

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*.

This edition features a Q-and-A interview with Brian Reich, Assistant Vice President and Head of Corporate Security at insurance giant *Kemper Corporation*. Reich talked about his experiences there and in previous roles at top-10 global financial services firms, *Spectrum* (formerly *Time Warner Cable*) and as a police officer, detective and deputy chief of the Sheriff's Office in Bergen County, New Jersey.

Reich also discussed the collaboration between physical and cybersecurity, the changing dynamic of physical security at *Kemper* and industry-wide, the considerations involved in triaging contract vs. in-house guards, the greater role of women in the profession, and forming effective relationships internally and outside the organization, among other issues.

The overall economic picture of the security space has been rosy over the past six months. We're seeing new private equity and strategic buyers enter the U.S. market, with guarding the main focus but cybersecurity still high on people's minds. The volume of transactions remains high, demand continues to grow, and valuations have stayed strong. We are seeing some of the smaller national companies and regional players growing organically and very quickly. If the Federal Reserve does indeed cut interest rates slightly, as many believe they will this fall, that would only cause the picture to improve further as the cost of capital drops, especially once we are through the Presidential election.



The strength of the market is reflected in mergers and acquisitions that have come about in the last six months, including two brokered by *Security ProAdvisors*: the purchase of Louisiana-based *HUB Enterprises*, which we represented, by *Marsden Services LLC* and its wholly-owned subsidiary *American Security, LLC*; and the merger between *Marksman Security Corporation*, which we represented, and *Titan Security Group LLC*.

Other notable deals have included *Sunstates Security's* new partnership with private equity firm *Trilantic North America* to expand its financial wherewithal; *Protos'* partnership with private equity firm *Southfield Capital* to acquire *Summit Off Duty Services*; and *St. Moritz* purchasing *Millhouse*.

Finally, on a more personal note, the book that I mentioned co-writing in the last edition of the *Security Advisor*, titled "*Legends of the Security Services Industry: Profiles in Leadership*," will be released in October. A collaboration with longtime friend and colleague Michael Hymanson, we profile 15 leaders of North America's and Europe's largest contract security firms over the past 175 years and track the development of the industry over that time period. I believe you will find it an informative and enjoyable read.

Keith Oringer
Founder and President
Security ProAdvisors



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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Marsden Purchases HUB Enterprises Via Subsidiary American Security

Through its wholly-owned subsidiary *American Security, LLC*, national comprehensive facility services provider *Marsden Services LLC* has purchased *HUB Enterprises*, a security services operator across Louisiana, Alabama, Mississippi and Texas. The terms of the deal, which was brokered by *Security ProAdvisors*, were not disclosed.

The purchase of Broussard, Louisiana-based *HUB Enterprises* will enable St. Paul, Minnesota-based *American Security* to expand its reach in Louisiana and throughout the southeastern U.S. Founded in 1966, *HUB* has more than 350 employees and providing a range of protective services - including guards, patrol and alarm response, emergency and disaster response, executive protection and security consulting - to more than 130 client locations.

"HUB sets a high standard for professionalism in the security industry," said Tom Kruse, chief development officer at *Marsden*, which offers several services in addition to security, such as janitorial, mechanical engineering, restoration, emergency, handyman and integrated facilities management. *"They are uncompromising in their ethical approach to business and have a distinctive culture based on delivering their services with a focus on integrity and quality."*

"As someone who has poured their heart and soul into helping to build our company, I knew it was essential to find the right buyer who would continue our vision," said *HUB* Vice President Dwayne Regan, who will continue to be the executive overseeing *HUB's* operations. *"The American Security team was professional and understanding and truly valued our hard work and dedication. American Security showed genuine interest in our legacy, upheld our core values, and injected new energy into the company."*



Cobalt Service Partners Buys Four Security Companies



Cobalt Service Partners, which focuses on acquiring and operating commercial access solutions companies with backing from *Alpine Investors*, has bought four security companies since its launch in December.

In doing so, the platform has added access control, video surveillance and overhead doors to its commercial access and security service offerings.

Columbus, Georgia-based *Automated Door Ways* installs and supports automatic and manual doors for customers in the Southeast; while Sacramento, California-based *Industrial Door Company* does the same for commercial and industrial doors. Waukesha, Wisconsin-based *Toepfer* installs and supports security systems with a focus on the Milwaukee area but customers nationwide; Shreveport, Louisiana-based *Homeland Safety* does the same for school districts, prisons and other clients in the Southeast.

"Our primary focus at Cobalt is to support our businesses by removing the biggest roadblocks standing in their way as they scale," said Anthony Gonzalez, co-CEO. *"Most notably, we love helping them recruit, retain, and develop exceptional technicians."*

"ADW, Toepfer, IDC, and HSS are exceptional businesses built by great people," added Tyler Hoffman, co-CEO. *"We're honored to support them through this next stage of growth."*



Sentinel Capital Partners Acquires Carrier's Fire Business



Carrier has sold its industrial fire division, which produces detection and suppression equipment and technology for high-hazard uses in industries like critical infrastructure, oil and gas, and clean energy, to *Sentinel Capital Partners* for \$1.43 billion.

As part of a tighter focus on its heating and cooling equipment business, *Carrier* also sold its security unit to *Honeywell* last year, and the firm also bought the air-conditioning division of German industrial company *Viessmann*.

"This transaction marks another milestone in our transformation...and furthers our vision to become the global leader in intelligent climate and energy solutions," *Carrier* CEO David Gitlin said.

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Pye Barker Goes on Acquisition Spree, Absorbing Nine Companies

Alpharetta, Georgia-based *Pye-Barker Fire & Safety*, an integrated, full-service fire protection, life safety and security services provider, expanded its geographic reach from coast-to-coast and capabilities in multiple directions this spring, with nine acquisitions.

Pye-Barker CEO Bart Proctor hailed the acquisitions and the various footprints, service lines and company cultures they will meld into *Pye-Barker*. “As *Pye-Barker* grows both organically and acquisitively, we are committed to providing best-in-class customer service, world class training for our team members and opportunities for professional advancement,” he said.

The company’s acquisitions included:

- **Security Solutions Inc.**, a Norwalk, Connecticut-based security, alarms and surveillance systems provider with clients across the state and a 30-year history as a family-run company, currently led by. The firm offers security and fire alarms, access control, closed circuit television, and 24-7 monitoring. “*SSI has been leading and moving the industry forward for over 30 years, and I’m eager to watch how Pye-Barker will build upon our legacy of innovation and expertise to take us to new heights,*” said current *SSI* President James “Jamie” Orvis.
- **Vermillion Systems**, based in Walkerton, Indiana, outside of South Bend, which provides fire alarm monitoring, video surveillance, access control and intrusion detection for customers in the commercial, industrial and municipal sectors in Michigan, Indiana and elsewhere in the Midwest. “*The decision to sell the business that we’ve spent the last 25 years building was not an easy one; choosing Pye-Barker to partner with certainly was,*” said David Vermillion, founder and president, whose local team will continue to operate the business. “*From the first meeting, it was clear that the commitment to taking care of our team and our customers was a priority for Pye-Barker.*”
- **Southern Burglar and Fire Alarm Co.**, a 99-year-old, Belton, South Carolina-based company that offers burglar and fire alarms, closed circuit television, video surveillance and alarm monitoring throughout the upper part of that state. Current president and owner Hank Clinkscales noted that his grandfather, who founded the company, and his father passed down values and principles like honesty and integrity.

“Our same core values are baked into the good people at *Pye-Barker*, and I trust them to carry on our legacy and keep the same feeling of being a local security provider,” he said.

- **First Trust Alarm Company**, a Hollister, California-based firm that focuses on fire alarms, security systems and fire code compliance in the San Francisco and Monterey Bay areas and has served clients for more than 30 years. The firm’s services also encompass access control, cloud-based video surveillance, alarm and sprinkler inspection and 24/7 central monitoring. CEO Joe Bowman, whose team will continue to operate the business, said: “*Selling the business was not an easy decision, but I have trust in Pye-Barker to carry on the legacy we’ve built here, one of commitment to quality work and a job done right. I’m confident this is a great step forward for our team.*”
- **ADS Systems**, based in Kenner, Louisiana, just outside New Orleans, a 23-year-old company that serves customers on the Gulf Coast with fire and burglar alarms, closed-circuit television and video surveillance, access control, intrusion detection and mass notification systems. “*Growing and leading ADS Systems has been an honor, and the tight-knit team here has become like family,*” said Del Fernandez, founder and owner. “*Pye-Barker has an outstanding reputation for doing right by both owners and their teams during the sale process, and I’m grateful for this next step for all of us.*”
- **Pacific Fire & Safety**, a Seattle-based firm best known for fire alarm and security systems services such as 24-hour monitoring, testing, maintenance, installation, design and consultation. The company also offers surveillance, closed-circuit television, access control and integrated alarms for such verticals as commercial, retail, healthcare and multi-family. “*We’ve always held safety and integrity as our guiding stars, and I’m excited to see that Pye-Barker shares these values wholeheartedly,*” said Paul Dalton, *Pacific* owner and president. “*It’s not just a business move; this new chapter is all about exciting opportunities for our employees and additional services for our customers, while staying true to who we are.*”



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Pye Barker Goes on Acquisition Spree *continued*



- **Absolute Fire Protection**, a fire sprinkler and alarms provider based in Annapolis, Maryland, which serves the Washington and Baltimore metro areas, the rest of Maryland and certain parts of Delaware. Founded in 1989 by two high-school friends while they were still undergraduates, the company offers fire sprinkler services, fire alarm installation, and 24-7 alarm monitoring. **Absolute Fire's** technicians and engineers will continue servicing the company's customers throughout the mid-Atlantic region with full fire code-compliance capabilities.
- **DaBo Fire Inspection & Service and DaBo Fire Protection**, St. Petersburg, Florida-based fire sprinkler entities that have been family owned and operated. The 43-year-old companies are run by two cousins and their families and serve commercial and industrial companies across Florida. The firm inspects, tests, services and installs such infrastructure as wet and dry systems, deluge systems, fire hydrants, pumps, backflows and standpipes. *"Pye-Barker has a stellar reputation in the industry, and we're proud to be part of what they're building,"* said Darcie Salvant, president of **DaBo Fire Protection**. *"Partnering with Pye-Barker will open new opportunities for our team members to grow and will broaden the services we offer to our loyal customers."*
- **CRIMPCO**, a Baltimore-based security alarm and monitoring company founded in 1968 that offers security systems, access control, closed-circuit television, video monitoring and fire alarms from southern Pennsylvania to northern Virginia. The family-owned business founded by recent college graduate Bob Jolson, started with his father and expanded with his two sons as well as two other partners, will continue to serve its existing customers in the region. *"When you are hired at CRIMPCO, you are a member of the family,"* Jolson said. *"While weighing the options of the next step for our company, our team's future was top-of-mind. I'm confident that joining Pye-Barker is the best choice for them, our family and our customers."*



Protos, Southfield Capital Partner to Purchase Summit

Security Services Holdings LLC, a/k/a Protos, a software-enabled security services provider, has partnered with lower middle market private equity firm **Southfield Capital** to purchase Irving, Texas-based **Summit Off Duty Services**, the 10th such acquisition in which **Protos** has joined forces with **Southfield**.

Summit employs a network of more than 60,000 off-duty police officers from more than 1,400 law enforcement agencies to manage on-site security for clients coast to coast, bringing expertise in security and law enforcement.

"This acquisition greatly accelerates the growth of our organization and enhances our off-duty law enforcement service offering," said Mark Hjelle, CEO at **Protos**, the fourth-largest security provider in the country. *"The combination of the companies will allow us to better serve clients across the nation with a large network of off-duty officers and is a great investment."*

Brandon Pinderhughes, partner at **Southfield**, expressed delight at the transaction. *"The addition of Summit provides greater scale in the attractive off-duty segment and significantly enhances the range of services available to our valued customers,"* he said.

"Our commitment to providing high-quality security solutions aligned closely with Protos' mission, making the partnership a favorable path for Summit," added Alex Smith, president of **Summit**. *"Our cultures are well-aligned in terms of our business models as we both focus on delivering reliable security solutions through physical security expertise and a tech-forward approach."*



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Q&A with Brian Reich, Head of Corporate Security & Workplace Safety



Brian Reich, MS, CPP, is Assistant Vice President and Head of Corporate Security and Workplace Safety at Chicago-based Kemper Corporation, where he began three years ago, as well as chair of the New York City chapter of ASIS. Kemper Corporation is an American insurance provider with corporate headquarters located in Chicago, Illinois. With nearly \$13 billion in assets, the Kemper family of companies provides insurance to individuals, families and businesses.

Reich previously worked in similar roles for top 10 global financial services firms “such as CaptialOne, TD Bank and CIT Group (acquired by First Citizens Bank). Earlier in his private sector career, Reich was the Director of Security for Spectrum (formerly Time Warner Cable).

In his public sector career, Brian served for 20 years in law enforcement as a police officer, major crimes detective and eventually, deputy chief for the Sheriff’s Office in Bergen County, New Jersey located just outside of New York City. Over the years, Brian has become well known as an industry leader, serving in global leadership roles with ASIS International and currently serves as the Chairman of the ASIS New York City Chapter Board of Directors.

We spoke with Reich about his day-to-day responsibilities, how he works with internal and external partners, and his philosophies on providing security to a large, diverse organization. What follows is a transcript of the Q-and-A, edited for length and clarity.

Keith Oringer: At Kemper, with over 8,000 employees, and a large and diverse network of agents and service locations, can you describe your primary responsibilities ?

Brian Reich: I’m the Head of Corporate Security and Workplace Safety, which includes physical security, life safety, workplace violence, investigations, intelligence and crisis management as well as business continuity. Overall, our responsibility is to reduce risk to the organization. We’re risk managers first. The pathways in which we reduce risk center on physical security technology, people, safety, education, regulatory compliance, security awareness. Those are the pillars through which we accomplish reducing risk to the organization.

KO: Kemper and other companies increasingly focus on and cost-protect against cyber-attacks. Can you describe how your department focuses on the issue and who you rely on, both internally and externally, to handle the increasing and serious security concern of cyber?

BR: We partner closely with our CISO who is a peer of mine.

Where our two roads intersect, it’s providing those layers of physical security. Where we have critical infrastructure, making sure we have the right physical security controls. In any organization, whether it’s Kemper or McDonald’s Corporation, you can have fantastic abilities to safeguard the ones and zeros in the systems; but if somebody can walk into your data center or an area where there’s critical infrastructure and commit an act of IT sabotage or access your network physically, that bypasses all the great protections that cyber, in a virtual environment, can provide. It’s very much a partnership and making sure we’re doing our due diligence to make sure we have the right controls in place, from a physical security aspect.

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Q&A with Brian Reich - Kemper Corporation

continued

KO: How do you approach collaboration between physical and IT security?

BR: When we talk about physical security of infrastructure versus cybersecurity, it's two different things. You talk about IT security from a critical infrastructure standpoint: "How do we protect the stuff in data centers?" That's understanding, where do they have their infrastructure? What's in those rooms? What applications do those infrastructures support? How critical are they? Then that's how we make risk-based decisions on the type of controls, and how we're going to allocate our resources. Where's the most risk?

KO: When implementing or upgrading physical security technology, can you describe how your department works with system security system integrators, and what if any functions you handle primarily in-house?

BR: We do have a longstanding relationship with a great system integrator, and it's very much a partnership. They're part of our team, understanding what our risks are. We rely on our integrator for physical security maintenance and installation. That piece is fairly straightforward: it's cameras, and access control, and monitoring, and making sure that we have the right controls in place and making sure that we're maintaining them. And also that we're aware of either application or system failures, so that we don't have gaps.

Do we have a panel that's offline? Do we have a mag lock that's not working, and a door is open? Making sure that we have the right annual maintenance contracts with them, that we're doing the right checkups on our equipment; and we have built out and continue to build out a consistent and repeatable set of processes and deployment of physical security controls across the organization, so we have that consistency. That's done in partnership with our integrator.



KO: Do you use in-house guarding or you use contract security?

BR: We have a combination of the two.

KO: How would you characterize the changing dynamics in physical security? Where are you seeing major changes happen and what are the trends, both at Kemper and industry-wide?

BR: At ISC East, at the New York City ASIS chapter, we're going to be having a great panel session on the impact of AI on corporate security. We have representatives of Google, the chief security officer from OpenAI, who bring you ChatGPT, as well as a global head of security from a major global financial services firm. I'll be moderating it, and we'll be talking about AI, and the impact that AI will continue to have on corporate security and how we do our jobs, and the emerging risks it may present and help guard against.

I think that's the one of the biggest things for corporate security leaders to start keeping an eye on, is not just the threats. Because a lot of folks tend to come from law enforcement, we tend to think about only the negative: What are the risks? How is this going to hurt us? But what about, how is it going to help us? How is it going to change the way we do our job to make it easier? Can we leverage AI for intelligence? Can we leverage AI for helping us develop plans? Can we leverage AI for detecting threats and risks quicker and more efficiently than we have in the past? So those would be the topics of the conversation of that panel. Certainly, from an industry-wide perspective, those are very topical conversations.

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Q&A with Brian Reich - Kemper Corporation

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KO: Do you use contract security service providers? And if so, what are the three most important things you look for? What about in-house security?

BR: Suffice it to say, we have contractors, and we have in house staff, as well, on the team. We do use security providers, like most companies. I look for their ability to meet our needs and our risks, and their responsiveness. At the end of the day, the level of service you get from a contract guard provider is very much tied to the bill rate and the pay rate. You're getting a very different service if you're paying a low billable rate versus a higher billable rate. Making sure you're getting that value, that's first on the list. Making sure you're dealing with a company that's going to deliver on what they promise.

Number two is making sure you have a provider that's responsive. People are going to drop the ball. Typically, guard force providers are providing multiple people across a very geographically dispersed area. There's going to be situations sometimes, in any company, where a guard doesn't show up, or they don't do what they're supposed to do, or there's an incident. But who are you working with, and is that company responsive: are they willing to correct the mistake and partner with you to make it right?

To me, that's the most important piece, because they're all pulling from the same employment pool. Whether you're operating in L.A. or New York City or Dallas, Texas, if you're paying an hourly rate for guards, they're pulling from the same employment pool. But does the company you're working with understand what your challenges are, and what you're facing internally in your organization, in terms of the perception that their service can have - that a guard can have? I think that's really important.



KO: So besides the pricing, you're focused on the management response, the supervision, the training, the screening, recruiting, all that stuff.

BR: Absolutely. The training is going to be tied to the bill rate. You're not going to get a highly trained executive protection agent for a \$20-an-hour bill rate. As a consumer of security services, it's incumbent upon us to be a good client, and making sure we're asking for what's reasonable in terms of bill rate and pay rate. And then, my expectation is that our provider comes through and delivers what they say they're going to deliver. When occasional balls get dropped, that's OK, but that they're responsive to it.

KO: Do you do executive protection? Are your top executives just traveling locally, or internationally? I don't know if Kemper goes into Middle East, or any of those volatile areas. Do you have a travel risk department?

BR: Not speaking specifically about where our executives go or don't go, or obviously the security posture of executives, we do have a travel program. My team and I do keep vigilance on where people go, and when there's volatile things going on, not only in the U.S., but around the world. If we have travelers going there, we employ a third-party tool to get that information and create situation representations, as needed. And of course, we have the appropriate third-party partnerships to be able to provide support and assistance wherever it's needed.



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Q&A with Brian Reich - Kemper Corporation

continued



KO: Can you describe the communication training your department implements for employees, as it relates to risk management and security?

BR: Like all major companies, it's a multi-modality type of process. My team and I have regular sessions with business leaders to help them understand the risks and then develop appropriate training and communications for them to percolate down. We have set training, depending on the type of job that you're in: If you're a field agent, or if you're someone that's not in the field, we've developed tools and training that they can walk themselves through. I make it my business to go around the country and appear at different sites, present at different regional meetings or sales conferences, talking about best practices, answering questions. We also partner with our HR teams to ensure we have the right training to meet regulatory requirements surrounding the various pillars we support.

KO: Are you finding that women are becoming more involved in the security industry?

BR: Yes, I am. I am proud to have recently brought on an amazing senior manager. She has an amazing track record in the field and brings some amazing skillsets to the team. As the chair of the ASIS New York City chapter and someone that's been involved globally in the industry for years, promoting women in security is an important initiative. We can't protect people and assets if we all think alike, and if we all come from the same perspective.

KO: Women are definitely making strides. I think it's great for the industry. The bigger the tent, the more expertise we have and more perspectives you see. So Brian, you've been in the security space a long time, and you have a diverse background. With all the lessons learned over the course of your career, could you give us your best advice for security professionals, in terms of what they should be focusing on, and how to help them in a career track.

BR: Look at yourself as a businessperson who happens to manage the security function. You don't want to be the company cop. That's a part of our job, to be the company cop, to respond to incidents, to liaise with law enforcement, to pick up that phone and say, "I have a contact in this city or this country." But be a businessperson. Understand how your business works. Understand their revenue model, their risks. Develop those relationships. Think of yourself like all the other leaders do in the company. The head of marketing is a businessperson that understands the business, understands the industry they're in. That's how every corporate security leader should approach their role.

I think what we've struggled with as an industry is, we have been looked at as the company cop for far too long. Because we have a lot of former law enforcement, like myself, that go into security. We need to think about things in terms of risk, and ask, "How we can make the business stronger and more resilient?" If they're not making doughnuts and selling the doughnuts - you don't need security if there is no business. So if you're a publicly traded company, read your company's 10k, understand what happened on the quarterly earnings report. Have those relationships with the appropriate business leaders. Don't operate in a silo.



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Q&A with Brian Reich - Kemper Corporation

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KO: Along your way, was there any turning point that really helped your career? You've really moved up the ladder. What would you say are factors that caused that? Obviously, it's hard work, but there are other things. What would you advise other professionals?

BR: Joining ASIS and meeting a lot of great mentors really helped me understand and learn the business of security. I had a lot of great mentors and people that I worked for who helped me understand that being a security leader is about managing risk. Being a security leader is about understanding the business and being a business partner. Number two, knowing your audience, being able to communicate effectively and foster good relationships. If you're not a good communicator, people aren't going to trust you, and people aren't going to like you. You have to have those relationships. Before you can impact change and make suggestions, people have to trust you first.

You can't sell a product unless you know your customer. So you can't sell security and build value unless you understand the business, the risk tolerance of the leaders, and the company, and the culture that you're selling to. And if you do those things, I think people will find themselves more successful in their organizations than if they look at themselves as the "No" police: "The sky is falling. We can't do this. We can't do that." It's not about, "No." It's about, "Let's talk about that. Let's collaborate."

KO: You have a big role here. Is there anything that keeps you up at night? As head of this company and security function, what is your major concern?

BR: No, not in particular. I think it's about continuing to form, foster and maintain effective relationships and open communication internally and externally, and keeping abreast of the risk tolerance and the changing risk environment that we operate in. And that's our job, at the end of the day. It's about being professional, being proactive, and operating within the risk frameworks and tolerance of the organization.

I sometimes see security leaders saying, "Well, my company wants to do this, or doesn't want to do that, and "they're wrong. They need to do fill-in-the-blank." Well, if you're communicating with the right risk owner, and the risk owner says, "Hey, Keith, we appreciate the perspective, but I'm willing to accept the risk," then it's all right. Check. Let's just move on and implement the program within that risk tolerance.

It's about not getting too bogged down in "they don't want to let me hire somebody new," or "they don't want to give me the new shining object." Well first, are you communicating the need correctly? The thing you want to do, are you aligning that to the risks appropriately? Showing them that, "I need enhanced controls because if I'm applying those controls against the risk event, they are [currently] failing to reduce the risk to an acceptable level." Not based on what the head of security feels, but based on what you, the risk owner, with the controls that you have readily available to you - people, administrative controls, technology - are they bringing the risk to an acceptable level, based on the risk tolerance of the organization?

If the answer is "no," there's your risk rationale, and that's why you want to do A, B or C. If they're saying, "Hey, we understand your risk rationale. We're OK with this being at this level of risk," then you check the box and you move on. Because the risk owner has accepted the risk. When you look at it like that, you become less frustrated, and you take more of a business approach. Because everything is risk, right? Your CFO in your organization takes financial risks, when they're making investments. They're taking risks when they're investing in new products. And somebody has to make that decision based on the risk tolerance: How much risk are they willing to take? And when you approach it like that, you have less battles and less friction, and you're able to operate more effectively and become a trusted partner.

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Q&A with Brian Reich - Kemper Corporation

continued

KO: And, I assume, as the head of security, you have to foster relationships with local law enforcement. That's important to you also, right?

BR: Sure. That's very important. We enjoy, not only me personally, but my team and I, enjoy great relationships across the country, and globally, with law enforcement at many, many, different levels. And we're really fortunate to have those relationships.



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ADT Security Purchases Alarm Assets, ACG Integration

ADT Security, which provides electronic security solutions to more than 1,000 residential and commercial customers in Australia and Asia, has integrated more than 35 skilled technicians into its mix and boosted its national coverage and service delivery with the purchases of *Alarm Assets Group* and *ACG Integration*.

Geoff Campbell-Brown, general manager of *ADT Security*, will oversee the integration and is excited about the enhancements it will bring to the firm's capacity and customer base. "These acquisitions bring expertise and a strong customer base that will enhance our service offerings and support our growth ambitions," he said. "Our focus will be on seamless integration, maintaining high service standards, and leveraging our combined strengths to drive innovation and operational excellence. This expansion will strengthen our market position and provide new opportunities for our team members."

"Expanding the *ADT* business through the strategic acquisition of two quality businesses will continue to enhance *ADT's* footprint in a highly prospective market," added Dennison Hambling, managing director of *Intelligent Monitoring Group*, parent company of *ADT*. "The addition of these businesses, customers, and people will unlock *ADT's* commercial business further as it seeks to return to its historical levels of AUD \$125 million in revenue and beyond."

St. Moritz Acquires Millhouse

Pittsburgh-based *St. Moritz Security Services*, a 42-year-old company that provides contract security across the U.S. and Canada, has acquired Atlanta-based *Millhouse Security Services*, which will widen *St. Moritz's* foothold in the Atlanta region, mostly in the residential and Class-A vertical markets.

One of the 10 largest U.S.-based protective services companies, *St. Moritz* provides both contract guarding and virtual monitoring to those verticals as well as retail, medical, education, industrial, distribution facilities and ATM providers.

"*Millhouse Security* was built on a promise to bring elevated standards and exceptional customer service to our employees and clients," said Dan Millhouse, president and owner, who will join *St. Moritz*. "This opportunity comes at an ideal time for *Millhouse*, as we strive continuously and consistently deliver on that promise."

Matthew Schwartz, CEO of *St. Moritz*, said he was impressed by *Millhouse's* achievements to date. "He and his team have developed an outstanding commercial real estate and residential portfolio that seamlessly integrates with our current business," he said. "This acquisition positions *St. Moritz* as a leading force in the Atlanta market."

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Sciens Building Solutions Acquires Mammoth

San Francisco-based *Sciens Building Solutions*, a holding company focused on fire detection and security services with backing from The *Carlyle Group*, has acquired the New England-based *Mammoth* companies. These include *Mammoth Fire Alarms and Property Protection Monitoring*, based in Lowell, Massachusetts, and *Mammoth Fire Protection Systems*, based in Hudson, New Hampshire.

Founded in 1991, *Mammoth* provides a “one-stop shop” spanning design, installation and service of fire alarms, fire sprinklers, suppression and system monitoring. The company counts universities, hospital campuses, commercial buildings, K-12 schools and industrial sites around New England among its client base. *Sciens* already had hundreds of employees in the northeastern U.S., and *Mammoth’s* staff will now join them.

“Mammoth is proud to have served the New England area for three decades and honored to partner with a company like Sciens, who can add our expertise and years of experience to their existing Northeast footprint,” said Charles Beaulieu, president of *Mammoth*. *“We’re excited to be able to offer our customers even more options in this region, and thrilled that this merger will allow for more growth opportunities for our valued employees given our common company cultures and values.”*

“The addition of Mammoth and its established team of well over 100 employees to this region opens even more doors for us to serve valuable customers in the great states of Massachusetts and New Hampshire, and beyond,” added Terry Heath, *Sciens* CEO. *“Their comprehensive portfolio compliments that of Sciens, and we’re thrilled to partner with them for continued growth.”*



Everon Buys DIGIOP

Everon, a security integrator and provider of security, fire and life safety solutions based in Irving, Texas, has bought *DIGIOP*, a software development company focused on a suite of subscription-based video and business intelligence solutions.

Their joint announcement noted that *DIGIOP* merged video and data sources to deliver *“actionable insights, efficient data mining and case management features across the entire enterprise. Coupled with an intuitive user interface, these solutions leverage critical business intelligence to support a variety of organization needs, including in operations, IT, asset protection, marketing and more.”*

“We’re not here to just witness the trends, but to provide our customers with proactive, intelligence-driven solutions that seamlessly integrate into their businesses,” said Dan Bresingham, CEO of *Everon*. *“We’re proud to welcome the talented DIGIOP team to Everon and to join forces with them as we chart a path of growth through technology.”*

Mike Compton, president and CEO of *DIGIOP*, will join *Everon* as chief technology officer as part of the deal. *“We’re excited to be joining the Everon team and for the opportunity to unlock the full potential of our intelligence-focused solutions,”* he said. *“As end-user and industry demands have trended toward more cloud-connected, data-forward, SaaS-based technologies, teaming up with Everon means we can deliver on more innovative solutions and create greater value for our customers.”*

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Securitas Offers Employees International Data Center Certification

More than 10,000 employees of **Securitas** worldwide will complete training focused on physical access control, emergency response, ethics and professional conduct to become **Certified Data Center Security Professionals**, the company has announced.

Those who work for a **Securitas** data center clients will be enrolled automatically through the firm's learning management system and get a message letting them know it's available. New data center employees will go through the training when they are on-boarding to the company. **Securitas** plans to add modules to the training as time goes on.

"**Securitas**' certified data center professionals will serve as vigilant eyes and ears, enhancing client safety by identifying hazards and improving working practices," said the company in a press release.

Securitas Releases Report on First Half of 2024

An interim report from **Securitas** covering the first six months of 2024 shows that the company's organic sales grew 6% to about \$7.6 billion over the period.

Real sales growth within technology and solutions was 7%, operating income before amortization hit \$489.2 million, and operating margin was 6.5%. Earnings per share were 39 cents, net debt to EBITDA ratio was 2.9, and cash flow from operating activities 26%.

Magnus Ahlqvist, president and CEO of **Securitas**, saw solid performance across all business segments. "In accordance with our strategy, the Group's operating margin was supported by strong improvement both in security services and in technology and solutions," he said. "We are in a solid position to deliver a strong full-year 2024 outcome."

Ahlqvist said the company was poised to create long-term, sustainable shareholder value, citing good traction from portfolio management activities, the profitability of the security services portfolio, higher margins for new business, a recovery in the European airport security business, and a "stronger than ever" global technology business two years after acquiring **STANLEY Security**.

"We are driving a client-centric transformation of **Securitas** to provide the most compelling value proposition in the security industry," he said. "With elevated global uncertainty and an increased threat environment, clients are looking for a future-oriented partner with deep security expertise who can support in shaping their security programs for the years to come. Our long-term partnership approach combined with our presence, technology and digital capabilities are important differentiators that make us the partner of choice for our clients."



Minuteman Security & Life Safety Purchases Secuni

Andover, Massachusetts-based **Minuteman Security & Life Safety**, a provider of integrated security, communication and life safety systems, has purchased Edison, New Jersey-based integrator **Secuni**.

Formerly known as **Dynamic Security**, **Secuni** has provided enterprise security technology solutions for more than 20 years and employs more than 60 professionals in five offices, located in New Jersey, New York, Pennsylvania, Virginia and Florida.

The engineers and field technicians in the combined company will operate from 24 East Coast offices, expanding both **Minuteman's** coverage of the East Coast and capabilities to service enterprise clients nationally and around the world, supported by its program management office.

"The Minuteman mission is to improve security and safety for our clients from Maine to Florida and beyond, and this acquisition helps us enormously," **Minuteman** CEO Joe Lynch said. "We're particularly excited to offer **Secuni's** managed services capabilities together with our program management service, so global security leaders can achieve a centrally managed and consistently high level of security system performance for all their sites."

"This is such a natural combination," said Barton Kartz, general manager, who has led the company along with Vice President Victor Alexander. "Both **Minuteman** and **Secuni** believe in empowering engineer-led teams to deliver client solutions that are built for long-term value. We will also now be able to directly support **Secuni** clients far beyond our core New Jersey territory, with added access to **Minuteman's** global program management team."

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Allied Universal Introduces Enhanced Protection Services Unit

Allied Universal has rolled out a new business unit called *Enhanced Protection Services*, which will work to address and mitigate the most critical life and safety threats by leveraging deep subject matter expertise at every stage of the risk cycle, the company says, “from planning and preoperational surveillance to execution and completion.”

The new unit, led by industry expert and newly installed president Glen Kucera, will bring together 17,000 specialized security experts and integrate several arms of the company, such as active law enforcement, executive protection, firearm and explosion detection canine teams, risk advisory and consulting, intelligence, disaster and emergency response, and screening for chemical, biological, radiological, nuclear and explosives.

The Enhanced Protection Services team will bring together experts in strategic intelligence, explosive mitigation, counterterrorism, executive protection, countersurveillance, disaster response and other security areas, leveraging decades of experience in such realms as top law enforcement and military groups, corporate security and “big four” consulting.

“Today’s elevated and dynamic threat landscape requires businesses and organizations to utilize specialized services that address high-consequence threats,” said Steve Jones, global chairman and CEO of *Allied*. “We’ve formed *Enhanced Protection Services* to better protect our clients in this environment.”



GardaWorld to Acquire OnSolve, Strengthening Crisis 24

Montreal-based *GardaWorld* has entered into an agreement to acquire *OnSolve*, a provider of critical event management services such as risk intelligence, incident management, mass communications and travel risk management to government agencies, small to mid-sized businesses and enterprise customers.

GardaWorld plans to integrate *OnSolve* into its global, AI-enhanced integrated risk management platform called *Crisis 24*, which marries human and AI-driven expert analysis to formulate risk management solutions that the company describes as “relevant, hyperlocal and real-time.” *Doing so will boost OnSolve’s “comprehensive ability to anticipate, prepare for, and respond to a wide range of risks and critical events,”* according to the announcement.

“As companies and organizations navigate an increasingly complex world, *Crisis24* stands out as a global leader in comprehensive risk management and protection,” said Stephan Cretier, founder, president and CEO of *GardaWorld*. “The addition of the *OnSolve* platform will enable *Crisis 24* to offer the most advanced and comprehensive risk management services in the industry, ensuring greater resilience and security for organizations and businesses worldwide.”

“Joining forces with *Crisis24* is a natural fit for *OnSolve*,” said Mark Herrington, CEO of *OnSolve*, which has about 400 employees in the U.S., U.K. and India. “*Crisis24’s* global footprint, particularly with the world’s most influential businesses and people, and their deep understanding of the risk management space, ensures that our teams will continue to innovate on our award-winning technology platform and deliver exceptional value for our customers while developing new segments and markets.”

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Pinkerton Purchases Verifact Investigations

The nearly 175-year-old *Pinkerton* has purchased Australian investigations specialist *Verifact Investigations*, which will provide employees, operations, and clients in the legal, insurance and retail industries throughout Australia.



Pinkerton will leverage the deal to expand its offerings Down Under, in service lines like insurance investigations, on-site risk assessment and executive protection. The purchase also brings in \$3 million in revenue to *Pinkerton Australia*.

Adam Chambers, managing director for *Pinkerton's* Asia Pacific South unit, noted that *Verifact* brings more than 30 years of experience operating across Australia. "*Verifact's* team of skilled professionals and deep roots in the insurance investigations space makes it an ideal complement to *Pinkerton's* investigations and risk work in Australia," he said. "We will leverage the national reach, experienced personnel, expansive network and dedicated investigation expertise added by this acquisition to deliver an even greater value to our current and future clients across Australia."

"As *Verifact* joins *Pinkerton*, a longtime leader in the security space, our clients will benefit from the resources and experience of this global company, as well as their expertise in risk management and beyond," said *Verifact* owner Dan Crowley.

Pavion Buys Signet; 21st Acquisition Since June 2020



Pavion, which provides integrates fire, safety, security and critical communications solutions, has bought 50-year-old, Norwell, Massachusetts-based *Signet*, aiming to boost its healthcare critical communications as well as audiovisual systems offerings across New England.

Customers of *Signet*, which serves more than 80% of acute care hospitals in the region, will continue to receive services from the company's employees, but with added support, tools and capabilities brought by their new colleagues from *Pavion*.

"As we approached our 50-year anniversary milestone, I wanted to ensure *Signet* would maintain the energy and tenacity for continued innovation and growth that my team deserves," said Brad Caron CEO of *Signet*. "Joining forces with *Pavion* ensures the future for the employees and customers of *Signet* for the next 50 years."

The acquisition is *Pavion's* 21st since partnering with Chicago-based private equity investment firm *Wind Point Partners* in June 2020. "We are very pleased to welcome *Signet* employees and customers to the *Pavion* team," said CEO Joe Oliveri. "Their focus in critical communications, security and AV significantly enhances our capabilities to deliver integration and support services for customers in the Northeast."



Sunstates Partners with Trilantic North America

Sunstates Security has partnered with private equity firm *Trilantic North America*, which focuses on business services and family-owned companies, providing the additional financial wherewithal for *Sunstates* to both grow and maintain its quality of services.

"Selecting the right partner was essential to preserving our people-first, client-centric culture while positioning us for future success," according to the press release from *Sunstates*, which has a compounded annual organic growth rate of 25% during the past decade. "*Trilantic North America* shares our vision and values, making them an ideal choice as we embark on this next chapter."

"We remain committed to the company's long-term mission and vision, and look forward to our continued growth as we further position ourselves as a premier provider of security services," said *Sunstates* CEO Denis Kelly.



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Titan, Marksman Merge to Create National Footprint



Chicago-based *Titan Security Group* has merged with Fort Lauderdale, Florida-based *Marksman Security Corporation*, the latter of which *Security ProAdvisors* represented during the negotiations and resulting transaction. Terms were not disclosed.

Titan offers security solutions such as staffing and system integration, including video surveillance, electronic access control, visitor management and alarm monitoring in the Midwest and Southeast. *Marksman* concentrates on security staffing services for commercial properties across 20 states.

The merged companies, which will continue to provide services under their respective brand banners, see the merger as a pivotal opportunity to combine their strengths, bringing greater value and innovation to clients and employees across a national footprint.

“By teaming up with Marksman Security we are bringing together two teams with a shared vision for the future,” said Dave Pack, CEO of *Titan*, who will be CEO of the combined company.

“This is a growth-oriented transaction. Our intention is to add services and headcount, not reduce. We believe this combination will allow us to provide more opportunities for Titan and Marksman team members.”

Current *Marksman* CEO Ezekiel “Zeke” Kaufman, who will join the leadership team of the combined firm, echoed Pack’s enthusiasm. *“This is an exciting combination that allows us to provide high-end customized security services across a larger footprint,”* he said. *“We are stronger together.”*

“We are thrilled to join forces with Titan Security Group to increase our service delivery capabilities and expand our reach,” added Mark Radi, president and founder of *Marksman*, who also will remain in the leadership team. *“Our shared values of integrity, customer service excellence and increased operational efficiency will drive our partnership forward as we strive to exceed client expectations and set new benchmarks in the industry.”*

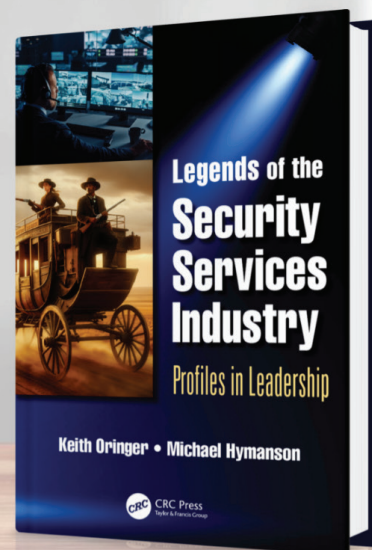
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