



Visonic: Recipient of the
2010 North American In-Building Wireless Networks
Product Leadership of the Year Award

"We accelerate growth."

2010 NORTH AMERICAN IN-BUILDING WIRELESS NETWORKS PRODUCT LEADERSHIP OF THE YEAR AWARD

Award Recipient: VISONIC

Award Description

The Frost & Sullivan Award for Product Leadership of the year is bestowed upon the company that has demonstrated superior quality control over its competitors in product manufacturing. Quality control is an essential element of satisfying customers, increasing repeat buying behavior, and assuring long-term market survival.

Research Methodology

To choose the Award recipient, the analyst team tracks all products and research and development projects within the industry. This is accomplished through interviews with market participants, end-users, distributors, and extensive secondary and technology research. Products are compared and ranked on the industry's quality standards. Frost & Sullivan then presents this Award to the company with the number one rank in product quality.

Measurement Criteria

In addition to the methodology described above, there are specific criteria used to determine final competitor rankings in this industry. The recipient of this Award has excelled based on one or more of the following criteria:

- Lowest defect percentage per batch of units produced by suppliers in current base year
- Product ability to fulfill customer needs, in terms of functionality and user friendliness
- Lowest number of breakdowns or services required per year
- Strong level of product support provided to end-users

PRODUCT LEADERSHIP OF THE YEAR AWARD IN-BUILDING WIRELESS NETWORKS NORTH AMERICAN 2010

KEY INDUSTRY CHALLENGES

With the rising concerns over home security and safety, there is an increasing demand for highly reliable and secure systems. While the evolution of wireless security systems has facilitated faster access to information, enhanced device to device communication coupled with cost effective, flexible and easily deployable solutions, there are concerns over wireless systems pertaining to privacy and information leakage.

Visonic’s PowerMax wireless home security solutions employ advanced communication protocols, detection algorithms and broadband security technologies that virtually eliminate the possibility of intrusion and unauthorized access while providing uninterrupted communication. With myriad of security companies working towards home safety and physical security platforms, Visonic distinguishes itself by offering timely solutions that solve present concerns over destruction of security systems by intruders, network hacking, emergency issues through real-time security and remote monitoring capabilities. Realizing the critical need of the products to withstand attempts of intentional and unintentional equipment damage, Visonic’s products are imbued with damage proof, robust devices.

BEST PRACTICE AWARD ANALYSIS

The Decision Support Matrix, shown in Figure 1, illustrates the relative importance of each criterion for the Product Leadership of the Year Award and the ratings for each company under evaluation. To protect the interests of the award recipient’s competitors, we have chosen to refer to them as Competitor 1 and Competitor 2.

**Figure 1: Decision Support Matrix for
Product Leadership of the Year Award**

<i>Measurement of 1–10 (1 = lowest; 10 = highest)</i>					
	Features/Functionality	Innovative Element of the Product	Provides Customer Value Enhancements	Product Quality	Weighted Rating
Relative Weight (%)	25%	25%	25%	25%	100%
Visonic, Inc	8.5	9.5	9.0	8.5	8.9
Competitor 1	8.0	8.5	7.5	8.0	8.0
Competitor 2	8.0	7.5	7.5	7.0	7.5

Criterion 1: Product Features/Functionality

Visonic provides wireless security, detection and home control solutions for the residential markets. With the growing need of remote monitoring capabilities, simplified controls and easy to use functionalities, the company has aligned itself to the market dynamics with a range of interactive security and safety solutions. The company is capitalizing on the favorable migration of residential connectivity from wired to wireless infrastructure replacing PSTN lines with cellular and IP networks along with providing cost efficiency, easier deployment and maintenance. Visonic caters to two broad segments of the market that include:

- Central monitoring companies managing the security issues of the homes
- Installers deploying security systems in the customer location.

Visonic offers an extensive range of solutions that cater to both segments: Installers can offer their customers a variety of Visonic control panels based on price and desired features and benefit from an abundance of peripherals that include intrusion and safety detectors, control devices and communication options (PSTN, GSM/GPRS, Internet). Installers can mix and match control panels and devices to tailor a security and safety solution based on customer needs, the home infrastructure, and affordability. In addition to delivering drilling-free wireless products, Visonic takes ease-of-installation one step further by offering installers preprogrammed security kits: all devices are factory pre-enrolled to the control panel, thus creating a plug-and-play experience that facilitates installation and saves valuable time.

To central monitoring companies Visonic delivers opportunities for improved reliability, greater cost effectiveness and expanded services. A highly reliable and flexible monitoring server supports the full range of IP communications (GSM/GPRS and Broadband). This enables monitoring companies to offer their customers video alarm verification, end-user event messaging, and web-based home control and surveillance services.

The company has a rich product roadmap with increased focus towards IP, broadband, control panel technology and wireless connectivity.

Criterion 2: Innovative Element of the Product

Acknowledging the criticality of customer skepticism towards wireless solutions over security and reliability, Visonic offers comprehensive, secure, scaleable and flexible modules. The Tower20 family of out-door detectors from Visonic addresses critical issues such as false alarms, vandalism, damages to detector lenses, optical windows and housings, incomplete anti-masking protection, insufficient coverage and poor sensitivity of security systems that lead to inefficiency and inability of the systems to perform critical monitoring and control. Tower20 is the first out-door detector to prevent false alarms caused in unstable, uncontrollable and unpredictable outdoor conditions while still providing reliable detection of real threats. The key innovative patented technologies that distinguish Visonic's Tower20 products include:

- Octa-Quad technology employs eight PIR QUAD detectors, each monitoring independently 1/8th of the field of view.
- The eight PIR detectors use sophisticated TMR™ (True Motion Recognition) algorithms that accurately distinguish between a moving person, swaying trees and bushes, or small animals, minimizing false alarms while ensuring effective detection of real threats.
- Anti-masking technology delivers a dome-like IR shield that protects the window from every angle and direction, including the creep zone. Anti-spray grooves etched into the perimeter of the window intensify sensitivity to masking spray.

- V-Slot Technology utilizes a relatively small recessed-shape window that provides high resistance to mechanical damage, environmental interference and vandalism.
- Obsidian Black Mirror technology makes use of a unique black nickel coating on the mirrors virtually eliminates white light interference and increases detection sensitivity. The technology increases the detection sensitivity by 50 percent over other conventional technologies.

Tower products are also built with an ultra-strong sliding closing mechanism which makes tampering impossible. To avoid damages to detectors lenses, an automatic digital adaptive sensitivity adjustment is provided that recognizes attempts to cover the detector with sheeting, tapes, spray paints and even a tiny blind spot masking the detector triggers an alarm. A combination elliptical-parabolic mirror offers superior range and coverage extending virtually all the way under the detector. Visonic has been making continuous innovations clearly visible from over 90 registered patents and 40 more pending patents bringing breakthroughs in the security market.

Criterion 3: Provides Customer Value Enhancements

Visonic's recent integration of security systems with internet protocol for communication has delivered a highly reliable and cost-efficient platform for security management with unprecedented value to customers by enabling them to keep in touch with home wherever they are. Visonic offers a plug and play broadband IP event notification solution, and remote video observation and control solutions that seamlessly integrate with the company's wireless home security systems. Connection to up to 14 cameras placed around the home, enables expansion to an IP-based video alarm verification solution offering smart recording and fast forwarding of events to the alarm central station. As a result, homeowners get:

- Increased security: image alarm verification information is sent within seconds of the alarm to the central monitoring station
- Full control: Optionally the solution enables viewing of the home security system status and alarm time recorded video, and to receive email or mobile phone text message notifications whenever security or camera events occur.
- Highly reliable, cost-effective performance: all the benefits of a wireless solution with the added benefits of connectivity to the existing home Internet infrastructure.

Homeowners enjoy remote security control and remote surveillance services at no additional cost; and installation is instantaneous since the system "piggybacks" on the existing home Internet infrastructure by just plugging it into a free port in the home router.

Visonic offers high ROI realizations to its customers through simple to deploy solutions, plug and play features to products routed through installers, while for central monitoring stations the company offers returns in a year to 2.5 years. Beyond the rapid advancements in RF technology in terms of certifications and standards that are established at the industry levels, Visonic deploys a number control panels that supervises all the devices that can be controlled based on the desired frequency of supervision.

With strong customizable manufacturing capabilities Visonic's products have been able to penetrate and expand its customer based across the globe. Beyond just ensuring the products are designed with local tastes and demands such as color preferences, region specific language and permitted RF range, Visonic offers future proof technology that is critical with the rapidly evolving security concerns and conscious end-users.

Criterion 4: Product Quality

Large number of companies offering a wide range of products in the wireless market has led to skepticisms towards the quality and operational efficiencies of the products. With advanced manufacturing capabilities to produce a myriad of control panels and devices such as detectors, sirens, monitoring devices, keypads and keyfobs, Visonic deliver best in class products without compromising on quality with strong quality control techniques and setting quality standards under ISO 9001 quality management system certified procedures. As a wholesome manufacturer of plastics, sensors and controls panels with assembling and packaging done on site, the company delivers highly customized modules to the OEMs including colors, shapes, features and languages based on end-user demands. In addition, the company certifies all its products to comply with worldwide regulations that include security, EMC, environment, radio and safety standards and directives.

Visonic's manufacturing plant implements Just In Time (JIT) processes based on Kanban. Flow management is achieved by getting a constant and predictable stream of work through. Work is only ever pulled into the system based on demand, and work in progress is limited. Since limited work in progress makes problems visible very quickly, quality is improved while efficiency and customer satisfaction increase.

About Visonic, Inc

Headquartered in Tel Aviv Israel, Visonic is a developer and manufacturer of high-quality electronic security systems and components. The company is a leader in easy-to-use and innovative home security and control solutions and personal emergency response systems. Its sales and marketing subsidiaries in the USA, Germany, UK, Poland, Spain and Hong Kong are supplemented by a worldwide network of distributors, serving a growing installed base that spans more than 70 countries. For more information, please visit www.visonic.com



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• Frost & Sullivan • Jake Wengroff
• 210.247.3806 • jake.wengroff@frost.com
• www.awards.frost.com

• Visonic
• +972-3-6456751
• www.visonic.com

• Dalit Salman
• dalits@visonic.com