

# AVIGILON DRIVES IMAGING INNOVATION FORWARD

We've all seen the pictures: some poor soul getting robbed at an ATM, the surveillance video blurred and fuzzy—and this in an age where high-definition television is ubiquitous in homes around the developed world. Yes, the technology for the video surveillance market has seriously lagged behind other industries, but fortunately Vancouver-based Avigilon is rapidly doing something about that.

BY MICHAEL RONEY

Founded in October 2004 by Alexander Fernandes, who previously launched QImaging and a number of other successful tech ventures, Avigilon is North America's fastest-growing software company and fourth-fastest-growing technology player overall, according to Deloitte. Its award-winning products—including Avigilon Control Center, the world's first open HD network video management software, along with multi-megapixel digital cameras and network video recording systems—can be found in more than 80 countries around the world.



Alexander Fernandes, President and CEO, Avigilon

## The Value Proposition

Avigilon's initial challenge was the performance/value calculation that still drove 80% of companies to purchase analog systems. Digital cameras tended to be more expensive, and the consumer-grade imaging formats they used fell short of optimal resolution and bandwidth requirements. So Fernandes and his team spent three years developing the core technology that now fuels Avigilon's success.

"HDSM, which stands for High-Definition Stream Management, is our 'secret sauce,' patented and embedded in our cameras, recording hardware and viewing software," Fernandes says. "It allows us to have the world's highest picture quality, but at a lower cost because of the way we manage that data."

This impacts Avigilon's value proposition in profound ways. For example, Rogers Centre in Toronto is a multi-event facility that can seat about 50,000 people

for baseball games. "Using just 19 of our 16-megapixel cameras, they are able to get facial identification of every single person there, and that's about a \$300,000 system," notes Fernandes. "To have that performance with conventional analog systems, you would need more than 1,500 cameras with a \$2 million installation cost. We give them better picture quality and superior usability at a lower total system cost."

## Explosive Growth

In 2008, Avigilon's first year of sales, it generated \$5 million in revenue. That jumped to \$17 million in 2009, which is when the company became profitable. By 2010 sales were \$32 million, and so far this year, for the first three quarters, the company has already generated over \$40 million in sales.

To accelerate its growth and capitalize on the explosive growth of the surveil-

lance industry—which, according to ABI Research, is projected to grow from an estimated \$16 billion in 2011 to \$29 billion by 2015—Avigilon recently completed a \$25 million IPO. "The IPO allows us to expand our global reach and increase product development, filling whatever gaps we have to make us even more competitive," Fernandes states. "At our core, Avigilon is really a technology innovation company. That's the essence of what makes us stand apart from our competitors."

Achieving success in tough economic times is familiar territory for Fernandes, whose entrepreneurial vision always seems to be HD quality. "What really gets me going in the morning is the challenge," he says. "You have to think ahead, and Avigilon already has the next two or three opportunities lining up." ■

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