

Safeguard Security acquires Citadel Security

By L. Samuel Pfeifle, editor

HOUSTON, Texas—In a move motivated by relationships, geographical proximity and margins, Safeguard Security Holdings acquired Citadel Security, the company announced Feb. 21. Safeguard, a provider of corporate and industrial security systems and personnel, bought the guarding firm with \$1.7 million in annual revenues for an undisclosed amount. The purchase comes just eight months after Safeguard's acquisition of integrator and guard firm Systemsgroup.

Safeguard chief operating officer W. Brown Glenn said the Citadel buy is in line with a number of goals he has for the company. First, Citadel's customers, clustered in Arkansas and Texas, are within Safeguard's Sun Belt target market. Further, they are largely commercial-based, which is important as Safeguard continues to get away

from the government market.

"The government doesn't care about quality," Glenn said. "We want to be a value-added proposition, and the government doesn't do value-added."

To that end, Safeguard has been building a company that

can design and integrate a solution, and then provide the guards to run it.

Safeguard is currently looking at further companies to acquire "from Florida all the way to southern California," said Glenn, in an effort to become

a \$100 million company with margins at 19 to 20 percent and publicly traded on one of the major exchanges. Safeguard is currently traded on the over-the-counter market and Glenn said the company has filed a registration statement with the

SEC and would like to soon get on the OTC Bulletin Board.

"We think corporate clients are best served with an integrated security solution," Glenn said. "Guards are expensive; it doesn't matter whose balance sheet they are on." Thus, Safeguard is embracing IP video, video analytics and sensor technology, some of it created right in Dallas. *SSN*

ASG buys Zartek

By Martha Entwistle, managing editor

BELTSVILLE, Md.—Characterizing ASG's February acquisition of Zartek Security of Gilbertsville, Penn., as a "nice, strong power play," Bob Ryan, ASG vice president of sales and marketing, said the move is key to increasing ASG's market share in the Delaware Valley.

The deal, which closed in February for an undisclosed price, brings with it \$41,000 in recurring monthly revenue and 1,500 customers. "It's a heavy commercial company [90 percent] with lots of access control work and a lot of fire alarm inspections," Ryan said.

Since the acquisition, ASG combined Zartek with another company, formerly known as Techtronics, located in Sellersville, Penn. ASG acquired Techtronics in October (see story in November issue of *Security Systems News*).

Both businesses have been moved to the Gilbertsville site, "which gets us on the map closer to Philly," Ryan said. The Philadelphia metropolitan area is the prime focus for this group.

Zartek's former owner, Barry Gossin, will pursue other business interests outside of the security market. Twenty other Zartek employees have joined ASG, including Dave Czarnecki, who founded Zartek in 1996. Czarnecki will stay on as branch general manager. "He's a good guy who's firmly entrenched in that [Philadelphia] turf," Ryan said. *SSN*

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