

Is Government Take-Over of Private Industry Acceptable in McHenry County?

First, it was Fire Alarms. Will Your Business be Next?

The private-alarm industry is being replaced by local governments in McHenry County.

The City of McHenry, like Woodstock, Crystal Lake and Algonquin, contracted to purchase alarm-monitoring equipment that duplicates existing private-sector infrastructure.

These communities then passed ordinances that stripped away the free-market choice of business owners by requiring that fire-alarm systems must be monitored by each community's government monitoring station.

Additionally, a single company will now do all installation and servicing for commercial fire-alarm communication systems with no incentive to provide competitive rates or excellent service.

The Problem with Monopolies is ...

With no competition, every single business will now be beholden to the government-selected vendor whether they like it or not.

To squeeze even more money from the private sector, the communities' leaders locked-in their projected "profit" via its monitoring service by setting a price-point considerably higher — about 30 to 100 percent higher — than what is available in the free market today.

Keep in mind that a portion of the above-market monitoring fee will be used to repay the loan on the alarm-receiving hardware. What's worse is that business owners will pay this higher price every single year even after the loan is paid off.

Questions McHenry County Residents Should Ask to Each of Their Elected Officials:

- Is government take-over of private industry acceptable in McHenry County now?
- When and where did the discussions to decimate a private industry take place — in the sunshine of

an open forum or in closed session? Are there any records available from these meetings?

It's clear these councils and boards of trustees did not do their proper due diligence otherwise they would understand the consequences of their community-impacting decisions, which include:

- Businesses will pay more to have **additional equipment** installed at their premises.
- Businesses will **pay higher fees** and will ultimately pay for the infrastructure at the government's monitoring center.
- Newer fire-alarm systems will be "dumbed-down" by a **decade-old technology** that will be used by the government-run monitoring center for an additional decade or two.
- Alarm agencies will **lose every customer** relationship they have fostered over the years with no compensation. This accounts for **millions of dollars confiscated** by the local government.

Fundamental Errors in Judgment

Without doing due diligence, government employees operating outside of their areas of core competency have made fundamental errors in their quest for revenue. They were sold a bill of goods without understanding the "macro-level" consequences of their decisions.

There are practical, more cost-effective alarm-dispatching methods available today that do not harm the free-market system. These methods are far superior in terms of public safety and can be implemented quickly.

If you believe in the free market system and oppose government take-over of private industry, visit www.iesa.net/McHenry or contact the Illinois Electronic Security Association at 1-630-305-8800 or execdirector@iesa.net.

What the Business Community is Saying

"Because of the new government mandate to have my fire-alarm system monitored through their expensive dispatch center — paid for with our tax dollars — my fees have more than doubled."

~ Gary Rosenberg is the owner of Crystal Lake Chrysler Jeep Dodge Ram in Prairie Grove.

"As an advocate for free enterprise, I find it troubling that at a time when many government leaders are outsourcing services to encourage private-sector employment and embracing competition to achieve 'cheaper, better, faster' results for their taxpayers, local officials in McHenry County have chosen a different course. I would hope local voters and media would be curious about the motivations and the money trail that prompts governments to throw out private enterprise." **~ Douglas Whitley is the President and CEO of the Illinois Chamber of Commerce.**

"Free enterprise and competition are the way we protect ourselves from abusive prices and inadequate service. A government taking over any area of private business, including alarm monitoring, leaves the community vulnerable to market abuse." **~ Janice M. Christiansen is the President and CEO of The FlagSource and Chairman of the Illinois Manufacturers' Association.**

"Today we are being mandated to leave our trusted alarm company for a government-run service. Will my business be targeted next for take-over? Will yours be next?" **~ Mel Anderson is the owner of Blue Sky Automotive in Crystal Lake.**

