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CITY OF MILWAUKEE

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PUBLIC SAFETY COMMITTEE

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In the Matter of renewal application for  
"PINNACLE SECURITY"  
1290 S. Sandhill Road  
OREM, UTAH

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8

STEVEN P. ZOLMAN - Agent

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COMMITTEE MEMBERS

11

ALD. ROBERT DONOVAN - Chair

ALD. ROBERT PUENTE - Vice-Chairman

12

ALD. TERRY WITKOWSKI

ALD. T. ANTHONY ZIELINSKI

13

ALD. ASHANTI HAMILTON

14

LICENSING DIVISION by RICHARD PFAFF

POLICE DEPARTMENT by SEARGENT CHET ULICKEY

15

OFFICE OF THE CITY ATTORNEY by ATTORNEY BRUCE SCHRIMPF

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Proceedings had and testimony given in  
the above-entitled matter, before the PUBLIC SAFETY  
COMMITTEE OF THE CITY OF MILWAUKEE, on  
the 3rd day of January, 2008.

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P R O C E E D I N G S

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CHAIRMAN DONOVAN: Next individual,  
Steven Zolman, agent for Pinnacle Security, LLC,  
private alarm system business renewal application  
for Pinnacle Security. Please come up.

Good afternoon.

MR. BARLOW: Good afternoon.

CHAIRMAN DONOVAN: Why don't you swear  
these individuals in?

(Whereupon the Applicants were sworn.)

CHAIRMAN DONOVAN: Could you gentlemen  
state your name and address for the record,  
please?

MR. BARLOW: Yes. My name is John  
Barlow. I'm counsel for the company. My address  
is 2887 East Danish Oaks Court, Sandy, Utah  
84093. I'm a licensed attorney in the State of  
New York and the State of Utah. I'm not licensed  
in the State of Wisconsin. I'm here appearing as  
a representative for the company. This is Mr.  
Clint Cushing, our regional representative here.  
Would you state your name, address for the  
record?

MR. CUSHING: Clint Cushing, 449  
Partridge Lane, Rexburg, Idaho 83440. I

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1 currently live in Rexburg, Idaho, half the year.  
2 Wisconsin, the other half of the year. So I  
3 don't have my residence yet in Wisconsin, but I  
4 am in the process of getting that.

5 CHAIRMAN DONOVAN: Very good.  
6 Sergeant?

7 SERGEANT ULICKEY: As indicated, Mr.  
8 Chair, there is a letter on file, or I should say  
9 Milwaukee Police Department matter of report,  
10 that is dated June 26th of '07. That was written  
11 by Officer Ann McCarthy, who is our Alarms  
12 Control Officer. I can give you a brief rundown.  
13 As you can see, there is no police report  
14 attached. If the committee recalls last meeting  
15 or the meeting prior to that, I indicated that we  
16 are revamping our filing system. We are  
17 revamping how we looked at these alarm companies.  
18 And as a result, the formal police report that  
19 you are used to is not attached hereto.

20 The citations that were issued to the  
21 company are referenced in this letter. If you  
22 look towards the bottom, there were 15 citations  
23 that were issued from May 2nd through August 9th.  
24 There are 125 non-verified calls from May 2nd  
25 through December 22nd that were not cited.

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1                   CHAIRMAN DONOVAN:  Hmm.

2                   SERGEANT ULICKEY:  We do have Officer

3 McCarthy here if you'd wish to request any

4 verification or clarification, I should say, from

5 her, but that - - At this point that's what I

6 would have for you.

7                   CHAIRMAN DONOVAN:  I would.  Officer,

8 if you could please take a seat, and I'd be

9 interested in giving this committee your

10 perspective on dealings with this company, and

11 what has been your experience over the last year

12 or more.

13                   MR. SCHRIMPF:  She has to be sworn in,

14 Mr. Chairman.

15                   (Whereupon the witness was sworn.)

16                   CHAIRMAN DONOVAN:  Go ahead, please.

17                   MS. MCCARTHY:  Okay.  First came in

18 contact with the Pinnacle Company after receiving

19 citizen complaints regarding the representatives

20 from Pinnacle going door-to-door, different

21 various citizens saying that they were told that

22 the police would either still respond or were not

23 needed to respond anymore, different various

24 complaints like that.  I then - -

25                   ALDERMAN PUENTE:  Mr. Chair, if I may.

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1 CHAIRMAN DONOVAN: Go ahead, Alderman.

2 ALDERMAN PUENTE: According to this

3 matter of, and if my off - - my memory serves me

4 correct, you got a call from my office.

5 MS. MCCARTHY: That's correct.

6 ALDERMAN PUENTE: Regarding this.

7 MS. MCCARTHY: That's correct.

8 ALDERMAN PUENTE: Oh, okay.

9 MS. MCCARTHY: From your office and - -  
10 and some citizens. All basically the same types  
11 of complaints. I then, after talking to  
12 different people, I - - I got information and I  
13 got Clint Cushing's name as the regional sales  
14 manager. And I did speak to him on the phone a  
15 few times, told him of our - - our situation here  
16 in Milwaukee. And he did advise me - - He  
17 assured me that his - - his representatives were  
18 not misleading people. And then I - - I did get  
19 the name of Michelle Thomas from the Pinnacle  
20 Company in Utah, as I wanted to talk to someone  
21 right from the company in Utah and let them know  
22 of the situation here in Milwaukee. And she then  
23 told me that - - Let's see. That was - - She  
24 told me she would relay that information to the  
25 administrators of the Pinnacle Company. And

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1       meanwhile, the calls continued to come in, the  
2       non-verified calls.

3               And then on July 13th I spoke to two  
4       people from their monitoring company. Security  
5       Associates monitors the alarms for the Pinnacle  
6       Company. And they call in the majority of  
7       Pinnacle's calls, along with other alarm company  
8       calls, and they also assured me that they were  
9       going to have a conference call with their  
10      monitoring center and dispatch center to address  
11      the problem. But to date the Pinnacle - -

12             CHAIRMAN DONOVAN: Did you initiate  
13      that contact with them?

14             MS. MCCARTHY: Yes, I did.

15             CHAIRMAN DONOVAN: So, after your first  
16      phone calls to, I believe, this gentleman and so  
17      on, there wasn't much of an improvement. It's  
18      your - - If I'm understanding you correctly,  
19      which then it became necessary to follow up with  
20      additional calls. Correct?

21             MS. MCCARTHY: That's correct. And  
22      that's where we are today.

23             CHAIRMAN DONOVAN: Um-hnh. And have  
24      you seen any improvement?

25             MS. MCCARTHY: I can't say that I have.

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1                   CHAIRMAN DONOVAN:  Hmm.  
2                   MS. MCCARTHY:  Not - - Not to today's  
3                   date.  
4                   MR. SCHRIMPF:  Mr. Chairman?  
5                   CHAIRMAN DONOVAN:  Go ahead.  
6                   MR. SCHRIMPF:  I would ask if - - if  
7                   Officer McCarthy has any records with her that  
8                   reflect her contacts with this company or the  
9                   complaints or calls that have come in?  
10                  MS. MCCARTHY:  Yes, I do.  
11                  MR. SCHRIMPF:  Could you show them to  
12                  counsel, please?  
13                  (Officer complies.)  
14                  MR. BARLOW:  Would you mind if we  
15                  switched places?  I mean, Miss - - Ms. McCarthy.  
16                  It's a pleasure to meet you in person.  
17                  Yes, my name is John Barlow, B-A-R-L-O-  
18                  W.  I'm an Executive Officer of the company and  
19                  general counsel for about five weeks, so I've  
20                  been an outside law partner servicing the company  
21                  for about five years, but about five weeks on the  
22                  job.  
23                  These your - - Are these your notes,  
24                  ma'am.  Is that correct?  
25                  MS. MCCARTHY:  Yes, sir.

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1 MR. BARLOW: Okay. Thank you very  
2 much.

3 MS. MCCARTHY: Okay. I guess I'll just  
4 start from the beginning.

5 This is actually my first documented  
6 note when I - - documents that I - - I spoke to  
7 Chris from Alderman Puente's office, who  
8 first - -

9 MR. BARLOW: Sure.

10 MS. MCCARTHY: - - brought this  
11 complaint to my - - to my attention. And then I  
12 - - I had spoke to Clint Cushing.

13 MR. BARLOW: Right.

14 MS. MCCARTHY: Advising him of the  
15 problems. I believe it was Mr. Cushing that gave  
16 me Michelle Thomas' number from the main office  
17 in Utah.

18 MR. BARLOW: She works in my office.

19 MS. MCCARTHY: Okay. And then on May  
20 4th I left her a message to call me back  
21 regarding this problem. On May 7th she called me  
22 back.

23 MR. BARLOW: She did call you back.

24 MS. MCCARTHY: Right. And - - And  
25 advised her of the - - the problems here in the



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1 City, and - - and that was at that time when she  
2 told me that she would check into it further.  
3 And then on June 12th, I contacted the monitoring  
4 company.

5 MR. BARLOW: Security Associates.

6 MS. MCCARTHY: Correct. And - - And  
7 advised them of the problems that we were having  
8 of the continued non-verified calls coming in,  
9 and - - and spoke to the two women there, Leah  
10 Burns - -

11 MR. BARLOW: Um-hnh.

12 MS. MCCARTHY: - - and - - and they  
13 were also going to see what they could do on  
14 their end to - - to stop these calls from coming  
15 in. And then I also, on July 17th, spoke to Mr.  
16 Cushing. I have a note here that he actually  
17 called me regarding the latest negative news on  
18 the news broadcasts that was - -

19 MR. BARLOW: It was a competing  
20 company, wasn't it? I'm not aware of any news  
21 broadcasts concerning our company. I'm aware of  
22 a competing company that had several news  
23 broadcasts.

24 MS. MCCARTHY: Right. It - - It  
25 affected the citizens - - Citizens became - -

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1 MR. BARLOW: More concerned, perhaps.

2 MS. MCCARTHY: - - more concerned  
3 regarding all these alarm companies that were - -  
4 were going door-to-door.

5 MR. BARLOW: Sure.

6 MS. MCCARTHY: So Mr. Cushing had  
7 called me regarding that, and wanted to assure me  
8 that's how their two-way speaker-phone system  
9 worked, and so forth.

10 And then, August 31st I started faxing  
11 all these calls to Pam Belnar and Leah Burns from  
12 the Security Associates, which is the monitoring  
13 company.

14 MR. BARLOW: Do you mind if I ask if  
15 those were sent to Pinnacle, as well? I haven't  
16 seen those yet. I do know Pam Belnar.

17 MS. MCCARTHY: Okay. Negative. They  
18 were not sent to Pinnacle.

19 MR. BARLOW: No problem. Just asking.

20 MS. MCCARTHY: And then, again, on July  
21 13th I spoke to Leah Burns, a follow-up call  
22 regarding the calls that were continuing to come  
23 in for Pinnacle from Security Associates.

24 MR. BARLOW: Thank you.

25 MR. SCHRIMPF: And then I would ask,

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1       how many such calls came in, whether or not  
2       citations were written?  
3               MS. MCCARTHY: From Pinnacle?  
4               MR. SCHRIMPF: Yes. Or attributed to  
5       Pinnacle through, what's the call in, or the  
6       verifying - -  
7               MS. MCCARTHY: Security Associates.  
8               MR. SCHRIMPF: Yeah.  
9               MS. MCCARTHY: 125, that were not cited  
10      for, you mean. Correct?  
11              MR. SCHRIMPF: And between what period  
12      of time were those calls coming in, the dates?  
13              MS. MCCARTHY: May 2nd, which was  
14      shortly after they started canvassing the city,  
15      through today's date.  
16              MR. SCHRIMPF: So the last one - -  
17              MS. MCCARTHY: I'm sorry. Yesterday's  
18      date.  
19              MR. SCHRIMPF: - - will be sometime in  
20      late December, early January - -  
21              MS. MCCARTHY: Correct.  
22              MR. SCHRIMPF: - - of '08?  
23              MS. MCCARTHY: Yes.  
24              MR. SCHRIMPF: Okay. Mr. Chairman, at  
25      some point I think it would be appropriate to

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1 have the committee receive those documents into  
2 the record of this proceeding. However, I want  
3 to make sure that counsel has a chance to look at  
4 them and - -

5 CHAIRMAN DONOVAN: Um-hnh.

6 MR. BARLOW: Thank you.

7 MR. SCHRIMPF: - - whatever. And - -

8 And we may have to have copies made for purposes  
9 of the committee record.

10 CHAIRMAN DONOVAN: Um-hnh.

11 MR. SCHRIMPF: That's all I have.

12 CHAIRMAN DONOVAN: Thank you.

13 Gentlemen, let me - - Let me try and convey to  
14 you, certainly my concerns, as - - as an  
15 alderman. And I believe these concerns are  
16 reflected in the rest of the committee members,  
17 and - - and other aldermen for the City here.  
18 Number one, the fact that we have a verified  
19 alarm program in place here in Milwaukee, and  
20 yet, consistently your company is not responding  
21 effectively to those parameters. Okay. We're  
22 still getting calls that are not verified coming  
23 in to our police department. That needs to stop.  
24 And I'm disturbed that there hasn't been  
25 apparently much of an effort over the last year,

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1 despite the fact that this officer finds it  
2 necessary to call on numerous occasions. Quite  
3 frankly, I'm disturbed that we even have to  
4 employ a alarms officer like this. I'd much  
5 rather have her out responding to calls or  
6 preventing crime from occurring instead of having  
7 to contact wayward alarm companies. But having  
8 said that; That's number one, the concern.  
9 Number two, the concern that I have had  
10 in hearing from a number of my constituents, and  
11 I know I speak for other aldermen, when they - -  
12 And I've seen these individuals going door-to-  
13 door, and I - - It's my impression that they are  
14 young aggressive college kids. I don't think  
15 they're trained too extensively. I may be  
16 mistaken. If I am, please correct me. But I  
17 don't think they're trained too well, and their  
18 job is to make a little money before they get  
19 back to school. And so you flood an area, and  
20 sell for a month, and then you're out of town.  
21 And, you know, we - - There's nobody locally that  
22 I'm aware of, you know. I still ask - - Nobody's  
23 been able to tell me why all these companies  
24 exist in Utah. Something going on out in Utah  
25 that I don't know what, but it just doesn't seem

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1 to make a lot of sense to me. But anyway, maybe  
2 you can shed some light on that - -

3 MR. BARLOW: Thank you very much.

4 CHAIRMAN DONOVAN: So I'd be interested  
5 in hearing your response.

6 MR. BARLOW: Thank you very much.

7 First off, I'd like to thank Ms. Morgan. Nice to  
8 meet you in person. I kind of, hat-in-hand,  
9 apologize for not appearing on November 29th.  
10 It's not a justification, but the letter was sent  
11 to the home address of Mr. Zolman. He's not here  
12 today. And had we known, we clearly wouldn't  
13 have wasted your time. So apologize for that.  
14 Thank the committee for a chance to come and  
15 speak today. Nice to also meet Ms. McCarthy in  
16 person and appreciate the concern.

17 Pinnacle is a - - is a national  
18 company. We have - - We are - - Our home office  
19 is there, but Mr. Cushing lives here six months  
20 out of the year. We have a full time  
21 representative who lives here. His name is James  
22 Miller. His address is 7645 North Chadwick Road,  
23 Glendale, Wisconsin 53217.

24 By way of - - of just brief - - brief  
25 background, I'd like to respond specifically to

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1 the concerns of Ms. McCarthy. We have 22  
2 representatives in Milwaukee, and they are here  
3 traditionally, as you mentioned, during our  
4 summer sales program. We do sell year-round,  
5 when people call through our website or  
6 otherwise. But we do have 22 people that were  
7 here, for example, during a four month period,  
8 April to August, 2007. Mr. Cushing is personally  
9 responsible for their training. They go through  
10 extensive training programs at our home office in  
11 Pinnacle, and then here, as well. So, we would  
12 like to distinguish ourselves, and it sounds like  
13 there is a larger concern with many alarm  
14 companies, and I can only answer for our company  
15 today.

16 But I would like to specifically  
17 respond to the first responder issues. Pinnacle  
18 Security had been an authorized ADT dealer, so  
19 they've been our monitoring company for years.  
20 And then this next year we went with someone  
21 called Security Associates International. And  
22 Milwaukee is, and of all the cities that we're  
23 in, I mean, we're in every state in the Union,  
24 but one of the cities that has this first  
25 responder requirement, where instead of a burglar

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1 alarm, say, someone pulls open the back door,  
2 instead of it going straight to the police  
3 department, which you can do in most cities  
4 through my own experience in the United States,  
5 we're actually aware of four cities, Milwaukee  
6 being one of them, where you actually have to  
7 contact a private responder service first.  
8 And we were not - - When we - - When we  
9 were with ADT, ADT, as - - as you log in an  
10 account, say, you bought - - I bought a system, a  
11 resident of Milwaukee, there's a code that gets  
12 put in for each door, each window, to protect the  
13 resident. When we were with ADT, they took care  
14 of that programming for Milwaukee directly. And  
15 when we went with Security Associates  
16 International, it's not a justification, it's an  
17 explanation, we were not on the same page with  
18 them, that we were supposed to hard code that to  
19 go to their first responder service, who is  
20 someone called Securitas. And - - As opposed to  
21 Milwaukee. So we had, for example, 929 of the  
22 citizens of Milwaukee who purchased an alarm  
23 system from us. There were 15, and I have the  
24 citings - - So of the 929 there were 15 that were  
25 programmed incorrectly. And it's based on the



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1 notes I have, and I'm very interested in the new  
2 information which appears to have been going to  
3 Security Associates and not - - not to Pinnacle,  
4 and - - and perhaps that's my fault for not being  
5 in touch with you, even though I've been on-the-  
6 job five weeks here. Maybe Clint - - I'll throw  
7 him under the bus here. Maybe he should have  
8 been in touch with you. But what we did is we  
9 went in, and I have records of the accounts that  
10 were re-programmed to take the signal away from  
11 the police department that doesn't want that  
12 first answer, to go ahead and go to Securitas.

13 We were under the impression that those  
14 had been fixed, and they were fixed. I have 11  
15 in June, one in July, and three in August for a  
16 total of 15. And we're disappointed that we were  
17 not aware of any other communication at Pinnacle,  
18 and I understand, and completely understand why  
19 you felt like you were contac - - contacting  
20 Security Associates, and perhaps, they should  
21 have been contacting us. But we felt like we had  
22 resolved this issue. We had paid a fine of 160  
23 dollars per - - And I have those here, as well.  
24 Mr. Cushing filled these out personally. We paid  
25 160 dollars per violation for those 15. And so

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1 of the 929 we had 15 violations, which is less  
2 than two - - two percent of our accounts were  
3 installed incorrectly.

4 I have a list of every single account  
5 that I brought with me today that I'm happy to  
6 give you that shows that things are correctly  
7 programmed today. I'd also like to offer - - We  
8 intend to be in Milwaukee for a long time, if - -  
9 if it would please the Public Safety Committee.  
10 We feel like we provide an important service for  
11 people that have it. We would be very concerned  
12 if our license isn't renewed. We have - - I had  
13 mentioned the 929. We service them on a - - on a  
14 monthly basis. We answer service calls to their  
15 homes, and if our license weren't renewed, I'm  
16 not sure what the 929 people would do with  
17 respect to service and monitoring.

18 That being the case, you need a better  
19 performance out of Pinnacle. And we're here  
20 today to tell you that. I want to give you my  
21 card to call personally. I propose that maybe  
22 Mr. Cushing, it's obviously at your convenience,  
23 Ms. McCarthy, but he'd be willing to meet with  
24 you weekly, monthly, whatever it is, to address  
25 any outstanding concerns. We were frankly very

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1 disappointed that there was a feeling among the  
2 committee that we hadn't been responsive. That  
3 is not what we want to be known for, and felt  
4 like, based on the 15 notices that we had, that  
5 we had responded, paid the fine. Our codes show  
6 that they're handling normally, and I'm - -  
7 Forgive me if I'm wrong, Ms. McCarthy, but I'm  
8 not sure that we heard directly from you.  
9 Because I think you were talking to Security  
10 Associates after August. And so, we - - we'd  
11 like to have that dialog. It's probably our  
12 fault for not leading out with you and contacting  
13 you. But we'd very much like to address what  
14 might still be going on. It disturbs me, for  
15 example, that you said you had some in December,  
16 as well. We'd love to sit down and look at each  
17 house that those came from, and look at the  
18 codes. That's - - So that's how we would respond  
19 to those allegations.

20 MR. SCHRIMPF: Mr. Chairman.

21 CHAIRMAN DONOVAN: Very good. Go  
22 ahead, Mr. Schrimpf.

23 MR. SCHRIMPF: Counsel, in - - in  
24 addition, the - - And I'm sure your notice  
25 contained copies of this, as well. There were

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1 warnings letters from the Wisconsin Department of  
2 Agriculture, Trade and Consumer Protection  
3 Division of March 29th, 2007, July 23rd, 2007,  
4 and September 19th, 2007 regarding violations of  
5 either the State Statutes or the Wisconsin  
6 Administrative Code.

7 MR. BARLOW: Yes, sir.

8 MR. SCHRIMPF: What happened as a  
9 result of those warnings letters? First of all,  
10 has - - has the Department continued to pursue  
11 any kind of civil or criminal litigation as a  
12 result of any of those letters?

13 MR. BARLOW: No, sir.

14 MR. SCHRIMPF: Okay. And what was the  
15 effect of those letters that I'm - -

16 MR. BARLOW: Yes. If I could respond  
17 to each letter in turn.

18 MR. SCHRIMPF: Okay.

19 MR. BARLOW: I have copies of the  
20 response letters sent back. I have an associate  
21 general counsel. I have copies of letters that  
22 were written back. The letter in March, I have  
23 no record of. And the company has no - - I mean,  
24 I - - I have the letter here, but we have no  
25 record of responding to that. And so, I

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1 apologize for that. The company just simply  
2 doesn't have a record. We got it when the filing  
3 was made. But then there were two other records.  
4 There was the March letter and the June letter,  
5 one of which we - - I could - - Would you like me  
6 to address both instances, sir?

7 MR. SCHRIMPF: And you might want to  
8 provide the committee with copies of the  
9 company's response.

10 MR. BARLOW: Yeah, I'd be happy to do  
11 that. I only have one copy, and, Ms. Morgan, I'm  
12 happy to give that to you if you're the correct  
13 person. In short, there were two customers that  
14 made a complaint. One was by the name of  
15 Constance Janikowski, and she claimed she wanted  
16 to be billed quarterly, and apparently we - - she  
17 felt that we had billed her monthly. And would  
18 you like copies of those? All right. I'm sorry.  
19 Bear with me for one moment. So here is the  
20 letter with respect to Ms. Janikowski, filed with  
21 Elizabeth Howard of the Bureau of Consumer  
22 Protection. And then here is our response  
23 letter, and then I have a follow-up dated July  
24 2nd, regarding customer Carl Lorenz.

25 Ms. Janikowski, bless her heart, felt

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1       that - - that we had over-billed her, because she  
2       wanted to be billed on a quarterly basis instead  
3       of on a monthly basis, and so she had written in  
4       a complaint into the Consumer Protection. She  
5       had also made a complaint, specifically, I'm not  
6       sure if she had had a - - an issue with it, but  
7       her letter had a direct responder service  
8       complaint, where she said apparently this company  
9       is not doing it right. They need to be  
10      contacting the first responder service. Her  
11      second complaint was we weren't billing her  
12      correctly. And with that one, when we talked to  
13      her, she was dissatisfied with that. We actually  
14      refunded her account. When we - - When we  
15      install equipment, it costs about 600 dollars,  
16      and we went ahead to make the customer happy. We  
17      left the equipment with her, which is a 600  
18      dollar loss to Pinnacle. And then we refunded  
19      the quarterly payments, about 123 dollars to her  
20      and let her out of her three year contract. We  
21      felt like we had, you know, what really - - Why  
22      was she disputing the monthly versus the  
23      quarterly? I wasn't there. But we felt like she  
24      was unhappy, and we wanted to refund her. So  
25      she's been refunded, and as far as we understand,

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1 she's been - - our customer service notes say  
2 that she appreciated that, and she's no longer  
3 our customer, but she does get to keep 600  
4 dollars worth of service. She could contact ADT  
5 or someone and sign that up.

6 The other one - -

7 MR. SCHRIMPF: Is the equipment  
8 transferrable between companies?

9 MR. BARLOW: Yes. Yes.

10 MR. SCHRIMPF: Or compatible between  
11 certain - -

12 MR. BARLOW: Not all companies.  
13 Depends. GE makes equipment. Honeywell makes  
14 equipment. And it depends on the different  
15 monitoring companies. But there are several  
16 other options out there for her. And, you know,  
17 we want to make our customers happy, at the same  
18 time, you know, it's a 600 dollar loss to - -  
19 loss to Pinnacle. But we felt that she was  
20 disappointed. She continued to call us, and we  
21 responded appropriately.

22 MR. SCHRIMPF: Okay.

23 MR. BARLOW: Ms. Nicole Mueller - - Mr.  
24 Cushing actually sold her account, but I'll speak  
25 for him. She - - When we install a system to

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1       avoid these false alarms, we put them in test  
2       mode for seven days, and we tell the customer  
3       that - - that basically what will happen in test  
4       mode is if something, you know, someone breaks a  
5       window, for example, the signal will go out to  
6       our first responder service. It - - It should.  
7       It does 98 percent of the time, but we need to  
8       get it to 100 percent, and then they call the  
9       person and say, hey, were you aware that your  
10      back door is open, things like that. So that we  
11      don't have too many - - That first week people  
12      have a tough time getting used to their system.  
13      They open doors. They offset alarms. Well, her  
14      system was installed, and about two days later  
15      her home was broken into while she was gone on  
16      vacation. And so she called and felt that  
17      Pinnacle Security didn't protect her. And we had  
18      informed her that it was a seven day test, that  
19      during the test period that she would not be  
20      covered to the extent that what happens is the  
21      call goes out to Security Associates  
22      International, and then they'll call the person  
23      and say, "Hey, your back door is open," in this  
24      case. And if she doesn't answer, they don't call  
25      the police under that situation. We tell them



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1       it's a trial period, and they can - - they can  
2       choose, a customer can choose shorter. If they  
3       want to do it for six hours or eight hours to get  
4       used to it, but she chose a week. So she called  
5       dissatisfied, feeling that the system that she  
6       bought should have protected her. Her letter  
7       says that she doesn't fault Pinnacle for the  
8       break in, but she would have - - she felt she  
9       didn't understand the test. We - - Because we  
10      felt badly about it, even though we didn't - - we  
11      felt like we had informed her correctly, the way  
12      she was buying her protection, we actually  
13      refunded her about 650 dollars to pay for a TV  
14      that was stolen and a stereo. And we also let  
15      her out of her contract and left her with the  
16      equipment. So I think Pinnacle does have a  
17      record, and I can't respond to that first letter,  
18      and I apologize, I'd be happy to - - to look that  
19      up. But with the - - the two complaints that I  
20      am aware of, not only did we respond, I felt that  
21      Pinnacle went above and beyond its legal duties  
22      to try to satisfy the customer, even to refunding  
23      a TV and a stereo when - - during the test  
24      period. So that's how I'd respond to those three  
25      complaints, and I'm not aware of any others. If

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1       there are, I'd be happy to look at them and - -  
2       and obviously address them.

3               MR. SCHRIMPF: Then just to follow up.  
4       On your questions. Are the customers aware of  
5       the fact that Pinnacle is not going to be  
6       responding in the event an alarm goes off, but  
7       that there's going to be some other company  
8       that's going to be responding, and do they know  
9       who that company is?

10              MR. BARLOW: They do. On the contract  
11       - - I'd be happy to provide the committee with a  
12       copy of the contract. There are actually seven  
13       - - To ensure that customer understands, there  
14       are seven yes or no questions that get answered  
15       on each contract. And they have to - - The  
16       customer has to circle yes or no to confirm that  
17       very fact. And one of them is that they are  
18       monitored by a company called Security Associates  
19       International. In addition, we do a welcome call  
20       to make sure that - - Not that - - Not that a  
21       sale - - I wouldn't dispartate your sales force at  
22       all, Mr. Cushing, but just to make sure that our  
23       sales force are acting appropriately, we have a  
24       back up welcome call that's recorded. I have the  
25       wave files for each one of those, where we ask

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1 again, did the sales rep ask you personally, the  
2 seven yes or no questions to confirm that they  
3 understand, among other things, that they're  
4 monitored by Security Associates International.  
5 So they're told that, yes, you will be - - a  
6 signal will be sent to Security Associates.  
7 Pinnacle is not a monitoring company. And that  
8 in the event that they send the monitoring  
9 service to your house, confirm that perhaps a  
10 burglary is taking place, that's when the police  
11 should be contacted. So that's how I'd respond.

12 MR. SCHRIMPF: And then, does - - At  
13 - - At the point in time that Security  
14 Associates, for example, contacts the Milwaukee  
15 Police Department, are they authorized or  
16 permitted to use the name, Pinnacle, in telling  
17 the Milwaukee Police Department that this is an  
18 alarm through Pinnacle, so that is that how the  
19 Milwaukee Police Department picks up Pinnacle in  
20 this thing?

21 MR. BARLOW: You know, I wouldn't - - I  
22 wouldn't be opposed - - I'm not aware of any  
23 contractual obligation to inform or not to  
24 inform. I wouldn't mind. Frankly, I'd like to  
25 know. I don't know if Ms. McCarthy could speak

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1 better to that than - - than I could. But I  
2 would - - I would hope that they would. I mean,  
3 if there's an emergency, I hope they're not  
4 talking about, you know, who it is specifically  
5 and let's address later, but that would be great  
6 with us if they were able to reference who we  
7 are.

8 MR. SCHRIMPF: How - - Ms. McCarthy,  
9 how does the call come in to you folks?

10 MS. MCCARTHY: It comes in both ways.  
11 Most of the time Security Associates will call in  
12 the calls for who they're calling for, Firstline,  
13 Pinnacle. Sometimes they just call in and - -  
14 and their operators say, "SAI."

15 MR. SCHRIMPF: And what's SAI.

16 MS. MCCARTHY: Security Associates  
17 International.

18 MR. SCHRIMPF: I see.

19 MS. MCCARTHY: And then for me to find  
20 out who they're calling for, I actually have to  
21 call back SAI and say, "Who are you calling in  
22 for?"

23 MR. BARLOW: If - - If I may, also, on  
24 Security Associates. They're - - They're a  
25 longstanding company. The founders of it used to

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1 be at ADT. So, I mean, the best in the business.  
2 However, I will say we have just a one year  
3 contract with them, and we've been reviewing.  
4 It's our responsibility, because they're our  
5 customers. But we use them through a monitoring  
6 company, and we're pretty reliant when we program  
7 on them to effectuate correctly to notifying you,  
8 and, you know, just so you know we're doing our  
9 own internal thought on whether we made a good  
10 decision going with Security Associates  
11 International. They're a national company.  
12 They've been in business for, you know, a decade.  
13 They came from ADT stock. I'm not saying that  
14 there is anything wrong with Security Associates  
15 International, but I will tell you that we want  
16 to make sure that that relationship works well  
17 with our company so that we're not sitting in  
18 meetings like this, and that we're, you know,  
19 addressing the customers that, you know, are  
20 happy and that want to be protected. And so I  
21 just mention that as a - - an internal review  
22 process that we look at. We're not throwing our  
23 hands up and saying, hey, it's our monitoring  
24 company's job. We see it as our job as a sales  
25 force to continue to make sure our customers are

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1 - - are happy.

2 MR. SCHRIMPF: Mr. Chairman, I would  
3 simply ask that the contents of Ms. McCarthy's  
4 file be received by the committee. The - - The  
5 warning letters that were referenced be received,  
6 the response by Pinnacle to the Wisconsin  
7 Department of Agriculture be received, and was  
8 there anything else that was part - -

9 ALDERMAN PUENTE: So moved.

10 CHAIRMAN DONOVAN: Yeah, Alderman  
11 Puente would move that all of the letters,  
12 warnings letters, response from Pinnacle, also  
13 copies of the reports from Officer McCarthy be  
14 included in the file. And hearing no objections  
15 so ordered. Did you have anything else, Mr.  
16 Schrimpf?

17 MR. SCHRIMPF: I have nothing else at  
18 this time, Mr. Chairman.

19 ALDERMAN PUENTE: Mr. Chair.

20 CHAIRMAN DONOVAN: Go ahead, Alderman  
21 Puente.

22 ALDERMAN PUENTE: Sir, when you  
23 referenced you have over 900 customers in the  
24 City of Milwaukee - -

25 MR. BARLOW: Yes, sir.

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1 ALDERMAN PUENTE: And there was a  
2 handful of them, 15, was that the number you  
3 used?

4 MR. BARLOW: Yeah.

5 ALDERMAN PUENTE: That you were having  
6 problems with? Is that correct? Is that - -

7 MR. BARLOW: Yes, we have - -

8 ALDERMAN PUENTE: - - what you're  
9 trying to tell me?

10 MR. BARLOW: Yeah, what I have, of the  
11 929, there were 15 citations for incorrect  
12 programming in the - - in the system, and I have  
13 a list of those, and they've been correctly  
14 programmed. And that's - - It's not a  
15 justification, it's an explanation of what  
16 happened. There was confusion between Pinnacle  
17 and Security Associates International, because of  
18 Milwaukee's first responder ordinance. And these  
19 were at the beginning of the summer is my  
20 understanding, and then those were fixed later.  
21 Yes, sir.

22 ALDERMAN PUENTE: But - - But then you  
23 are aware there's 125 other - -

24 MR. BARLOW: I was not aware of that  
25 until that was mentioned at - - at this meeting,

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1 and I would be very interested in knowing - -

2 ALDERMAN PUENTE: Oh. Oh, okay.

3 MR. BARLOW: - - what they are and  
4 where they are, and I can address that.

5 ALDERMAN PUENTE: Okay. Yeah, if  
6 you're not aware of it, then I'm sure you can't  
7 address it at this time.

8 MR. BARLOW: We'd be very interested in  
9 receiving that information, though.

10 ALDERMAN PUENTE: Officer, the  
11 complaints that you have of approximately 140, 15  
12 and 125, are they all from the same location,  
13 same area? Is there anything definitive about  
14 them that would say there's a problem at - - Did  
15 you get ten calls from one house like, as an  
16 example?

17 MS. MCCARTHY: No, they're from various  
18 locations throughout the City.

19 ALDERMAN PUENTE: Have you seen the - -  
20 that they are repeated from a house? If - - If  
21 you had a false alarm or they didn't respond  
22 first, and you brought it to somebody's  
23 attention, did it happen again?

24 MS. MCCARTHY: Some of them are repeat,  
25 but most of them are - - are not.



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1 ALDERMAN PUENTE: Okay. All right.

2 Thank you, Mr. Chair.

3 CHAIRMAN DONOVAN: Thank you. Any  
4 other questions or comments by committee members?  
5 Alderman Hines, did you -- did you want to  
6 comment?

7 ALDERMAN HINES: Not at this one.

8 CHAIRMAN DONOVAN: Okay. Thank you.

9 ALDERMAN WITKOWSKI: Mr. Chair.

10 CHAIRMAN DONOVAN: Go ahead, Alderman  
11 Witkowski.

12 ALDERMAN WITKOWSKI: You're a  
13 nationwide corporation?

14 MR. BARLOW: Yes, sir.

15 ALDERMAN WITKOWSKI: You have 929  
16 customers in Milwaukee. How many do you have in  
17 the State of Wisconsin?

18 MR. BARLOW: I have to get that number  
19 for you. Do you know -- Do you know that,  
20 Clint?

21 MR. CUSHING: Last year we had  
22 approximately 1200. Well, in 2007 we had  
23 approximately 1600 new customers added in  
24 Wisconsin, and the year prior, which was the  
25 first year Pinnacle had been here in probably

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1 five or six years, we had an additional 1300  
2 customers. So right now we probably have - -  
3 MR. BARLOW: 2800.  
4 MR. CUSHING: Yeah, about 2800  
5 customers in Wisconsin.  
6 ALDERMAN WITKOWSKI: But you don't have  
7 an office in Wisconsin?  
8 MR. BARLOW: We do have an office in  
9 Wisconsin. That was the address that I gave you  
10 earlier, and the gentleman's name and his  
11 address. Would you like me to give that to you  
12 again?  
13 ALDERMAN WITKOWSKI: So it's his home  
14 address?  
15 MR. BARLOW: Yes.  
16 ALDERMAN WITKOWSKI: That's your  
17 office?  
18 MR. BARLOW: Yes. He's - - He's our  
19 technician who is here to handle the service  
20 calls. Pinnacle is - - is a year-round company,  
21 but primarily focuses during the summer months,  
22 which is absolutely correct. And Mr. Cushing  
23 lives here six months out of the year in mainly -  
24 - What - - What are those months, Clint, you're  
25 usually here?

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1 MR. CUSHING: Primarily from April to  
2 the end of September, we work here, when it's not  
3 so cold. And when it - - And the rest of the  
4 year we - - we generate business from referrals,  
5 people just calling the number off of our signs,  
6 who call in and ask to have an alarm installed.  
7 And so that's - - Business slows down, primarily  
8 in the wintertime.  
9 ALDERMAN WITKOWSKI: So your promotion  
10 is sales. You're not service.  
11 MR. CUSHING: No, we do service. We -  
12 - We service all our customers. And so we have  
13 - - I - - I manage the sales reps.  
14 ALDERMAN WITKOWSKI: Do you have 22  
15 people to service people?  
16 MR. CUSHING: No.  
17 ALDERMAN WITKOWSKI: No.  
18 MR. BARLOW: The service - - It takes a  
19 lot more people to sell than to service. Service  
20 calls, despite, you know, the testimony today are  
21 a small fraction of the customers that we have.  
22 And so we have a full time service technician who  
23 lives here and handles all those, you know, hey,  
24 something's wrong. Can you come out and check?  
25 There's a faulty switch on my door. And that

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1 person is here year-round. The 22 that I  
2 referenced, excuse me, were salespersons, and  
3 then we usually have a two to one ratio,  
4 salesperson to technician. So the number I gave  
5 you is a little bit misleading. We had about 20  
6 salesperson and about ten or so technicians that  
7 are more savvy at, you know, screwing things to  
8 the walls than - - than Clint is.  
9 ALDERMAN WITKOWSKI: So I can find that  
10 in the Yellow Pages?  
11 MR. CUSHING: We - - We were listed in  
12 the Yellow Pages this year, yeah. And - - And  
13 that was where our - - What happens is in the  
14 summertime while we're here we pick a location.  
15 We lived off of Fountain Avenue in northern  
16 Milwaukee this last Summer. That was the best  
17 location for our business. And so, like every  
18 year it's different. We may have a more - - more  
19 employees next year, 25 to 30 sales reps if our  
20 license is approved again. And we may live in  
21 southern Milwaukee, where it's - - where it's an  
22 area that we'd like to target more. But, so, the  
23 permanent address would probably be just the  
24 address of the - - the technician who is  
25 servicing those accounts right now. It's a full

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1 time employee of Pinnacle.

2 ALDERMAN WITKOWSKI: And the City of  
3 Milwaukee Police Department has that person's  
4 name, address and phone number?

5 MR. BARLOW: They should. We have - -  
6 I think, believe we have the necessary licenses,  
7 and I'm happy to give you those - - those license  
8 numbers. I'm happy to confirm that for you, if  
9 you don't have that address, be happy to do so.

10 ALDERMAN WITKOWSKI: I guess I'm more  
11 interested in the - - in the service part. As I  
12 hear 140 calls, costing the City of Milwaukee  
13 money, while you make money, I guess that doesn't  
14 make me too - - too happy. I heard you say that  
15 you didn't want to think that - - didn't want us  
16 to think that you're not responsive, and quite  
17 frankly, coming into this I thought you were not  
18 responsible, let alone responsive.

19 MR. BARLOW: I'm sorry - -

20 ALDERMAN WITKOWSKI: Our option is take  
21 away the license.

22 MR. BARLOW: I'm sorry. I  
23 misunderstood you. Would you mind just saying  
24 that again? I didn't - - I didn't hear that  
25 correctly. I'm sorry.

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1 ALDERMAN WITKOWSKI: Coming into this  
2 meeting, well, here you said today that you  
3 didn't want to be not responsive.

4 MR. BARLOW: Yes, sir.

5 ALDERMAN WITKOWSKI: Appear to be not  
6 responsive. And I - - Based on 140 incidents  
7 here in the City of Milwaukee, it looks like  
8 you're not responsible as opposed to not  
9 responsive. How long is a contract with a  
10 customer?

11 MR. BARLOW: Most contracts are for a  
12 three year term. And might I ask, for  
13 clarification, I'm not sure I understand what  
14 that number, 140, calls is. Is that - - Is that  
15 calls to the police department that didn't go to  
16 Security Associates International? Is that a  
17 customer who may or may not be happy for a  
18 legitimate reason? Can you help me understand  
19 what that number is? I'm not sure I know what  
20 that number is that you're referring to.

21 ALDERMAN WITKOWSKI: Officer, do you  
22 want to respond?

23 MS. MCCARTHY: Those are non-verified  
24 burglar alarm calls that came into the City of  
25 Milwaukee where customers thought they were

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1 getting someone to respond to their alarm. And  
2 actually, we don't respond to those.  
3 MR. BARLOW: So it's a customer, if I  
4 may, it's a customer calling the police saying I  
5 thought that the police was going to come out and  
6 check, as opposed to Security Associates?  
7 MS. MCCARTHY: No, it's - - It's your  
8 monitoring company calling in on your behalf.  
9 MR. BARLOW: Oh, it's the monitoring  
10 company calling you, saying - -  
11 MS. MCCARTHY: Saying Pinnacle has this  
12 burglar alarm at this location, and it's not  
13 verified.  
14 MR. BARLOW: When you say "not  
15 verified," can you help me understand that?  
16 MS. MCCARTHY: There is no - - The  
17 Municipal Ordinance requires a private first  
18 responder to respond to verify burglar alarms?  
19 MR. BARLOW: Oh, so you're - - Just - -  
20 Thank you very much. So what you're saying is  
21 that when Security Associates calls you, they're  
22 saying we haven't verified?  
23 MS. MCCARTHY: Right. They're calling  
24 in an alarm that has not been verified yet.  
25 MR. BARLOW: Okay. That - - That - -

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1 That surprises me, because they're the ones that  
2 do the verifying. That company that - - Security  
3 Associates International is the company that goes  
4 ahead and verifies the calls. I don't know what  
5 the ratio would be of, you know - - Do you know  
6 of any of those 140 calls, whether they were  
7 actual crimes that took place that Pinnacle was  
8 able to assist the citizens of Milwaukee?

9 MS. MCCARTHY: I can't think of one  
10 that was verified, off the top of my head right  
11 now.

12 CHAIRMAN DONOVAN: Let me ask you this,  
13 if I may, Alderman, just very quickly. Who is  
14 your first responder company?

15 MR. BARLOW: The company is called  
16 Securitas, S-U-C - - Excuse me - - S-E-C-U-R-I-T-  
17 A-S. And they're actually a subcontractor of  
18 Security Associates International. So they're  
19 not controlled by us, but absolutely, they are a  
20 business partner in the sense that Security  
21 Associates International hires them to go out and  
22 look, and - - and I will definitely look in - -  
23 Frankly, there's a disconnect, because Security  
24 Associates International is the one that's  
25 supposed to be primarily responsible to make the



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1 verification before they call you. And so if  
2 they're calling you, there's a - - there's a  
3 disconnect somewhere, because in my mind, as I  
4 sit here, they're the ones that are supposed to  
5 verify. And so, I wasn't aware of that - - of  
6 that number, and I will personally look, you  
7 know, look into that. It's, again, I think the  
8 reason why they're coming through is because we  
9 had that miscommunication in the summer, there  
10 were 15 accounts that I'm aware of, and I assume  
11 the City was aware of, because we received  
12 citations for them. And if there are new ones,  
13 we'd like to know, that were misprogrammed. And  
14 I have a list of every single customer that has  
15 the code now that shows that they're correctly  
16 programmed, and if - - and if there's a problem,  
17 we would hope that you would be kind enough to  
18 inform us of it, so that we can address it. We  
19 think that, you know, of the 927 for this summer,  
20 you know, there were, you know, what, about 910  
21 - - 912 customers who were happy, were getting  
22 service, who were being protected, and who aren't  
23 unhappy. And at the same time we are - - are  
24 very concerned about the fact that you're having  
25 to spend your time with this. You should be

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1 doing other things, and we, again, I'd welcome  
2 the opportunity for myself or for Mr. Cushing to  
3 meet as often as you'd like to go through  
4 whatever issues are outstanding. We want to fix  
5 whatever problems are out there, and would  
6 respectfully request that you give us the  
7 opportunity to do so.

8 ALDERMAN WITKOWSKI: Mr. Chairman.

9 MR. SCHRIMPF: Mr. Chairman. Oh, are  
10 you done?

11 ALDERMAN WITKOWSKI: No, I wasn't.

12 CHAIRMAN DONOVAN: Alderman, go ahead,  
13 continue.

14 ALDERMAN WITKOWSKI: The - - How many  
15 alarms were verified that were called in to the  
16 police department?

17 MR. CUSHING: I didn't get that number.  
18 Could I - - Can I ask what - - Ms. McCarthy  
19 maybe can shed some light - -

20 ALDERMAN WITKOWSKI: I guess I got a  
21 little problem that you got to ask the police  
22 department what was verified.

23 MR. BARLOW: No, he wasn't asking - -

24 ALDERMAN WITKOWSKI: You're the company  
25 providing this service. Are you selling or are

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1       you providing service? Because if you're selling  
2       and not providing service, you are really doing a  
3       disservice to the citizens of Milwaukee here. I  
4       - - I should be able to ask you how many alarms  
5       were there in Milwaukee that you - - that you  
6       verified and found a problem.

7               MR. BARLOW: He was asking a separate -  
8       -

9               ALDERMAN WITKOWSKI: Or that you went  
10       out and found no problem.

11               MR. BARLOW: Yeah.

12               ALDERMAN WITKOWSKI: But I'm not  
13       getting that.

14               MR. BARLOW: I apologize. He was going  
15       to ask a separate question.

16               ALDERMAN WITKOWSKI: I'm - - My - - My  
17       hostility is not only towards him.

18               MR. BARLOW: That's fine. I was just  
19       referring specifically to his comment to Ms.  
20       McCarthy right there. We are a company who  
21       partners with SAI.

22               ALDERMAN WITKOWSKI: Are you the  
23       company with the license in the City of  
24       Milwaukee?

25               MR. BARLOW: We have a license - -

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1 ALDERMAN WITKOWSKI: And you have  
2 control over?

3 MR. BARLOW: Yes, our license number is  
4 P045037. We have a license to sell. We do not  
5 have a license to monitor. There are all kinds  
6 of companies out there. And the company that has  
7 a license to monitor is the name, Security  
8 Associates International. We're - - We're a  
9 sales-arm for them.

10 ALDERMAN WITKOWSKI: So let me ask you  
11 this. If we - - If we take away the license  
12 today.

13 MR. BARLOW: Yes, sir.

14 ALDERMAN WITKOWSKI: Will all the  
15 customers get service because somebody else  
16 services them and not you?

17 MR. BARLOW: They will receive - - They  
18 will not receive to their home, service. So in  
19 other words, if a customer called and said I need  
20 a technician to come to my home to service it,  
21 the answer is no. Every one of those 927 would  
22 lose it. Would they receive monitoring service  
23 from Security Associates International? They'd  
24 have to enter into a - - I guess they'd have to  
25 call them and enter into a separate contract.

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1 Right now, their contract's a three-party  
2 contract between Pinnacle, between the customer  
3 and between Security Associates International.  
4 And so, I guess it's possible that they could  
5 call Security Associates International and do a  
6 contract. I wouldn't - - I wouldn't doubt that  
7 Security Associates International would be happy  
8 to - - happy to have them, but then Security  
9 Associates International is going to have to find  
10 a company like Pinnacle on the ground day-to-day  
11 that can go to homes and to, you know, find out  
12 if something's come off the wall, if a sensor's  
13 not working.

14 ALDERMAN WITKOWSKI: So, indeed, your  
15 company sells but doesn't service then.

16 MR. BARLOW: I would take issue. We -  
17 - If you say service mon - - Do you mean  
18 monitoring when you say "service." You're  
19 absolutely right. And I would agree with you 100  
20 percent. If you say we don't service, we - - we  
21 provide 90 days of free service. A customer can  
22 call any time they want in the first 90 days.  
23 We'll come out there free of charge and fix  
24 whatever they have. After that 90 days, similar  
25 to Dish Network or DirectTV or whoever, we'll

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1 charge a minimal fee to send someone out to their  
2 house to charge it. So we have a very extensive  
3 service program with respect to our equipment.  
4 But as far as monitoring, no, sir, we are not a  
5 monitoring company.

6 ALDERMAN WITKOWSKI: So it's an  
7 accurate statement then that the Pinnacle Alarm  
8 Company does not provide service to citizens in  
9 Milwaukee.

10 MR. BARLOW: I would - - I would  
11 disagree with that. We don't provide - - We're  
12 not the primary responsible party to provide  
13 monitoring service. We do provide extensive  
14 service to a customer's home with respect to the  
15 equipment, but, no, sir, we're not the monitoring  
16 company.

17 ALDERMAN WITKOWSKI: So you sell the  
18 service, but you don't perform the service.  
19 That's somebody else's job.

20 MR. BARLOW: It's our - - It's our  
21 partner's job, Security Associates International.  
22 But we - - we have a responsibility to work with  
23 them to be effective.

24 ALDERMAN WITKOWSKI: And when - - When  
25 a person enters in this three month or three year

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1 agreement, what is the fee per month?

2 MR. BARLOW: It depends on how many  
3 sensors they get. If they want - - There's all  
4 kinds. The technology is really getting quite  
5 good. Whether it's wireless or whether it's  
6 hard-wired. Usually 39 dollars and 99 cents is  
7 our standard fee. You can upgrade, get all kinds  
8 of bells and whistles if you want, up to, you  
9 know, 50 or 60 dollars a month. But there are  
10 very few people that pay less than 39 dollars a  
11 month, sir.

12 ALDERMAN WITKOWSKI: So will you be  
13 able to provide us information as to how many  
14 alarms were serviced by your company here?

15 MR. BARLOW: I could. I don't have the  
16 information today, but I'd be more than happy to  
17 work with Security Associates and find out how  
18 many alarms came in.

19 ALDERMAN WITKOWSKI: Because I would  
20 expect if an - - an alarm company is licensed in  
21 Milwaukee, they should know that and be able to  
22 answer a committee's questions.

23 MR. BARLOW: I apologize, I didn't have  
24 that information. That's - - That's something I  
25 should have brought to this hearing. I

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1 apologize.

2 ALDERMAN WITKOWSKI: Because how big  
3 your sales staff is is not what we're interested  
4 in. We're interested in what are you doing for  
5 the citizens, what are you doing as a - - a  
6 licensed company here? Are you giving service?  
7 Are we bearing the load for you and working for  
8 you?

9 MR. BARLOW: Again, I apologize for not  
10 bringing that information. I would be happy to  
11 provide it at a later date.

12 ALDERMAN WITKOWSKI: That's all, Mr.  
13 Chairman.

14 CHAIRMAN DONOVAN: Thank you, Alderman.  
15 What I'd like to, or the message that I'd like to  
16 convey to you gentlemen, and - - and let me just  
17 explain where we're at here. There are a number  
18 of companies that their approval of their license  
19 is in jeopardy. Okay. I think I speak for this  
20 committee when I say yours is one of them.

21 MR. BARLOW: Um-hnh.

22 CHAIRMAN DONOVAN: We held a number of  
23 those companies in Council. The decision that is  
24 going to be made on whether to approve their  
25 licenses or not will be made on the 15th of this



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1 month, okay. We will be receiving a written  
2 report from these companies, some today, but the  
3 rest prior to the 15th, as to what steps they are  
4 planning on taking to serve the citizens of  
5 Milwaukee better, more effectively, and to ensure  
6 to us, as a committee, that - - and to the rest  
7 of the aldermen, that these problems that we've  
8 been going through, with your company and others,  
9 will cease, at least the vast majority of the  
10 mistakes.

11 So, what I am asking of you is to  
12 provide this committee, prior to the 12th of  
13 January, a written report as to what steps your  
14 company is going to be taking, beginning  
15 immediately, to ensure that these unverified  
16 calls do not come in anymore to the Milwaukee  
17 Police Department, at least 99 percent of them.  
18 Obviously, there's going to be one or two, but  
19 not 140, I think, was the figure that we were  
20 talking about. And I'd like you to, in addition,  
21 ensure to us that all fines have been paid up.  
22 That needs to be a part of your written report to  
23 us. And sort of an outline of what your - -  
24 ensure us that the salespeople for your company  
25 will not in any way be misleading our citizens as

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1 to what services you're going to be providing and  
2 what services you will not be providing.

3 MR. BARLOW: Sure.

4 CHAIRMAN DONOVAN: So with that, are  
5 there any additional comments from committee  
6 members as to what you would like to see in that  
7 written report to us prior to the 12th? So with  
8 that, I'm going to - - Alderman Puente's going to  
9 move that this item move on to the Council  
10 without a recommendation at this point from the  
11 committee, and it will be dealt with on the 15th  
12 with the other companies that - - alarm companies  
13 that we're dealing with at that time. That will  
14 be the first, I think it will be the first item  
15 that will be taken up right after the beginning  
16 of the meeting.

17 MR. BARLOW: Respectfully, I have a  
18 court hearing on January 15th. Is there any way  
19 possible to have a later date or an earlier date  
20 on when we could do that? It's a - - a trial  
21 that's been scheduled for some time. I apologize  
22 that date's not available to me.

23 CHAIRMAN DONOVAN: I don't - - No.  
24 We're not going to change the Council if that's  
25 what - - I don't think your presence - - You

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1 won't have an opportunity to speak, anyway, at  
2 that Council.  
3 MR. BARLOW: Oh, excuse me.  
4 CHAIRMAN DONOVAN: Okay. The decision  
5 will be made then. It's up to you to get your  
6 information to all of us prior to that.  
7 MR. BARLOW: Um-hnh.  
8 CHAIRMAN DONOVAN: And feel free to  
9 contact my office if - - if any issues, prior to  
10 the 15th.  
11 MR. BARLOW: Will any - - the presence  
12 of anyone be required, or would it be helpful on  
13 the 15th from Pinnacle Security?  
14 CHAIRMAN DONOVAN: I would suggest that  
15 somebody be there, yeah.  
16 MR. BARLOW: Okay.  
17 CHAIRMAN DONOVAN: Yeah.  
18 MR. BARLOW: Thank you.  
19 CHAIRMAN DONOVAN: And so with that,  
20 Alderman Puente would move that this move forward  
21 with no recommendation to the Council, and  
22 hearing no objections, so ordered. Thank you.  
23 MR. BARLOW: We thank you for your  
24 time.  
25 MR. CUSHING: Thanks.

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4 STATE OF WISCONSIN )

5 )

6 MILWAUKEE COUNTY )

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9 I, JEAN M. BARINA, of Milwaukee Reporters  
10 Associated, Inc., 5124 West Blue Mound Road,  
11 Milwaukee, Wisconsin 53208, certify that the foregoing  
12 proceedings is a full and complete transcript of the  
13 testimony taken in the foregoing proceedings.

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JEAN M. BARINA

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Court Reporter

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Dated this day of January, 2008.

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