

Security Systems from Telco Companies

When dealing with security systems with any of these companies: Telus/ADT, Bell Canada, or Rogers, you need assurance that the security products and equipment are of good quality. It reassures clients that in some cases, these companies offer the same alarm security equipment we sell at CSI and the same equipment that most other security company's use. The quality of security equipment that they all sell is considered good to excellent equipment in today's security market.

The issue that is the focus of this article is with the terms of ownership of the equipment that is involved. Canada's Telco companies have fine-tuned the policies regarding their products. The **Terms and Conditions** provided by each company affect either product ownership or how customers can use this equipment in the future, (should they ever decide to cancel their service or monitoring agreement).

This information is only to inform you about the security services that each of these Telco Company's provide and is in no way stating that you should or should not purchase any of the security services or equipment that they each provide. That decision is yours and yours alone.

Canada's Telco's have gone so far as to approach the manufacturers of alarm equipment and have requested that proprietary security products be made specifically for each of them. The unique codes embedded in the factory in these alarm panels and specific frequencies in the wireless devices they use with these panels are for their use only. Even though these panels and devices may be manufactured by the same manufacturer that CSI and other security companies buy from and service, no one else can use or service it except the specific Telco company that sells it.

These devices may look and work similarly, but still the panel programming is different. The manufacturers use the Telco's required frequency of wireless devices and transmission codes. As an established and credible alarm installation company, we do not have access to these Telco company-controlled panel codes or frequencies. We are not able to repair or replace defective components, as these have been defaulted from the factory to be used solely by the company that sells them, in this case, Bell, Telus, or Rogers.

The encrypted technology these companies use ensures that their home or commercial security customers are not able to leave for another company. They are, effectively, locked-In. And you may be one of them.

Unfortunately, Canada's Telco companies rarely explain the *terms and conditions* of their security system packages to their customers. They choose to instead sell alarm systems through their website or a mass marketing programs.

Buyer beware! Navigation through this marketing hype is not easy. There are so many issues to consider. Choosing an alarm system is a process. Coming up with the products you think you should have and that you believe you need takes time. Once you have made your decision, you should get at least three quotes to compare products, function, and pricing variations.

Canada's Telco's make it easy to buy an alarm security system online. Their websites are eager to give you a one-click package. A credit card is all it takes. Usually, no sales associate will ever come to your house or business. Instead, when the installer arrives, they are the one to decide what else you might require or what they might upsell when they arrive at your site. This is the consequence of having a single package alarm system installed with a fee for monitoring—all under the guise of service and ownership.

The reality is that Canada's big three Telcos want a serious chunk of what you spend on today's technology. They all offer telephone, mobility, Internet, wireless, and TV services. Between them, they have all cornered this market. And they are intent of taking even more control in another market, in the form of security and monitoring services. Even though Canada's Telcos want to offer security, is this a natural fit? Maybe or maybe not. Here is why.

Lets look at brief history of each major Telco company and the security services and equipment it offers.

Here is a breakdown of the three Telco's that differs from most security installation and monitoring companies and what you need to know. **This information below is only to inform you about the security services that each of these Telco Company's provide. listed in the terms and conditions that each provide for this service, and is in no way stating that you should or should not purchase any of the security services or equipment that they each provide.**

Are any of these Telco security services a good thing or a bad thing, only you can decide?

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Telus/ADT

Once upon a time, **ADT** was one of the largest, Security Company, in Canada. Over the years, it acquired several small and large security companies and put them all under their name ADT. In 2019, Telus purchased ADT's Canadian operations.

Vancouver, B.C. – Today, TELUS announced that it has agreed to acquire ADT Security Services Canada, Inc. (ADT Canada) for approximately 700 million dollars Canadian. ADT Canada is one of Canada's leading security and automation solutions providers, serving residential and business customers, with approximately 500,000 customers and about 1,000 team members across the country.

TELUS is proud to bring Canadian leadership to a formerly American-owned Canadian company, repatriating ADT Canada and solidifying TELUS' place as the leading provider of integrated connected home and security services for Canadians.

Telus purchased ADT and this cell-phone provider is now in the security business, with more than 500,000 customers across the country, giving it a significant foothold in the security business. Now, Telus wants all their new security customers to switch and use additional Telus services, services that are under the one increasingly large umbrella-Telus.

Bundled services, at reduced rates, is the name of the game. Don't get me wrong, the idea of bundled services used to be mainly in the realm of communications: long distance, mobile, and Internet. It was not so long ago that calling a family member or friend in another area code was expensive.

Today, many companies offer these bundle services, including home or business Insurance, VOIP telephone services, Health Insurance, business processes and IT solutions. They also offer IP networks, hosting, managed IT and cloud-based services, small business solutions, affordable phone plans, Internet, and now security installations and monitoring.

Each service bundle has its own separate terms and conditions but will eventually increase the overall rates to the actual cost over time.

How is the fine print important? Telus Security owns all the equipment they install. This is very important for a customer to understand. As a client, you do not own it. Telus Security installs its own brand of security equipment.

- The company retains ownership of all the main security equipment it installs.

- Telus will list the equipment they will install and then charge you an installation fee. In other words, this is a fee in order for them to install the listed equipment that they own under their terms and conditions.
- Their equipment relies on proprietary technology. No other security company can use their products, not even other Telcos.

In other words, once you sign up, you are a lifelong client of Telus.

Is this a bad thing? This is something that only you can decide.

As a customer, you pay an installation fee for each item you select on their website and you are then charged a monthly service fee for the use of their equipment.

You must maintain the equipment yourself. If you require service on your system, you can only use Telus to service it.

If or when you decide to cancel your security services with Telus, you must return all the security equipment to them in proper working condition. It is up to you to remove, take down, and pack these security devices for shipment. If you do not return the alarm security equipment in what they consider is in proper working condition, Telus will invoice you for the returned equipment or may charge your credit card on file. Does this seem right? To be invoiced for returning equipment that you thought you owned, and at today's current value?

***Telus Policy** - *Service and installation charges may vary depending on system configuration, equipment and services selected. Additional installation fees may apply for extra equipment. The offer applies to all ADT by TELUS packages and requires a 36-month monitoring contract. Prices exclude taxes. Equipment may vary in appearance.*

Equipment is ADT-owned; you must return the equipment in good condition upon service cancellation; otherwise, Telus invoices your account for the total replacement cost.

Includes Quality Service Plan (QSP)

QSP is ADT's Extended Limited Warranty. Limit one offer per new ADT customer contract and cannot be combined with other offers or discounts.

So as long as you understand what you have signed up for and agreed to, you will have a long relationship with Telus. Once again, is this a bad thing, you must decide?

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Bell Canada

The largest and strongest telecommunications provider in Canada has had no competition for decades. At first, Bell Canada was famous for being Canada's own telephone company, hardwiring homes and businesses across the country. It is safe to say, Bell Canada or BCE Inc. is in direct competition on all service levels for a service of which they were once the sole provider. Bell first got competition from Rogers in the communication business, then Telus came a long.

Fast forward to today, and Bell expanded its communication services offering, not only telephone services, but high-speed internet, fibre Internet, mobility and wireless services, smart home services, VOIP, satellite and Internet TV. In 2009, Bell Canada expanded its retail presence by purchasing The Source by Circuit City, which it then rebranded as The Source.

Both Rogers and Telus have gained large market share in Canada, chipping away at the foundation Bell Canada enjoyed for decades. At one time, there was only one Telephone Company in Canada, Bell Canada.

Bell Canada entered the alarm security business in the 1990s after purchasing Via Security, a security company located in Ottawa, Ontario, and also a Montreal-based security company in Quebec. These acquisitions gave Bell Canada a considerable market in the security business in Ontario and Quebec. But it was not long before Bell Canada faced so many service-related issues that this company decided it was not for them, and chose instead to sell their security business to ADT.

When at first you don't succeed, try, try, again. In 2018, Bell Canada entered the security business again by purchasing Alarm Force in Toronto, with customers across Canada. The acquisition enabled Bell to launch the Smart Home brand to accelerate growth in the connected home market. Bell did this in competition with Rogers in a new potential revenue stream. Rogers was already selling bundled services at this point in time.

"Smart Home Systems" include:

- Intrusion, smoke, flood and carbon monoxide detection services.
- Automation services include lighting, climate and lock control systems.
- In-home and mobile medical alert systems.

Again, to compete in this services bundle business, Bell Canada needed to be back in the security business once again. Rogers was taking business from Bell Canada with lower Home and Business phone lines, not to mention Internet services. Rogers was big on TV and cellular services, everything that Bell Canada wanted to be.

Like Telus, as mentioned before, Bell Canada charges installation and monthly monitoring fees for the security equipment its employees or dealers install. Also,

like Telus, Bell Canada retains ownership of all the equipment that has been installed until the initial contract term with their customer is up. Bell neglects to mention that the equipment is proprietary technology, even though, over time, you own the alarm security equipment 100%; no other security company can ever use their products. In other words, you are with Bell for Life. Once again, is this a bad thing? This is something for you to decide.

Bell Canada Policy

11. Ownership of Equipment. All equipment sold or otherwise provided to you will remain our property throughout the Initial Term. The right of ownership of the equipment will automatically transfer to you at the end of the Initial Term, provided that you have paid all amounts owing to us under this Agreement and are not otherwise in default of this Agreement. You are solely responsible for the cost of uninstalling or taking down the equipment. Until ownership of the equipment is transferred to you, you must: (a) take reasonable care with the equipment; (b) not sell, lease, mortgage, transfer, assign or encumber the equipment or re-locate it without our knowledge and permission; and (c) immediately notify us if the equipment is lost, stolen or destroyed. If this Agreement expires or is terminated and you are in default of any of your obligations under this Agreement, you must promptly return the equipment owned by Bell to us upon our request, at your expense. You will not, and will not permit any person to, (i) reproduce, alter or tamper with the mobile identification numbers (MIN) assigned to the equipment, or (ii) without our prior written consent, possess any tools or equipment that may be used to reproduce, alter or tamper with mobile identification numbers. If, at any time before ownership of the equipment is transferred to you, any of the equipment is lost, stolen or damaged (reasonable wear and tear excepted), sold, leased, mortgaged, transferred, assigned, encumbered, tampered with or not returned to us upon request, you must pay us the undiscounted retail value of such equipment and any costs that we incur attempting to regain possession of such equipment. The equipment is locked to services provided by us and cannot be used independently or in conjunction with other home security service providers' systems.

<https://www.bellmts.ca/legal/monitoring-and-service-agreement-terms>

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Rogers Corporation

Like its competitor, Bell Canada, Rogers dabbled in the security business for some time. The company's strength, and what it is best known for, is its cable TV business. As technology developed, Rogers invested in mobile services by purchasing a stake in Cantel Cellular in 1986, based on GSM technology. In 2003, Rogers renamed Cantel Cellular to Rogers Wireless; in 2004, it partnered with Yahoo.

These moves in the communications market allowed Rogers to expand its offerings beyond cable TV to the home and business telephone market, mobile wireless, and Internet services. After purchasing an Ottawa-based Cable TV company, Ottawa Cablevision, Rogers gained Cableguard. And so they became a fixture in Canada's security business for many years, operating under the name of Rogers Canguard, primarily in Ontario, Quebec, and British Columbia. Then, in 1998, Rogers sold its Security Business to Protection One, an American-based Security Company, thus leaving the security business.

In 2011, something changed, and once again, Rogers decided to return to the security business and decided to install alarm security systems once again. Rogers came up with its own brand of security equipment and wireless devices, making it the first Canadian Telco to offer bundled packages to its customers, undercutting Bell and Telus. This strategic move worked and every cable, cellphone, or wireless customer's bill showed discounted bundled services.

Since Rogers also installed its own brand of security equipment, it retained ownership of the main control panel and keypads. The company's equipment is proprietary technology. The problem is if you own any Rogers wireless devices, they will only work with the Rogers security panel. No other security company can use their products. In other words, you are with Rogers for life. And once again, is this a bad thing? It's up to you to decide.

Bell Canada, Rogers, and Telus each have one major disadvantage with their security systems: the question of ownership of the product, since all of them make use of proprietary technology. Yet, some of their products may look the same as what other security companies offer, sell, and install. Still, these produce contain unique identifiers from their original alarm equipment manufacturers, no one else may use their security equipment.

Because these companies are so large, they can afford to go directly to the security system manufacturers they choose and make a deal to produce an exclusive product that only they can sell, created solely for their own use. It might look like any of the other security products sold in the industry, but it has its own proprietary technology inside.

Now, these Telco customers are switching from between the other Telco's, and all trying to get their best deal on their bundled services. We all have telephones, use the Internet, and use some wireless or cellular technology. This market is growing daily and will change even more as new 5G and 6G Technologies become available.

Canada's Telco companies are competing head to head, offering the same services: telephone, Internet, wireless services, mobility and TV packages – and security or smart security systems, all promoting them in bundled services.

If you use one of their cellular phone services or have a home or business telephone service, they might offer you a discount on their Internet service. Or it could be the other way around. They may suggest one of their new 5G services, including telephone, Internet, and TV. But each of these companies wants more. So they may offer you a package deal. Their customer service reps, technical support, and mobile vendors may ask if you have a security system.

They may then offer to make a deal to take over your systems monitoring in a bundled package. Or, if you don't have a security system they will all offer you a Smart Home System of one kind or another.

This special rate is for a limited time and the price will certainly increase in the future. They usually offer 36-month to 60-month terms. The service fees charged by Canada's Telco companies increase over time, as you well know with the price of a home or a business phone line.

Since Canada's Telco companies are all now in the security business, each of them offers some sort of *Smart Security System*. These systems can be operated from your smart device or cellular phone, tablet or computer. So from anywhere, you have data and Internet access to your security system. You can control such things as door locks, thermostats, video doorbell units, lighting systems, cameras, and off course, the security system.

And now these companies are looking for your security business. If you use any Telco services from any of these Telco companies, you will find that they are now offer security services as well. If you switch to their company for security, they will provide you with new a bundle of services. All the devices they use in these new security systems will usually be wireless. And, as a result, everything is encrypted to the company's proprietary technology. Once installed in your home or business, you are with them forever.

Encrypted technology is designed to keep security customers from leaving a company to go elsewhere. No other alarm security company can modify, replace, or repair these products. In other words, you are with each of these Telco companies for life. This has always been a tactical business strategy in the Telco business, to retain ownership or a technology devices that you use from the services they each provide. Even if you currently have your own security system, they will offer to upgrade you to their smart technology. But again, this will involve a device they will own, not you.

So let's summarise.

As a customer, you pay an **installation fee** and a **monthly service fee** to use their equipment. You are required to maintain the equipment, and if you ever cancel, you must return all or part of the equipment that was installed by them in proper working condition. Even if you are allowed to keep some or all of the equipment, no other security company can ever use it.

This is a standard tactic used by Canada's Telco companies. If you use their Internet services, for example, and change to another provider, you must return their Internet device to them. Any other Internet company cannot use it. They will also charge you for that device if it is not returned within a specified period. The same applies to security equipment they have installed. They need to protect their security equipment in the same way as their Internet devices.

Most security companies base their business relationship with their customer on the provision of good service and quality equipment. If you ever decide to switch companies, you can call another one and have them come in and take over your system. Some security companies may lock their security panel to protect their programming, but they usually will unlock it if you change to another company. They may want their contract terms paid out, or any current invoices paid, but usually they will unlock the equipment they have installed.

ADT/Telus, Rogers and Bell Canada have their own encrypted wireless codes that are used in their wireless security devices. No other security company can ever use their products. So basically, if you want to change to a different security company for any reason, you can do this, but you will need to purchase a new system from another provider. You cannot even switch to any of the other three major Telco's. None of their equipment is compatible with each other. So the security equipment you had installed cannot be used by any other security company.

What does this mean? If you have an ADT/Telus, Rogers, or Bell Canada, security system, you cannot interchange between them, and no other security company can use the equipment either.

Once again, is this a bad thing? It's up to you to decide.

When thinking about purchasing a security system, here are some things consider:

- 1) Always get another quote to compare equipment being used.
- 2) Get a referral or be referred from a friend who already uses a security company.

- 3) Check the company out with the BBB and reviews.
- 4) How long have they been in the security business?

Most important! Before you sign and have it installed:

- 1) Find out **who owns the equipment?** - Any part of it or all of it? Will you own it now or any time in the future?
- 2) Find out if the security equipment being used is proprietary technology to them only. Can other security companies use the equipment?
- 3) Always read the fine print or terms of your security agreement before you sign. Ask for a copy of the contract or their Policy "Terms and Conditions with security systems.
- 4) When you buy a security system online you are still responsible for understanding what it is you are getting yourself into.
- 5) A proper security quote requires someone to inspect your location, to identify what you need in order to protect your home or business. Every home and business is different in size and in its needs

I hope this information will help with your decision when getting a security system or camera system from any Telco company or from any other security provider.

The information used about ownership or proprietary security products in the above article is available either on line, or on websites or in person from any security company or Telco security provider representatives, and of course in each companies Contract, or Terms and Conditions of services.

The security business is changing and customers must be prepared before they can decide on what is being offered.

Once again, is this a bad thing? It's up to you to decide.