

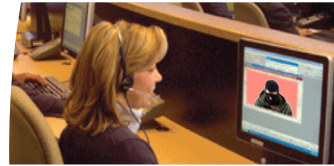
WHITE PAPER

Video Verification

Reducing Contractor Risk and Mitigating Lawsuits

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Introduction

Alarm Contractors face inherent risks when they design, recommend, install, service, inspect, test, maintain, and monitor alarm systems. These risks include, but are not limited to litigation claims, based upon the actions and inactions of an alarm company, and that their conduct was a significant proximate cause to the damages sustained in the loss.

One way to help minimize the profusion of defects and irregularities sometimes found in alarm contracting, is to consider video verification solutions, in lieu of more traditional alarm system technologies. Alternatively, to the extent that the alarm system is existing, video verification can enhance minimization of false alarms and liability concerns as well.

Whether the alarm system is a new installation or it is existing, video verification can also help neutralize false alarms that can create dangerous confrontations, between the responding police, the public, a home owner and/or a business owner. By way of example:

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Forensic Case Number 17564

An alarm system activates at a residential premise and when the central station calls back the premises they receive no answer so they dispatch the police. Additionally, they contact a neighbor who advises that he will meet the police at the home. When the police arrive, they meet with the neighbor and are advised that he does not believe that the owner is home. However, one of the police officers sees what appears to be a man on the second floor of the premises. That being said, a period of about seven minutes elapses while the officers and neighbor are discussing same.

While the police start investigating the perimeter of the property to determine if there are any signs of forcible entry, one of the officers tries a sliding glass door to see if it is secured, and triggers the alarm system. Accordingly, the central station receives yet another alarm signal from the protected premises and when they attempt to verify the signal, this time the homeowner answers his phone and gives a proper passcode, verifying with the central station operator that everything is OK and that the homeowner was in his residence.

Importantly, at no time did the central station operator inform the homeowner that the police had been previously dispatched to his home, nor did the central station operator ever attempt to update the police that what they dispatched the police on, was a false alarm. As a

consequence, the responding police officers had no idea that everything was OK, nor did the homeowner have any idea that two armed police officers had identified a person on the second floor of his home. In actuality, that person was the homeowner. At this point, the police check the car parked in front of the home and determine that the engine is cold, they also determine that there is dew on the vehicle as well.

Now, since the police officers are not aware of what transpired between the homeowner and the central station, in that he verified that everything was OK, they direct the neighbor to unlock the door to the home so that they can investigate the suspicious man who they saw from outside the home on the second floor of the premises. As both police officers tactically climb up the stairs in the home, one of them reaches the top of the stairs, at that moment the homeowner, sees a shadow, and even though his vision is impaired due to diabetes, (which is why he cannot drive at night) he is armed, and at about the same time that the police officer identifies himself the homeowner fires one shot critically hitting the officer right below his bullet proof vest, allowing the bullet to penetrate and enter into the officers body.

The officer almost dies as a result of the shooting. Against the foregoing backdrop, this type of dangerous confrontation is foreseeable, when a central station has information and fails to share it with in this case both the homeowner and the police.

Conversely, had this system incorporated video verification, and two-way voice, in all likelihood this tragedy could have been averted; in that the central station would have been provided with all of the significant benefits of being able to visually identify what caused the alarm event.

Forensic Case Number 231567

A commercial burglar alarm system is activated and the central station immediately dispatches the police to the premises. The rationale for the immediate dispatch, is that the special instructions on the account are to not verify any alarms received. When the police arrive at the site, they are unable to see any signs of forcible entry, nor is the owner of the protected premises available to let the police in to investigate. After investigating and finding no signs of forcible entry, the police clear the site. In tandem, the owner never responds because he is informed that the police did not see any signs of forcible entry. However, the perpetrators entered the premises through its roof, and the forensic investigation after the loss reveals that they (the intruders) were in the premises when the police arrived. Notably, the intruders

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apparently waited to exit the premises until the police had left the scene. Afterwards, exit by the intruders was made through one of the main perimeter entrance doors at the premises. Alternatively, in the event that this alarm system was equipped with video verification; either as its primary form of electronic security, or if it was connected to the existing hardwired alarm system at the site; the likelihood of police capture would have been eminent.

Another important factor to consider with the use of video verification technologies, is that many of them are wireless, which avoids the installer having to provide for end of line resistor (EOLR) supervision, and telephone lines to the Digital Alarm Communicator Transmitter of traditional control panel sets. The same holds true for the system keypad, when it is wireless, in lieu of it having to be hardwired. Finally, the significance of essentially eliminating or minimizing false alarms, also helps with end user satisfaction, since they are responsible to pay for false alarm charges that are generally required to be paid by them under the terms and conditions of their alarm contract and the authority having jurisdiction (AHJ) who bills them directly.

Catching a criminal is yet another factor that leads to public awareness of the benefits of not just scaring off an intruder, but capturing him, or the persons who committed the crime. Invariably, once a perpetrator has been arrested, it takes away their opportunity to commit other crimes. Thereafter, once the perpetrator is released back into society, his fingerprints and DNA in some instances, are part of law enforcements national database. Therefore, in the event of recidivism, the police are better equipped to identify this individual through his fingerprints, DNA, or both, at the crime scene. Furthermore, in the event that the captured perpetrator is wanted for other crimes, the arresting of this individual(s) also provides an enhanced opportunity to expand the reach of law enforcement, who otherwise, would not be able to have this group of individuals in their custody, for prosecution of these other crimes.

Raising the priority of police response reduces contractor risk. Because of the legacy of false alarms, police typically assign a priority level 3 to alarm calls. In contrast, a video verified alarm typically receives a priority level 1 or the same response as a crime in progress. There is no question that faster police response helps police make more arrests and mitigate risk. The arrest rates for traditional alarm systems is between 0.01% and 0.08%. That translates into around one arrest for every 10,000 alarm runs by police. Faster police response makes more arrests with some documented arrest rates over 20% for video verified alarms.

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With regards to alarm contractor liability, if the perpetrator is caught in the act, and/or if the stolen merchandise is recovered, and/or if the perpetrator is unable to spend an inordinate amount of time at the occupancy looking for valuables, the damages sustained will likely be less. Simply put, it would be difficult under these scenarios for a litigation claim to be made, and posit that an alarm company had breached its duties, and/or that the alarm contractor had acted in a grossly negligent manner, or worse. That said, there are always going to be exceptions, but compared to most fact patterns that I have investigated, the immediate apprehension of the intruder(s), is usually not part of the losses that I have forensically investigated across the country since 1980; where an alarm system is suspected to be a significant proximate cause of the damages sustained.

This rationale also holds true in the event that a panic and/or holdup alarm is activated during an actual robbery, where video verification is employed, in that if the police know that there is an actual robbery in progress, there time to arrive at the premises is dramatically increased, as it commands a higher priority response, as well as having more police officers who are ultimately directed to respond to the site by police dispatchers.

Stated differently, this would equate to the differences between day and night, in that a panic alarm without video verification may not be taken as seriously by the responding officer, let alone, command a mass response from multiple officers on patrol. Also noteworthy is that if the responding police know that it is an actual robbery, they are less likely in most circumstances to be seriously injured or killed, to the extent that otherwise, they might have "thought" that they were just responding to yet another false alarm. However, in actuality they are ambushed and/or surprised by the gun-wielding robber, who might do whatever it takes to escape justice, even if it means killing a police officer. Remarkably, this has tragically happened in the past on numerous occasions nationally.

Similarly, in the event that an alarm activates and the police respond, and they find no signs of forcible entry at the site during their perimeter search of the property; often times they clear the scene. Thereafter, the business owner responds to his property as well. But he may show up after the police have cleared the scene. He then enters the premises alone only to determine that there is a burglary in progress as the intruders gained access into the premises through a location that was not able to be recognized by the police, such as through an adjacent store wall or from the roof. Now we have an unarmed subscriber

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walking into a burglary in progress. Indeed, this is a recipe for disaster.

Properly designed and installed video verification may, in certain situations, mean the difference between life and death to the responding officers, as the more information that the police have prior to responding to the criminal event, the better prepared their team can be, in order to neutralize the active threat.

Conclusion

As the foregoing illustrates, video verification gives the responding police a critical tactical advantage against criminals, regardless if they are committing a burglary, robbery, or other type of felony. Likewise, the sooner a central station can get the police to the premises, the more likely it is that the intruder(s) will be successfully intercepted and arrested. Along those same lines, since the damages sustained at the protected premises are dramatically minimized or eliminated, alarm company liability becomes a non-issue, since without damages no lawsuit can proceed. Fundamentally, damage and loss reduction at any level, equates to helping to reduce liability and lawsuits. In short, there is nothing like catching an intruder in the act, to help minimize or eliminate many aspects of liability against alarm contractors. Likewise, it also helps protect subscribers, their assets and property.

Lastly, no matter what type of security system that your alarm company provides they must always reliably function as they were intended too.

Many in the alarm industry believe that video verified systems are more costly, difficult to install, or otherwise unreliable. However, this perception is not accurate. To the contrary, the technology available today is not your father's video surveillance system; it is one that is not only reliably protecting hundreds of thousands and thousands of properties across the country, but its capture rate is statistically remarkable. Of particular significance as well is that many jurisdictions have already stopped responding to burglar alarms, unless they are first verified, so video verification is a solid bridge to this huge gap.

In summary, while video verification is not the proper methodology for every application; for the premises where it is appropriate, alarm contractors should always consider the profusion of security benefits of recommending it, as part of the full range of security system equipment and services that they offer to the public.



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With over forty years in the alarm and security industry, Mr. Zwirn has been actively involved in the development, recommendations, application, design, programming, installation, application, maintenance, testing, inspection and UL listed central station monitoring of thousands of burglar and fire alarm systems. This long term presence in the industry supports the proficiencies of the services offered by IDS Research & Development, Inc., and has brought Mr. Zwirn across the country, in thousands of alarm and security related cases and claims. His unique ability to convey critical insight and analysis into alarm and security related issues has also resulted in the development of seminars, training programs, curriculum and test questions for the coveted and internationally recognized CPP Certification, through The American Society for Industrial Security, The New York City Police Department (NYPD), New York City Police Department Crime Prevention Unit, New York City Police Training Academy and the Joint Terrorism Task Force (JTTF). He has also provided consultation services to the United States Coast Guard, Drug Enforcement Administration (DEA), The Bureau of Alcohol, Tobacco and Firearms (ATF), Jackson Memorial Hospital and the Department of Corrections.

Mr. Zwirn has been retained by some of the largest alarm companies in the country, and has also published extensively on topics pertinent to alarm and security issues. In addition, Mr. Zwirn is the author of the peer-reviewed *Alarm Science Manual*™.

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