



AWARD

Validates Vector's False Alarm

VIGILANCE

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AT A GLANCE

- The Security Industry Alarm Coalition, False Alarm Reduction Association and *Security Sales & Integration* establish the Police Dispatch Quality Award to recognize alarm companies for outstanding false alarm reduction programs
- Pittsburgh-based Vector Security Systems Inc. named winner of the first PDQ Award after slicing its false alarm dispatch rate per account from 1.37 to .8
- Vector's 12-step plan focuses on training; counseling offenders; inspecting system designs; enhanced call verification; user introductory periods; and SIA CP01-compliant control panels
- Rochester, Minn.-based Custom Alarm and Atronic Alarms of Overland Park, Kan., named runner-ups in the PDQ competition

At a time when false alarms are receiving more lip service from alarm companies than Angelina Jolie does from her makeup artist, Vector Security lets its comprehensive reduction program do the talking to win the 2006 Police Dispatch Quality (PDQ) Award. Find out how Vector cut its false activations nearly in half, and hear from other companies that are letting their anti-false alarm actions speak louder than words.

When it comes to combating false alarms and dispatches, through the years many in the alarm industry have talked the talk. However, Vector Security Inc. is one of the relatively few companies that have boldly walked the walk.

"While a majority of the industry was engaged in a conversation about how to address the false alarm problem, municipalities began dealing with false alarms in a way that would benefit them the most," says Vector President John Murphy. "Unfortunately, this was done without considering the consequences alarm users would suffer; and largely without the involvement of the alarm industry. With the tide turning quickly, Vector Security mounted a

well-conceived, well-executed effort in the markets we serve."

Vector's demonstrated commitment to and excellence in minimizing false police dispatches helped it recently capture the inaugural Police Dispatch Quality Award (PDQ). The award was announced jointly earlier this year by the program's organizers: the Security Industry Alarm Coalition (SIAC), False Alarm Reduction Association (FARA) and *Security Sales & Integration*.

Vector was subsequently recognized for its achievement in a ceremony conducted by FARA at the company's Columbia, Md., office March 16, and at *SSI's* SAMMY Awards April 4 in Las Vegas. VSI was cited for three Maryland counties served by its Columbia location.

It was back in 2003 when Vector — which has in excess of 150,000 residential



(l-r) Vector Security President John Murphy, FARA President Jim Cogswell, SIAC Executive Director Stan Martin, Vector False Alarm Reduction Manager Pat Killian and Vector's Derrick Jackson take part in the PDQ Award presentation in Las Vegas.

and commercial customers throughout the Mid-Atlantic states and also services 50 of North America's most recognized retailers — launched its ambitious and comprehensive program to reduce false alarm activations. The Pittsburgh-based company implemented a 12-step plan that resulted in a reduction of annual dispatches per account from 1.37 to .8.

Custom Alarm of Rochester, Minn., was the PDQ runner-up after notching a 17.6-percent decrease in false alarms and a 42.3 percent cut in false dispatches. Overland, Kan.-based Atronic Alarms was the other finalist, receiving attention for creating a Quality Assurance Department whose primary purpose is to address false alarms after each installation.

The PDQ program was established in 2005 to stem the false alarm problem by recognizing those installing and monitoring companies that follow established industry practices and partner with law enforcement to achieve the highest quality in police dispatch requests. The goal is to raise industry-wide awareness, motivate alarm companies to be proactive and provide models that work for others to follow.

In that spirit, the architects of Vector's award-winning program reveal their successful strategies for cutting false alarms. Law enforcement representatives from the jurisdictions served by Vector also chime in with insight about building effective relationships between alarm companies and police.

12 Steps to Establishing a False Alarm Reduction Program

Vector's 12-pronged plan necessitated a total company effort, fueled by Murphy and driven by the company's Executive Vice President Pamela Petrow, False Alarm Reduction Manager Pat Killian and Dispatch Reduction Manager, Washington District Derrick Jackson.

Awards are nothing new to Killian, who was named FARA's "Associate Member of the Year" in 2004. Leadership is nothing new to Murphy, who is currently president of the Central Station Alarm Association (CSAA).

Vector's management team believed the adoption of the following 12 action items, applied together, would provide the greatest chance of attaining the goal of substantially reducing false alarm activations.

1. Understanding — Management conceded they needed to learn more about and measure the exact rate of false dispatches in order to understand the reasons why they occurred. Then they needed to outline a program to reduce them and create an attainable reduction goal.

"We conducted monthly meetings to determine the relative performance of each branch and division regarding a number of criteria, and to invoke management responses to problems and concerns," says Murphy. "When we took on this project, false alarm reduction became an equally important performance factor in the total evaluation, and each branch had to continually work on reducing its top false alarm offenders each month."

2. Staffing — Management enhanced the staff to include a number of False Alarm Administrators who were placed strategically within Vector's branch office network together with its central stations that monitor the branch office accounts. These administrators would review all "full clear reports" from all Vector branch operations, run histories and any account that experienced multiple dispatches. They would then contact each offender by phone or letter.

To effectively manage dispatch reduction efforts, Vector created a department whose sole purpose was to reduce false dispatches. The department is managed by Killian, who reports directly to Petrow.

"Each aspect of our service delivery system, from sales to programming; dispatch data information and entry; installation and service; understood their piece of the pie and what they needed to do to make the whole effort work cohesively," explains Murphy.

3. Account segregation — Additionally, Vector segregated the monitoring services provided to its nationwide accounts division and wholesale users, including its authorized dealer network. The purpose was to better study these individual aspects and their independent impact on false dispatch rates.

"Our national retail customers were our biggest challenge due to a number of factors, including their size, store layout and, of course, environmental fac-



A Vector Security sales representative reviews the company's Central Station Sales Training Manual with a manager. Vector's false alarm reduction initiative involved an internal public awareness campaign throughout the entire organization. The effort involved virtually every staff member who "touched" any accounts.

tors that make large retailers susceptible to larger numbers of false activations," says Killian. "Additionally, retailers take a more casual attitude toward false alarms, regarding them almost as an unavoidable cost of doing business. We had to change that perception."

4. Internal awareness — Vector then undertook an internal public awareness campaign throughout the entire organization. The effort involved virtually every staff member who "touched" any accounts. The campaign empowered all employees, including sales and technical services positions, motivating them to become an integral part of the campaign to reduce false activations.

"As you might expect, given the industry's questionable performance on reducing false alarms, even our most enthusiastic employees were wary of the commitment we were undertaking, and understandably so," adds Murphy. "As things began to improve little by little, we actually became comfortable that we could, in fact, really accomplish this. But the sheer determination of our management team really meant a lot."

In order to strengthen adherence to the false alarm reduction program's goals throughout the entire branch network, each office was required to account for its own Top 10 False Alarm Abuser list. Murphy required all general branch managers to account for the progress being made in the false alarm reduction program in their respective

Vector branches. This "no-excuses top-down commitment" helped the company sustain consistent progress in this effort.

5. External training — Vector then turned the public awareness program outside the company to its existing and new customer base through a number of initiatives. In addition, VSI formed alliances with public agencies, which themselves were in the process of establishing false dispatch reduction protocols in their respective communities.

"We believe most police departments still have faith in alarm companies and in the role we play in deterring crime," says Killian. "They are waiting to see one company in their jurisdiction step up and prove to them that they're doing something to reduce false alarms. We got their buy-in simply by admitting this problem was not theirs, but ours. Most of us had it wrong by thinking police should stop complaining about false alarms and begin thinking about how alarm systems were benefiting them."

The training effort also encouraged customers to include third-party system users, such as cleaning services, off-shift workers and even babysitters, who traditionally contributed significantly to the false alarm problem.

6. Counseling offenders — Policing its own customer base also became an essential component of Vector's program. Management developed a "top

offenders" list from each respective branch and concentrated its efforts on working with those customers to reduce their false dispatch rates. Accounts that experience excessive false alarms are marked for review by the firm's False Alarm Administrators.

Management also encourages them to attend Vector's False Dispatch Reduction Classes. If they refuse or their numbers do not improve, Vector ultimately makes the decision to drop them as a customer.

"As you might expect, customers themselves do not see the big false alarm picture and judge the problem as if it were only limited to their occurrences alone," states Killian. "When they fully understand that their actions may be the straw that breaks the camel's back in forcing a municipality to adopt a restrictive response ordinance, they understand the gravity of the situation."

7. Inspecting system designs — Vector inspected its system designs to make sure they did not include the use of inappropriate technologies or placements that could lead to false alarms and subsequent unneeded dispatches. Questionable system designs are now flagged prior to being installed and alternative designs are recommended.

This process, along with many others on this list, might make some alarm company operators flinch due to the additional financial commitment, especially at the outset. However, Murphy helps put those expenditures into perspective.

"While the most pressure is being exerted on installation margins, the profit centers we have the most control over are recurring revenues; specifically, monitoring income," he says. "Companies need to preserve the reason why customers choose to monitor their security systems. If customers want the security of a response by their public safety agency, then preserving that aspect of our service delivery system is key in preserving monitoring incomes themselves."

8. Using enhanced call verification (ECV) — The plan incorporated mandating enhanced call verification,

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including the use of electronic and two-call cancellation procedures, together with an emphasis on creating policies and procedures for dealing with caller ID and call intercept services.

“Ordinances that mandate second-call verification have helped us tremendously,” says Killian. “When we mandated multiple-call verification we saw immediate results, especially with our biggest offenders.”

9. Providing information updates — Each year, Vector proactively updates all call and contact lists to help maintain accuracy for those customers who experienced false alarm problems.

“I think this is probably the ultimate in customer service,” Killia says. “When you’re contacting customers before they contact you, they get a sense of security; they feel someone is looking out for them. They’re very

thankful and feel they are getting the service they pay for.”

10. User introductory training period — Vector created a mandatory, seven-day customer training period for all new installations. This allows new and inexperienced users to grow more comfortable with the operation of their systems and helps Vector gauge the reliability of the system’s design before any burglar alarm dispatch takes place.

“We stress to customers that they should not worry about false alarms because they will come with using the system, but to instead concentrate on minimizing false dispatches,” says Murphy. “Customers should not be afraid of their systems when they begin to make noises.”

11. System operational programming changes — The company also enacted a

number of programming changes designed to help reduce the number of false activations. These include increasing time delays for certain sensors; no duress programming; programming swinger shutdown; installing only two-button hold-up devices; and better calculation of standby power capacities.

12. Using new technology and training — In the markets referenced in the submission for the PDQ Award, an average of 90 percent of the control panels installed during the past two years are SIA-CP-01 compliant. That translates to an estimated 26,000 residential and in excess of 500 commercial customers.

Additionally, Vector strives to better train its technicians with national programs, including NTS Level I and II, and NICET, combined with state mandates.

“It is an enormous investment we make,” Murphy says. “We spend a lot

Alarm Coordinators Vouch for Vector

One of the many reasons Vector Security Inc. won the Police Dispatch Quality (PDQ) Award was the outstanding relationship it has developed with law enforcement, such as Montgomery County Police Department False Alarm Reduction Section Director Norma Beaubien and Baltimore County Alarm Reduction Unit Manager Steve Heggeman.

Why is Vector worthy of the PDQ Award?

Heggeman: Vector Security has one of the lowest false alarm dispatch rates in Baltimore County and they maintain a very positive working relationship with our Alarm Reduction Team. Vector has created and implemented a very successful false alarm reduction program.

How does Vector stack up against other alarm companies?

Beaubien: I have worked with hundreds of alarm companies. Vector Security’s overall integration of false alarm prevention, development of good working relationships with public safety, providing excellent service to their customers and delivering on promises are what set them apart.

Does Vector serve as a good role model?

Heggeman: Vector’s commitment to false alarm reduction has benefited their customers, 911 centers and police departments. Any alarm company working to improve their police dispatch quality should benefit from examining Vector’s false alarm reduction program.

Has there been a noticeable drop in Vector’s false activations?

Beaubien: Vector Security reduced its false dispatch rate in Montgomery County by 30 percent to .21 since implementation of its mandatory false alarm prevention program. Additionally, they



Vector Security was recently recognized for winning the 2006 Police Dispatch Quality Award in a ceremony conducted by the False Alarm Reduction Association (FARA) at the company’s Columbia, Md., office.

showed a 33.4-percent reduction in the number of false alarm calls charged to their Montgomery County customers, saving a minimum of \$6,425 for those customers in false alarm response fees.

What procedures or policies do you believe have made the biggest difference?

Heggeman: Implementing enhanced/multiple call verification and contacting customers after each false alarm are two of the most effective tools available to alarm companies.

How does Vector foster strong relations with police?

Beaubien: First and foremost, Vector Security complies with our local laws, which means public safety does not have to devote resources to trying to get compliance. With the false alarm prevention program they have in place, it also means we have a lot fewer Vector customers with which we have to get involved. Their employees are always ready, willing and able to discuss problem accounts or issues. They always follow through with promises made.

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of time doing it. As mentioned, we use enhanced call verification everywhere and are also big advocates of the SIA CP-01 standard.”

Vector's Plan, Success Serves as inspiration for Aspiring Companies

As mentioned at the outset, Vector has managed to reduce its dispatches per account by nearly half. These calculations include actual alarm incidents and dispatches that were cancelled prior to officers arriving on scene. The company's all-encompassing approach and consistency of message has created a culture committed to reducing false dispatches.

Perhaps Vector's greatest accomplishment is providing a template for

other companies to follow to false alarm reduction success and glory. In fact, Murphy has reiterated his offer to provide any interested company with Vector's false alarm management software free of charge.

Despite its success, however, Vector is not content to rest on its laurels as management looks to continue raising the bar to reduce false dispatches even further. Management has set a new goal of less than .5, which would be a reduction of nearly two-thirds from where it was just a couple of years ago. Vector also continues to work with local authorities and false alarm reduction units to strengthen its program and address problem offenders.

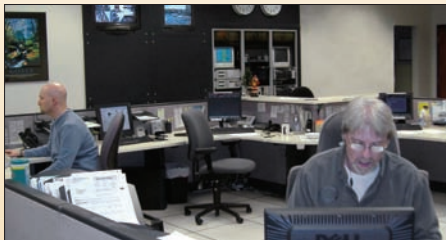
By speaking at alarm industry events, sharing its program and materials, and promoting the implementation of false dispatch reduction efforts, Vector has assumed a leading role as one of the industry's goodwill ambassadors.

“We were surprised to win the PDQ Award and our feelings about being recognized have a lot more to do with our commitment to assisting our industry partners,” says Murphy. “We are honored to prove a point that meaningful reductions in false alarms can be brought about and those reductions can be sustainable if the commitment to do so remains equally strong. We hope others begin to experience an equivalent or even greater level of success than we have with their own programs.” ■

Custom Alarm, Atronic Alarms Get Honorable Mentions for Impressive Programs

Had Vector Security's program not been so convincing and comprehensive, Rochester, Minn.-based Custom Alarm or Overland, Kan.-located Atronic Alarms may well have been accepting the inaugural Police Dispatch Quality Award. Both companies also stood out from the many that entered the award program with impressive false alarm reduction schemes that earned them finalist nods in the competition.

Custom Alarm Director of Marketing Nikki Johnson says her company's false alarm initiative is all about doing the right thing for its customers. The company recorded a 17.6-percent decrease in false alarms and a 42.3-percent reduction in false dispatches.



Both Custom Alarm and Atronic Alarms say their false alarm reduction efforts have involved a firm commitment throughout their organizations. Pictured (left) is Custom Alarm's central monitoring station and (right) Atronic's installation crew.



“As a company, and particularly as a central station, we are very conscious about serving our customers,” says Johnson. “It is our responsibility to make sure we are setting our customers up with the tools they need in order to have the lowest number of false alarms. We realize a lower number of false alarms makes better business for us, happier customers and also pleases local law enforcement. These things are all very important to us.”

According to Atronic Alarms Vice President John Erickson, tracking and minimizing false alarms has always been a core objective of the company's business practices. The company has created a Quality Assurance Department whose main purpose is to keep track of false alarms following new installations.

“We have a team of two or three individuals who do this for us and then follow-up with clients after the demo to make sure they are satisfied, and even watch the account to confirm there are no prob-

lems and they don't need another demo,” says Erickson. “In addition, we provide custom design before the sale to make sure the job is designed correctly to meet the individual's needs so as not to have false alarms. We don't skimp. It goes from A to Z in the Atronic family.”

For Custom Alarm, reevaluating and enhancing its procedures to reduce false alarms and dispatches was a seamless, welcome undertaking. Johnson reports the company's central station operators, who bear the brunt of the program implementation, its customers and law enforcement partners are all enamored with the program.

“We have had nothing but positive feedback from all of our employees. They were the ones who really rallied for two-call verification

as an effort to minimizing dispatches,” she says. “In addition, our customer base has been very receptive to the program. They know that it is to help them manage their security systems, and those who have to pay false alarm fees are happy we are taking such an active role. As for law enforcement, they understand it is a win-win program.”

One of the keys to producing a successful false alarm reduction program is making sure it permeates every aspect of an alarm company's operations. As Erickson explains, Atronic is a shining example of putting this philosophy into practice.

“Ongoing education is critical to current and future clients,” he states. “Atronic promotes newsletters, flyers on how to pick an alarm company that offers a low false alarm rate, 20 questions you should know before you buy, etc. Our newsletters often have something useful in them about false alarm reduction. It is important that we as an industry embrace this problem as our own and solve it.”