The Imperial Difference

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Imperial Security Ranked #1 in Memphis, Tennessee by the Memphis Business Journal

For the fourth consecutive year, Memphis Business Journal ranked Imperial Security as the number one security firm in the greater Memphis metropolitan area. There were seventeen local security companies rated in 2010.

In a recent ceremony, at The Racquet Club of Memphis, Director Don Stewart accepted the award for Imperial. This annual award ceremony recognizes The Top of the List winners each year as published in the Memphis Business Journal's Book of



Don Stewart, Director, accepts the 2010 MBJ Top of the List Award for Imperial, while Louis Clay of Clay & Land Insurance, Jeff Roth of Ernst & Roth, Bill Wellborn, Editor of the Memphis Business Journal, and Joanna Crangle, MBJ Advertising Director look on.

Lists, and includes a wide array of business segments and industries. Clay & Land Insurance

And Ernst-Roth Premium Cost Segregation sponsored the 2010 MBJ Book of Lists.

Alabama Enacts Regulations Governing Private Security

The state of Alabama recently enacted legislation for a new regulatory agency to establish and enforce codes and laws governing the private security industry. Security agencies and guards both armed and unarmed now must be registered and

trained to uniform standards by state certified trainers. On January 1, 2011, when the legislation took effect, Alabama had one of the most stringent procedures in place for screening and training security officers. States regulate the private security industry, and Imperial meets or exceeds all existing State standards for our Officers and their training.



Historical Perspective

A long time ago, in 1968 when we started Imperial Security, America was in the midst of the Viet Nam War and there was unemployment, social unrest and political turmoil in our nation. Against this backdrop we made the decision to start Imperial and put as many people to work as possible, training them in the security profession. We wanted Imperial Security to be the best. In many respects, we were more successful than we ever dreamed, our company

is financially strong and rapidly growing. Many of our clients want us to deliver our services at their sites outside our area of operations and we are diligently working to do so. As we grow, new challenges and new opportunities for all employees will arise and we are confident that our team will catapult the company into the next phase of profitable growth. With this in mind, we have the goal of expanding our area of operations into all fifty States so that we may



Where were you in 1968?

better serve our clients with National Contracts. It has been a great fortytwo years and we look forward to a bright future for all of us.

American Society for Industrial Security International

The American Society for Industrial Security (ASIS), founded in 1955, is the world's leading organization for the security professional. In 2002, ASIS officially changed its name to ASIS International to reflect its global role to advance security practice worldwide. ASIS International is a not-for-profit organization whose mission is to disseminate security information and educational



For more information go to:

www.asisonline.org

materials to improve security practices, knowledge, and performance. The ASIS Foundation is a non profit organization that serves as the research and educational arm of ASIS which works to advance professional standards in the loss prevention and security fields. The 2011 ASIS International Annual Seminar and Exhibit is in Orlando, FL, this September.

Imperial Expands and Upgrades Patrol Vehicle Fleet

Imperial purchased over \$500,000 in new patrol vehicles to replace older, high-mileage units with newer models. This improved the fuel efficiency and reduced the carbon footprint of our fleet. Imperial replaced or upgraded the patrol vehicles fleet at our various Branch and Satellite Offices across the country. The bulk of the Imperial patrol vehicle fleet includes Ford Ranger pickup trucks,



Ford Ranger Security Vehicle

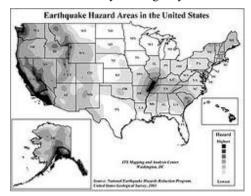
Ford Focus, Toyota Camry's, Toyota Corollas and Chevrolet Cobalt compacts as well as golf carts and utility all terrain vehicles, known as UTVs. The 2011 models have significant improvement in warranties due to manufacturing and technological improvements that we anticipate will result in reduced operating expenses due to a longer operating life.

200 Years Later, Mid-South Prepares for Another Big Shake

Two hundred years ago, the central US experienced some of the most powerful earthquakes on record in 1811-12. At the time, the area was sparsely inhabited in stark contrast to the large population in the central Mississippi River Valley today. In May of 2011, FEMA and eight states will participate in the National Level Exercise 2011, the first national drill

to focus on a natural disaster. The impact of a large earthquake on the New Madrid fault system could be catastrophic to the country, far surpassing damage done by Hurricanes Andrew or Katrina, with huge loss of life and disruption of transport, communications, and energy grids. Imperial constantly refines and improves our disaster response capa-

bilities to meet any contingency.



Earthquake Zones in the US

Environmental, Health and Safety Philosophy

Imperial's philosophy recognizes that good environmental practices have a positive impact on our business, customers, employees, and the neighborhoods where we operate. We strive to conduct our business in ways that minimally affect the environment and comply with all local laws and regulations. In the area of occupational health and safety, Imperial believes the health and safety of our clients, employees, and the public is our greatest priority. Imperial is committed to providing a safe workplace

that meets or exceeds all regulatory requirements to protect personnel from occupational injury or health hazards. We will ensure that all personnel are trained, properly equipped with personal protective equipment, and competent to perform their duties safely without excessive risk of injury or illness. Furthermore, our employees are trained in the prevention of workplace injuries and illness: and Imperial strives to improve our performance through risk assessment,

minimization of risk and constant monitoring of our environmental, health, and safety programs. Our employees are our greatest assets and we take every precaution to protect them!



2010 Blizzard Creates Havoc



2010 Blizzard

The Christmas blizzard that paralyzed the Midwest and Northeast US last December averaged more than 20 inches of snow in New Jersey. Our Burlington, New Jersey Manager, Justin Burd, went above and beyond the call of duty to make sure all guards were on post. Officer Burd, in his personal four wheel drive truck got all his officers on post when no one else could get to work. Wayne

Holland, Cranbury, New Jersey Manager, made arrangements for officers to stay at the nearby Staybridge Suites, so they would not have to hazard the dangerous roads getting to and from work. Imperial's company slogan, "Experience the Imperial Difference" was perfectly exemplified by the actions of all our officers during the havoc created by the storm.

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Experience the Imperial Difference

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Founded in Memphis, Tennessee, in 1968, Imperial Security, with offices from CA to NJ and FL to MN is one of the largest and fastest growing contract security providers in the United States. Imperial Security currently operates in seventeen states with plans to expand operations through-out the contiguous lower forty-eight. Our Company's organic growth and expansion of our area of operations is the direct result of client requests for Imperial Officers at their other facilities. This growth is partially due to Imperial's quality management system, The Imperial Difference. With considerable investment of time and expense Imperial has designed, refined and perfected our unique proprietary quality management system over the last forty-two years and it is unmatched in the industry.

Imperial Security promises quick response to any client issues. We will allocate the resources necessary to deal with any contingency, mobilize Officers with full logistical support to mitigate your risk and secure your assets. When Imperial responds, our clients get rapid reaction by their security contractor and enjoy the peace of mind that their property, employees, customers, and facilities are secure.

A Challenging Year, 2010 Exceeded Expectations

Bill Brinson, Executive Vice President



Retail sales for the 2010 holiday season exceeded industry expectations and the subsequent restocking of inventories should result in increased business for many of our retail, distribution, and transportation customers.

The last quarter of 2010 saw a significant increase in demand for our services both from our existing clientele, and new business from companies looking to change guard companies and new clients. We are anticipating a robust 2011 with significant growth and expansion into new areas of operation. I want to thank all of our Imperial family for their efforts in 2010. We avoided any layoffs during the economic downturn and while it negatively impacted profitability, Imperial returned to and surpassed prerecession levels in the latter part of 2010. The greatest growth has come from Arkansas, Georgia, the Carolinas, New Jersey,

Tennessee, Texas, and California. Remember that our success with clients depends upon what our officers do every day. Their on-thejob performance and dedication to excellence is what makes us the best, Imperial Officers stay focused on the fundamentals of security, safe operating procedures and their Post Duties. We pay special attention to our uniforms and appearance because we only get one opportunity to make a first impression. Our officers are the embodiment of the Imperial Difference, and we appreciate their consistently high work ethic and attention to detail.