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B.C.'s Big Brotherhood



DOMINIC SCHAEFER

Alexander Fernandes, president and CEO, Avigilon Corp.: "now it's about capitalizing on our head start [in the global marketplace]"

➤ Province cultivating global leaders in surveillance technology sector as core of homegrown expertise drives innovation

➤ Coquitlam's Seon, the world's second-largest mobile surveillance company, and other local developers have deep roots in B.C.'s tech community

By Curt Cherewayko

A new crop of surveillance technology developers in B.C. is illustrating the importance of having major home-based companies and a critical mass of local talent in creating a flourishing cluster.

Consider Coquitlam's **Seon Design Inc.** as an example.

The mobile surveillance systems maker's co-founders are former employees of **Silent Witness Enterprises Ltd.** – a surveillance system maker founded in 1986 that arguably was the seed for B.C.'s entire surveillance technology cluster.

Silent Witness, which was founded to develop black-box recorders for automobiles, was bought by **Honeywell International Inc.** in 2003

for \$84 million.

Ian Radziejewski left Silent Witness in 1999 and founded Seon a few months later with two other former Silent Witness employees.

“[Silent Witness] had an impact in terms of getting me and other people in other [newer] companies exposure to the security industry,” said Radziejewski, who is Seon’s president.

“There is definitely that spinoff aspect to it.”

Seon, which customizes surveillance technology for use in school buses, public transit, emergency and other vehicles, has 110 employees. It enjoys double-digit growth annually and, according to a 2009 report by U.K.-based **IMS Research**, is the world’s second-largest mobile surveillance company, with 6.8% of the global market share.

Seon has a smaller competitor in Abbotsford called **Gatekeeper-Systems Inc.** Its founder is also a former Silent Witness executive.

Meanwhile, **Jack Gin** and **Larry Doane** were senior managers at Silent Witness shortly before they founded Burnaby’s **Extreme CCTV Inc.**, which made night-vision security cameras.

Robert Bosch GmbH bought Extreme for \$93 million in 2008 to strengthen its U.K., U.S. and Canadian surveillance camera equipment market share.

At least a handful of the 70 employees at Vancouver’s **Avigilon Corp.**, which makes high-definition surveillance systems and software, also have career paths that lead back to Silent Witness.

But **Alexander Fernandes**, Avigilon’s president and CEO, believes that Vancouver’s critical mass of imaging software and technology developers has had a larger influ-

ence on Avigilon than any single surveillance tech maker. Atop that mass, which includes companies that develop medical imaging technology, high-end machine vision and imaging software and hardware, are anchor firms like **Kodak Co.**, **MacDonald, Dettwiler and Associates Ltd.** (TSX:MDA) and **McKesson Medical Imaging Group.**

He noted that even B.C.’s largest video game-maker, **Electronic Arts**, has helped cultivate surveillance and imaging technology developers.

“There is definitely that spinoff aspect to it”

- Ian Radziejewski,
president,
Seon Design

After all, Fernandes said, video game development involves a lot of image processing.

“A lot of the different engineers I’ve hired at some point either worked there or [at] EA or other local companies like MDA.”

Ross Mitchell, who is known as the founder of VoIP-developer **HotHaus Technologies**, is also a former MDA employee.

Now he’s chairman of **LightHaus Logic Inc.**, which is one of the newer and smaller companies within B.C.’s surveillance tech sector, but whose intelligent video analytics technology is particularly innovative.

Fernandes was one of the early employees of Vancouver’s **Creo Inc.**, which New York’s **Eastman Kodak Co.** acquired in 2005 for US\$980

million. Kodak was after Creo’s software for managing digital imaging workflows.

Fernandes later worked at Richmond’s **Xillix Technologies Corp.** (TSX: XLX), which made light-based medical detection systems, before founding his **Q-Imaging** medical imaging firm in 1999.

Three years later, he sold the Burnaby company for \$20 million. Avigilon, which was founded in 2004, is on an even faster growth trajectory. It has sold more than 3,500 systems in 55 countries since it began production in 2007.

It generated \$17 million in revenue last year and is on track to increase that to \$40 million this year.

It has been profitable in four straight quarters, recently installed a \$2 million assembly line and continues to hire.

Because few companies have fully embraced high-definition surveillance systems and many have thus far been content to stick with lower-cost analogue or hybrid analogue-digital systems, Avigilon’s market is estimated at \$10 billion and growing.

With Fernandes’ experience and networks, and with access to Vancouver’s tech talent pool – particularly its imaging software and hardware talent pool – Avigilon has created a cost-competitive high-definition system.

That gives it a head start in a global industry that’s going digital, but is largely made up of aging analogue expertise.

“We’re not even 1% of global market,” said Fernandes. “Now it’s about capitalizing on our head start.” ■

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