelligence and earlier identification of security risks.

We have multiple sites around the globe. It is an annual goal for our site security individuals to reach out and have that regular meeting with their first responders. Because a factory is very different than walking into an office building, so giving law enforcement the opportunity to walk the facilities when it's not a crisis gives them a sense and feel of how would they respond if something were to happen. Do I, personally, have relationships? Absolutely. But I firmly believe it's tactical, and at every site, they should have that local relationship.

SA: *Why do you think there are so few women working as professionals in the security industry?*

KF: The security industry has made significant progress in recent years, and I encourage current conversations to be less gender-specific but rather more about helping the industry develop a larger diverse pool of qualified candidates who are prepared to equally compete for advanced security roles. Advocating for multifaceted development plans for current employees, having informational discussions for those interested in transitioning from the military or law enforcement, and mentoring through industry associations are some of the ways to help grow a greater diverse workforce of the future in the security.



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Q&A with Karen Frank, Pratt & Whitney

continued



SA: As a woman in a senior security position with a large corporation, what advice would you give to women considering a career in security?

KF: Learn the language of business. The challenges of a security professional are often less about the specificity of security and more about managing people and solving business problems. Become a business leader first, with security as your area of expertise. Be comfortable developing a personal network, and have the courage to ask questions. I would not be here today without the sponsorship of others and key mentors who have encouraged me and challenged my thinking over the years.

SA: With all the lessons learned over the course of your career, what's your best piece of advice for security professionals?

KF: Be prepared for change throughout your career. The corporate security field is changing rapidly to meet the expectations of business leaders seeking trusted security risk management advisors. The security field has become very dynamic with changes in social media and technology. This necessitates ongoing competency development, a strong ability to collaborate, and a willingness to adapt and embrace change.



THE SECURITY ADVISOR

Published twice a year, *The Security Advisor* is a magazine dedicated to news in the security industry throughout the world. *The Security Advisor* is published by *Security ProAdvisors*, providing advisory, consulting, and brokerage services to the security industry - guarding, system integration, and electronic security. *Security ProAdvisors* represents sellers in security transactions.

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HEADLINES



CTSI Acquires Systems Electronics, Star Asset Security, Structure Works

Corbett Technology Solutions (CTSI) has made three acquisitions since December- and eight since becoming a portfolio company of *Wind Point Partners* in 2020 - most recently purchasing *Systems Electronics*, based in Knightdale, North Carolina; *Star Asset Security*, based in Orlando; and *Structure Works*, based in Dover Plains, New York. Terms of the transactions were not disclosed.

Systems Electronics, founded in 1970, integrates communications, safety, fire and security systems for healthcare, education and corporate clients, providing design, installation and support. The company assists healthcare institutions in raising the bar on both patient care and financial fortunes by improving clinical workflow process, integrating nurse calls, and tracking, reporting and analyzing resources.

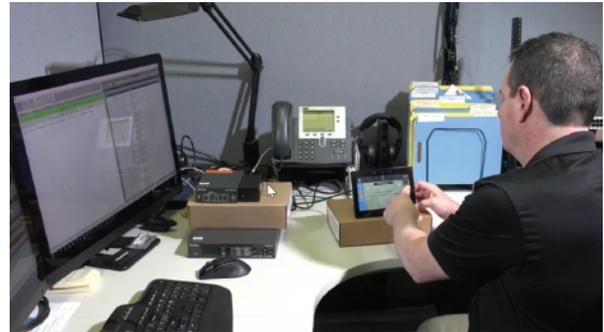
"We carefully assessed our opportunities to expand Systems Electronics and are very pleased with our decision to be a part of the CTSI team," said Mike Strickland, president of Systems Electronics. "Our businesses have so much in common - most importantly our culture and commitment to retaining the best employees in the industry, while delivering the best possible service to our customers."

Star Asset Security, founded in 1993, provides systems integration, monitoring and managed services through cloud-based physical security, information technology and cybersecurity solutions that emanate from its ION247 Center of Excellence. The company has eight offices across the south and central United States.

"Our collective culture and vision, combined with our strategic focus on enhanced managed and subscription services, align perfectly with CTSI," said Roger Hirschy, executive vice president of Star Asset Security. "Joining forces with CTSI will deliver even greater value to our customers, accelerate our growth, and enable additional opportunities across our family of amazing employees who built Star into the highly regarded security integration and managed services leader it is today."



STRUCTURE WORKS
SECURITY SYSTEM SOLUTIONS & SERVICE



Structure Works, a security integrator, designs, installs and supports systems like card access, video surveillance and alarms at the enterprise level. The company provides project management, installation and support resources for *CTSI's* security integration clients.

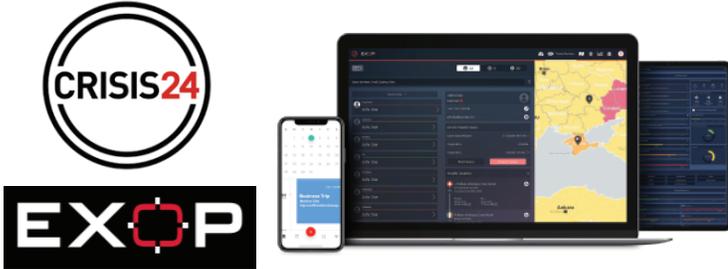
"We are excited to be a part of the CTSI team and look forward to working with Joe Oliveri, his leadership team, and the fantastic organization they are building," said Jim Muncey, president of Structure Works. "Combining the strengths of CTSI with our talented team and history of steady growth in the U.S. and abroad will be our formula for success as we continue to delight and expand our enterprise customer base."

The Chantilly, Virginia-based *CTSI* serves thousands of clients nationwide by designing, engineering, installing, maintaining and managing fire, security, nurse call, audiovisual, collaboration, and communication systems.

Joe Oliveri, president and CEO of CTSI, expressed enthusiasm about all three deals. "The Structure Works acquisition marks a significant milestone in CTSI's history, as we now expand our capabilities internationally with the ability to support accounts throughout their global footprint," he said. "Star [Asset Security] is a fantastic organization that expertly serves customers with a unique and differentiated mix of physical security, IT and cybersecurity offerings. Systems Electronics further enhances our North Carolina presence and extends our Virginia support structure to include the Tidewater and Western regions of the state."

HEADLINES

GARDAWORLD



Crisis24 Purchases EXOP Group; Parent Company Announces Q3 Results, Secures Credit Facilities

GardaWorld subsidiary *Crisis24* has acquired, *EXOP Group*, a German risk management firm, which will broaden the ability of *Crisis24* to provide intelligence and security risk management services around the world. Separately, the company announced preliminary results for the third quarter of 2021, which showed revenues topping \$1 billion.

Crisis24 monitors and analyzes global threats and other developments, leveraging artificial intelligence to enable its more than 120 analysts on four continents to provide curated intelligence services from 24/7 global operations centers. Around for more than a decade, *EXOP Group* recently introduced X-ASSIST – The Mobility Risk Management platform, an AI-enabled, end-to-end mobility risk management solution.

“By combining man and machine intelligence, while expanding our capabilities on a global scale, our clients now have greater access to business-essential capabilities and innovative solutions,” said Alexander Sprich, CEO of *EXOP Group*. *“Joining forces with Crisis24 will allow us to expand rapidly in Germany by giving us the global reach GardaWorld offers, yet keeping a highly flexible and boutique approach for our customers.”*

“Combining Crisis24’s three decades of highly curated human intelligence with EXOP’s AI solution will create the most powerful and integrated risk management platform available,” said Grégoire Pinton, managing director and global head of integrated risk management for *Crisis24*. *“EXOP’s 24/7 response operations center based in Konstanz, Germany, will be integral in growing our own response capabilities and locally strengthening the support of our clients.”*

Meantime, *Garda World’s* preliminary results for Q3, which ended on October 31, showed revenues falling between \$1.04 and \$1.06 billion, up from \$953.2 million from the same period in 2020, as well as revenues of between \$3 billion and \$3.025 billion for the first nine months of 2021, up from \$2.777 billion for the first nine months of 2020.

Adjusted EBIDTA fell between \$153 million and \$163 million for the third quarter, compared to \$156 million for Q3 of 2020, and between \$427 million and \$437 million for the first nine months of the year, up from \$409.4 million for the same period in 2020. And Pro Forma Adjusted EBITDA fell between \$627 million and \$637 million for the 12 months ending on October 31, up from \$591.4 million from the same period between 2019-20.

Garda World also announced that it has secured credit facilities to support its growth strategy, boosting its existing \$1.088 billion Term B Loan by \$350 million to \$1.438 billion. The incremental financing, secured as part of an amending agreement to the company’s Credit Agreement from October 2019, will be used for general corporate purposes, such as repaying outstanding loans and pursuing its acquisition and growth strategy.

ADT Commercial



ADT Commercial Acquires Edwards Electronic Systems

ADT Commercial has deepened its ability to serve mid-to large-scale commercial customers in the Carolinas by acquiring *Edwards Electronic Systems, Inc.*, a provider of fire safety, life safety and security systems based in both Clayton and Concord, North Carolina.

Edwards, which has installed and serviced fire and life safety, access control, video surveillance, nurse call and mass notification systems for nearly a quarter-century, is the first acquisition *ADT Commercial* has made since purchasing *SAFE Electronics Inc.*, based in Las Vegas, last March.

“We’re excited to be expanding our premier organization and deepening our fire and life safety capabilities in the Carolinas region with the addition of Edwards Electronic Systems,” Dan Bresingham, executive vice president of *ADT*, said of the October deal.

“We look forward to continuing to offer our fire, life safety and security expertise to our customers in the Carolinas – now backed by the support and strength of a national company with a longstanding history in the industry,” said Michael Edwards, president of *Edwards*.

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HEADLINES



Protos Security Buys Off Duty Services

Tech-enabled managed security services provider *Protos Security* has bought off-duty police officer provider *Off Duty Services*, a Katy, Texas-based company that offers the largest network of such officers in the country to Fortune 500 companies.

The strategic acquisition, announced in concert with its owner, lower-middle-market private-equity firm *Southfield Capital*, gives *Protos* additional ability to help its customers outsource the procuring, managing, scheduling and insuring of off-duty officers. *Off Duty Services*' senior management team, including founder and CEO Brett Rowley, will remain at the helm.

"Our partnership with Protos will enable us to provide our clients with an expanded service offering and enhanced national coverage while continuing to provide the superior customer service our clients have come to expect of us," Rowley said. *"We believe this partnership will create significant value for our clients."*

"By combining Protos' security guard and technology solutions with ODS' off-duty officer capabilities, we will be able to meet our client's broad range of security service needs nationwide via our proprietary tech-enabled managed services model," said Peter Platten, *Protos Security* senior vice president, sales and strategic accounts.

"ODS boasts the largest network of police officers and police agencies in the country, and its tech-enabled model makes it an excellent combination with the Protos platform," said Andy Cook, partner at *Southfield Capital*. *"The acquisition fits squarely in Protos' M&A strategy around building our capability set and allowing us to be a trusted, one-stop solution for our clients nationwide."*



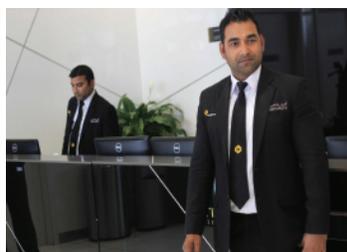
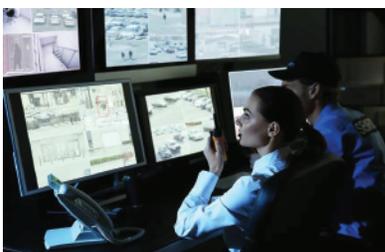
Securiguard Acquires Russell Security Services

Vancouver-based *Securiguard Services Limited* has extended its footprint eastward into Ontario with the acquisition of corporate security provider *Russell Security Services Inc.*

Securiguard, which says it has a "values-based approach" with an eye on environmental stewardship, diversity and inclusion, and innovation, has provided security and safety solutions to clients in western Canada for nearly a half-century. *Russell* had done so for about 30 years before the transaction closed last March.

"Combining Securiguard and RSSI is an important milestone in our almost 50-year history of being industry leaders," said Robin Chakrabarti, president of *Securiguard*. *"The two organizations coming together on a foundation of strong corporate cultures creates a national safety and security leader for our clients and national opportunities for our team, while strengthening our 'think national and act local' approach to our frontline execution."*

"Our shared values, along with the collective experience, skills and talents of our two companies make us natural partners," added Joe Maher, former owner and CEO of *Russell*. *"We look forward to working together to create an unrivalled customer experience through excellence in service and first-class training."*



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Leonard Green, Harvest Partners Purchase Stake in Convergint from Ares

Leonard Green & Partners and funds managed by *Harvest Partners* have acquired equity in *Convergint Technologies* from a fund managed by *Ares Private Equity Group*, part of *Ares Management Corp.*, and other shareholders. Terms were not disclosed.

Ares, Leonard Green & Partners and Harvest Partners will be financial partners in *Convergint*, which provides service-based systems integration in areas like security, fire alarm, life safety, A/V and building automation. With more than 7,100 personnel in more than 150 locations around the globe, the Schaumburg, Illinois-based *Convergint* has made more than 50 acquisitions in the past 20 years.

“Over the course of Ares’ nearly four-year partnership with Convergint, we have closely collaborated to help the company achieve strong growth, including notable expansion in sectors, services and geographies,” said *Matt Cwiertnia*, partner and co-head of *Ares’* private equity group and chairman of the *Convergint* board of directors.

“Ares’ strength and confidence helped us accelerate our investments for growth, and their help has been tremendous as we have worked to expand our inclusion and diversity efforts and further strengthen our culture,” said *Convergint* CEO *Ken Lochiatto*.

Convergint Buys Dramis Communications Solutions

Convergint has purchased Canadian telecommunications and networking seller *Dramis Communications Solutions*, which the Schaumburg, Illinois-based service systems integrator says will increase its footprint and capabilities throughout Canada.

The 33-year-old *Dramis*, focuses particularly on the Atlantic end of Canada, with offices in Nova Scotia, New Brunswick and Newfoundland. The company provides wired and wireless networks, telephony, nurse call, audiovisual and electronic security solutions.

“Our combined expertise and unique market knowledge further strengthens Dramis’ current model to offer market-leading solutions to customers across Canada,” said *Murray Simard*, president of *Dramis Communications Solutions*. *“Joining forces with Convergint provides the promise of opportunity and growth for our customers and dedicated colleagues.”*

“Dramis’ operational vision aligns perfectly with Convergint’s, presenting a tremendous opportunity to use our combined capabilities, further expanding our geographic reach, benefiting both colleagues and customers,” said *Ken Lochiatto*, CEO of *Convergint*. *“We are thrilled to leverage Dramis’s capabilities as we deliver vertically-focused solutions and enhance business outcomes for our clients.”*



Could SPAC Purchase Allied Universal?

Three special purpose acquisition (SPAC) companies were discussing a \$20 billion deal to take *Allied Universal* public in mid-February that would involve what’s called a private investment in public equity (PIPE), according to a report from *Reuters*.

Two of the “blank check” companies were backed by buyout firm and current *Allied* owner *Warburg Pincus*, known as *Warburg Pincus Capital Corp I-A* and *Warburg Pincus Capital Corp I-B*.

The third SPAC - the term refers to hell companies that hold an initial public offering, raise capital and then merge with a private company that becomes public as a result - is an affiliate of billionaire real estate investor *Barry Sternlicht’s* *JAWS Estates Capital LLC*.

A *Warburg* representative refused to comment to *Reuters*, while the news service did not immediately hear back from *JAWS Estates*.

HEADLINES



Prosegur's Year-End Results Show Sales Up Slightly

Prosegur reported sales of \$3.8 billion for 2021, up 1% from 2020, with a 5.5% advance on its operations thanks to the recovery of volumes. Organic growth in the U.S. hit 16% and reached double digits in some Latin American and other markets.

The company's earnings before interest, taxes, depreciation and amortization (EBITDA) reached \$247.5 million for the year, with a margin of 6.4%, down 13.6% from 2020. Consolidated net profit, net of minority interests, remained stable at \$65.5 million, down 0.7%, while operating cash flow hit \$299.7 million, with an EBITDA-to-cash conversion ratio of close to 80%. Net financial debt was \$1.1 billion, with a ratio of debt to EBITDA of 2.3 times.

Prosegur Security, the company's surveillance and technology business, enjoyed overall sales of \$1.9 billion, down 0.5% due to negative exchange rates, although organic growth in the U.S. remained strong, at 16%, and markets like Spain, Argentina and Singapore also did very well.

The rebranded *Movistar Prosegur Alarms*, reflecting the sale of 50% of the Spanish business, increased 40% over the year to surpass 350,000 connections. The remainder of the company's alarms business outside of Spain, branded *Prosegur Alarms*, provided another 350,000 connections and posted sales of \$205.4 million, with positive organic growth of 18.2%.

The company's cash-in-transit logistics and cash management subsidiary, *Prosegur Cash*, saw \$1.7 billion in sales, up 0.7% from 2020, with organic growth of 7.0%. Prosegur AVOs, the new technological BPO unit, had sales of \$67.7 million, while cybersecurity unit Cypher had sales of \$16.7 million.



Securitas Reports Steady Growth for 2021

Securitas has sharpened its focus on profitability, cost management and execution of transformation programs, resulting in solid growth throughout 2021, according to President and CEO Magnus Ahlqvist.

Total sales from January through September reached nearly \$11.6 billion, with organic sales growth of 4% and an operating margin of 5.6%. Operating income before amortization was \$642.6 million, net debt/EBITDA reached 1.9, and cash flow from operating activities was 93%.

For the fourth quarter alone, sales were just over \$3 billion, organic sales growth was 4%, and operating margin reached 5.9%. Operating income before amortization totaled \$177 million, while cash flow from operating activities was 131%.

Ahlqvist said the gradual recovery from the COVID-19 pandemic had led to growth in sales across all business segments, including airport security, while sales of security solutions and electronic security saw real growth of 8% for the year.

The company's acquisitions of Protection One in Germany and Tepe Güvenlik in Turkey will provide strategic enhancements in two key markets, Ahlqvist said, while the year-end agreement to acquire Stanley Security will "lead to significant added commercial growth and a substantial operating margin improvement over time."

"With the continued return to business as usual related to the pandemic, govern-ment grants and support were materially reduced in the fourth quarter," he said. "The price and wage - balance was successfully kept on par throughout the year. Going into 2022 we are well positioned to maintain this balance."