

DePaul Industries

Security Services

Overview

- Fixed Post/Limited Patrol
- Private /Public Mix of Customers
- Current Mix of Officers
 - 65% Male; 35% Female
- On Going Work (vs Events)
- Contracts Vary – Generally One Year
- Most Officers Work full time OR close to full time

Employment Statistics

FYE – 6/30/09

- Number of Officers Employed -- 507
- Total Hours Worked -- 350,038
- Percentage of People with Disabilities
 - Overall -- 72%
- Average Hourly Wage -- \$10.40
- Currently Working (as of 10/29/09) -- 290

Revenue Statistics

FYE – 6/30/09

- Revenue Earned -- \$5.4 Million
- Gross Margin -- 22.3%
- Revenue Mix -- 50% Private
-- 50% Public

Major Customers

- Public Sector
 - City of Eugene
 - Marion County Courthouse
 - Washington County Courthouse
 - Multnomah County Health System
 - University of Oregon
 - Oregon State University

Major Customers

- Private Sector
 - McKenzie – Willamette Medical Center
 - Safeway
 - Kroger
 - PCC Structural
 - Willamette View Hospital
 - Providence Health System

Major Customers

- Number of Sites Currently Serving
 - Public 41
 - Private 48

Branding



DEPAUL INDUSTRIES



DEPAUL SECURITY



DEPAUL STAFFING

To Get Where We Are Today....

- Started Business in 1996
- Driven by State set Aside Law
 - Early Years 100% Public Sector
- Two Keys:
 - Experienced, Believable Staff
 - Training

To Get Where We Are Today....

- Funding Operational Losses
 - Direct Cost Covered (2002-2003)
 - Cover Direct & Allocated Overhead (i.e., totally profitable – 2009)
 - Support from other business units (Staffing)
 - Minimal Grant Support
 - Training

Sales/Marketing Efforts

- Full Time Sales Representative
- Reputation in State of Oregon
- Set Aside Law
- Strong Experienced Management
- Key Factors – National Company Dominated;
/Perceived Poor Service Levels

Sales/Marketing Efforts

- 2007 Focus/Market Segmentation
 - Patrol – Out
 - Small Medical Centers
 - Retirement Homes
 - Court Systems
 - Light/Medium Industrial Settings
- Still Trying to Crack Hi-Rise Buildings

Training - Critical

- All Security Officers Must Meet Requirements Set by the State of Oregon Department of Public Safety Standards and Training (DPSST)
- DePaul's Minimum 16 hours – in Some Cases as Much as 40 Hours
- Teach our Course for Prospective DePaul Officers and officers of other companys (Revenue Source)
- Training program is State Certified

Training - Critical

- Three Modules
 - “Basic Training”
 - DPSST Skill Assessment
 - DePaul Pre-Hire Orientation

Other Issues

- Human Resource Issues
 - Workers Compensation Insurance
 - Harassment Issues
 - First Line Supervisors
- Liability Insurance Coverage
- Patrol vs Fixed Site
- Uniforms

Current and Future Outlook

- Downtown – so far Minimal Negative Impact
 - Lost 1 or 2 Accounts (Public)
 - Several Sites Reduced Coverage
- Despite Downtown – Still Growing
- FYE 6/30/09 – Revenue up 12%
- Projections for FYE 6/30/10- Revenue \$5.9 Million
 - Increase of 9%