



Gone Are the Days of the Specialist?

by Clarissa Jacobson

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Convergence has become the main buzzword of the security industry in the last several years as advancements in IP, telephony, network, wireless, structured cabling, electrical, building controls, and audio create demand for multi-functional, integrated systems. Especially as IT and physical security have become tightly linked, specialists who used to design, engineer and install their specialized piece of the pie are now confronted with a much broader menu. Are the days of the specialist gone? Peter A. Sokoloff & Company interviewed representatives from Johnson Controls, Adesta and CGL Electronic Security Inc., companies that have all been restructured to meet the new technology needs of their customers.



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Uniting All Areas



Richard Alexander, Johnson Controls Inc.'s General Manager South Region - Fire and Security, has served in leadership roles within the fire and security industry for over 23 years.

Johnson Controls, in business for 38 years, is a Fire and Security Group worth \$320 million. Rick Alexander, Johnson Controls' general manager of the South Region Fire & Security, explained how the profile of the business has changed. "The Fire and Security business within Johnson Controls as a whole used to be a 'me too business.' In other words, years ago, our Controls business would close a new opportunity and then would follow the sale with -'you know, we also do fire and security.' That's no longer the case."

Determined to increase their investment in the security business JCI acquired Cardkey in 1998 as a major step in making the Fire and Security division a visible, specialized business. Three years ago, Johnson Controls redesigned its overall business to better serve the needs of customers with increasingly complex and far ranging requirements. Alexander said, "We had a tremendous amount of talent in specialized areas but they were all separate, we couldn't leverage it.

This redesign helped bring all the specialists under one roof so we could go to the market offering one complete package instead of separate specialties.”

Creating a Security Group

Adesta’s basic business for many years was designing and building large complex communications networks. In 2003, Adesta added business development resources to focus on the security market and formed the Adesta Security Group to address the market operationally. The design and deployment of advanced electronic security systems like video surveillance and analytics systems, perimeter security and sophisticated access control were added to Adesta’s communications services.

With the advent of converging technologies, the company has added IT experts to the core staff and integrated them into the security process. According to Bob Sommerfeld, president of Adesta, “Security Integrators must now be computer and network savvy and are expected to have capabilities and certifications that include IT network systems. Having IT experts on staff gives us an edge because clients can ask the tough questions and be assured they are getting a reliable answer.” Today nearly 100% of all proposals Adesta submits to prospective customers include converged technical requirements.

Wireless Solutions

CGL Electronics primarily specializes in design, sale, installation and service of integrated security management solutions. Ron Ludvigsen, president of CGL Electronics, pointed out that CGL had to change because the manufacturers changed. “Manufacturers have really gone to network based solutions and those solutions require different skills and different training.” CGL Electronics, like the other two companies, has invested heavily in technicians that are IT savvy. Converged jobs are 90-95% of their work and include mostly network solutions that involve structured cabling systems.

“Several years ago we wouldn’t have even looked at wireless data transmission because of the inconsistency in service. It wasn’t a proven technology. Today we’re very comfortable working with any of this new converged technology,” stated Ludvigsen. As there is a need to tie divergent systems together to provide a single monitoring point CGL approaches the business from this monitoring perspective and also does a lot of wireless installing which can be very cost effective. “You don’t have to dig up a whole parking lot to lay cable.”

Partnerships are key

Because Johnson Controls' overall philosophy is to be a single source solution provider for all building efficiency solutions, they have had to meet the demand for converged integration as well. "Several years ago we wouldn't have bid on any type of digital network controlled systems, VoIP, video analytics, advanced RF transmission technology or Wi-Fi, but today it's commonplace," Alexander said. Though not as high as the other companies, 75% of every security job they propose involves IT. "We were just recently selected as the vendor of choice for a very large security project by the New Orleans International Airport which has almost 30 different types of systems included in the solution."

With the myriad of technologies out there, companies are sometimes faced with jobs that they are not able to fulfill internally. How do they address the demand to deliver solutions that are not the core expertise of their business? Partnering is a significant way that companies have tackled the issue. Sommerfeld said, "We have worked very hard to establish a considerable number of relationships and strategic alliances with manufacturers, subcontractors and other subject matter experts. In order to be able to respond to the diverse requirements of today's RFPs, and satisfactorily implement complex projects, partnering is a must." Alexander said, "We would fail without the right partnerships and the right specialist partners because the breadth of solutions is just too broad."

Alexander cited "thorough analysis" as the key to deciding whether a job should be taken or not. "We need to understand the solution they desire and how and if a solution can be delivered. If it can be delivered, then we will partner with companies with whom it is a core competency. But if it looks like we can't provide a viable solution, we won't move forward. We won't do it if we don't have the opportunity to be successful," Alexander said.

Ludvigsen is open-minded and has evaluated whether a solution complements his business. "If I feel that it has a financial upside and that I can integrate it into my business, I will work with a manufacturer to develop new core competencies," Ludvigsen stated. If it's not a good vertical market but part of a bid, CGL uses subcontractors that have expertise in the area or they turn down the job.

IT NECESSITY

The rules have changed for securing jobs as well. Alexander said, "Years ago, security projects had nothing to do with IT. IT is now very much a part of the decision making process and we've had to become more sophisticated. We can no longer just sell to security decision makers, we also have to establish dialogue with IT decision makers."

Ludvigsen has noticed a difference in the clientele, stating, "We used to deal with the Director of Security or Director of Public Safety (DPS). Today in 90% of our applications there are IT professionals involved. They've arrived in the security marketplace and have become an integral part of the decision and implementation process." Ludvigsen feels this is a good thing: "Our job transitions more easily when IT professionals are involved."

According to Sommerfeld all of this adds up to a better return on investment for the end-user. "The IT department works hand-in-hand with the security department to understand the operating requirements an IT based security solution will bring to their existing networks. The end result through the integration of these systems is lower operations, capital and maintenance expense."

THE END OF A SPECIALIST ERA?

With the convergence of all these technologies, there may not be room for the traditional specialist. Are the days of the specialist over? Ludvigsen didn't think so, stating, "I don't think specialists are being phased out. What's happening is a change in the marketplace with Cisco and Microsoft coming into the playing field. They'll bring a different level of expertise. It's going to help the integrators who are used to getting certifications and that are involved in the IT arena." Ludvigsen believes that Cisco and Microsoft will add a lot of credibility to the security professional and will separate the companies who have invested in training and certification for their employees from those who have not made that investment.

Ludvigsen went on to comment that it would be a huge drawback for the specialist to be phased out. "What we'd end up with are people who have a broad knowledge base about a bunch of products. They'll be the jack-of-all-trades but master of none. They'll know how to deal with multiple products but will have no way to get them installed to meet specific customer needs. If we lose the specialist, it will have a real negative impact on the marketplace."

Sommerfeld didn't believe the days of specialization are necessarily over either, but said that the specialist will now become one member of a larger proposal or implementation team. "Specialists can develop

niche markets, but to grow the business and be responsive to today's customers and markets, integrators need to be total solution providers by embracing convergence." Sommerfeld says things are different now--threats, technology, solutions, requirements and networks are all different. "The successful integrator of today must find a way to provide a total solution through a single point of contact for a complex customer set."

Alexander sees the changing landscape as beneficial to the proper vetting of unqualified specialists. "Training takes place as a matter of course. Specialists focus on a small piece of the pie - the challenge is that people are making whole pies. Qualified specialists that have a long term view and business acumen will be the ones to benefit from the new roles that are presented to them." He further stated, "The specialists can still be successful, but they must be able to change and work with other integrators. What is over, is the day of being able to do it all by yourself."

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