

Supercom looks to surveillance market

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by Sarah Lysecki

Traditional PC distributor **Supercom Canada** is eyeing the security-surveillance market after signing an agreement to distribute a U.S.-based company's digital video software and hardware recently.

Supercom has announced a deal with Laurel,



Md.-based Odyssey Technologies Inc. to be the sole distributor of its core product line, Remote Eyes, in Canada. Under the agreement, Supercom distributes Odyssey's Remote Eyes digital video servers Watchdog Pro Security software and hardware solutions.

"There's a demand and the market is changing," said Allan Mui, security solutions product manager at Supercom in Toronto. "The old conventional security system is not appealing right now

and has a lot of restrictions. This is a potential market for future growth of (Supercom)."

He added resellers can make between 15 to 20 per cent margins or higher, depending on the amount of services sold.

"Supercom is very strong in certain markets based on their manufacturing capability, and we're selling into that," said John Webster, CEO of Odyssey. "We're re-invigorating our push into the Canadian market. Supercom is one of the vendors of choice that we wanted to work with."

The majority of Odyssey's sales are through the channel, with its sales representatives acting as account managers for partners.

The agreement, which was reached three months ago, allows Supercom to go to different dealers in the market such as those in security. Mui said this group of resellers could, in turn, sell to corporate and SMB markets, while Supercom's current base of 8,000 resellers across Canada will sell to home users.

Remote Eyes servers allow customers to replace analog video equipment with digital video recorders (DVR). Benefits include elimination of multiple tapes, the ability to rapidly retrieve incident-related video clips, and can integrate with other systems including networked databases.

Remote Eyes security products are available for integration with over 300 POS system models that run on either Microsoft Windows 2000 or XP Professional platforms. Mui said customers may not have to buy a new system and, in some cases, their previous cameras are still functional with the new equipment.

Starting at \$1,000, the product line gives dealers a less-expensive alternative to professional security systems. Prices can go as high as a few thousand dollars depending on number of cameras used (maximum 16 per unit), type of cameras, and number of days of recording.

Opportunities for VARs to upgrade systems may exist in cases where faster processing speeds and higher capacity hard drives are required.

"One of the questions organizations need to ask is, 'How will this affect the performance of the machine their server is sitting on?'" said David Senf, [IDC Canada](#) analyst.

"The only real advantage to this type of technology is you can do real-time monitoring. Another question is, 'To what extent does that benefit them?' and 'How often do you need to go back and review video footage?' If it's not that frequently, what cost advantage does digital solution provide over the analog."

Senf added that companies need to look at when they're going to buy this type of equipment as prices will continue to come down over time.

Supercom plans to take the product on the road in early October to demo the product to resellers outside of Ontario in Alberta and Quebec.

"The customer has to know the product," said Mui. "There are so many similar types of products in the market. The dealer has to look into the quality and specifications."

Currently, Supercom has a handful of resellers selling this product but Mui expects that number to rise.

"The market should be significant. The numbers (of dealers) should be increasing. We're exploiting whole new dealers in this area."

Commutee Electric, a North Bay, Ont.-based dealer, has installed Odyssey's security products in residential and retail environments.

B.J. Arrowsmith, company owner and computer-network specialist, said revenues on this type of product are generated from integration and services.

"In today's computer trends and sales trends it's not a market to get the sales, it's a market to get the services," said Arrowsmith.

He added pricing even at the high end is still significantly less than for analog video equipment.

Odyssey, which was founded in 1997, focuses on providing its customers with video central station monitoring technology (VCSM). This enables users to centrally monitor multiple remote video installations over broadband data networks. The company's solutions range from home automation to property management to retail.

Supercom, which distributes PC peripherals, components and systems and provides integration

services, reported over \$600 million in sales last year.

Home user versions of Remote Eyes start at \$800 and corporate version starts at \$1,200.