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Salute
to staff >>



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The reality of security



Neville Kiely
Managing Director

THREE separate trends highlight the importance of working with a professional monitoring operation.

Firstly, there is the — at times fractious — relationship with police. When a customer recently instructed us to send police in response to an alarm, the police told us that police should only be called after it is validated that there is a genuine emergency. (Of course, CMS will be contacting all clients to update response instructions.)

Secondly, technology is shifting and will have an impact on a number of levels. For example, the Australian security market is now accepting the Fratech MultiPath IP connections for monitoring. Built with full recognition of the about-to-be-released AS2201.5 Australian Standard consumers are beginning to understand the benefits of good security at a fixed known price. Expect IP technology to make further inroads into the security space.

Thirdly, as for the draft Australian Standard AS2201.5 it is now complete and after comment and voting should be finalised in March.

It is the latter that should be driving the first two.

Through our work with ASIAL we will continue to work towards improved relationships with police.

That relationship with the police can only improve if we as an industry have recognised standards and protocols. By the same token, the police need to be educated about those standards so that they can be applied across the board.

As for technology shifts, standards need to cover every aspect of alarm monitoring, from installation, to transmission, to receipt, to action.

While CMS can continue to build on its reputation gained over 18 years in business, we can only control one part of the equation, albeit a vital part — the receipt and actioning of alarms.

We can even work with our clients to help them improve their standards and performance, through training sessions, information and visits.

But, unless the industry in general begins to grasp the importance of professional installation, not to mention having some integrity about transmission options, consumers and police alike will continue to hold security in low esteem and value.

Another trend to add to police relations, technology shifts and standards will then be more regulation and bureaucratic interference.

And, no business needs that.

CMQ is the official publication of

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Centron/CMS repel bandits

THE Centron/CMS team foiled a break and enter on a central coast premises, finally putting a stop to attacks on one premises.

So impressed was the client that they sent Centron's Geoff Sutherland a letter of thanks, saying: "Thankfully, your alarm system and monitoring centre coped admirably...your alarm has now proven its true value."

Neville Kiely, CMS's Managing Director, says there is no doubt that

security is a worthwhile investment and too much time is spent on the industry negatives.

"At a time when there is so much preoccupation with false alarms, it is good to see the value of properly installed and monitored alarms being acknowledged," says Kiely.

"What we need to do as an industry is promote the benefits of professional security to the general public and to governments, policy makers and police.

"In the 18 years we have been operating the industry has come along in leaps and bounds in terms of standards, technology and training. We need to let more people know that, rather than put up with all the talk about industry shonks and shoddy alarms."

Consumers, he adds, should take care to use professional alarm installers and find out more about the monitoring service offered.

Brighton wins business award

BRIGHTON Security has picked up a 2006 Glebe Business Achiever Awards.

The company — run by Don Vaccaro and Nik Schiller (pictured front cover) — won the highly contested trades and services section. Brighton says it owes its success to consistently focussing on customer service, as well as training young technical staff.

"This way, we [contribute] to the future of our Industry, and also in a modest way to reducing the current skills shortage in Australia," says Vaccaro.

Neville Kiely, CMS's Managing Director, says: "CMS applauds Brighton Security for its win and its continued effort to build a better business, as well as contribute to the industry and the wider community."

Power problems mystery

MANY CMS customers are complaining of power surges effecting alarm systems directly or indirectly when power circuits fuse.

Indeed, CMS also experienced a massive power surge in December, affecting fridges, air-conditioners and UPS supplies.

"We believe that power is surging on heavy usage days and grid changes or load sharing shifts

may be the cause," says CMS.

"This is very hard to prove but many of our clients in the northern suburbs of Sydney have had equipment fail."

Although relying on anecdotal evidence, CMS says installers should be aware of the potential problem, discuss it with their clients or potential clients and take appropriate action to mitigate problems.

Insurance company assesses CMS

INSURANCE Assessors from a major insurance firm have been spending time at CMS to learn about monitoring and its importance in the security mix.

"We are unable to name the insurance company, but can say the discussions and demonstrations were fruitful for both sides," says CMS.

An important aspect was gaining an understanding of the different transmission methods emerging.

"There is still a fair degree of hype and spruiking going on and it is important for people to understand the ramifications of adopting one method over another," CMS says.

"In particular, we have had high priority premises, such as jewellers, being told that installing GSM back up is an upgrade over, say, Securitel, which obviously it is not." At the conclusion of a series of meetings, the assessors said they would be using CMS as a benchmark for monitoring standards.

"Such high praise from insurance specialists tends to validate our position of concentrating solely on monitoring, rather than trying to be all things to all people, which at the very least leads to you competing with your own customers or at worst start to offer advice and services based on other criteria than the highest monitoring standards."

Any customers seeking clarification on transmission paths or monitoring standards should contact CMS Customer Service for information or details of regular industry training sessions.

Tip o' the hat and well done to: Sarah (Oct/Nov), CMS's data entry person, who made a big effort to help the operators with their daily tasks when busy. Ross (Dec) for his fabulous attitude and work ethic and being extremely reliable. Amy (Jan) a quiet achiever always willing and able to complete extra tasks, as well as being a delight to be around. Shirell (Feb) is an extremely valued employee, a seasoned operator, always steady and constantly does the right thing. CMS thanks them all for proving our greatest assets are our people.

Staff of the month



Amy



Sarah

Qld targets rogue security traders

THE Queensland Government will introduce tough new security provider laws in an effort to rein in rogue operators and set new standards for industry conduct.

Premier Peter Beattie says the new regulatory regime would see unlicensed security guards facing massively increased penalties or jail time.

“We are serious about this crackdown: these new laws bring in penalties of up to \$37,500 for a first offence - five times more than the current penalty. Unlicensed security guards also face up to 18 months jail for repeat offences for the first time in Queensland,” says Beattie. The Premier claims amendments to the Security Providers Act would dramatically tighten regulation of the industry.

“The amendments, approved by Cabinet and ... introduced into Parliament by Fair Trading Minister Margaret Keech, will rein in the rogues and set new standards for industry conduct, training and accountability,” Beattie says.

“Quite simply, we don’t want thugs and criminals in the industry.

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“We’ll be using criminal intelligence, unrecorded convictions and other background information to keep members of outlaw motorcycle gangs and other thugs out of the industry.

“These amendments will ensure new standards of conduct, higher levels of training and on-going assessment of the industry.”

Beattie says the Security Providers Amendment Bill delivers on his commitment to legislate a strong policy response to the death of a young man after an incident at a Brisbane hotel several months ago.

Keech claims the amendments would help the Government clean up the industry.

Licence harmonisation closer

THE Federal Attorney-General’s department is preparing a regulatory impact statement (RIS) examining the implications of a national agreement on security licences. The RIS follows a meeting of police chiefs late last year that endorsed a plan that would see:

- A common probity check
- Common licence categories
- Granting of temporary licences

It is understood that the proposal and the RIS will be presented at the April Council of Australian Government (COAG) meeting.

“We will dramatically strengthen entry provisions so we can keep undesirables out of the industry,” she said.

“Our regime will include strict industry probity checks, so we can weed out the thugs – before they start work.

“There will be tougher penalties for those operating without a licence, and those who employ them – up from \$7500 to \$37,500 for a first offence and up to \$75,000 or 18 months’ jail for a third or subsequent offence. There was previously no provision to send anyone to jail for breaking the law.

“We will have no hesitation cancelling or suspending the licence of persons who are no longer appropriate to remain in the industry and we will beef up our compliance resources and operations across the State.

“We will license previously unregulated sectors of the industry such as locksmiths, equipment installers, electronic surveillers, dog handlers, in-house security guards, and security advisors.”

Keech said staff employed by corporate licence-holders would have to operate under a Code of Conduct based on industry standards.

Training requirements would be strengthened and corporate licence approval be conditional on provision of on-going training to staff by approved industry-based training providers.

“The Government will ensure that anyone doing security work will be regulated under the Act,” Keech says.

“The definitions in the Act will also be tightened to ensure coverage of those who protect, watch or guard any property — irrespective of the industry or circumstances in which they work.

“The Beattie Government is serious about cleaning up the industry, and industry and employee groups support us in doing so.”

While time may be short for public comment any moves to harmonisation are likely to be welcomed by the industry with the only likely criticism being that it will not go far enough.

Currently companies operating in multiple jurisdictions have to comply with the local licensing laws, including coping with the bureaucratic overheads.

While the benefits for major companies are obvious, small firms could benefit, too, since freeing up licensing could well make it easier for companies to expand inter-state by making acquisition easier.

Key reforms

The Queensland Government claims the new laws will

- License previously unregulated sectors of the industry such as locksmiths, equipment installers, electronic monitoring, dog handlers, in-house security guards, and security advisors.

- Will allow the Department of Tourism, Fair Trading and Wine Industry Development to check backgrounds, mandate training and monitor appropriateness to remain in the industry.

- Tighten background probity checks and increase the lists of factors that may be used to determine whether a person is suitable to remain in the industry.

- Allow the Department to use criminal intelligence, unrecorded convictions and other background information to weed out of the industry members of outlaw motorcycle gangs and other thugs.

- Mandate Codes of Conduct to ensure that everyone in the industry meets new standards of behaviour.

- Mandate on-going training to force security personnel to learn up-to-date techniques for maintaining order and avoiding escalation of disputes;

- Give the industry associations, employee organisations and other representative groups a supplementary role assisting the Department to audit compliance with Codes of Conduct to ensure those working in the industry are meeting “behavioural benchmarks”.

- Provide for better information sharing between the Department and the Queensland Police Service (QPS) by allowing the Department to share licensing information with QPS’ Persons of Interest data.

- Sharply increase the statutory penalties for operating without a licence.

- Create a new short-term trainee licence to encourage people into the industry who meet probity and suitability requirements.

A-G offers security advice for small business

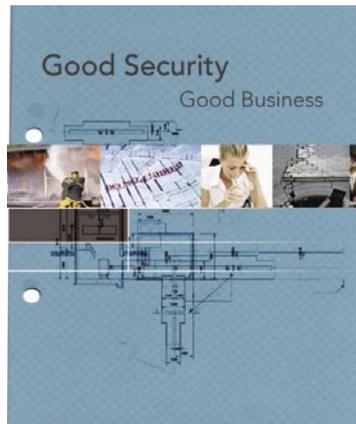
THE Critical Infrastructure Protection branch of the Federal Attorney-General's department has produced a booklet offering security advice to small-to-medium size companies.

"It is essential that small and medium sized enterprises (SMEs) are aware of the risks they face and have plans in place to manage and recover from an unexpected incident of any kind," says the AG's.

"Good planning is good business. It can make the difference between surviving and moving forward or being thrown into chaos and losing everything.

"Risk management and business continuity planning are the key tools which can help businesses identify and mitigate risks and to move forward should an incident occur.

"The great difficulty with risk management and business continuity planning is that all businesses are different and there is no 'one size fits all' approach. Every business needs to look at its



Government booklet, useful tool for discussing security

own situation and come up with a plan that suits its circumstances and approach to risk."

While governments cannot tell businesses what they should and should not do, they can provide businesses with information on the sort of things that they need to think about, the A-G's says, which

is why it has developed Good Security—Good Business.

The booklet provides information on the type of things SMEs need to consider so that they can be prepared for an incident and are able to respond and recover quickly and effectively.

"Good Security—Good Business is a valuable starting point to help SMEs with the task of working out what their needs are and responding with appropriate plans."

CMS says it could prove a useful tool for security firms.

"There is no reason why a company cannot use this document, which looks professional and contains important general information, as the basis for discussing a business' security needs," says CMS. "Security firms should within reason be able to order multiple copies to pass on to clients and potential clients."

Good Security—Good Business is a free booklet. Call 1300 656 863 or log onto www.tisn.gov.au to order or download your copies.

Panel makes 100,000 calls

ONE panel over a two-day period managed to log over 100,000 signals to CMS equipment.

"This obviously affected the performance of signal processing and again supports our policy of 'lockout', which means one alarm per zone per armed period," says CMS.

"To make matters worse, there was only one contact on the callout list with the correct phone number but that was not answered."

A timely reminder that listing a minimum of three keyholders for a callout is required. "No doubt there will be some questions over the telephone account when it arrives and the client will want some answers," says CMS, adding that such problems can be avoided by following the CMS procedures in advance. In addition, alarm systems should be programmed with a regular test, which is also monitored.

Smart protection

CMS now offers three supervised monitoring services, which are constantly polled.

There is, of course, Securitel, the stable industry standard 90 second polled service, which has been around since before CMS started in 1989 and works without all the bells and whistles.

CMS now adds to that the Fratech Multi Path with Ethernet or GPRS as the primary path and

provides GPRS, GSM and PSTN as alternative paths.

Polling of this service can be set at 90, 60 or 10 seconds depending on the risk.

Importantly: it may cost no more than a dialler alarm taking into account phone call costs.

Check the alternatives as to what is best for your risk before your system is exposed to a smart criminal.

Open access licence

THE NSW Police Security Industry Registry (SIR) has introduced a public register of licences giving details of the current status of security, commercial agents and private inquiry agents (CAPI) licences.

The details can now be accessed through the New South Wales Police and the SIR websites.

This facility allows individual licence holders, master licensees and members of the public to enquire into the validity of security and CAPI licences by entering a valid licence number.

Security companies should encourage consumers to check licence details before accepting a quote and report unlicensed dealers.

Get ready to grow

THE focus of any business changes as it moves beyond the start-up phase. To some, keeping the business the size it is works for them.

For the most part, however, most businesses begin focusing on finding opportunities for growth to ensure the enterprise's sustainability.

Assessing options: Decide whether you want to consolidate your business or find ways to grow.

If growth is a priority, success depends on careful planning.

Growth can be risky on a number of levels, but the right strategy can deliver stability, security and long-term profits.

Once you've assessed the current strengths, weaknesses, opportunities and threats to your business and how well it's equipped to handle them, you can move on to the next stage - creating your growth strategy.

Growth can be measured by looking at numbers, such as:

- turnover
- market share
- monitored lines
- profits
- sales
- staff numbers

Determining the measures that give the most accurate picture of business performance depends on the type of business and the stage it has reached.

In general, a combination of sales and profits is the preferred way of measuring growth.

Where to begin: Even if you're happy with your current performance, it's important to keep looking for ways to develop. If you don't, you risk allowing your competitors the room to grow and take market share from you that could seriously weaken your position.

Going for growth may, therefore, begin with consolidation of your current markets. To devise a successful growth strategy, you need to know exactly what shape your business is in now.

Consolidate your business: Before pursuing any growth strategies, it's essential to make

sure that your business is running efficiently.

While you may be spending more time and resource on developing the business, you need to be sure that the core of the business is still performing well. It's vital not to neglect your existing customer base as they will underpin your growth and, equally importantly, provide the cashflow you will need during this phase. The key to growth may be in discovering how to identify and sell more to your most valuable customers.

Check timing: Timing is critical to the success of any growth strategy. Answers to the following key questions will help judge if the time is right:

- Could your business cope with expansion, or is it working at full capacity?
- Do you have the resources and systems in place to carry on your existing business while targeting expansion elsewhere?
- If new initiatives are likely to disrupt existing performance, how will you ensure your customers don't lose out?

You may have to consider including additional staffing, refining installation processes and equipment or outsourcing certain tasks in order to give you the flexibility to pursue a growth strategy.

Grow market share: Simply put: increasing market share means taking customers from competitors or attracting new customers. Achieving this requires having a thorough understanding of both your customer base and that of rival businesses.

Having the answers to the following questions will help build a comprehensive picture of your market and your competitors and put you in a stronger position to win a bigger market share.

- Who are your existing customers? Are there any other groups that may require your product or service that you haven't targeted before? Can your product or service be used for other purposes that you had not previously thought of that could make it appealing to a wider market?

• What are your competitors' strengths? Do you have these too? If not, why not - and should you have them?

• Why do customers buy from your competitors? What advantages do you have over your rivals that may attract their customers? How can you communicate with your competitors' customers to get them to switch and buy from you instead?

• What is your unique selling point?

• Apart from obvious rivals, are there any other businesses with customers you may appeal to?

• Are there customers who have stopped buying from you? Do you know why? If not, you may want to ask them.

• Will you need to change pricing, marketing, distribution, service levels? Could those changes upset current customers? Will your employees remain motivated?

Diversification option:

Many small businesses grow by taking opportunities to diversify, although there are risks because of limited resources on all fronts. Businesses should weigh up the risks and costs of opting for growth carefully against its benefits.

Diversification can take several forms, including:

- new, related products or services to existing customers
- new markets for existing products
- new products for new markets
- Deciding how and when to diversify depends on you having:
 - thorough market and customer research for the new product or service
 - a clear development strategy - including trying a new line or service for a short test period with prototypes and test marketing before totally committing to the new projects
 - sales, marketing and supply-chain operations that can cope with the added demands

You'll need to be clear about development costs and what your alternative actions are if any delay occurs in development.

Wherever possible, try to control risk by securing orders or commitments up front.

While diversification can pose some risks — such as costly delays and mistakes owing to a lack of knowledge or expertise in the new area you're looking to cover — it can limit the impact of changes in the market.

In simple terms, if you supply one product or service and it falls out of favour with customers, it leaves you very exposed. If you have two or more products or services and the sales of one of these drop, at least there will be revenue coming into the business through the other. If you diversify too quickly then you could lose track or dilute your core product or service.

Generally speaking, diversifying with similar products or services and selling them to a familiar customer base is less risky than creating a product for a completely new market.

Joining forces: You can also expand your business by joining forces with another business. While it creates more shared decision-making and possible management and staff issues to resolve, there can be clear advantages.

Successful co-operation can deliver:

- more resources
- sharing of the managerial load
- larger skills and talent base
- bigger pool of contacts
- increase in markets
- diversification and organic growth using increased resources

Partnerships and joint ventures can offer both partners significant benefits, including sharing experience, skills, people, equipment and customer bases.

Through a partnership or joint-venture arrangement with a complementary, non-competitive business, you may be able to open new markets or improve your offer to existing ones.

It's important to be very careful who you link up with.

An agreement defining the terms of the partnership or joint venture is essential and further legal protection is advisable. Teaming up must be a win-win situation for both parties. Businesses involved with complementary activities or skills are usually the most appropriate candidates.

For example a group of sole traders — an electrician, builder and security installer — could form a company, increase their credibility in the installation business and bid for larger contracts.

A group like this also represents a greater consumer appeal, as it's a one-stop shop.

Growth practicalities: Your business will need to count on more resources than simply finance when putting a growth plan into action.

You should also think about the following:

- Staffing - will you take on more people to make the strategy work? How many? What skills will be required? Are those readily available?
- Training - will further training of existing staff be necessary or help?
- Premises - are they big enough? Will there be sufficient space for staff and will you still meet health and safety regulations?
- Technology - will your systems cope? Would new software or equipment ease pressures?
- Customer-service systems - would a more sophisticated system help the strategy to succeed and ease pressures in other areas?
- Outsourcing - will outsourcing allow you to concentrate your resources more effectively?

Getting a return: If you've decided to go for growth, it's essential that you detail all the costs incurred in getting your growth option underway and compare them against the profits generated.

You must be realistic and practical when setting growth objectives. Will you have enough money to finance the development without impacting on funding of your core activities?

One of the most popular ways of calculating if your figures are on target is to test them using the Return on Investment (ROI) formula. This will tell you what percentage of return you will get over a specified time. Three years is a good rule of thumb used by many expanding businesses.

ROI is determined by taking the

total investment sum, working out the increased sales it will generate each year and the net profit from that, then calculating that as a percentage of the investment.

Financing growth: Sound financial planning is the foundation of any growth strategy.

Firstly, you should establish:

- how much investment is required to fund the venture
- when it will be needed
- when it will be available

A detailed cashflow forecast is essential, not least because outgoings are going to rise sooner and faster than revenues.

Enough money must be in the pot to keep the core business running. It's a good idea to build in some surplus too, as most projects always take longer to bear fruit than originally predicted. Detailed forecasts regarding sales, working capital and sources of seed funding, and even second-round funding, need to be drawn up.

Businesses looking for capital investment, apart from bank loans, have three main sources — equity capital provided by the owner(s) or friends and family, venture capital and business angels.

Equity finance is money invested in a business that is not directly repayable.

It could be your own, most likely through remortgaging a property, or money from others taking a share in the ownership of the business. Venture capital is investment by a fund in a business in early-stage development. The deal will very often include a right to management involvement.

Business angels are private investors taking a minority or majority stake in a business, often contributing valuable business experience in the form of advice and contacts.

Seek advice: There are many sources of advice and help with creating business plans.

Check with your State government website for small business services, or local chambers of commerce.

Of course, you can always contact CMS customer service to see if there are ways for us to help you.

we have invested heavily in an important business

your business



You work hard to win customers. And Central Monitoring Services works just as hard to keep them for you. Always has. Always will. Offering only the best in monitoring equipment, staff, management and resources. Now CMS goes even further. Helping you win more customers.

We know looks are not everything. But, our customers tell us it makes a difference in clinching deals. So we have redesigned our premises from top to bottom.

At CMS advanced technology and years of experience combine with modern style and careful design. Creating an atmosphere of total professionalism. You can confidently showcase the monitoring service you offer your customers. Because, when you bring your customers to CMS, you just know they are going to be impressed. We have even added conference and training facilities for your customer presentations. Which means you can compete with the biggest - by demonstrating you are with the best.

To find out more, or to arrange to see for yourself how CMS invests in the success of your business, call

1300 655 009

Or visit www.centralmonitoring.com.au



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