

Security Finance Newsletter

September 2017

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2nd/3rd QUARTER MERGERS & ACQUISITIONS

Buyer: SELECT SECURITY

Seller: ALARMFORCE (AF:TO) sold their US Subscriber base. AlarmForce is based in Canada. Select Security also acquired INTELLIGENT TECHNOLOGY INC, and CAROLINA SECURITY GROUP based in Charlotte, NC.

Buyer: CENNOX PLC. is a cash machine maker.

Seller: DIEBOLD NIXDORF INC.'s UK (Nasdaq:DBD) and Ireland Business.

Buyer: EAGLE EYE NETWORKS is a cloud-based video surveillance solutions company.

Seller: PANASONIC CLOUD MANAGEMENT SERVICES EUROPE BV will be renamed Eagle Eye Networks BV.

Buyer: CONVERGINT TECHNOLOGIES

Seller: INTEGRATED SECURITY SYSTEMS (ISS) provides security, fire and life safety solutions. They have approx. 114 employees and are based in Miami, Florida. Convergent also acquired SIGNET TECHNOLOGIES, a systems integrator based in Washington D.C. They have 90 employees.

Buyer: PER MAR SECURITY SERVICES

Seller: SOUTHLAKE SECURITY is based in Griffith, Indiana and is an alarm company.

Buyer: GTCR is a private equity company.

Seller: GREATCALL is a PERS company headquartered in San Diego, CA.

Buyer: TITAN ALARM

Seller: CCS SECURITY & POST SECURITY. CCS is based in Tuscon, AZ and provides residential and commercial services. Titan bought the monitored accounts of Post Security which is based in Phoenix.

Buyer: ASSA ABLOY (ASSA-B.ST)

Seller: ARJO SYSTEMS SAS is a provider of physical and digital identity solutions. They are located in France with approx. 100 employees. Sales for 2017 are expected to reach EUR 56 million.

Buyer: ABB LTD. (NYSE:ABB)

Seller: KEYMILE GROUP's MISSION-CRITICAL COMMUNICATION BUSINESS which is headquartered in Hanover, Germany with 120 employees. The business includes network operators of energy grids, railways, oil and gas pipelines, as well as public authorities.

Buyer: RED HAWK FIRE & SECURITY, LLC.

Seller: TELE-TECTOR OF MARYLAND is a systems integrator based in Columbus, MD. They have 40 employees.

Buyer: MOUNTAIN ACQUISITION COMPANY

Seller: WESTERN SECURITY SYSTEMS is an alarm company based in Steamboat Springs, CO.

Buyer: OAKTREE CAPITAL MANAGEMENT

Seller: MY ALARM CENTER is a home security and automation provider based in Newton, PA

Buyer: OWEN SECURITY is a an alarm company.

Seller: ACS-SECURITY ROME and DAS SECURITY are both alarm companies.

Buyer: VRI is a PERS provider.

Seller: HEALTHCOM is a PERS provider based in Sullivan, Illinois with 35 employees.

Buyer: HURON CAPTIAL's SCIENS BUILDING SOLUTIONS – Sciens is a fire detection and security services company.

Seller: SABAH INTERNATIONAL INC. is based in Pleasanton, CA and designs, installs, services, and maintains fire detection and suppression systems.

Buyer: MOTOROLA SOLUTIONS (Nasdaq:MSI)

Seller: AIRBUS SE (AIR.PA) is selling their PLANT HOLDING'S DIVISION which holds the AIRBUS DS COMMUNICATIONS business. Airbus DS Communications is a provider of command center software for emergency call handling.

Buyer: ADT

Seller: PROTEC, INC. is a commercial security systems integrator based in the Pacific Northwest.

Buyer: ADS SECURITY

Seller: ERMIC SECURITY SOLUTIONS & PMI SECURITY. They are both based in Tennessee and are electronic security companies.

Buyer: VECTOR SECURITY is a home and business automation provider.

Seller: SECURITY ASSOCIATES LLC is an alarm company based in Baltimore.

Merger: EYEWITNESS SURVEILLANCE, a provider of remote video monitoring and other security services is merging with security solution provider WATCHDOG VIRTUAL GUARD. Eyewitness is based in Hanover, MD and Watchdog is headquartered in Southfield, MI. The combined company will have about 130 employees

Buyer: JUNIPER NETWORKS (NYSE:JNPR)

Seller: CYPHORT is a cyber security company.

Buyer: UNITED TECHNOLOGIES CORPORATION (NYSE:UTX)

Seller: ROCKWELL COLLINS (NYSE:COL) is a provider of aviation and high-integrity solutions for commercial and military customers. COL is based in Cedar Rapids, Iowa. On a 2017 pro forma basis, its estimated sales are greater than \$8 billion.

Merger: The software arm of SCHNEIDER ELECTRIC will merge with UK engineering software firm AVEVA. Aveva employs 1,700 people worldwide and is based in Cambridge, UK.

Merger: ON THE MOVE SYSTEMS (OTC:OMVS) focuses on transportation-related technology services. OMVS did a reverse merger with ROBOTIC ASSISTANCE DEVICES (RAD) which is a distributor for SMP Robotics (mobile security robots for unmanned patrolling). RAD is based in Laguna Hills, CA and is an exclusive partner of SMP Robotics, based in San Francisco.

Merger: IPDATATEL and RESOLUTION PRODUCTS. Both companies sell complete security, alarm, access control and automation solutions for smart homes and commercial installations.

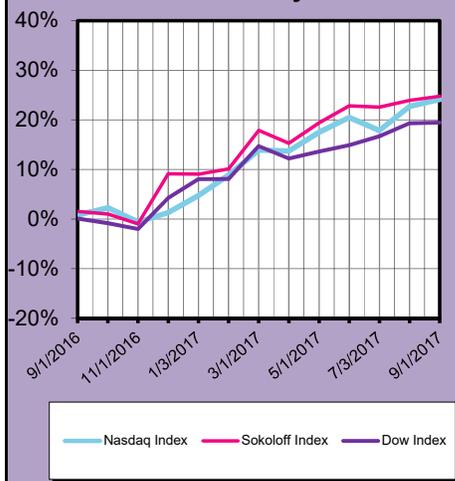
Buyer: MANTECH (Nasdaq:MANT)

Seller: INFOZEN is an IT solutions provider in support of critical national and homeland security missions. The company is based in Bethesda, MD.

Buyer: NORTHROP GRUMMAN (NYSE:NOC)

Seller: ORBITAL ATK (NYSE:OA) specializes in aerospace and defense technologies. The company is based in Dulles, VA and has 12,700 employees with TTM of 4.51B.

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AN INTERVIEW WITH LAUNCH SECURITY

This quarter, Sokoloff & Company interviews **ROB SIMOPOULOS** and **ANDREW RINALDI**, Partners of **LAUNCH SECURITY**. Launch Security is a startup cyber-security company headquartered in Portland, Maine.

How did the two of you meet and decide to work together?

(Rob) We met a few years back through mutual friends in our local neighborhood. We both have a real passion for business and entrepreneurship which has always made for great conversation. In many ways, we just took what we knew we already liked about each other and decided to put it toward a larger cause.

Why did you break away from the security of a job to start your own business?

(Andrew) It's not our first time. We've both run our own successful businesses and really love doing so. As entrepreneurs and, well, optimists, we're used to taking risks, dealing with failures, and moving the ball forward. A lot of people don't have the appetite, but we crave it.

What was the inspiration to launch the company?

(Rob) Seeing so many stories and scary stats come out about the devastating impact of breaches on smaller organizations was eye opening and up-setting. We had spoken to business owners who were concerned about these incidents. It really inspired us. We wanted to help and we just happened to have the collective background, expertise, and desire to do just that.

Why did you choose the cybersecurity space?

(Andrew) As small business owners ourselves, we wanted to help others like us. When we looked at cybersecurity, we knew it was going to be an important part of the future. But it was such a complicated thing to understand, especially for small business owners. We knew there had to be a way to help smaller organizations and we had the perfect backgrounds to tackle that in

while and gaining interest, the events of the last few months alone have taken cybersecurity from a side story to a coffee shop conversation. Everyone is talking about it because we're realizing now that everyone is a target and we all need to protect ourselves. Business leaders are eager to learn, so we often find ourselves taking an educational approach. We clarify that technology is certainly a part of the conversation but it's only the tip of the iceberg and it's critical to consider multiple layers of defense. We talk about going beyond antivirus and firewalls to build a cyber smart culture that takes people from being the weakest links to the strongest defenders. To build a solid framework that includes proper policies and response plans. It's not something that can be addressed with one magic bullet; it has to be thought about as a new mindset and an ongoing business function throughout the entire organization.

How will you differentiate yourself and be competitive with other offerings in the market?

(Andrew) It's a crowded market, that's for sure. We've got a unique story that brings together security, cyber, and small business in ways most others cannot. While the component parts of what we're doing are not explicitly unique, it's the combination of how we talk about those things and the way we deliver them that makes us different. It's kind of like core values; everyone has them and on their own they're shared by the masses. But when you pull a few together and live them in ways others can't and don't, you've got something special. The same goes for us, both in terms of our values and the way we're bringing cybersecurity to the market.

Why the name "Launch?" How are you branding the company and how does social media play a part in your overall marketing plan?

(Andrew) It's a name and image we feel entails a sense of movement, firepower, and reach. It also encompasses under-

This notice appears as a matter of record only.



Apollo Video Technology
has been acquired by



LUMINATOR
TECHNOLOGY GROUP

The undersigned advised
Apollo Video Technology LLC



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ways others probably could not.

You are targeting small and mid-sized businesses. How do you get their attention and convince them to spend for services beyond the usual virus and malware software they get from direct purchase or their IT professional?

(Rob) While it's been around for a



Andrew Rinaldi. Co-Founder, Launch Security

Andrew graduated Bentley University in 2001 and co-founded Steady Vision, a Boston, MA based web design and development firm. Over 16 years, he helped evolve Steady Vision to a high-touch agency. Over the last 5 years, Andrew also served in a leadership role providing business strategy and operational expertise for an industry leading manufacturer and distributor based in New England.

tones of technical intricacy, alignment, and safety. We thought it was both interesting and fun. We're active on social media now and will continue to be as we evolve. Social media and thought leadership will both be key focus areas for us. Not only as marketing vehicles but in connecting with our audience quickly and regularly—especially important in an industry that changes almost daily with threats that evolve rapidly. For example, we publish our blog, "Cybersecurity in 60 Seconds," providing weekly insights into things like recent news, relevant stories, tips and techniques.

There are lots of potential cyber threats that businesses might address. What are some threats that go beyond the usual IT approaches?

(Rob) You have to love—or should I say, hate—the good old USB thumb drive and how it can bring threats directly into an organization. It's so easy for someone to leave a USB stick in a coffee shop, at a trade show, or on the ground of a company parking lot. People are naturally curious, they can't help but wonder what's on there. New product designs? Financial documents? Private photos? The curiosity bug can get the most cautious people in trouble. One of your employees plugs that little guy in and next thing you know, the company network is infected. It can, and does, happen. More often than we all think.

What mistakes do you see companies make in their cybersecurity plans?

(Rob) You just said it. Plans. It's common that folks simply don't have plans in place. They don't have a plan for cybersecurity in their organization today. They don't have a plan for developing an ongoing cybersecurity function in their business for tomorrow. They don't have an incident response plan in place telling them what to do if they do get breached. The other thing is how most people think cybersecurity is a conversation that starts and ends with technology. That couldn't be further from the truth. You need multiple lay-

Rob Simopoulos, Co-Founder, Launch Security

Rob began his career in Toronto, Ontario as a founder of Sonitrol of South Central Ontario. Rob has been in the Security industry for over 21 years, helping organizations large and small improve their security posture. Rob has received various accolades including Top 20 under 40 by Security System News and Top 40 under 40 by Commercial Integrator Magazine.



ers of security that include technology. The research backs it up over and over, many incidents come from human error... you have to address the human element.

security finance info out there for folks to engage with and learn from.

What new technologies in the space are you excited about?

(Andrew) AI and machine learning are always interesting and exciting, especially throughout security. What I find most interesting though, isn't just the technology behind it all, it's how the technologies will ultimately play together and serve larger purposes like cybersecurity. How can we put these fascinating things together to truly protect ourselves from evolving threats? It's a game of cat and mouse with these hackers. Can we build the cat that always catches the mouse?

What are your goals for Launch Security in the next five years?

(Andrew) We want to make a difference. Our goal is to make cybersecurity possible for small and midsize organizations.

(Rob) Not just the few that can afford high grade security, but everyone. It's a lofty goal to say the least, and exactly why we're here to help.

This notice appears as a matter of record only.



Cortel

Cortel, Inc. has been acquired by



JS INFRASTRUCTURE PARTNERS

A partnership owned by management and investors.



Ridgemont EQUITY PARTNERS



CAPITAL ADVISORS

The undersigned advised Cortel, Inc.



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How does Launch Security keep on top of the constant changing landscape of the cybersecurity space?

(Andrew) Awareness. It's one of our core values. It's about consuming whatever content you can. Both what's in the news and what the industry puts out there. Not just technology either, there are always exciting new technologies coming out. Yes, that's certainly interesting and something we're constantly looking at. But there's a lot more to it. You have to take a holistic look at things to establish a strong working knowledge. The Sokoloff Security Update is a good example. You guys do a great job regularly putting interesting

Sokoloff & Company

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"Always do right. This will gratify some people and astonish the rest."
- Mark Twain (1901)

