

The Road to Opportunity Is Paved With Change



PHOTO BY MARC SORACCO PHOTOGRAPHY INC.

Vector Security's commitment to revamping its internal structure to be prepared for what's ahead; strong dedication to employee advancement; and passion for doing what's right for customers and the industry overall earned it *SDM's* 2015 Dealer of the Year Award.

Karyn Hodgson, *SDM* Senior Editor

ABOVE: Vector Security's Pam Petrow poses with (left to right) Jeff Bates, Mike Grady, John Taggart, John Madden and Art Miller on a well-known Pittsburgh bridge.

Vector Security may have been "officially" founded 44 years ago, but the company's heritage goes back much further than that. The Philadelphia Contributionship, the mutual insurance company that purchased the Pittsburgh-area dealer in 1982, was started by none other than Benjamin Franklin in 1752 to insure buildings against fire. Today, Vector is a sister company to the Contributionship, both owned by TPC Holdings.



"We have hundreds of years of history behind us," says Pam Petrow, Vector's president and CEO. "It isn't just about what we do today, but about how we position the company and build on the strong foundation and legacy we have been handed. Our reputation and brand are critical (to maintaining this legacy) and our board of directors and the Contributionship want another 200 years."

Michael Grady, executive vice president, believes this history sets the stage for the company,

both internally and for the story they are able to tell their customers. “Not too many companies can say they are owned by one of the oldest and most prestigious insurance companies in the U.S. There is a great deal of culture that was created for that entity that follows through today, such as strength and stability. You can follow that all the way back to the table Ben Franklin sat at that still remains in our boardroom today in Philadelphia.”

With 30 branch locations, more than 50 authorized dealers and four distinct divisions — each with their own exciting plans and initiatives — it is no wonder that Vector leaders sometimes feel there are so many opportunities that it is tough to know where to start.

“That is an exciting place to be,” says Art Miller, vice president of marketing. “As some security companies try to figure out what they want to do next, we are embracing that change and looking forward to moving on.”

Petrow is a strong believer that diversity — of employees, ideas and business units — makes for a stronger company. “I think one of the things that is good about Vector is that we have a lot of different groups. All of those entities help keep us more stable because we have that flexibility and we are not single focused.”

Yet one of the largest overall initiatives that Vector has put forth in the past few years has been to take those siloed entities, many of which came from the company’s history of growth-by-acquisition, and bring them together on a common platform, path and vision so that they can move forward as One Vector (as this initiative is named), yet still remain autonomous where it counts. Interestingly, this is strikingly similar to how the creators of our nation thought good governing should be set up.

As a well-respected businessman, statesman and founding father of the country, Benjamin Franklin is famous for his well-known quips, such as “an ounce of prevention is worth a pound of cure,” or “a penny saved is a penny earned.” While both of these idioms could apply not only to Vector and the security industry as a whole, but also to good business practice, Franklin was also a revolutionary, an inventor, and a chief contributor to the new ideas that would become the principles of a new nation.

As such, Franklin would likely be proud of this company that not only continues to help prevent the fires he insured, but is also dedicated to look-

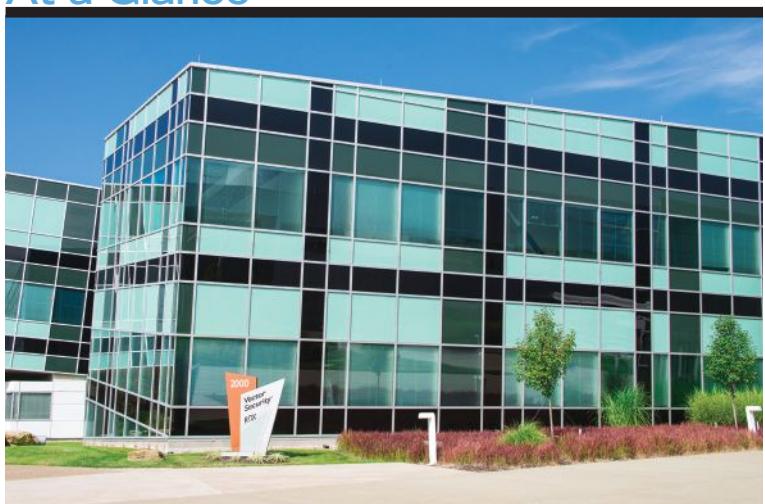
ing ahead, constantly finding better ways of doing things, and leading the charge for change in the industry. And Vector, too, has many reasons to be proud, from a consistent place in the top 10 of the SDM 100, to many industry awards and accolades including being named *SDM’s Dealer of the Year* in 2003. This year they have the honor of being *SDM’s Dealer of the Year* for the second time.

CORPORATE SERVICES

The brains and heart of the Vector company structure is the Corporate Services department, located in Warrendale, Pa., outside Pittsburgh. This location includes finance, IT, monitoring, marketing, human resources, and much of upper management, including the president.

“I think one of the things we have struggled with over the years is the balance between autonomy in the field and mandates from corporate,” Petrow says. “It is interesting that we call it corporate ‘ser-

At a Glance



Vector Security, Warrendale, Pa.

Ownership: TPC Holdings owns both Vector Security and the Philadelphia Contributionship, a mutual insurance company founded in 1752 by Benjamin Franklin. TPC split the two into separate entities when Vector Security surpassed the Contributionship in revenue and earnings. They are now sister companies.

Website: www.vectorsecurity.com

Employees: Full-time— 1,283; Part-time — 49

Revenue: \$252.3 million in 2015 (estimated)

Customers: 239,430 Residential and 68,434 Commercial

SDM 100 2015 Rank: 8th overall, 3rd for non-residential and 5th for residential

“An investment in knowledge pays the best interest.” — Benjamin Franklin

vices,’ because we believe we are there to serve our branches. What we find is with changes happening so rapidly in technology, the branches may not always see that. We need the ability to take those changes and roll them out company-wide. One thing we have done through One Vector is still allow them to have that hometown feel, but have more structure to facilitate change throughout the organization.”

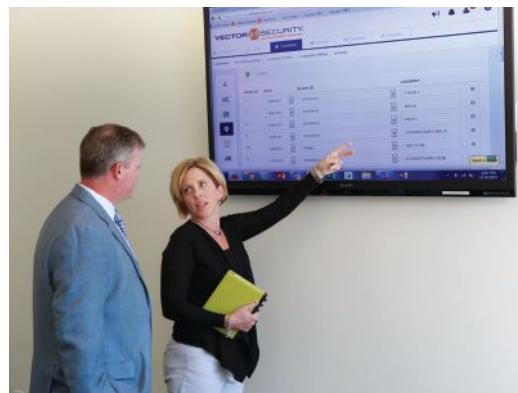
When Petrow assumed the role of CEO in 2010,

she inherited a strong legacy from former CEO John Murphy, who was at the helm when the company was last named *SDM* Dealer of the Year. Petrow herself has been with Vector since the very beginning and has performed many if not all of the jobs her employees now hold. (See more of *SDM*’s interview with her online at www.sdm.com/the-petrow-approach.) Yet employee after employee credits the “Pam” factor with where the company is today.

Miller has been with Vector for four years now, after a six-year stint in the energy industry, he says. “I really wasn’t looking, but was contacted through a head hunter about the opportunity. Then I met with Pam. It was all over after that. If you are in a role or with a company that long you can get set in your ways. She is not like that. She wants to keep the company relevant and I was very impressed with that. I wanted to be a part of helping to steer the company in new directions.”

Vice President of Human Resources Leslie Baker was also new to the security industry when she joined Vector about four-and-a-half years ago. When she was approached by a recruiter, she too was tentative. “Really what made me decide to join was after I met Pam. I was so impressed by her and her vision. She was new in her role at that time and she had a lot of initiatives on the plate.”

One of these first initiatives, Petrow says, was “change,” which was her company theme for the first year. “The market has changed. In 2003 [when we won before] everything was still pretty much where it had been for almost 30 years. Today the industry and technology are changing so fast and we need to accept that change and look for new opportunities.”



John Madden and Mary Hutchinson (manager, dealer support) discuss the new dealer portal.

PHOTO BY MARC SORACCO PHOTOGRAPHY INC.

Vector’s Authorized Dealers: A Part of the Family

Vector’s Authorized Dealer program is about “Quality versus Quantity.” John Madden, vice president of the dealer division, has been with Vector for 18 years and took over the dealer division shortly after its inception in 2001.

“We have always had a long-term vision in our dealer program, and when we first started this we focused on long-term relationships,” Madden says. “Right now we have 57 dealers, 27 of which have been with us five years or more.”

In an industry where dealer programs are not always a forever relationship, this is something Vector prides itself on. If anything, in recent years Vector has gotten more selective, not less, and focused efforts on improved service, marketing and incentive programs to keep their current dealers positioned for success.

“If we are going to go into a business relationship we do our due diligence to make sure they will do a good job,” Madden says. “Our dealers love Vector because there is a trust level right out of the gate. Really the most important thing and the reason we have long-term relationships is they feel part of our company, which is not always the case.”

Vector goes out of the way to make the authorized dealers feel part of the family. “Our job here is to mix our dealers, which are independent companies, into our culture and also provide the same level of service to the customer,” Madden explains. “There isn’t a separate customer. It is all Vector. Our dealers really buy into that and feel a part of our company even though they are also their own company.”

While Vector is revamping so many internal initial efforts of its own, the company hasn’t forgotten its dealer network. It will shortly launch a new online dealer portal, which will provide a one-stop shop for dealers to do credit checks, e-contracting, set up accounts, and send and test signals.

“It is an incredible initiative to be able to provide our dealers current and future with what they need in terms of tools to make it easier for them to do business,” says Pam Petrow, Vector’s president and CEO. “That is really important to us. We have a great group of dealers and we want to continue to grow and build that program.”

Just not too fast, Madden says. “We know if we added 30 dealers to our mix right now that would be growing out of control. Our niche is support and we strive to give our dealers the best support out there. That is what differentiates us from our competitors.”

Despite being a career Vector employee herself, Petrow strongly believes in getting outside perspectives to temper what otherwise is a very tenured organization. “As an industry that is one of our weak areas,” she says. “We tend to look too hard for people that are from the industry. Our new competitors aren’t from the industry. Bringing people from the outside is really key.”

Petrow even goes so far as to ask new employees to write down their observations when they first come to Vector — for the first 90 days, at least. “After that they become ‘Vectorized,’” she says. “But we want to know what we can do differently. The people we have added help us to adapt better to change, especially if we can bring people in to look at the business a little differently.”

In fact, the senior management team is a broad mix of long-term employees who have been there 20 to 30 years and new employees from outside and inside the security industry, such as Jeff Bates, chief operating officer, who has been with Vector just two years. Bates actually put his job search on hold for a few months to wait for this opportunity to become available at Vector.

“Pam Petrow was the catalyst that started to drive the change in some of our focus. It was done methodically and in a genius manner. She hasn’t disrupted the existing structure, but coached the senior leadership and did a very nice job of commandeering the necessary resources from outside. In my opinion she has taken us from an acquisition organization to a healthy blend of acquisition, dealer and organic growth.”

Petrow describes the company structure as not corporate-driven. “We do not tell people, ‘Do this.’ There are things we do to help our people, but in the end each branch manager is accountable for their team and for their service deliveries. Jeff’s role is to make sure we get those best practices across the organization. Part of One Vector is finding branches that do something really well and taking those ideas and sharing them with the organization.”

Michael Grady, executive vice president, has been with Vector just one year less than Pam and says the company’s ability to react quickly and differently to changing market conditions is the biggest difference from the previous CEO.

“Those aren’t easy directions for a company to make, especially one like ours that has a strong tradition that has seen some very, very good success with the existing model we had maintained. With her leadership and entry into the president’s chair, she has really directed the company to look down the



PHOTO COURTESY OF VECTOR SECURITY

road and create opportunities for ourselves by changing the existing structure and finding better ways to serve our customers more effectively and efficiently.”

From her “outside” perspective, Baker calls Vector “the most down-to-earth company I have ever worked for. Vector is a very unique company with our blend of the new and tenured employees. The tenure gives us the historical and institutional knowledge. It is an exciting time to be part of Vector, especially when you hear about all the companies that are downsizing. Vector has been very committed to their employees and the stability of the employees is always on Pam’s mind. It is a very warm company. It is a big company, but feels small,

Vector CEO Pam Petrow (center) and the National Accounts and IRG (VIS) teams gather around the same table Benjamin Franklin once used at the Philadelphia Contributionship.

The Vector Senior Management Team

Name	Title	Years with firm
Pamela Petrow	President and CEO	33 years
Michael Grady	Executive Vice President	32 years
Jeffrey Bates	Chief Operating Officer	2 years
Leslie Baker	VP of Human Resources	5 years
Vince DiValerio	VP of Acquisitions	37 years
Thomas Helisek	VP of Information Systems	21 years
Jeffrey Hoffman	VP of Finance and CFO	29 years
John Madden	VP of Authorized Dealer Division	18 years
Art Miller	VP of Marketing	4 years
Anita Ostrowski	VP of Central Station Services	30 years
John Taggart Sr.	Director Vector Intelligent Solutions	1 year

Vector strongly believes in hiring new perspectives from outside the industry, as well as in promoting from within. This philosophy is very much evidenced by the number of years senior management personnel have been with Vector.



PHOTO COURTESY OF VECTOR SECURITY

Vector follows the "charity begins at home" mantra by allowing all of its branch offices and other divisions to pick causes or sponsorships that are meaningful to them.

interviews" that call on all managers to speak with a number of employees annually and ask them why they stay, to FastForward — a "Facebook" like internal peer website — to well above industry average educational opportunities, Vector employees are in no doubt that they are being listened to. And that is reflected in the numbers.

Last year Vector promoted more than 97 employees from within. The average tenure company-wide is 7.9 years, and in the branches it is 8.85 (the national average is 4.6, according to the Bureau of Labor Statistics). Women represent 35 percent of management positions. And the company spent more than \$1.2 million on training in the last year.

which is something you want to try to hold on to as you continue to grow."

From the top down, employee satisfaction, education and opportunity is key to everything that happens at Vector.

"We believe that if we take care of our employees, we take care of our customers and the bottom line follows," Bates says.

HAPPY EMPLOYEES, HEALTHY COMPANY

Across the board the list of recent employee-related initiatives is extensive. From the inside-out "stay

One of those training programs is Development Dimensions International (DDI), a well-known management training program on how to speak to and treat people. "We worked with DDI to develop a whole training initiative for managers and supervisors," Baker says. "Anyone who manages people has to go through six courses." To date 64 employees have completed the training. In addition, all employees are encouraged to receive higher training in whatever their specialty area is, from the nearly 40 percent of employees that are NICET trained, to going above and beyond the 160 hours of required alarm monitoring operator training in order to receive higher pay for jobs such as video monitoring or other special monitoring situations. "Those types of things are what we put in for career laddering," says Anita Ostrowski, vice president of central station services. "It is a good way to offer advancement opportunities in areas that don't traditionally have those advancements. You don't just start a beginning job and that is all you have."

This commitment to training comes from Petrow, Baker says. "A lot of times companies have training, but they view it as a necessary evil. She has been extremely supportive of training and really encourages it. We have such a high volume of people that complete training that even our vendors say "wow.""

Petrow says, "I am a huge advocate of education. I continue to believe that I get better every day if I learn. Having an organization of people that are constantly learning makes you better able to adapt, whether that means online training or certification/compensation. It is not enough just for technicians to be Level 1 certified. Everybody that touches a customer needs to be in a continual state of learning."

In order to truly understand what employees wanted and needed, Petrow, in conjunction with Baker, started the stay interview process last year. "One of the recurring things that comes up in stay interviews is that people love the diversity of what they do," Petrow says. "These interviews are very enlightening. It is interesting and much more valuable than doing exit interviews with someone who is quitting."

Some of the initiatives that have come out of these stay interviews were a major change to the outdated vacation policy, even more emphasis on training and opportunities, and FastForward.

"Recognition is always important," Miller says. "FastForward is a dedicated area of our Intranet where anyone can post items to share with the entire company and others can 'like' or comment on the post." Not only does this give the individual employee recognition, but it also lets everyone



PHOTO BY MARC SORACCO PHOTOGRAPHY INC.

Pam Petrow conducts a "stay interview" with controller Rachel White. Many good ideas come from these meetings with existing employees.

*“Tell me and I forget, teach me and I remember,
involve me and I learn.” — Benjamin Franklin*

across the organization see what works in parts of the company they wouldn't ordinarily see, which ties back to the One Vector philosophy.

One of the latest initiatives, due to kick off in January, is Vector University, which will be a vehicle for managers to really understand the global Vector enterprise. “When I came here it was hard for me to understand the setup of Vector and what everybody did,” Baker recalls. “We felt this would be a great way to bring all the managers in and help them get foundations on who Vector is, how they fit into the organization, as well as to standardize on common elements like how to do budgets. You think people know this, but they don't.” DDI will also be a part of this program that will mix training and socializing, she adds.

Vector actively encourages its divisions to incorporate both fun elements such as crazy hat days, chili cook-offs and movie nights, as well as to be active in their communities, contributing to charities that are meaningful to them.

“There is a passion within each organization,” Bates says. “We have branches that have been impacted by cancer and they might sponsor a 5K run. Others have moms and dads who are really into sports so we will sponsor Little Leagues. At the branch level we really allow them to blend with their community. If the contribution is coming from corporate and being drilled down, it becomes a corporate initiative; but if it is built around something

emotional and impactful to the branch, it will become endearing and ultimately mean more to the business.”

One recognition plan that has not changed was the popular President's Inner Circle (PIC) award, which sets aggressive sales goals and rewards the winners with a company trip. This year's PIC trip is scheduled for March 2016 to the Big Island of Hawaii.

“The President's Inner Circle is comprised of an exclusive group of men and women that have achieved sales success by reaching a preset level of sales in their respective category/market of custom resi-

dential, home security, commercial and national accounts,” Grady says. “PIC members are truly the company's ambassadors.”

FROM MANY, ONE

Benjamin Franklin reportedly designed the first American penny, which bore the motto: “We are One.” Perhaps following in that tradition, Vector chose “One Vector” as its theme when it sought to consolidate many disparate and siloed branches and departments into a more cohesive entity that is unified in both its approach and vision.

Bates is in charge of the field organization, with 27 branch locations that report through four district vice presidents. Branches serve residential and local or regional commercial customers, including customized solutions for industries like food processing and a growing business in integrated systems. Still, the majority of the branches remain residential, with just more than 226,000 accounts in 2014, compared with 48,500 commercial.

“As a culture we have always provided the field leaders of the organization not only with trust but with autonomy to make decisions and run their business,” Bates says. “We were born of an acquisition base. But by allowing those branches to continue to function autonomously, we really created a portfolio of independent businesses. Even though that model was functional and had always been profitable and had a good culture, we felt it didn't lend itself to organic growth.

“One Vector was brought on as a means to migrate that culture, to provide standardization of policy and procedure, while still allowing the branches to make decisions and manage their own business at a local level.”

To that end, Vector took their offerings from seven or eight down to two last year when One Vector formally went live in August 2014. Not only does this help employees migrate from branch to branch in a career ladder (something that was difficult with the old model) but it also is critical to branding and image with customers.

“We wanted to look and feel the same from location to location,” Bates says. “There are many customers that have multiple residences with us. If they have homes in New Jersey and Florida they want the same experience. This allows customers and employees to become an expert and understand

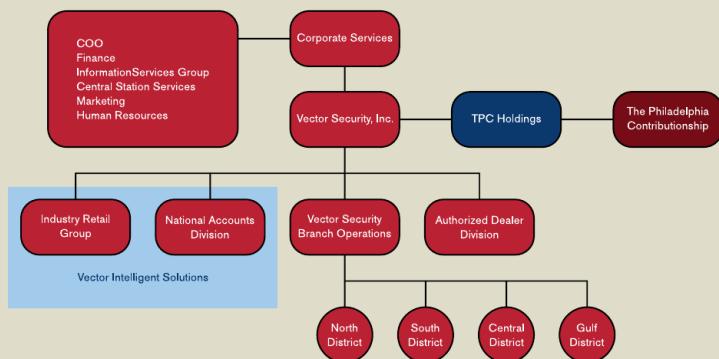
Vector's history and ties to Benjamin Franklin are a source of both pride and tradition for the company.



PHOTO COURTESY OF VECTOR SECURITY

"We are one" — Motto on the back of the first American penny, reportedly designed by Benjamin Franklin

Vector Corporate Structure



Vector and its sister company, the Philadelphia Contributionship, are both owned by TPC Holdings. Vector has several divisions and branches, including Corporate Services, Branch Operations, Authorized Dealer Division, and two in the process of being merged — Industry Retail Group and National Accounts — into the Vector Intelligent Solutions division.

IMAGE COURTESY OF VECTOR SECURITY

Looking Ahead

Vector has more exciting future initiatives in the works. Here are a couple that are due to roll out in 2016:

DIY — “One of the things I am most excited about is the movement to the Web and e-commerce,” says Vice President of Marketing Art Miller. “We started this with our [internal residential sales] packages and now are looking at a DIY product. That will be a new entrant for us in that rental or first-time security buyer market.”

Pam Petrow, president and CEO, says Vector is committed to providing these new customers with a quality offering. “Our intent is to make sure they get good quality equipment, that they install it correctly so they don’t end up with false alarm problems, then provide the same level of service we give to our custom customers to the DIY side.”

Cyber Services — Vector will roll out a comprehensive cyber protection program sometime in first quarter 2016. “When you look at the consumer today, this is a new level of breach,” Miller told *SDM* in a November 2015 article on Cyber Services.

“One company looking out for a customer [both physically and cyber] is a real strength. It then becomes that ‘blanket of security.’ That is really our heritage as an industry and this is such a natural progression. There are too many other avenues to be just a physical security provider. As an industry we have to ask what additional value we are driving and providing. We will provide that extra level of attention and security to this type of product.” (To read the full article, see this article online at www.SDMmag.com).

the product. The panel looks the same; the service looks the same; the way we approach them looks and feels the same. We are building on that strong foundation but allowing for organic growth.”

So far it appears to be working. Vector experienced a 15.6 percent increase in branch RMR due to the internal residential sales initiative, which incorporates a new online store that has helped Vector go from a close to 40 percent adoption rate in home automation to 85 percent in just 15 months.

“I am very proud of my team,” Bates says. “That is a pretty impressive number. Home automation is where we are at now. When I got here we were a burglar alarm company, a security company. My team has done a wonderful job in facilitating the necessary change to understand we can’t just go sell door contacts and motion sensors. That has been a huge culture change that has translated to enhanced RMR.”

Vector also branded its Alarm.com service with a Vector app through Apple and Google Play. “Now when the customer controls their home, they are actually looking at a Vector Security logo powered by Alarm.com,” Bates explains. “Where we used to see an average RMR of \$25 to \$32, we are now looking at \$52 to \$55. That has been the glory behind the program.”

The online store was launched in November 2014 to allow residential customers to purchase home security and automation packages online. With three packages aligned along a “good, better, best” approach, this online sales tool will also serve as the model for an upcoming initiative to offer DIY products as well (See “Looking Ahead,” at left).

While Vector is aiming for more organic growth and expansion of technology offerings, the company is not abandoning its acquisition roots, Bates stresses. In fact, Vector acquired Pelican Security Network just this past August, which brought an additional \$400,000 of RMR and 17,000 accounts.

“The timing was perfect,” Bates says. “We are at the point where we want to start to fill in our footprint. As we build our platform for organic growth we are going through a lot of internal change and stabilizing our organization. One of my objectives is to increase the pace of acquisition again. We are now in a position to create the operational and sales process, which makes acquisition easier.”

"Time is money." — Benjamin Franklin

FOR THE GOOD OF ALL

Vector's two fully redundant U.L.-listed CSAA Five Diamond Certified central stations (based in Warrendale and Plymouth Meeting, Pa.) fall under Ostrowski's leadership. Both centers have been upgraded or rebuilt within the last five years, and support residential, commercial and national accounts, along with a new managed network division called Vector Intelligent Solutions.

"We were a small Westec franchise when I joined 30 years ago," Ostrowski recalls. "We didn't have automation. We worked off of 3x5 index cards with the customer information printed on them."

Times have certainly changed in many respects. In others, Vector is leading the charge throughout the industry to modernize the way central stations operate and communicate. For example, as part of the One Vector initiative, the company is committed to eliminating copper POTS lines (plain old telephone service).

"We saw the writing on the wall within the last three years when phone vendors were going to the FCC and asking for approval to not support phone lines at facilities," Ostrowski says. "With all of these legacy systems out there, we wanted to be able to support them."

Vector chose to employ a comprehensive AES Network that stretches from the Atlantic Coast in New Jersey through eastern and central Pennsylvania and south into Delaware. A second network is used to provide radio coverage from Pittsburgh west through Ohio. So far, all of the company's uni-

fied sales offerings have provided cellular connectivity, with 98 percent of new sales being installed without POTS as primary.

Another issue close to Vector and Petrow's heart is the Automated Secure Alarm Protocol (ASAP), which calls for the electronic data transfer from alarm companies to 911 centers. Petrow chaired the committee that helped write that standard. And under Petrow's leadership Vector has worked tirelessly to champion it.

"If you think about what we do right now in monitoring centers, we are picking up the phone and calling the 911 center," Petrow says. "It is 2015. We have to be using technology to be much more efficient and relevant. The technology is there; it's secure; the process is in place. It is hard for people to change, I get that, but as an industry, when people can send information directly from their cell phones to a 911 center, what are we doing picking up the phone? With ASAP the customer is better served; 911 is better served; everything is better. We are passionate about giving whatever resources we can to get major companies on board so that it doesn't just become another item on their to do list."

As an expert in MASTerMind, the alarm monitoring software program used by Vector and many other companies in the industry, Ostrowski has been called on to help not only 911 centers and her own staff, but competitors as well.

"Typically when a new city comes up, a lot of testing comes through Vector," she says. "Once it is verified and set up, it is rolled out to other alarm companies. Since I am versed in MASTerMind, I have assisted other competitors in getting up and running."

Petrow and Ostrowski both view this as a service to the industry. "It is for the good of the alarm industry and the good of the 911 centers," Ostrowski says. "The amount of time alarm companies consume 911 operators' time is anywhere from three to five minutes on the phone. That is a lot of time on both sides and alarm companies are paying someone to sit there and talk."

ASAP promotes accuracy, which is something Vector is also committed to in its own centers. The company has an aggressive goal of 0.4 for its false alarm dispatch rates, which it is working hard to attain. The most recent numbers were .53 overall and .45 for police only. This attention to reducing false alarms won Vector the Police Dispatch Quality award in 2013.

The monitoring center in the Warrendale office is one of two UL-listed CSAA Five Diamond certified fully redundant central stations Vector operates.



PHOTO COURTESY OF VECTOR SECURITY

“Without continual growth and progress, such words as improvement, achievement and success have no meaning.” — Benjamin Franklin

PHOTO BY MARC SORACCO PHOTOGRAPHY INC.



At the Virginia service center everything is put together and tested before it is sent out into the field.

“We go above and beyond,” Ostrowski says. “We force ourselves to look at it and measure it. You can do all the right things, but if you don’t measure it, you can’t be successful.”

A UNIFIED SOLUTION

Vector’s National Accounts division and its 2013 acquisition Industry Retail Group (IRG), now operating under the name “Vector Intelligent Solutions” (VIS), are both run out of Vector’s National Service Center in Gainesville, Va. Unlike the branch commercial accounts, National Accounts services large customers — primarily retail sites — with custom installations and monitoring services. For example, in one case Vector was able to save a major big box retailer an estimated \$3 million in heating and cooling costs each year by implementing and monitoring an energy management tracking system that used contacts on overhead delivery doors to generate email alerts to the store manager when the doors stayed open too long, Grady relates. By integrating the building management system with the arm and disarm state of the intrusion panel that controls the lighting and HVAC, the system is only fully energized when people are in the store.

VIS provides managed network services such as broadband aggregation, edge device management and network management, explains John Taggart, senior director for Vector Intelligent Solutions and the newest member of Vector’s senior management team, joining just last March.

“We don’t position ourselves as a price leader but rather as a white glove approach,” he says. “It is a very unique and successful way of provisioning

customers.”

Vector is in the middle of a major initiative for change with both of these divisions that will eventually merge the two into a single division that can handle the whole package for retailers and other vertical markets with similar needs.

“The unified solution will provide the customer in the retail or quick serve restaurant space the opportunity to have intrusion, video, burglar and fire alarm systems and then layer onto that the network that we manage to provide a complete, secure network that protects all the devices on the network,” Taggart explains. “The market is starting to migrate in this direction as customers see the value of having a secured network managed by one entity. It gives them much better control when you are talking about having or adding 40 to 50 different access points to the network.”

For its part, National Accounts brings to the table a very strong performance record, with a year-over-year revenue increase of 41 percent; as well as a customer satisfaction program called “Promises Given, Promises Kept” that they were told was “too risky” but has proved to be a successful campaign; and fulfillment staging process designed to heighten efficiency and minimize truck rolls.

At the Virginia service center everything is put together and tested before it is sent out into the field, Grady explains. “What that does is create a lot more efficiency for installation time and reduce the risk of products being mishandled, lost or not inventoried properly.”

Grady says this is one reason Vector has been so successful in the retail space. National Accounts’ large-scale conversion process, where the company converts an entire enterprise to the Vector platform, is one of the company’s greatest successes this year, with approximately 1,500 conversions to date and 24 new retail brands added.

But he ultimately points back to his employees as the reason his department continues to exceed budgeted performance in sales bookings, installation revenue, service and monitoring. In many cases Vector will even embed an employee into the customer’s operation for up to three or four months — sometimes indefinitely — to project manage the process.

“We have seen success in National Accounts because we are tuned into customer expectations,”

Grady says. "Simply put, if you are serving the customer and they are happy about it you will continue to grow. That is where we are sitting. We are knocking the cover off the ball and I am very pleased and quite frankly humbled by it. But once again we are seeing the success come about in a very volatile market due to the impact our people are having. That is a driving factor in our success. Are we turning over some large numbers? Absolutely. But retail doesn't stand too long without getting exceptional customer service. They are very fast to pull the trigger on searching for other service providers that can fulfill their needs."

Which is why merging National Accounts and VIS is one of Vector's top priorities for the coming year. Projected to be completed towards the end of 2016, Taggart sees this as the next logical step in Vector's journey.

"I think that Vector carries such a strong reputation that it is only natural for us to be introduced to the IP side of the house. Typically in retail and quick serve restaurants today you have the IT department managing the network and Loss Prevention managing security. The reputation of IRG

[now VIS] and Vector is a natural fit for something like this."

For her part, Petrow sees it as one more example of her company pulling together as a team to continue moving together towards a common goal. "From a commercial perspective that market is moving really fast and we want to make sure our team continues that momentum."

When asked what she is most proud of this year, she says, "I can't choose. I don't want any of my kids to be mad I didn't pick them. But I will tell you I have been really impressed with the team in terms of their ability to really support each other and be there for each other, which is hard when you are trying to run your own business unit. They have each other's back. That is nothing new, but it is the one thing that makes me really proud." ■

MORE ONLINE

For more on Vector Security's marketing plans, see "Getting Engaged" (www.sdm-mag.com/getting-engaged). To read an exclusive interview with Vector president and CEO Pam Petrow, see "The Petrow Approach" (www.sdmmag.com/the-petrow-approach).



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Pictured: Vector Security Corporate Services team, Warrendale, PA.



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The Vector Security Corporate Services staff would like to thank all of our branch team members, our partners and Authorized Dealers for the work that you do every day! You make us a stronger team and a better business through your support and commitment.

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