

TECH ADVISOR: IP VIDEO SURVEILLANCE

Keep Your Eye on This Space

IP video surveillance can help solution providers stand out from the competition. **By Tam Harbert**

The proliferation of IP networks and falling prices on IP video cameras are making IP video surveillance an attractive option for educational institutions, governments and certain businesses. It can also help differentiate solution providers from the competition.

It's early in the market, so margins are still good, between 20 and 40 percent, says Chris Squier, technology solutions engineer for security at Ingram Micro. And it's easy enough to dip a toe into the market — perhaps by suggesting the addition of a few video cameras to a current customer.

"A lot of solution providers are intimidated by video IP surveillance, but from a technology standpoint, there's really no reason to be," says Squier. "If you know how to assign the address of an IP device, you're half done." The real value, he says, lies in providing consulting services: understanding the client's business, analyzing past incidents, and summarizing vulnerabilities during a site survey. "It just takes a bit of practice to do this," says Squier, "and to develop the ability to put yourself in the customer's shoes."

"The typical user doesn't know much about security and surveillance," says Fredrik Nilsson, general manager of Axis Communications, which sells cameras, video servers and video management software. "For the systems integrator, there is a true value-add opportunity. But you have to be very knowledgeable and gain the customer's trust. Then you're looked upon as a resource, as an advisor who can recommend what the customer should use."

Hot Markets

As prices on IP video cameras have dropped — today as low as \$200 —

they're starting to replace analog cameras in existing surveillance installations, such as closed-circuit TV systems. The potential is huge. With about 15 million surveillance cameras installed in the United States, fewer than 10 percent are IP based, says Nilsson. And the number of manufacturers offering IP video solutions is increasing, giving solution providers more options. Cisco Systems, for example, in March acquired SyPixx Networks as part of a move into video surveillance.

Education, particularly the K-12 market, is one segment that's welcoming IP video as a way to keep schools safer. Many schools already have IP networks, which makes installing IP-based video fairly painless. And such a network could deliver a real-time feed to the nearest police station, enabling police to respond sooner and perhaps more effectively.

Another prime market is government, particularly installations that protect critical infrastructure. Nilsson notes that IP video can be inexpensive to install in places like city centers because the cameras can operate via a wireless connection, whereas analog cameras would require cabling.

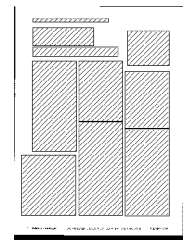
Commercial businesses, however, represent the bulk of the market, says Irene Chow, category manager at Ingram Micro. Solution providers have had success selling into retail stores, parking lots, stadiums, car dealerships, manufacturing facilities, hospitals and more — wherever people gather and create a security risk.

Picture This

A typical IP video surveillance installation has five components: camera, network, server, video management software and storage, says Nilsson.

Solution providers already know three of those components, but need training on cameras and video management software, and perhaps on physical security techniques. "These are things like placing the cameras to get the best coverage, learning about lenses and how to protect the camera," Nilsson says, as well as how to calculate the proper amount of bandwidth and storage needed for particular applications. "One thing that video needs a lot of is storage."

A good understanding of these elements, as well as a knowledge of IP video's advantage in surveillance scenarios — the ability to see things remotely in real time — allows solution providers to add value through their expert advice. IT customers can often explain exactly what they need, a new mail server, for example, and why. But in video surveillance, most people don't understand the options the technology makes available, notes Angie Wong, CEO of Ojo Technology, an IP video specialist. Deep expertise allows solution



providers to avoid wasting time bidding on inappropriate jobs. "If you don't ask the right questions up front, you can go a long way down the path and then realize that the customer's application doesn't require IP video," Wong says. "We pre-qualify to ensure that customers will benefit from IP video and that they have a budget for it."

The Specialist's Perspective

Wong's experience offers insight into the challenges and promise of an IP video-specialist business. After the dot-com bust hit Silicon Valley, Wong, owner of Network Design Integration Services (NDIS), went looking for a more specialized niche. She found it in IP video surveillance. She originally started IP video as a division of NDIS, but soon realized that in order to offer high added value and expertise, she needed to spin it off as a separate company. The result was Ojo Technology. (Ojo means "eye" in Spanish).

Most of Ojo's clients are city governments, often with critical security needs such as keeping an eye on water towers. Since 2004, the company has done more than 80 installations. "Our value is not in selling the hardware," says Wong. "Our value is in being the expert at the applications." Ojo handles projects from cradle to grave, including concept, design, installation, training, project management, support and maintenance.

Wong doesn't downplay the challenges of specializing in IP video. For one thing, the sales cycle on surveillance projects can be very long. Also, integrators need to be careful in estimating labor costs — some installations, particularly those in critical infrastructure, can be difficult and take longer than expected. But if a solution provider gets a good handle on these factors, margins can be excellent, she says. "Once it's done, it works beautifully."

About the author: Tam Harbert is a freelance journalist with 20 years of experience covering technology, business and government.

Company Mentions

Axis Communications, www.axis.com

Ojo Technology, www.ojotech.com

Solutions Training on Video IP Surveillance

► **Want to learn more about video IP surveillance?** Ingram Micro offers solution building blocks, knowledgeable pre- and post-

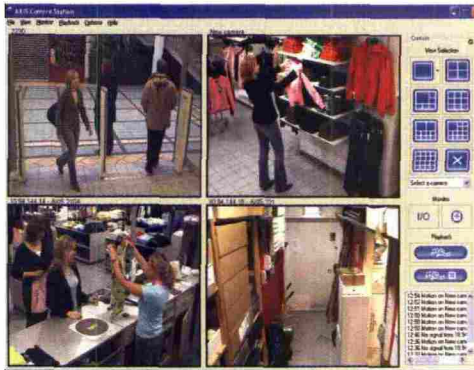
sales support, and sales and technical training. Solution providers are invited to attend a two-day Boot Camp conference on IP video surveillance in Buffalo, N.Y., September 6-7, 2007. The meeting will include manufacturer presentations, a tour of Ingram Micro's Solution Center and a manufacturer technology fair. For conference details, contact Huy Nguyen, security solutions marketing manager, at huy.nguyen@ingrammicro.com, (714) 382-2443.

Information is also available at www.ingrammicro.com/ipsurveillance, or by calling the Security Help Desk at (800) 445-5066, ext. 76102.

"Our value is not in selling the hardware, but in being the expert at the applications."



—Angie Wong, Ojo Technology



▲ Axis Camera Station video management software displays images from a retail surveillance solution. The software works with network cameras and video servers to provide video monitoring, recording and event management.