



Vertical Market Selling Guide

**Security Systems
Services**



Purpose

This guide is provided to you at no charge to create awareness for the needs of a payment terminal solution within a specific vertical market that may be less penetrated than traditional retail stores.

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Market Segment: Security Systems Services

MCC: 7393: Detective-Protective Agencies, Security Services, Armored Cars

NAICS: 561621: Security Systems Services (not including locksmiths)

SIC: 7382: Security Systems Services (not including locksmiths)

Market Overview

The security systems industry in the US generates revenues of over ten billion dollars annually. There is one predominant player in the US, Tyco International, which accounts for almost half this number. Tyco's divisions include SimplexGrinell (Fire detection systems), ADT (home security systems and monitoring) and Broadview Security (formerly Brinks Home Security).

There are approximately six thousand establishments belonging to about five thousand firms. The vast majority of the companies have single locations (80%) and employ less than fifty people (60% employ less than 10). There are over one hundred thousand individuals employed in this industry, about thirty five percent of which work for the smaller "mom and pop" operations. The average establishment has annual revenue in the range on \$1.7 million. The companies are primarily in the business of installing and monitoring burglar and fire alarms.

The card industry MCC classification for these companies include armored car and detective agencies, therefore the card usage information is somewhat skewed. Both the NAICS (used by the government) and the SIC systems do have specific codes for this business segment.

Credit/Debit card use in this market segment is fairly low. Industry data shows that the average ticket amount, when a card is used, is in the \$105 range and makes up less than fifteen percent of the volume.

Sales & Marketing Insights

The low current penetration rate, moderate average transaction value, and the number of small operations provide some opportunity for mobile technology sales to this segment.

There are three national/international professional/trade organizations that service the home security industry, one of which has individual memberships the other two only accept corporations. There are also a number of state-wide organizations (see exhibit)

The American Society for Industrial Security (ASIS) is an international organization with over 150 local chapters (104 in the United States). The organization's goal is in "...increasing the effectiveness and productivity of security professionals by developing educational programs and materials that address broad security interests." It sponsors an annual convention (with over 20,000 attendees), has very active local chapters, and publishes a monthly journal and newsletter. They do not list a separate membership category for industry suppliers nor do they promote or co-market any services.

Both the National Burglar and Fire Alarm Association (ESA) and the Central Station Alarm Association (CSAA) accept corporation memberships only. ESA whose purpose is in "...representing, promoting and enhancing the growth and professional development of the electronic life safety, security, and integrated systems industry", does not sponsor an annual convention/trade show. It does provides special memberships for supplier companies and operates a member discount program (no companies in the payment industry are currently listed). CSAA which "represents companies offering security (alarm) monitoring systems through a central station" has an annual convention, but no exhibit.



Payment Characteristics

- Card payments (MCC 7393), estimated percent of total payment volume : 15%
- Estimated average ticket size of card transactions: \$105
- Average monthly number of card transactions per establishment: 228

Market Resources

- Associations
 - American Society for Industrial Security (ASIS)
 - <http://www.asisonline.org>
 - 104 local chapters (US)
 - 2009 conference attendance: 22,000
 - 2009 exhibitors: 350
 - 2010 conference: ASIS 2010, Dallas, TX Oct 12-15
 - Publishes *Security Management* magazine, *ASISOnline* newsletter
 - National Burglar & Fire Alarm Association (ESA)
 - <http://www.alarm.org>
 - corporate membership
 - Central Station Alarm Association (CSAA)
 - <http://www.csaaul.org>
 - 2010 conference: Marana, Arizona, October 1-6, 2010
 - Publishes *CSAA Dispatch* newsletter



VeriFone Solutions

Security Systems Providers, especially those with mobile installers who visit clients at residential and commercial locations, would need to have devices that are portable and can be brought to the point-of-service. This would allow them to accept card-present transactions which could significantly lower the current overall payment costs and at the same time offer convenience to the client. VeriFone offers a variety of wireless communication options for portable devices, including the new PAYware Mobile for iPhone.

- PAYware Mobile
- Nurit 8020S
- RoamPay Swiper



PAYware Mobile



PAYware Mobile for iPhone™ allows for payments to be accepted anywhere, anytime in a secure manner via card swipe.

PAYware mobile is a PA-DSS approved payment application for iPhone™. Accepting credit card payment via PAYware Mobile comes with a variety of benefits including higher security and increased transaction savings.

Exhibit 1: State Information

		ASIS			
State	Count	Membership	Chapter	Web Site	Other Associations
Alabama	87	283	Mobile Bay	http://www.asismobile.org/	
			Northern Alabama	http://sites.google.com/site/asis18/	
Alaska	5	55	Alaska	http://www.asisak.org/	
Arizona	110	473	Phoenix	http://www.asisphoenix.org/	
Arkansas	56	100	Ark-La-Tex	http://www.asis244.org/	
			Central Arkansas	http://www.asis129.org/	
California	766	2,566	Fresno Valley	http://www.fvasis.org/	California Alarm Association
			Golden Gate	http://www.asisgoldengate.org/	
			Los Angeles	http://www.asislosangeles.org/	
			Greater Los Angeles	http://www.asisglac1.org/	
			Monterey Bay	http://www.asismontereybay.org/	
			Orange County	http://www.asis40.org/	
			Sacramento	http://www.sacramentoasis.org/	
			San Diego	http://sdasis.org/default.aspx	
			San Fernando Valley	http://www.asis130.org/	
			San Francisco Bay Area	http://www.sfasis.org/	
Santa Barbara	http://asis-sb.securespsites.com/default.aspx				
Colorado	126	477	Denver Mile High	http://www.asisdenver.com/	
			Northern Colorado/Southern Wyoming	https://www.nocoasis.org/Home_Page.php	
			Pikes Peak	http://www.asispikespeak.org/	
Connecticut	90	402	Connecticut	http://www.conasis.org/	
			Southern Connecticut	http://www.asis-southernct.com/	

Exhibit 1: State Information (cont.)



ASIS					
State	Count	Member ship	Chapter	Web Site	Other Associations
Delaware	24	122	Delaware	http://www.delawareasis.org/	
District of Columbia	6	267	National Capital	http://www.asis-capital.org/	
Florida	461	1,292	Greater Orlando	http://www.asisorlando.org/	AAF - Alarm Association of Florida http://www.fla-alarms.org/
			Florida Space Coast	http://www.asisspacecoast.org/	
			Florida West Coast	http://www.asistampabay.org/	
			Fort Lauderdale	http://www.asis104.org/	
			Jacksonville	http://asisjacksonville.com/	
			Miami	http://www.asis-miami.org/	
			Space Coast	http://www.asisspacecoast.org/	
Georgia	241	701	Greater Atlanta Chapter	http://www.asisatlanta.org/	GBFAA - Georgia Burglar & Fire Alarm Association http://www.gbfaa.org/
Hawaii	22	105			
Idaho	22	61			
Illinois	177	1,122	Central Illinois	http://www.asis158.org/	
			Chicago	http://asischicago.org/	
			Illi-Ana	http://www.asisilli-ana.org/	
			North Shore Chapter	https://www.northshoreasis.com/index.asp	
Indiana	88	353	Evansville	http://asisevansville.org	
Iowa	24	155	Central Iowa	http://www.asisiowa.org/	
			Eastern Iowa	http://www.asieasternia.com/	
Kansas	55	160			
Kentucky	67	202	Louisville	http://www.asislouisville.org/	
Louisiana	95	211	Ark-La-Tex	http://www.asis244.org/	LBFAA - Louisiana Burglar & Fire Alarm Association http://www.lbfaa.org/
			Greater New Orleans	http://www.asisneworleans.org/	
Maine	16	67	Maine	http://www.asis-maine.org/	
Maryland	174		Baltimore	http://www.baltimoreasis.com/	Maryland Burglar & Fire Alarm Association http://www.mdbfaa.org/
Massachusetts	133	830	Boston	http://www.asis-boston.org/	
			Western Massachusetts	http://www.wmass-asis.org/	
Michigan	146	589	Detroit	http://www.asisdetroit.org/	
			Flint	http://www.asisflint.org	
			Lansing	http://www.lansingasis.org/	
			Western Michigan	http://www.westmiasis.org/	
			Southwestern Michigan	http://www.asiswmichigan.org/	

Exhibit 1: State Information (cont.)

ASIS					
State	Count	Member ship	Chapter	Web Site	Other Associations
Missouri	107	487	Kansas City	http://www.kcasis.org/	
			St. Louis	http://www.asis-stl.org/site/	
Montana	17	19			
Nebraska	28	144	Omaha	http://www.asisomaha.org/	
Nevada	55	292	Las Vegas	http://www.asis-lasvegas.org/	
			Northern Nevada	http://www.asisnn.org/	
New Hampshire	36	18	New Hampshire, Granite State	http://www.asis-region18.org/asisnh/default.htm	New Hampshire Alarm Association http://www.nhalarm.org/
New Jersey	259	802	Central New Jersey	http://www.asiscnj.org/	NJBFAA - New Jersey Burglar & Fire Alarm Association http://www.njbfaa.org/
			Northern New Jersey	http://www.asisnj.org/	
			South Jersey	http://www.asis170.org/	
			Western New Jersey	http://www.asis088.org/	
New Mexico	36	157	Albuquerque New Mexico	http://www.asisnm127.com/	
			Northern New Mexico	http://www.asisnorthernnm.org	
New York	443	1,996	Central New York	http://www.asis-syracuse.org	Metropolitan Burglar & Fire Alarm Association of New York http://www.mbfaa.com/
			Albany, NY	http://asisalbany.org/	
			Long Island	http://www.asisli.org/	
			Mid-Hudson	http://asismidhudson.org/	
			New York City	http://asisnyc.org/	New York Burglar & Fire Alarm Association http://www.nybfa.org/
			Rochester	http://www.asisrochester.org/	
			Westchester County	http://asiswestchesterchapter.homestead.com /	
			Western New York	http://www.asiswny.org/	
North Carolina	167	591	Greater Charlotte	http://www.asis65.org/	NCBFAA - North Carolina Burglar & Fire Alarm Association http://www.ncbfaa.net/
			Greater Fayetteville	http://www.asischapter159.org/	
			North Carolina Piedmont	http://www.asispiedmont.org	
			North Carolina Research Triangle	http://www.asis119.org/	
North Dakota	12	10			

Exhibit 1: State Information (cont.)

ASIS					
State	Count	Membership	Chapter	Web Site	Other Associations
Ohio	206	892	Akron/Canton	http://www.asis-akron-canton.org/	OBFAA - Ohio Burglar & Fire Alarm Association http://www.secureohio.org/
			Cincinnati Tri-State	http://www.asiscincinnati.org/	
			Cleveland	http://www.asis-cleveland.com/	
			Columbus	http://www.asis27.org/	
			Toledo	http://www.asistoledo.org/	
Oklahoma	84	133	Oklahoma City	http://www.asisoklahomacity.org/	OK-BFAA - Oklahoma Burglar & Fire Alarm Association
			Tulsa	http://asistulsa.org/	
Oregon	71	134	Columbia River	http://www.crasis.org/	
Pennsylvania	200	1,079	Central Pennsylvania	http://paasis.wordpress.com/	PBFAA - Pennsylvania Burglar and Fire Alarm Association http://www.pbfaa.com/
			Greater Philadelphia	http://www.phillyasis.com/	
			Lehigh Valley	http://www.asis070.org/	
			Pittsburgh	http://www.asispgh.org/	
Rhode Island	32	72	Providence	http://www.asisprovidence.org/	
South Carolina	91	232	Greater Charleston	http://charlestonasis.org/	SCSA - Southern California Security Association http://www.labfaa.com/
South Dakota	8	28			
Tennessee	141	377	Memphis	http://www.memphisasis.org/	
			Smoky Mountain	http://www.smasis.org/	
Texas	464	1,804	Ark-La-Tex	http://www.asis244.org/	Texas Burglar & Fire Alarm Association http://www.tbfaa.org/
			Austin	http://www.asisaustintx179.org/	
			El Paso/Juarez	http://www.asiselpaso.net/	
			Houston	http://www.asishouston.org/	
			North Texas	http://www.ntx-asis.org/	
			Texas Gulf Coast	http://www.asistxgulfcoast.org/	
Utah	43	106	Salt Lake	http://www.asisutah.org/	
Vermont	9	148			
Virginia	169	1,584	Fredericksburg/Quantico	http://www.orgsites.com/va/asis151/index.html	VBFAA - Virginia Burglar & Fire Alarm Association http://www.vbfaa.org/
			National Capital	http://www.asis-capital.org/	
			Tidewater	http://www.asistidewater.org/	
Washington	107	538	Puget Sound	http://www.asis-ps.org/	

Exhibit 1: State Information (cont.)

ASIS					
State	Count	Member ship	Chapter	Web Site	Other Associations
West Virginia	20	73	Central West Virginia	http://www.wvasis.org/	
Wisconsin	67	306	Central Wisconsin	http://www.asis067.com/	Wisconsin Burglar & Fire Alarm Association http://www.wbfaa.org/
			Fox Valley	http://www.asisfoxvalley.org/	
			Greater Milwaukee	http://www.asis-mil.org/	
Wyoming	10	10			
Total US	5,998	23,117			

