

The Transmitter

Published Exclusively for EMERgency24, Inc. Dealers

www.emergency24.com

Fall 2011

FCC Tech Advisory Committee Suggests Sunsetting PSTN

The Federal Communications Commission (FCC) received an official recommendation from its Technical Advisory Council (TAC) to “set a date” to phase out the decades-old public switched telephone network (PSTN).

The TAC recently forecasted that only six percent of the U.S. population will be served by the PSTN by 2018 — with all other users migrating to next-generation IP and mobile networks where available. For this reason, the TAC recommends that the National Broadband Plan be synchronized with the PSTN sunset.

Supporting facts that the TAC presented include:

■ By 2014, the U.S. will have less than 42,000,000 access lines.

■ Access line losses were nearly 6,600,000 between 2Q09 and 2Q10, a drop of 7.3 percent.

■ By 2014 U.S. consumers will have 31.6 million VoIP lines accounting for 42.5 percent of all U.S. access lines.

■ Fixed lines continue to decline — mobile is the preferred choice for voice communication.

■ More than 25 percent of U.S. consumers over 18 have already given up their voice landline for voice wireless-only service.

(Continued on Page 3)

Plan Ahead to Achieve the Goals You Set for Your Company

When an alarm installer decides to open a business of their own, they must define their goals and make plans to achieve them.

Commonly, alarm dealers want to build a base of accounts to derive recurring monthly revenue that will fund their operation, but ultimately, those accounts provide a large asset that can be “cashed out” as needed or at retirement.

To maximize the value of the accounts, there are two key tactics that should be followed: always keep current contracts with customers and have all accounts residing on your own line card.

Contracts Acknowledge Yours and the Customer’s Responsibilities

Contract law is based on the principle expressed in the Latin phrase “pacta sunt servanda,” which translates to “pacts must be kept.” That means when you have a signed agreement with a customer to provide a service for a certain amount of time for a specific cost, you have a relatively high level of assurance that you will receive that revenue for the duration of the contract length.

Should you decide to sell your accounts, prospective buyers will perform audits to ensure that they too can count on that revenue. If those audits show your customers are not under contract, but instead have a verbal agreement with you, those are

worth much less, if anything.

The reason is that while you may have felt comfortable with personal assurances — and your customers felt comfortable with you — when a new company takes over, the subscriber does not have to do business with them. There is no pact to be kept. By neglecting to get contracts signed, alarm dealers damage the value of their company. *(see bottom of page 3)*

Secure Your Own Line Card

All alarm dealers plan to grow their subscriber base, so it is important that newly formed companies work with Emergency 24, Inc. to secure their own line card to standardize installations and ultimately, maximize the overall account value.

Emergency 24 offers its dealers with 100 accounts or more their own line card — free-of-charge as a value-added service.

A dedicated line card increases the value of a dealer’s account base at the time of a sale because it is much easier — and less costly — for the acquiring company to re-point the phone lines if the accounts are being moved to another dealer’s line card. Should your accounts be scattered on multiple line cards, the buyer would then have to schedule appointments with the end-users to reprogram their systems.

Another advantage of having your own line card is that all of your subscriber

(Continued on Page 2)



Visit www.emergency24.com/blogs for the latest security industry news!

Continued from Page 1: Plan Ahead to Achieve Your Goals

accounts are programmed to dial a single set of telephone numbers and have the same two-character prefix. Not only does this standardize the installation process for your technicians, but it will greatly reduce the number of phantom signals that land on your accounts.

Phantom signals can be particularly frustrating and could occur when another dealer — usually one with accounts on the same line card — transposes digits during the installation programming. The result could be a false dispatch to your customer's home, which could result in a fine. At the same time, you'd then have to explain to your customer why this happened when you've done nothing wrong.

Don't Fail to Plan

Keep in mind that a line card does not limit an alarm dealer in any way. In fact, line cards can be expanded to accommodate a growing account base and can be designed to accept multiple reporting formats so you are not locked into one technology.

Having a dedicated line card also allows dealers to

organize their accounts numerically by ranges, such as designating fire accounts as 1000-1500 and burglar systems as 2000-3000. Or, pending the size of your company, dealers can number their accounts based on geographic area.

At the same time, if your goal is to grow your business and ultimately sell subscriber accounts in bulk, it is imperative that you have signed contracts that define your service agreement, thus creating a sellable asset.

By defining the goals of your company and planning how to best accomplish those, alarm dealers will be in a much better position when it is time to set new, loftier goals for their lives.

Get Your Own Line Card Today

Call us today about this tremendous opportunity to increase the value of your company. Our Technical Department will help you make this transition, but if you have any questions, please call the Sales Department at 1-800-800-3624.

Municipal Meddling is Not Only in Illinois Now

One of the most pressing issues facing the alarm industry may have originated in Illinois, but it has not been contained inside state borders, according to data recently collected by the Electronic Security Association.

In addition to Illinois, there are issues with government interference in Michigan, Pennsylvania, New Jersey, Wisconsin, New Hampshire, Vermont and New York, based on feedback given in an unscientific online survey developed by the ESA.

Keep in mind that there may be other areas impacted but local dealers may not have responded to the survey. As such, Emergency 24 asks all alarm dealers to let Public Relations Manager Kevin Lehan know if you are having to compete against — or have been shut out of a market — by the government. He can be reached at 773-725-0222 x 6917 or at k.lehan@emergency24.com.

What's Happening in Illinois Now?

On July 15, the Illinois Electronic Security Association hosted a meeting for the McHenry County business community to speak with Sen. Pamela Althoff and Rep. Michael Tryon about four county municipalities creating government monopolies by mandating that commercial fire accounts must be monitored by a government-run center.

More than 60 people attended the breakfast meeting that featured a half-hour presentation and an hour of discussion by local business leaders and state legislators.

The message that was repeatedly stated by the McHenry business community is that the government should not be allowed to create monopolies.

There were three important results from the event:

1) The IESA gained legislative support in both legislative chambers for the alarm industry.

2) Leaders of the McHenry business community decided to write and then promote an amendment to the ordinance that will allow business owners to have a choice of vendors.

3) Rep. Tryon and Sen. Althoff will try to facilitate talks with the IESA and the leaders of the fire services.

Others Still Pursue Revenue Despite Court Ruling

Using the Freedom of Information Act, the IESA has learned that some communities are using government employees to push this plan to the councils and boards.

As one police chief told us, the local emergency dispatch coordinator was "given an assignment" to present the materials to council members. As a result, those decision makers are hearing only select pieces of information — all in favor of taking over alarm monitoring. However, when the IESA asks for the opportunity to meet with the same elected officials, we receive no such cooperation.

Fortunately, the industry received good news regarding the Lisle-Woodridge case. Federal Judge Milton Shadur upheld his temporary injunction and made it permanent.

The basis of his ruling is that fire protection districts in Illinois have only the powers granted to them by the state legislature. "Entering the fire alarm monitoring business and owning a fire alarm monitoring network are conspicuous by their absence from that grant of power," wrote Judge Shadur in his resolution to the case filed by ADT and other Illinois alarm dealers.

Continued from Page 1: FCC Mulls PSTN Sunset Date

While market forces are largely responsible for those changes, it's the impact on less-served, rural areas that complicates matters — including a lack of true broadband capability and the loss of critical services like 911.

Given these realities, the TAC made a number of draft recommendations to the FCC to ease implementation:

1. The FCC should take steps to prepare for the inevitable transition from the PSTN.
2. The FCC should take steps to expedite the transition.
3. Provide incentives for carriers to provide broadband services that can support voice to rural areas and under-served parts of America.
4. Fund PSAPs so they can accelerate integration with IP/Packet network (so E911 can work with IP).
5. Re-align regulatory requirements to emerging technologies.
6. Assist Broadband and video providers by working with security and emergency alarms industry associations to push for IP adoption, e.g. NFPA 72.
7. Bring the National Broadband Plan into alignment with the PSTN Sunset timetable and assure that adequate broadband/mobile capability is available everywhere that PSTN is now.

With these broad-stroke recommendations in hand, the FCC must now decide how soon it will force the inevitable transition.

What is certain, however, is that every alarm dealer must come to terms with the fact that there will be a major technology shift in the coming years.

Detroit Police Make Switch to a Verified Response Protocol

After nearly a year of working with the alarm industry to implement an Enhanced Call Verification protocol that reduced calls into the Detroit 911 center by 30 percent, the police department made an abrupt shift to a Verified Response policy.

After business hours on Friday, August 12, the police department sent a FAX to Detroit businesses informing them that the new policy would go into effect as of 12:01 AM on August 15.

Emergency 24's Detroit branch manager Joe Ramos, who also serves on the executive board of the Burglar and Fire Alarm Association of Michigan (BFAAM), said that the change came as a complete surprise to everyone.

"After working closely with the Detroit Police Department and 911 dispatching for the past year, we are very disappointed that they made this decision with no warning to anyone, including the leadership of the 911 center," Joe said. "Although the police leadership agreed to delay implementation until August 22, the result of their decision is that the citizens and business owners in Detroit are left unprotected with no opportunity to make system upgrades that would satisfy the verification requirements."

Joe explained that Detroit alarm system owners can use audio, video and/or cross-zoning to provide the needed verification for dispatch, but pointed out that with such little notice, it was impossible for the

alarm industry to make thousands of service and installations visits with such short notice from the city.

"Even if it was possible to upgrade the systems across Detroit in such a short time, there are many home and business owners who simply do not have the available funds to spend. As a result, those people are now more vulnerable to crime than ever before because criminals know the police are not going to respond," he said.

More Details about Detroit Policy

■ This is not an ordinance, but instead, a procedural change similar to what was achieved in November 2010 with Enhanced Call Verification.

■ This eliminates Enhanced Call Verification — it is the direct replacement for it.

■ BFAAM had no prior notice of this initiative and it appears the police have intentionally left BFAAM and the security industry out of the entire process.

■ BFAAM has been requested to share this news with the industry as the "official" notification process to the industry. There is no indication as to how the citizens of Detroit will be "officially" notified of this change.

■ BFAAM is currently working with our national affiliates at SIAC, ESA and CSAA.

■ BFAAM stands in opposition to the specifics of this procedure; the lack of participation in its crafting; and the failure of DPD to provide adequate notice to the security industry and citizens of Detroit.

Be Sure to Sign All of Your Subscriber Contracts

For every account, Emergency 24 requires a complete, unaltered contract and data sheet that lists the account number and the name shown as it appears in our system, which is how the dealer enters the name online. When photocopying the contract, remember that it is a legal sheet. If you photo copy this to a letter-sized page, the required signatures are not shown.

Relating to contract signatures, EM24 requires that contracts show a legal and legible signature by BOTH the subscriber and Alarm Company. Printing of the name or only signing with initials is not acceptable. If contracts are not completed correctly, return mail is required, which costs postage and time. To minimize costs, we ask dealers to take care when filling out contracts.

EMERGENCY 24

call 1-800-800-3624.

copies for your subscribers or potential customers,
 alarm dealers in bundles of 100 for \$16. To order
 These brochures are available to Emergency 24
 the industry.

that showcases the most advanced central station in
 glossy stock to accentuate the image-heavy design
 The full color, tri-fold brochures are printed on thick
 solution to increase security for any type of facility.
 alarm system monitored by Emergency 24 is the best
 station is available to explain to end-users why an
 A new brochure featuring our state-of-the-art central
Order New Emergency 24 End-User Brochures!

Station Headquarters
 This station houses state-of-the-art equipment, including video, audio and computer systems. It is the central hub for all Emergency 24 operations.

New 24-Hour Central
 Our 24-hour central station is staffed by highly trained and experienced technicians who are available around the clock to respond to any emergency.

Security for Homes & Businesses
 Whether you are a homeowner or a business owner, we offer a wide range of security services to protect your property and your loved ones.

Fire, Burglary & Infiltration
 Our advanced monitoring systems can detect fire, burglary, and unauthorized access to your premises, allowing us to alert you or the appropriate authorities immediately.

Video Surveillance
 Our video surveillance systems provide a clear and detailed view of your property, helping to identify suspicious activity and provide evidence in the event of an incident.

Emergency Response
 In the event of an emergency, our highly trained technicians will respond quickly and efficiently to your location, providing the assistance you need to resolve the situation.

24-Hour Monitoring
 Our 24-hour monitoring service ensures that your property is always protected, day or night. We are available to respond to any emergency at any time.

Professional Installation
 Our experienced technicians will install your security system professionally and ensure that it is working correctly. We will also provide you with a comprehensive user manual and training.

Emergency 24
 Protecting Millions of Lives and Millions of Dollars of Assets

EMERGENCY 24
 Since 1987

EMERGENCY 24
 Protecting Millions of Lives and Millions of Dollars of Assets

Increased Peace of Mind
 Emergency 24 offers a comprehensive range of security services, including fire, burglary, and infiltration monitoring. Our 24-hour central station is staffed by highly trained technicians who are available to respond to any emergency at any time.

Electronic Alarm Notification
 Our advanced monitoring systems can detect fire, burglary, and unauthorized access to your premises, allowing us to alert you or the appropriate authorities immediately.

Solutions for VoIP
 Our VoIP solutions provide a secure and reliable way to communicate with your security system. We offer a range of options, including cloud-based and on-premise solutions.

Who We Monitor
 We provide security services for a wide range of clients, including homeowners, businesses, and government organizations. Our services are tailored to meet the specific needs of each client.

EMERGENCY 24