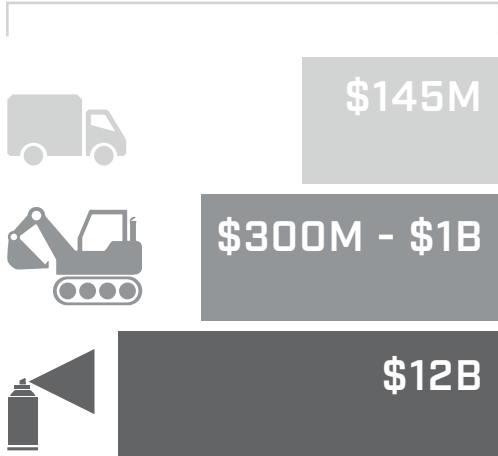




THE VALUE OF USING REMOTE MONITORING

BUSINESS LOSS DUE TO UNSECURED OUTDOOR AREAS



CARGO THEFT

Approximately \$145 MILLION in cargo was stolen in 2017.
- *American Journal of Transportation (AJOT) CargoNet 2017 Cargo Theft*

CONSTRUCTION EQUIPMENT

Annual estimates indicate between \$300 MILLION to \$1 BILLION is lost annually as a result of equipment theft. – 2016

VANDALISM

An estimated \$12 BILLION annually is spent cleaning up graffiti in the United States. - *Grffiti, a publication of Community Oriented*

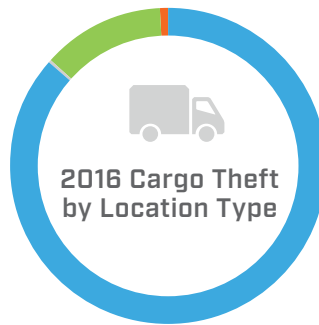
CARGO THEFT SNAPSHOT

“In 2017, 18% of all cargo theft occurred at a fenced yard location.”

- *AJOT's CargoNet 2017 Cargo Theft Trend Analysis*

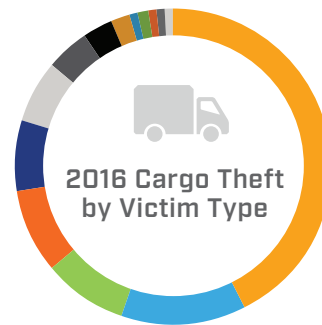
“In 37% of cargo theft cases, cargo was left unattended for multiple days”

- *AJOT's CargoNet 2017 Cargo Theft Trend Analysis*



2016 Cargo Theft by Location Type

- Business
- Government
- Individual
- Other



2016 Cargo Theft by Victim Type

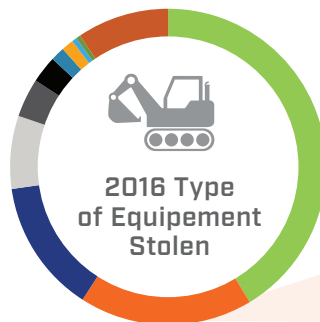
- Parking Lot/Garage
- Highway/Road/Alley/Street
- Miscellaneous/Unknown
- Commercial Office Building
- Dock/Wharf/Freight/Modal
- Terminal
- Convenience Store
- Service/Gas Station
- Industrial Site
- Grocery/Supermarket
- Hotel/Motel/etc.
- Rental Storage Facility
- Residence/Home
- Department/Discount Store
- Specialty Store (TV, Fur, etc.)

CONSTRUCTION EQUIPMENT THEFT SNAPSHOT

In 2015, most equipment theft occurred at work sites that often had lower levels of security.

In 2016, the NICB compiled 11,754 reports of stolen equipment, however, only 21% of equipment was recovered.

\$29,258 is the average value of machines recovered with assistance from police, NER and NICB.



2016 Type of Equipment Stolen

- Mower, riding or Garden tractor
- Loader
- Tractor
- Utility vehicle
- Excavator
- Forklift
- Bulldozer
- Generator, compressor, welder
- Trencher
- Roller
- All Others
- Skid steer 70%
- Backhoe 22%
- Wheel loader 8%



OPPORTUNITY

Commercial customers who store valuable assets outside, such as storage yards, car dealerships, and construction sites, have few security options. Traditional perimeter systems are too expensive, while motion sensors, fence sensors and visible cameras all have limitations that result in numerous false alarms.

There is a key opportunity for an accurate, reliable intrusion detection solution optimized for large outdoor area protection that commercial customers can afford. This kind of solution would not only provide a new level of security to commercial businesses, but also open the door to new revenue opportunities for alarm dealers and central stations.

SECURITY COST ANALYSIS

An onsite security guard covering only non-business hours typically costs \$10,000 - \$12,000 per month. The same site can be remotely monitored, with equal or better effectiveness, for under \$1,000 per month.

maximum response time, saving customers from loss of merchandise, equipment, or interruptions in business.

Remote monitoring agencies can respond to alerts in real-time, dispatching police with verified alarms for

For customers in high risk areas, return on investment can occur in as little as 3 months.

PRIMED MARKET

Video surveillance, monitoring and intrusion are the top segments dealers and integrators see producing the most sales in 2018.

Remote monitoring is the #1 service that dealers and integrators offer to subscribers

How would you rate the potential for sales in 2018 in each of the following markets?

Which of the following services does your company offer its subscribers/customers?

