

IP Surveillance Comes Into Focus

Solution providers who get in now are winning business in markets from airports to zoos.

By Alan S. Horowitz

MOTHERS PREFER THE ACT OF GIVING BIRTH TO BE A private experience, and this goes for zoo animals as well as humans. That's why the Denver Zoo relies on IP surveillance technology to monitor the births of lion and gorilla cubs while not disturbing them or their moms. The zoo uses IP technology to monitor animal health in a way that does not require human intervention and to record animal activities for future research.

According to Dean Paulson, director of IT at the zoo, having an IP network infrastructure in place made it relatively easy to deploy the solution. And it's easy to use. When the staff wants to monitor various animals, they move the camera from location to location and just plug it in. So promising is the technology that all new zoo exhibits are being wired for IP surveillance.

IP also enables the zoo to remain on technology's leading edge. "IP is where everything is going," Paulson comments. Today, the zoo has three cameras, all mobile, and the system could be expanded to include as many as 70 cameras. In addition, because the cameras are on a network, curators can monitor the animals remotely from any computer and in real time. The technology also includes motion detection, a feature that conserves storage and makes monitoring easier.

The device used to record the births was an AXIS 213 PTZ network camera, with a 12x optical zoom and a 700x480 resolution, a solution provided to the zoo by Axess Communications, an integrated communications solution provider.

A Promising Solution

The zoo-cam suggests the promise of the brave new world of IP surveillance. Camera surveillance has been around for years, of course, but until recently it relied on decades-old analog video and closed-circuit television (CCTV). Tapes are bulky to store and, when trying to retrieve an image, difficult to work with. With IP, images are saved to a hard drive and eventually burned to a DVD or stored on a SAN or digital video recorder. And being digital, the images are easier to access. Plus, IP allows real-time surveillance, unlike analog, while providing access to large numbers of cameras from a single remote location.

For these reasons and more, the IP surveillance market is growing. "More and more companies use remote monitoring to reduce fraud and theft. It can also be used to increase customer service and employee productivity," notes Dan Kummert, director of sales for the data division of Axess.

Components of an IP surveillance solution include cameras (zoom, wide angle, basic, night), cabling to hook up to the network, centralized applications that handle reporting, and related infrastructure. "Switching and routing equipment, storage systems and servers all get sold with surveil-

lance systems," says John Gunn, president of system integrator ISG Technology, who notes the potential of add-on sales, such as an access control system using key cards.

"Stepping up to an entire physical security system is natural because they all run on an IP infrastructure," he says. Gunn got interested in IP surveillance after attending an Ingram Micro demonstration about the technology.

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— Irene Chow, Ingram Micro

About the Customer

Who are the prospects for IP surveillance? Irene Chow, digital home and digital signage category manager at Ingram Micro, notes that commercial/business customers comprise 65 percent of the surveillance market, public sector customers 25 percent, and the remainder are residential customers. Solution providers have deployed IP surveillance solutions in parking lots, stadiums, school campuses, car dealerships and manufacturing facilities.

Ken Presti, research director of network channels at IDC, says the market for IP surveillance includes "retail, hospitals, airports — any place where people gather and there's a risk associated with them getting together."

To Cory Rehfeldt, business development manager at Inacom Information Systems, the best market is new facilities: "If there's a new school or new plant, then you can get them to use one technology. If they already have a traditional video setup, you probably

won't get them to replace it."

For these and other customers, a key advantage is that IP surveillance leverages existing infrastructure. "As people build networks, there is more and more emphasis on making better use of them," Rehfeldt says. Just as IP telephony eliminates the need for separate telephone and computer systems, IP surveillance does away with the need for a separate video network. And it is highly scalable.

On the Business Side

Also driving the market are falling prices, especially for cameras. Chow notes that cameras account for up to 40 percent of an IP surveillance system's costs. In 2005, the average selling price of a traditional CCTV camera was \$163, vs. \$319 for an IP camera. But the price of IP cameras is falling much faster than that of CCTV, and they should be similarly priced by 2008.

As prices fall and the technology gains wider acceptance, IP surveillance will continually gain market share. According to Chow, in 2005 IP technology had only 5.6 percent of the surveillance market, a share expected to increase to 31 percent by 2008.

This growth highlights the reason to get into IP surveillance now: Because the market is still developing, there's not a lot of competition. "Traditional resellers aren't into

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▲ Screen capture from the AXIS 213 PTZ IP surveillance camera from Axis Communications that monitors lions and gorillas at the Denver Zoo.

it, and traditional security companies don't understand servers and IP," says ISG's Gunn. And like all markets early in their growth cycle, profit margins are high — far better than on commoditized technology.

"IP surveillance is more of a solution than just selling a box," says Kummert of Axess Communications. Services are usually built into the solution, helping to account for gross profit margins that average 20 percent to 30 percent.

In addition, IP surveillance offers the seller a competitive edge. Notes Chow, "Just by offering IP surveillance, solution providers can show they are ahead of the curve. It's a way to distinguish yourself from the competition."

Getting Started

Solution providers familiar with IP networking should do well in the surveillance market. There is a learning curve, however, related to the workings of cameras, including how to mount and point them; and how the software, which controls the cameras, records the images and provides playback functionality.

Kummert says solution providers need to understand how to provide power to the cameras over Ethernet, and develop short- and long-term storage solutions that include backup. It also critical to have a stable network infrastructure and management tools.

Consider getting Security+ certification from industry association CompTIA (see www.comptia.org). "This certification isn't required to build an IP surveillance practice, but it's still a good idea to get the knowledge and, even better, the certification," Chow says. Manufacturers also offer worthwhile training, and Ingram Micro provides technical support for IP surveillance, an IP Surveillance

Practice Group, and a complete line of solutions.

John Riddle, president of Information Networking Company, a solution provider targeting the SMB market, warns that there could be construction-related issues with some installations, such as drilling holes through walls of buildings. Some facilities managers may allow only



certain certified contractors to work on the premises, he says. Issues relating to fire and building codes and privacy may also need to be considered. Riddle suggests dealing with construction issues by partnering with a firm in that field.

Marketing IP Surveillance

Solution providers would be well-advised to remember that IP surveillance is just one aspect of a company's overall security solution. By pushing IP surveillance in isolation, you run the risk of coming across as just another box pusher.

"It's best to offer to cover the customer's security end-to-end, providing more of a complete solution," says Jim Daniel, convergence solution advisor at Results Technology, a VAR providing design, consulting and project management services. "Any time an end user

For More Information

For resources on IP surveillance solutions, Ingram Micro's customers can visit www.ingrammicro.com/ipsurveillance, or call the Security Help Desk at 1 (800) 445-5066, ext. 76102.

can deal with fewer vendors for its overall solution, the cost is lower."

IDC's Presti recommends starting with a conversation about network security, and then expanding that to include IP surveillance.

Riddle believes in focusing on the person who owns the security budget. To this person, he talks about overall security — network security, security of facilities, surveillance. "IP surveillance is an important subset of security, but still a subset," he says. "That's my pitch when I go into hospitals, schools and other large installations."

ISG's Gunn uses direct mail to market his IP surveillance services. He offers prospects lunch-and-learn programs,

where two or three technologies, including IP surveillance, are discussed. "IP surveillance is a nice solution to take to customers," he says. "It's something a little different."

Something different with enormous potential, solution providers agree. Says Riddle, "IP surveillance is a fabulous opportunity to those who are willing to invest the time to understand all the variables."

About the author: Alan S. Horowitz is a freelance technology and business writer based in Salt Lake City.

Company Mentions

- Axess Communications**, www.axesscomm.com
- Inacom Information Systems**, www.inacom.com
- ISG Technology**, www.isgtech.com
- Information Networking Co.**, www.inc1.com
- Results Technology**, www.resultstechnology.com

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