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ESX[®]

ELECTRONIC SECURITY EXPO
MANAGEMENT TRACK | FIRE FOCUS | RMR FOCUS

**THE BUSINESS OF FIRE ALARMS:
 RECURRING REVENUE RAIN MAKER – PART 3**

1

ESX FEEDBACK



- 1**
ANSWER 5 QUESTIONS ABOUT THIS SESSION
- 2**
GAIN ACCESS TO THE PPT SLIDES
- 3**
BE ENTERED TO WIN A \$100 GIFT CARD

3 GIFT CARDS (\$100 EACH) AVAILABLE FOR SURVEY RESPONDENT RAFFLES

WINNERS WILL BE NOTIFIED THROUGH THE ESX APP

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ESA ELECTRONIC
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COURSE OBJECTIVES:

The Business of Fire Alarms: Recurring Revenue Rain Maker – Part 3

- The importance of offering a comprehensive post installation program
- What people, processes and procedures are needed to service and maintain fire alarm installations
- Best practices in delivering these types of service in the field and from the office
- The potential partnerships you should consider that increase your RMR opportunity

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MEET THE SPEAKER




LARRY D. RIETZ, SET, CFPS
VP, SERVICE LINE LEADER, FIRE DETECTION & ALARM
JENSEN HUGHES

7

1

THE IMPORTANCE OF A COMPREHENSIVE POST INSTALLATION PROGRAM



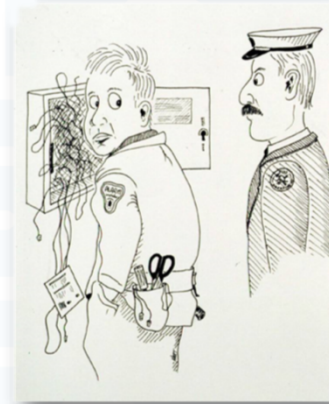
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What is an Inspection, Testing, and Maintenance Service?

- Simple yet Comprehensive Definition:
 - A service program provided:
 - By qualified personnel
 - qualified individual(s) or qualified property owner's representative
 - where specific system components are inspected and tested
 - at the required frequencies
 - and necessary maintenance is provided.
 - Inspected = Visual
 - Tested = Functional



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Qualified Personnel

- NFPA 25 Definition “Qualified Personnel”:
 - Competent and capable individual(s) having met the requirements and training for a given field acceptable to the AHJ. [3.3.35, 2023]
- NFPA 72 Definition “Qualified”:
 - A competent and capable person or company that has met the requirements and training for a given field acceptable to the AHJ. [3.3.236, 2022]
- NFPA 72 Chapter 10 – Inspection, Testing, Programming, & Service Personnel
 - Competence through training and experience
 - Knowledge of Code, equipment being tested, and test methods
 - Factory training, national certification organization, local license



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Why Perform ITM?

- **It is a legal obligation!**

- Owner is Responsible!
- Owner can delegate responsibility via a signed contract/lease.
- Owner or owner’s representative and delegate ITM to a contractor via a signed contract/lease



- **Individual Standards Dictate ITM Criteria**

- NFPA 25 – Water-Based Suppression Systems
- NFPA 72® – Fire Alarm Systems
- NFPA 10 – Portable Fire Extinguishers
- NFPA 90A – HVAC & Smoke Dampers
- NFPA 101 – Emergency Exit Signs and Lights
- NFPA 110 – Emergency Generators



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Why Perform ITM?

- **It improves fire alarm system reliability!**

- Lack of maintenance and testing is a leading cause for fire alarm system failure



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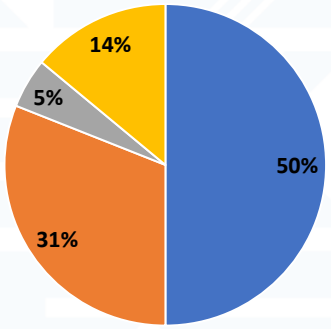
13

Why Perform ITM?

- **Reduces “false” or nuisance alarms!**
 - Official Term: Unwanted Alarm
 - Malicious Alarm
 - Nuisance Alarm
 - Unintentional Alarm
 - Unknown Alarm

2019 Data:
2,893,000 nuisance (“false”) alarms
~ 1 of every 12 calls

Call %



Category	Percentage
Unintentional Calls	50%
System Malfunctions	31%
Malicious Activation	5%
Other / Unclassified	14%

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Data: NFPA; Fire Loss in the United States in 2019

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Why Perform ITM?

- **Mitigates the Owner’s and the Contractor’s Liability!**
- Inspection or service contracts contain obligations
- Post-Incident investigations reveal:
 - Failure to perform inspections at all
 - Failure to perform inspections timely
 - Failure of accurate records
 - Failure to record system software file revision/date
 - Failure of actual of sequence of operation



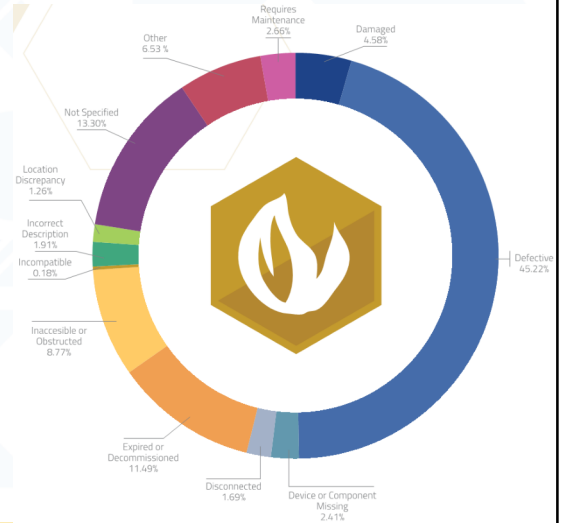
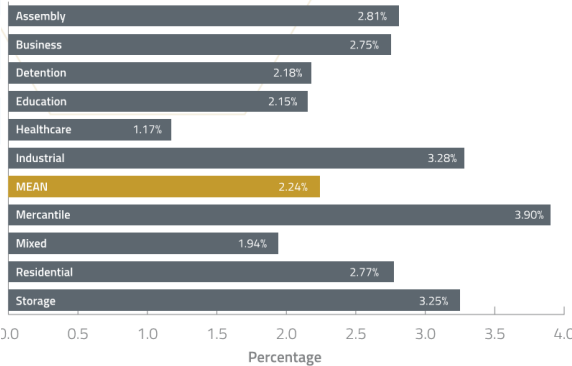
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Does ITM Have Any Real Value?

- **Nationwide Periodic Inspection Data:**
FireScan Average Device Failure Rate by Occupancy Type



Data & Diagrams Courtesy: BuildingReports.com; 2021 Benchmark Report

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16

When do you start to think about Inspection, Test, and Maintenance?

- Design and Installation
 - Devices shall be installed in a manner that provides accessibility for periodic inspection, testing, and maintenance [17.4.3]
- Initial Acceptance Test
 - Must provide a completed Record of Completion Form
 - Section 2 includes Test and Inspection Contractor Information

SYSTEM RECORD OF COMPLETION

2. INSTALLATION, SERVICE, TESTING, AND MONITORING INFORMATION

Installation contractor: _____
 Address: _____
 Phone: _____ Fax: _____ E-mail: _____
 Service organization: _____
 Address: _____
 Phone: _____ Fax: _____ E-mail: _____
 Testing organization: _____
 Address: _____
 Phone: _____ Fax: _____ E-mail: _____
 Effective date for test and inspection contract: _____
 Monitoring organization: _____
 Address: _____
 Phone: _____ Fax: _____ E-mail: _____
 Account number: _____ Phone line 1: _____ Phone line 2: _____
 Means of transmission: _____
 Entity to which alarms are retransmitted: _____ Phone: _____

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2

SERVICE AND MAINTAIN FIRE ALARM SYSTEMS – PEOPLE, PROCESSES, AND PROCEDURES BEST PRACTICES



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Best Practices: People



- Hire Wisely
 - Eager to Learn vs. Eager to Show
 - Long-Time One Place vs Short-Time Every Place
- Train, Maintain, and Expand Skills
 - What is needed and when?
- Reward Certifications
 - I&T Fire Alarm – NICET Level I & II



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Inspection & Testing Skills



- Entry Level
 - Personal job site safety
 - Identifying and testing FACU, power supplies, and monitoring
 - Identifying and testing common notification and initiating devices
 - Understand NFPA 72 test methods
 - Prepare documentation
 - Identify fire alarm system interfaces
 - Communication with Owners, occupants, AHJ, and teammates
- Advanced Level
 - Interfaces with suppression and preaction systems
 - Specialized equipment like flame, radiant energy, air sampling, and smoke control
 - Planning of complex fire alarm inspections, including coordination with other trades
 - Intersecting and conflicting code requirements


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Best Practices: Processes

- Planning
 - Test Plan Required by NFPA 72
 - Client contact information
 - Monitoring account information
 - In case of emergency...
 - Documentation available
 - Required Tools and Equipment
 - Prior notification required
 - Items to be inspected
 - Items to be tested
 - Documentation completed
 - Recommendations / Deficiencies / Impairments



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21

Best Practices: Processes

- Tools



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Best Practices: Processes

- Tools

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Best Practices: Processes

- Execution
 - Charged and ready to go?
 - What's the plan? 100%, 25%.
 - Notification activation – before-hours, after-hours? How long?
 - Interface Equipment
 - Fire Sprinkler
 - Kitchen Hood
 - HVAC
 - Elevators
 - Dampers / Doors

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Best Practices: Procedures

- It's all about Documentation – Paper or Electronic?
- Use Digital Tools!
 - Mobile and web-based applications
 - Digital forms – on-line and off-line
 - Secure download and upload
 - Notations and pictures of deficiencies
 - Quote on-site or forward for follow-up
 - Manager portals to track accounts, reports, service tickets, etc.

Diagrams Courtesy: BuildingReports.com

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25

Best Practices: Procedures

Digital Inspection Forms:

1. Pre-filled fields for efficiency
2. Required fields to ensure completion and compliance
3. Up-to-date NFPA code requirements
4. Ability to attach media
5. Embedded NFPA code references
6. Fast, easy report generation

Diagrams and Content Courtesy: ServiceTrade.com

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POTENTIAL PARTNERSHIPS TO INCREASE FIRE ALARM RMR



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Partnerships: Clients & Staff



- The most important of all partnerships!
- Become a trusted adviser for clients
 - Perform a device audit
 - Explain what the testing entails
 - Provide options to make their life easier
 - Follow up with a post-inspection call or visit
- Understand your staff's strengths and weaknesses
 - Create balanced teams
 - Mentor and train
 - Encourage staff to create client trust




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Partnerships: Product Partners

- It is more than a price list and a quota!
- You know what they want from you; what do you need from them?
 - Design Tools
 - Inspection Tools
 - Quoting Tools
 - Training
 - Certifications
 - Branding
 - Awards and Recognition




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Partnerships: Authority Having Jurisdiction

- Seek to Understand before being Understood
- Plan Submittal Requirements
 - NFPA 72/170? Checklist? Signature/Stamps? Paper/Electronic?
- Acceptance Test Requirements
 - Pre-requisites? Advance Notice? 100%? Who?
- Periodic Test Requirements
 - Do reports need to be uploaded to the AHJ?
- Monitoring Requirements
 - Monitoring change or termination must be reported to the AHJ [NFPA 72 10.21.3 and 26.2.7.1]



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Partnerships: Industry Trade Organizations



- Stay close to your industry.
- Industry Trade Organizations
 - Electronic Security Association (ESA)
 - Automatic Fire Alarm Association (AFAA)
 - The Center for Campus Fire Safety (CCFS)
 - Safer Buildings Coalition (SBC)
 - Local Associations
- Training and Conferences
- Webinars
- Newsletters and Trade Publications



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Conclusion

- Significant Recurring Revenue Streams:
 - Monitoring
 - Test and Inspection
 - Maintenance / Service
- Use updated technology to streamline limited resources
- Focus on People, Processes, and Procedures
- Build lasting partnerships



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The graphic features a blue background with a white dotted pattern. On the left side, there is a vertical yellow and blue diagonal striped bar. The text 'RATE THIS SESSION' is in large, bold, white letters, with 'RATE' in yellow. Below it, the URL 'ESXWEB.COM/FEEDBACK' is in white. Underneath the URL are five yellow stars, with the last one being an outline. At the bottom, a yellow banner contains the text 'ELECTRONIC SECURITY EXPO. SECURITY CONNECTED. ELECTRONIC SECURITY EXPO. SECURITY CONNECTED.' in black.

33