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**THE STORY OF THE
MILLER FAMILY
IS A TALE OF
ADVENTURE, CURIOSITY,
CREATIVITY, AND
INDUSTRIOUSNESS.**



**DEEPLY ROOTED IN THE PHYSICAL SECURITY
INDUSTRY, FOUR GENERATIONS OF MILLERS
HAVE BEEN INSTRUMENTAL IN THE
LOCK WORLD.**

**COLLECTIVELY HOLDING OVER 100
PATENTS AND FOUNDING MORE THAN NINE
COMPANIES, THE MILLERS HAVE PROPELLED
THE LOCK INDUSTRY FORWARD THROUGH
THEIR INNOVATIONS, EDUCATION,
AND SERVICE.**

**THEIR IMPACT ON THE WORLD IS MARKED
BY THEIR COMMITMENT TO
PRINCIPLES, CHARITY, AND COMMUNITY.**

THE FAMILY

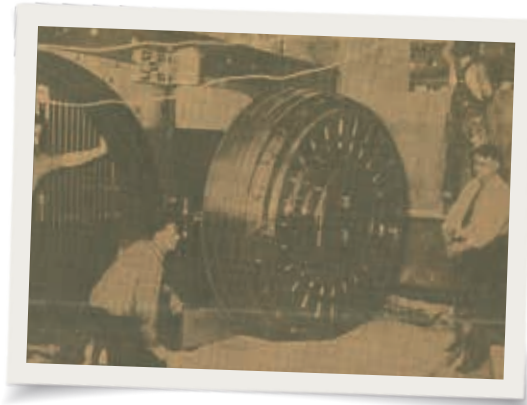
John Clayton Miller, the patriarch of the Miller family, was born in Chicago Junction, Ohio in 1884. He was a family-oriented man with a strong work ethic and a generous heart. After completing high school, John started working as a machinist for the railroad industry. It was during this time that he met his future wife, Grace Bell Eades, from Chattanooga, Tennessee. The couple got married on December 24, 1905, after a year of dating, and they went on to have four children: Maurice, Harry, Anna, and James.

John was a man of strong conviction and signed the Twentieth Century Pledge in 1898, committing to abstain from alcohol and tobacco. Grace also signed the pledge, and together they remained true to their oath throughout their lives.

Around 1915, John and Grace began to take up charitable endeavors and ran the Old Soldiers Home in Ohio, where they cared for war veterans. During this time, John also purchased and managed local newsstands and the Sandusky News Agency.

After divesting from the news agency, John returned to his roots and worked as a mechanic. His expertise in machinery and toolmaking served as a springboard for him to start working for National Safe Company in Cleveland, Ohio as a bank vault erector in 1922. Little did he know that this career change would chart the course of his future and ignite his interest in the safe and lock industry, which would last for generations.

In 1923, John began working as a bank vault erector for Diebold Safe Company. His work took him all over the United States, and as a doting father, he often took two of his sons, James and Harry, with him. Great-grandson, Mark Miller, fondly remembers hearing



stories of John's work, "With the boom of new banks going up, my great-grandfather would set out across the country and install the vaults. I remember stories about how these huge vault doors would come in by train, and a mule team would pull them on logs down through town to Main Street and the bank site!"

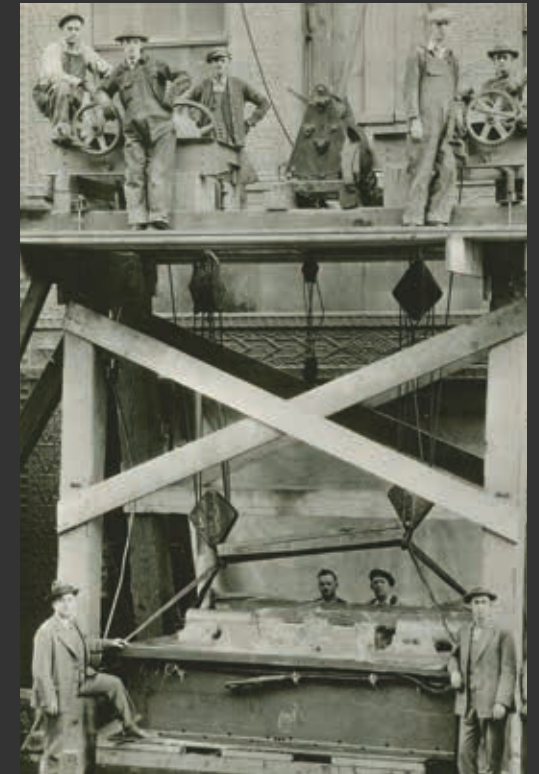
From a young age, John involved his children and taught them his craft. Harry fondly recalled his time traveling and apprenticing with his father. John fueled his children's curiosity and instilled in them a deep respect for hard work. John's work with Diebold eventually took him and his family to Boston, Massachusetts, where he was tasked with running their service department. This gave him extensive experience dealing with department and chain stores, which would prove useful later in his career.

In 1935, President Roosevelt ordered the construction of several government buildings in Washington, D.C., one of which was the Archive

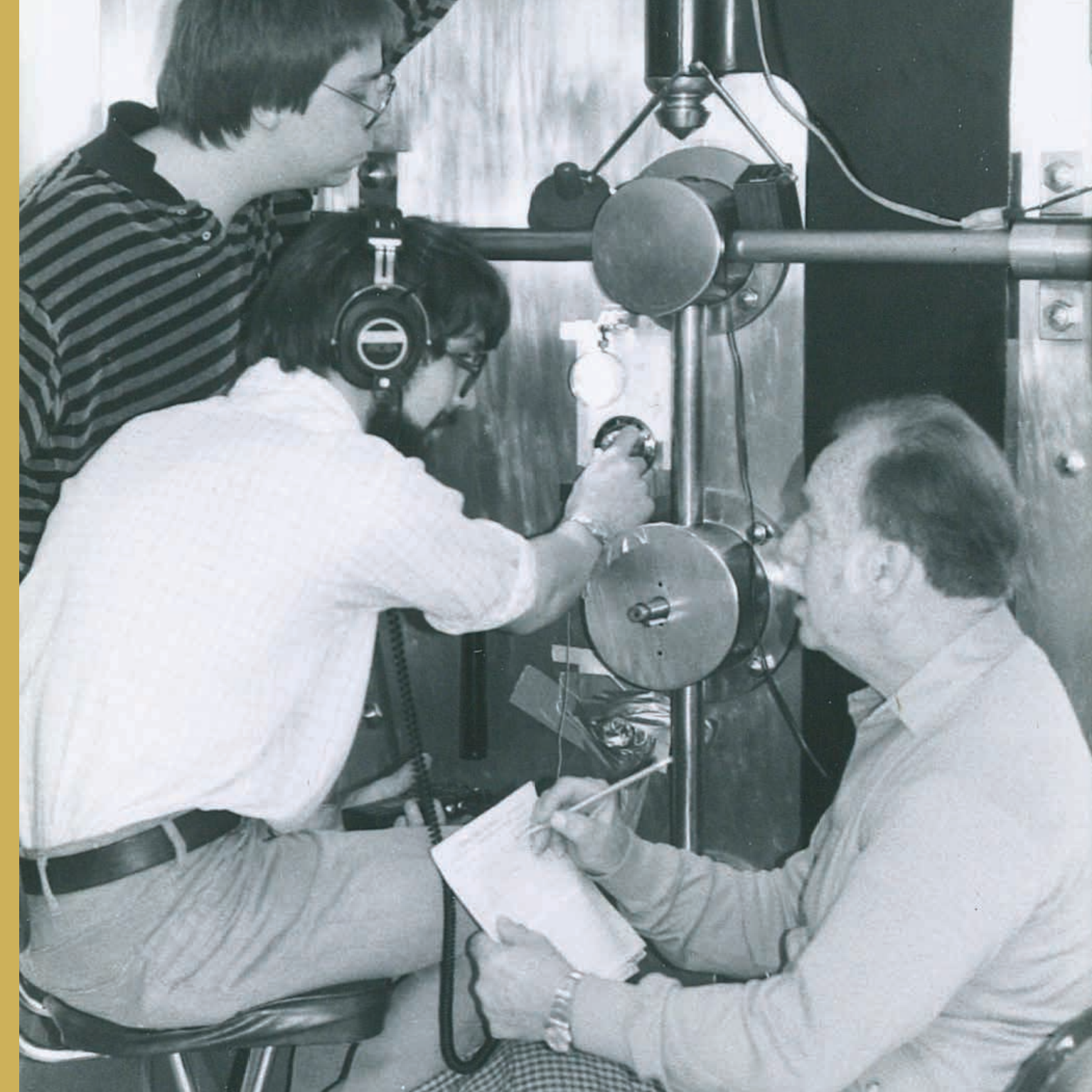
Building. The contract for the structural work was awarded to Diebold, and John was put in charge of overseeing the project. John relocated his family from Ohio to Washington, D.C. This move was a pivotal moment in the Miller family story as it introduced three generations to working firsthand with high-level government officials. Shortly after completing this project, John started his own locksmithing

John fueled his children's curiosity and instilled in them a deep respect for hard work.

company—Miller the Safe Man, which quickly became a success due to John's innovative ideas and his commitment to providing the best possible service to his customers. He instilled in his employees the same values of hard work, dedication, and quality craftsmanship that he had taught his own children. Miller the Safe Man eventually became Safemasters, which John ran until he sold it to his son, Harry, in 1963.



John and Grace, who were married for over 60 years, spent their later years in Arlington, Virginia. Despite remaining interested and involved in the lock world, John still made time to enjoy hobbies with his wife—most notably his charitable work as a Freemason, plus gardening, and fishing—until he passed away in 1976. Together, John and Grace left a mark of kindness, humility, charity, and hard work, as evidenced by the numerous letters currently in the family's possession, that were written to them both from loving family and friends.



In October of 1912, **Harry Clayton Miller** was born—a man whose life was characterized by an unquenchable thirst for adventure and a passion for exploration. Harry had a deep love for boating, aviation, traveling, his Masonic activities, and his work, which took him to many places worldwide. Harry's home was adorned with ivory tusks, ornate rugs, and carved lamps from his travels to Africa and the Orient—as well as photos of boats, foreign diplomats, and numerous locks. Harry proudly amassed the world's largest lock collection, which is now on display at the Harry C. Miller Lock Collection in the Lockmasters education building in Nicholasville, Kentucky.

With accolades a mile long, Harry has often been called “one of the godfathers of the locking hardware world.” Harry was a holder of nearly 50 patents and was revered by all in the lock world. He was recognized by almost every significant industry association during his lifetime. Harry was: inducted into the Safe and Vault Technicians Association (SAVTA) Hall of Fame; honored by the National Independent Bank Equipment and Systems Association for his 20 years of support; presented

Harry has often been called “one of the godfathers of the locking hardware world!”

with the Associated Locksmiths of America's Lifetime Achievement Award; a 50-year recipient of the American Society of Industrial Security's St. Dunston Award; awarded the Philadelphia Award from the

Greater Philadelphia Locksmiths Association; and was given the Key to The White House by the Technical Security Division of the United States Secret Service. Harry was a lock savant, and his passion for teaching the trade was also unique. He believed in sharing his knowledge far and wide, unlike many others in the industry who preferred to keep their trade secrets close to their chest.

Harry's journey in the world of safe locks began as a child traveling to various jobsites with his father. He left high school as a sophomore to become an apprentice at Diebold. After working briefly outside the lock industry as a railroad fireman, Great Lakes firefighter, and iron worker, Harry returned to his roots and started Safemasters with his father, John, and older brother, James. He then established the Harry C. Miller Company in 1941, working again with his father and James, who both continued to work at Safemasters. Harry honed his craft of safe-lock





manipulation, becoming so skilled that today, he is regarded as the pioneer of lock manipulation.

During World War II, while working at the Pentagon, Harry met Willie Grey Benson, who was an assistant in the U.S. Office of the Chief of Engineers. The two were married, and in 1945, they welcomed their first son, Clay. Five years later, their second son, Benson, was born.

While running the Harry C. Miller Company, Harry collaborated closely with the government, and traveled around the world performing safe work for various diplomats and government agencies. He was highly sought after for his ability to manipulate and

open locks being used to house classified materials in just a few minutes. This led him to collect locks from all over the world, studying them intently, and eventually developing the manipulation-resistant safe lock and combination padlock. Harry began teaching courses on lock manipulation to educate fellow locksmiths and generate demand for his manipulation-resistant lock. When the government realized the security risk and saw the need for the locks, Harry licensed Sargent & Greenleaf to produce the lock—and eventually he became the company's president and owner.

As demand for Harry's time increased, he founded Lockmasters with Jim Taylor and Leonard Singer to continue his education efforts. Jim Taylor spearheaded most of the work, allowing Harry to focus on lock development. After becoming president of Sargent & Greenleaf, Harry moved his family to Rochester, New York, where the company was headquartered. During his time in Rochester, Harry suffered a fall that almost ended his life; while

“If I was to develop a good lock and have it available for the improvements of security or our government, I had to study everything being used and find their weaknesses!”

Harry Clayton Miller

recovering, he began mounting the large volume of locks he had collected during his travels. This started what is now the largest lock collection in the world.

Harry once said, “A lot of people thought the lock collection was just a lot of pretty locks—well that was not my purpose for starting it. If I was to develop a good lock and have it available for the improvements of security or our government, I had to study everything being used and find their weaknesses. My collection was based entirely on what makes a lock function.”²



In the late 1950s, Harry and Grey divorced, and Harry continued to raise Clay, while Grey raised Benson. Harry then remarried Georgia Rohn in 1961, and together they had two children, Harry Junior and Barbara Helane. Although Harry and Georgia eventually separated, Harry remained invested in his four children and involved them all in his work.

Sargent & Greenleaf moved to Nicholasville, Kentucky, in 1974, and Harry moved with it. He “stepped down” and became chairman of the board in the late 1970s, but remained highly involved in the daily operations of the business. During this time, Harry—along with a business associate—invented the

world's first heat-safe, self-igniting propane torch, and started Ignitor Products, which he eventually sold to his four children. He also moved himself and Lockmasters to Florida, where he resumed the management of Lockmasters.

Harry eventually sold Lockmasters to Clay in 1981 and retired back to Nicholasville, Kentucky. After suffering a series of debilitating strokes, Harry passed away in December 1998. Harry was remembered fondly by those who knew him, and A.M. Davis summarized his life well, saying he was “a lover of life and a student of the world.” Harry was described as a “gleeful prankster who never stopped searching for deeper meaning and purpose. A remarkably generous teacher, mentor, friend, family member, and collaborator who could, in turn, be formidable in business. A frugal money manager who loved to give presents. An industry leader and giant, an insider to some of the highest levels of national security, who treasured, equally if not more, time spent with each rank-and-file locksmith and safe technician he encountered. A non-churchgoer for most of his life, who recorded his religious beliefs as simply ‘in God,’ who still chose to be baptized, wheelchair and all, in the end.”³



Clayton Miller, born in 1945, shares his father Harry's adventurous and industrious spirit. True to his roots, Clay's life has been marked by an incredible work ethic, visionary mindset, and ability to make things happen. As the holder of over 50 patents, Clay has made countless contributions to the locking and security industry.

Clay, a self-proclaimed wild child, left high school his junior year. At the age of 17, he married Erica

Mader and had a son, Mark. A few years later, his daughter, Sandy, was born. To provide for his family, Clay started working at Sargent & Greenleaf straight out of school. Initially, he worked in the Maintenance department fixing machines in the early 1960s, before moving to various departments, including the Engineering department. Clay jokes, "they moved me around a lot because I was a pain in the ass. I don't think they knew where to put me." However, little did

he know that 13 years later, he would become the president of the company.

Eventually, Clay began working with a close colleague of John and Harry—Jim Taylor. Jim, who was married to Clay's Aunt Alice, took Clay under his wing, and Clay became his protégé or as Clay recalls it, Jim's "gopher." Clay started out in domestic sales, and as his skill set grew, he moved into international sales. Eventually, the decision was made to move the plant to Nicholasville, Kentucky, and as the general manager, Jim moved to Kentucky to oversee the building of the plant. Clay remained in New York continuing to run sales and direct the move from Rochester.

Clay, along with the rest of the Miller family, moved to Kentucky in 1974. The plant move proved to be tumultuous for Sargent & Greenleaf, and through the challenging process, Jim exited the company. Harry then asked Clay to fill Jim's shoes and promoted him to general manager. Shortly thereafter, Harry stepped down and moved to the chairman of the board role, and at the young age of 31, Clay became the president of Sargent & Greenleaf.

Within a few years of becoming president, it became apparent that the best thing for Clay, his brother Benson, and their father was to sell Sargent & Greenleaf. Simultaneously, Clay was going through a rough divorce from Erica. After selling Sargent & Greenleaf, Clay continued to work there, but soon dreaded waking up and going to work under the new ownership. He knew he had to make a change. Clay is passionate about cars, and the same was true of him in the late 1970s. Eager to work with something he truly loved, Clay looked into buying a motorcycle shop. What he calls one of the best

decisions of his life, Clay paused and took inventory. Economic conditions were harsh, with interest rates over 18 percent, and it would be years before he could hope to become profitable. Clay reflected and realized that "while it would have been the fun thing to do, it wouldn't have been the right thing to do," and he backed out of the deal.

In the meantime, Harry had relocated to Florida, was halfheartedly running Lockmasters, and was planning to donate it to Associated Locksmiths of America (ALOA). After seeing the potential opportunity in

As the holder of over 50 patents, Clay has made countless contributions to the locking and security industry.

Lockmasters, Clay approached Harry with an offer to purchase it. A deal was struck, and in September 1981, Clay resigned from Sargent & Greenleaf and moved to Florida. At age 36, he felt he had reached the pinnacle of his life. However, his joy was short-lived, as he soon realized that running a \$219,000 small business with only six employees was a significant departure from managing a \$14 million multinational company. Clay experienced culture shock when he asked an employee named Susie for a report, and she replied that she not only did not know how to prepare it, but also did not have time. Nevertheless, Clay regards this as one of the best transitions he has made in his life, because of the growth it provided him.

During his time in Florida, Clay was briefly married to Sarah Day. After their divorce, Sarah's son, Wes,



remained with Clay as his mentor, and they continued to grow Lockmasters. They eventually moved back to Kentucky, where Lockmasters was initially run from Clay's small A-frame house overlooking the Kentucky River, before relocating to the "White House"—a 13,000-square-foot building that served as both Clay's residence and Lockmasters' headquarters for many years.

While on the road hosting courses for Lockmasters, Clay met April Truitt, a locksmith specializing in high-end cars and safes. She ran her own business, The Lady Locksmith, for a little over a year before she moved to Kentucky in 1984 to be with Clay. Together, they were a force to be reckoned with. She assisted him with various aspects of operations at Lockmasters, and they founded the Safe and Vault Technicians Association (SAVTA). Unrelated to the lock business, Clay and April also founded the Primate Rescue Center in Nicholasville, Kentucky. The center was a result of Clay bringing home Gizmo—a macaque monkey—in 1987.

Throughout his tenure with Lockmasters, Clay developed multiple divisions, including Education, Wholesale Tools and Equipment, and Research and Development. One of his most notable inventions is the XO-7 lock—a high-security, generator-powered lock. Keeping with family tradition, Clay involved his son, Mark, in the business, and in 2005, Mark purchased the Tool and Equipment division from Clay. Clay retained ownership of the Education, and Research and Development divisions. Clay also purchased Tactical Operations Support Services (TOSS) in 2010, a company

that hosted classes on covert entry. Although it was ultimately divested, the purchase led to the establishment of Lockmasters Technology Incorporated (LTI), which focuses on government work in training and lock development. After getting this division up and running, Clay sold the education arm, Lockmasters Security Institute, to Mark in 2013.

Despite devoting a significant amount of time to the lock industry, Clay Miller is a man of diverse interests and hobbies. In addition to his work with the Primate Rescue Center, where he and April helped fight for protective legislation for monkeys, he is also an avid car collector and enthusiast. Clay, along with his son, Mark, and grandson, Blake Garrison, completed the around-the-world World Race in 2011, driving a 1932 Ford. They drove from Nicholasville, Kentucky to San Francisco, California where the car was loaded onto a cargo ship to Beijing, China. Blake and Clay flew to Beijing and drove to Paris, France. With a trunk full of spare parts, they had to stop multiple times along the way to perform repairs. They once had to rebuild the entire engine while driving through Kazakhstan. Clay treasures the memories of this incredible trip and has a trunk full of mementos along with a book that he, Mark, and Blake wrote about their journey.

Currently, Clay and April reside in Hixson, Tennessee, near his daughter. While still actively involved in LTI, Clay continues to contribute to the industry. Like his predecessors, Clay is leaving a legacy to be admired—one characterized by intense drive, ingenuity, spirit, and generosity.





Benson Miller, a man of high moral principles with a deep respect for others, was born in Washington, D.C., in March 1950 and raised in Rochester, New York. He shares the visionary mindset, strong ability to teach and inspire others, and insatiable curiosity with all the Millers. As a child, Benson was quite the handful, just like his brother, Clay. At age 10, after his parents divorced, Benson was raised by his mother, Grey. Despite the rocky divorce, Benson was able to pour himself into his hobbies, including music, cars, and the outdoors. His involvement in Boy Scouts fostered a deep love and respect for the outdoors, and he eventually became a Scout Master at scout camp during summers. Ever the prankster, Benson once managed to sneak stink powder into French class, causing the classroom to be evacuated for a suspected gas leak. Benson started his first business in high school, selling chewing gum for five cents a pack. This business was short-lived though, when the principal reminded Benson and his customers that chewing gum in school was not allowed. Despite his many antics, Benson graduated from high school, and went on to study business administration and economics at Ithaca College, where he learned how to write computer code using 80-column punch cards. This sparked Benson's love for

computers and code writing, which would be a hallmark of his future success.

To make ends meet during college, Benson—an avid motorist—used the knowledge he gained from building a dune buggy in high school, and started repairing cars for his friends. What started as odd jobs grew into a business, and Benson opened his first company, Beetlehaus. After graduation, Benson planned to open a speed shop in Ithaca, New York to work on race cars, but



that would have required a bank loan. Young with no credit history, Benson needed a cosigner for the loan, so he turned to his father. Wanting Benson to have additional work experience, Harry told him that if he came to work at Sargent & Greenleaf for six months, then still wanted to open the speed

shop, he would cosign the loan. Able to put his education to use and finding that he enjoyed it, Benson ultimately decided to stay at Sargent & Greenleaf.

Benson formally started working at Sargent & Greenleaf in 1973 in international sales. In



1974, he moved to Nicholasville, Kentucky, with the company. Shortly after the move, Benson and one of his employees decided to go on a double-date and take their girlfriends to an Aerosmith concert. Although Benson brought his own date, his employee's date, Grace Garner, is who truly caught his eye. The two started dating, and after three months, they were engaged. They were married six months later and had Chad and Katie in 1981 and 1982, respectively.

During his time with Sargent & Greenleaf, Benson's roles evolved from sales manager to vice president of marketing

The Hayes Institute recommended Benson become a small-business entrepreneur. This led him to develop Enterprise Resource Planning (ERP) software.

in 1976, and by 1980, vice president of Sargent & Greenleaf, where he was responsible for manufacturing and related operations. His work at Sargent & Greenleaf involved developing computer systems to manage manufacturing processes and inventory, which sparked his deep passion for coding computerized business systems. After the sale of Sargent & Greenleaf, Benson's future career path was unclear, so he sought assistance from the Hayes Institute. After putting him through a battery of assessments, the Institute recommended he become a small-business entrepreneur. This led him to develop Enterprise Resource Planning (ERP) software. At that time, his father was starting Ignitor Products, and Benson asked if he could use Ignitor as a test company for his software platform. As Benson started working there, he became highly involved with the product and began to understand the massive potential it possessed. Benson



became president of Ignitor Products and negotiated a deal to have Harry transfer the company to his four children—Benson, Clay, Harry Jr., and Barbara. After successfully growing the business, Benson sold Ignitor Products to the Newell Group in 1986.

Benson remained employed by Newell, a large corporation, and quickly discovered that he was not a large corporate guy at heart; at his core he was a small-business entrepreneur. Benson had his letter of resignation ready to submit and called his Newell mentor, John Touchet. With great wisdom, John reminded Benson that he was doing everything Newell expected of him, and asked Benson if he was running away from Newell or running toward

something else. Upon reflection, Benson realized he did not know what was next for him. John advised him to continue working for Newell until he knew what was next. That was when the idea for the fold-away ironing board was born.

While at a Young Presidents' Organization (YPO) seminar at Harvard University, rather than attending all of the various networking and cocktail events, Benson headed to the library where he did hours upon hours of market research. He dug through trade journals and microfiche and left that week knowing that his business idea was viable. He submitted his resignation to Newell in 1986, when he patented the Ready Press Foldaway ironing board, and founded Millex to manufacture and distribute the product.

From the onset, Benson intended to grow and sell Millex, which he accomplished in three short years when he sold to Seymour



Housewares. Then, Benson took some time off to focus on the family and figure out what was next. He and Grace purchased a motor home and the family traveled all over the United States. More than one time, Grace and the kids got out of the motor home while Benson precariously backed it down narrow roads flanked by cliffs. While welcome, the many adventures the family took couldn't contain Benson's inventive spirit. He knew he needed to get back to work, so when Clay approached him to help with a new lock project at Lockmasters, Benson jumped at the opportunity.

Lockmasters began selling the SmartGuard lock—LaGard's first electronic push-button safe lock; however, sales were struggling, and Clay needed help boosting them. In 1990, Benson and Clay created LockNet as a division of Lockmasters. Three years later, they created a new partnership and separated LockNet from Lockmasters as its own entity, with Benson serving as the president. Benson and Grace put their hearts and souls into the business, working through many late nights and making financial sacrifices to ensure LockNet's growth. The family would occasionally pack up dinner and a sleeping bag



to bring down to the office, so that Benson could get a bit of sleep while working on critical business and software issues. Benson also credits the people he hired as pivotal to LockNet's success; one of the many lessons

Benson and Grace put their hearts and souls into the business, working through many late nights and making financial sacrifices to ensure LockNet's growth.

Benson has passed onto his children is that you should always surround yourself with people who know more than you. After buying Clay's share of the business, Benson remained at the helm until 2007 when his son, Chad, became president. Benson continued to play a role in the organization's leadership until selling the business to Chad and daughter, Katie, in 2017.

After retiring, Benson returned to one of his primary passions in life—cars. He became a high-performance driving instructor for the Porsche Club, where he taught students how to drive sports cars on a racetrack. To transport his car to and from the track, he purchased a car trailer and converted it into a camper; and still makes modifications to it up until this very day. Benson also disassembled and began rebuilding his 1984 Porsche 930 Turbo. Unable to sit still for

long, he turned the children's old playroom into his laboratory, where he taught himself how to design circuit boards and code embedded micro-processors, 3D print, and operate his CNC milling machine. He developed an idea for a new touchpad restroom lock and a new cornering light system for his cars. During retirement, Benson has enjoyed traveling with Grace and spending time with his four grandchildren. The grandkids love spending time with their beloved Poppi, who involves them in his many hobbies and always has a new project for them to help with. Although a debilitating series of back injuries has

limited his ability to engage in some of his hobbies, Benson continues to travel, scuba dive, tinker, and create new things as he can.

Benson's legacy is felt by many, as he has been an inventor, teacher, strong leader, family man, and community servant. Through his kindness and leadership, his life has impacted thousands of people, and Chad and Katie are carrying on his legacy.





Mark Miller, born in January 1963, was a man with a larger-than-life personality and an infectious smile. Following in his father, Clay's footsteps, Mark was a spirited and wild child. After graduating from high school, Clay arranged for Mark to spend time with his business associate and friend, Nick Gartner, in Los Angeles, California. Nick had started LaGard and needed help getting into the floor safe market. Mark built safes, loaded them into a van, and traveled around selling them to locksmiths. After a few years of working at LaGard, Mark received a call that his girlfriend back in Kentucky had been in a bad car accident, prompting him to pack his things and head home.

By that time, Clay had purchased Lockmasters from his father, Harry, and moved it to Kentucky.



Mark started working for Clay, and together with Clay and Wes Day, they grew Lockmasters into a formidable business. However, as the business grew, Clay and Mark began to have different visions on how Lockmasters should be managed. In 2005, Clay decided to sell the Wholesale division to Mark, who, per Clay, did a "magnificent job of growing the business." Clay credits Mark with understanding

Mark was a strong believer in the importance of mentorship, and would host high school and college students during the summer, where he taught them real-life business skills.

the business and the industry incredibly well. Mark's success continued to grow with the Wholesale division, and Clay agreed to sell the Education division to Mark in 2013.

After receiving a terminal cancer diagnosis, Mark sold Lockmasters to a private equity firm, Dominus Capital, in 2020. After a brave battle with cancer, Mark passed away in September of the same year. Those who knew him remembered him as a charitable man who was always giving back to his community. Mark was a strong believer in the importance of mentorship, and would host high school and college students during the summer, where he taught them real-life business skills. He was also a strong supporter of SAVTA, and hosted an annual Friends of SAVTA Auction to raise money for SAVTA education, which raised over \$500,000.

Mark was married to Stephanie Miller, and they had two daughters, Madeline and McKenzie. He was a loving husband and father who adored spending time with his family. They enjoyed traveling and spending time on their houseboat on Lake Cumberland. Mark shared Clay's passion for cars and would often attend races with him. All the Miller men—Clay, Mark, Benson, and Chad—loved to attend the car races in Sebring, Florida together. Mark was always a generous host, bringing friends and family along on many of his adventures, and he always knew how to have a good time. Mark's legacy is one that many would aspire to, and his loss is felt deeply by those who knew him.





Since his birth in February 1981, **Chad Miller** has displayed a deep introspective nature and insatiable curiosity. Today, his studious nature born in childhood persists, evident in his voracious consumption of books covering a wide array of subjects—from business, philosophy, and physics, to neuroscience, peak performance, and influential figures. Among them, he finds inspiration in Elon Musk, and aspires to replicate his ability to envision grand ideas and adeptly execute them through groundbreaking enterprises. It is this desire to constantly learn, grow, and evolve that is the bedrock of his success today. With a strong moral compass possessed from childhood, Chad leads others with the same intensity and integrity that he leads himself.

Although Chad was dedicated to his studies with a strong work ethic, he also made time for his two main passions: music and the outdoors. A heavy-metal fan who once sported a spiked mohawk, Chad excelled at playing the electric guitar. With his sister storming down to the basement yelling at him to turn it down, Chad's favorite guitar was one that he designed and built from a block of wood with his dad, Benson.

When he wasn't practicing the guitar, Chad could be found enjoying the great outdoors. Benson took both Chad and Katie camping and hiking often, sparking a love for nature in them. These experiences instilled in Chad an appreciation for nature, which eventually translated into a passion for fitness.

Chad attended Falling Creek Camp for boys for many summers, where he spent countless nights on backpacking trips.

Chad leads others with the same intensity and integrity that he leads himself.

He then went on to spend a summer backpacking with Outward Bound in Colorado, and then a month with National





Outdoor Leadership School (NOLS) backpacking in northern Alaska. These experiences helped him develop the servant leadership skills he practices today, and crafted his quiet confidence. In his early 30s, at the behest of a joking comment from his new bride, Chad started competing in Tough Mudders and other outdoor endurance events—quickly setting his sights on becoming an Ironman. In just over a year, he completed his first half Ironman in April 2013, and two months later completed his first full Ironman, consisting of a 2.4-mile swim, a 112-mile bike ride, and a 26.2-mile run. Falling in love with the sport of triathlon, Chad has completed three full Ironmans and seven half Ironmans, as well as several other shorter-distance events. The self-discipline, adaptability, and singularity of focus required to achieve these extreme feats have had a profound impact on his personal and professional development.

Chad's varied educational experiences have also played a role in shaping him into the person he is today. After attending St. Paul's boarding school in New Hampshire for his sophomore and junior years of high school, he returned to Lexington for

his senior year at Henry Clay. Growing up, his father taught Chad the fundamentals of computer coding, and he quickly developed a passion for it. He studied electrical engineering and computer science in high school, spent a significant amount of his time his senior year maintaining and supporting his school's computer and network infrastructure, and began coding for LockNet his senior year. Chad went on to get his degree in Computer Science and Engineering at UCLA in Los Angeles, California where he continued to develop software for LockNet throughout his time there. Upon graduation, Chad became a full-time LockNet employee and hasn't looked back since.



Throughout his career with LockNet, Chad has worked closely with every department in the organization. He started as a software developer and gradually assumed leadership roles in various departments. In 2005, he became the vice



president of customer service and technology, overseeing the IT, Service, and Account Administration (now known as Projects) departments. In 2007, Chad stepped into the role of president, where he took on the daily leadership

Chad is committed to providing increasing opportunities for growth as he leads LockNet into the future.

of the organization under the guidance of Benson. When Chad and sister, Katie, purchased LockNet from Benson in 2017, Chad became the chief executive officer. In his current role as CEO, Chad leads the organization's vision and growth while overseeing all aspects of the business. Despite his busy schedule, Chad remains passionate about software development and works closely with the software development team to guide the continuous innovation of LockNet's systems.

In 2011, Chad married Elise Reddick Miller, and they have since become a formidable team both in life and in LockNet. Elise joined LockNet as director of business development in 2012, playing a pivotal role in the company's growth. Chad and Elise have two children, Max and Molly, with whom Chad loves spending time. He cherishes exploring the world with them, and regularly takes the two along for runs in the stroller and walks around the city with his German Shepherd. The family enjoys vacationing in Florida (where Elise's family resides), and playing in the ocean.

Chad's dedication to his personal family is matched by his commitment to the LockNet family. He is passionate about the organization and its people, and Chad is committed to providing increasing opportunities for growth as he leads LockNet into the future.



Katie Miller was born in November 1982, and grew up as the free spirit of her family, constantly seeking adventure while maintaining a disciplined and studious character. After struggling with anxiety during middle school, Katie found solace in her church, where she developed a deep compassion for others and a desire to help them navigate life's challenges. This altruistic spirit, combined with her love for adventure, shaped her career path.

Like her brother, Chad, and her parents, Katie shared a love of the outdoors. At the young

age of 8, Katie went to Camp-Merrie Woode—an all-girls sleepaway summer camp—for six weeks every summer. It was there that she fell in love with boating and eventually became a counselor there where she taught canoeing and kayaking. Camp was a transformative experience for Katie, where she learned the importance of goal setting, teamwork, and having fun.

In addition to adoring boating, Katie was an accomplished equestrian and adorned her room with pictures of her two horses and the many ribbons they won together. She ultimately decided to give up riding so that she could attend boarding school for

high school. Katie attended The Taft School in Connecticut for her sophomore, junior, and senior years. While there, she learned about the art and importance of teamwork through her time on the rowing team. She also studied abroad for a semester at The Island School in Eleuthera, Bahamas. A member of the first class of the primitive school that was led by a Navy Seal, Katie was continuously challenged to step outside of her comfort zone and pursue growth.

Katie attended the University of Richmond, where she majored in business administration and marketing. Never able to stay in one place for long, she studied abroad in Edinburgh, Scotland the fall semester of her junior year. The summer after, she lived in Boulder, Colorado nannying, hiking, biking, and climbing. Falling in love with the vast nature of Colorado, she and her college roommate planned to move to Denver upon graduation; however, Katie met Zach Willie in 2004 during her senior year of college and as a result decided to stay in Richmond, Virginia. After college, she worked as a product sales specialist at DuPont Advanced Fiber Systems. In 2007, her dad, Benson, recruited Zach to run the Door division of LockNet, so she and Zach moved to Kentucky and were married in 2008. Katie joined LockNet as the service manager, and later transitioned



to focus on rebranding LockNet and growing the marketing program. Zach eventually transitioned to the role of chief operating officer to oversee the operations of the business.

As LockNet continued to experience rapid growth, there was a need for a more-focused human resources function. Katie, whose passion had always been helping people, saw this as an opportunity to combine her love of people with her work. She transitioned into human resources, eventually becoming the director of human resources. As the demands of motherhood increased, Katie transitioned to a role focused on employee engagement, allowing her to spend more time at home with her children.

Katie and Zach have two daughters, Sarah and Amelia. When she's not enjoying time with her family, working, or driving her daughters to various sports activities, Katie volunteers at their school, is involved in their church, and spends time with her pack of dogs. She remains dedicated to the LockNet family, and is passionate about making LockNet a workplace that enhances the lives of its employees.

Katie, whose passion had always been helping people, saw this as an opportunity to combine her love of people with her work.



FAMILY BUSINESSES

AS EVIDENCED BY THEIR PERSONAL STORIES, MEMBERS OF THE MILLER FAMILY ALL POSSESS STRONG ENTREPRENEURIAL DRIVE COMBINED WITH HIGH MORALS AND STRONG WORK ETHICS. COLLECTIVELY, THEY HAVE SUCCESSFULLY FOUNDED OVER NINE COMPANIES, POSITIVELY IMPACTING HUNDREDS OF FAMILIES THROUGHOUT THE YEARS. EACH OF THESE ORGANIZATIONS HAS LEFT A UNIQUE MARK ON THE WORLD AND CREATED A LEGACY THAT THE MILLER FAMILY CAN BE PROUD OF.

MILLER THE SAFE MAN

Most entrepreneurs start their businesses before they are middle-aged; this was not the case for John Miller. At the age of 52, John founded Miller the Safe Man on June 1, 1936.

Prior to founding Miller the Safe Man, John was overseeing the operations of a small safe sales and service business in Washington D.C., for his friend and store owner, George Hamner, who was on an extended vacation. While there, Allen Harrison with Diebold contacted John and asked him to do interim service calls for them on a contract basis while their locksmith was away on other jobs. John agreed, and when the Diebold technician was permanently reassigned out of the area, Diebold entered into a formal agreement with John to take the service work over. This moment formed the beginning of Miller the Safe Man, and set the course for the future of John and his family.

While at Miller the Safe Man, John performed work for Diebold as well as for local businesses and residents. During the Great Depression, he was very frugal with finances and charitable with his prices. He brought his son, James, into the business and formally taught him the trade, and together they made a name for themselves by doing “quality work for a fair price.”⁴ Whenever possible, they would acquire used

safes that they would repair, restore, and resell. They, along with another son, Harry (who was part of the company for awhile before he began operating under his own business, the Harry C. Miller Company), developed intricate procedures for opening and repairing safes and chests, becoming highly sought after—particularly for work on safe locks and bank vaults.

In 1939, while at the shop, they received a call from The White House. President Roosevelt and the First Lady needed their urgent assistance. Under the watchful eye of the Secret Service, the three Miller men opened a chest that held the First Lady’s jewels and other important paperwork. The King and Queen of England were set to arrive for a formal state visit, and Eleanor Roosevelt needed her finery. They also performed many other notable jobs, among which was repairing one of the largest bank vault doors at the Treasury Department.

Under the watchful eye of the Secret Service, the three Miller men opened a chest that held the First Lady’s jewels.

While they were on another bank job, a vigilante janitor, unaware that the three men had been contracted to install a bank vault ventilator, armed himself with a machine gun and was set on stopping what he believed to be a robbery. Initially thinking it was a joke, the Miller men quickly realized they were in quite the predicament. Thankfully, the bank president overheard the commotion and came to calm the situation. While tense at the moment, it became a story that the three men relished sharing over the years.

John Miller was not just an exceptional locksmith and safe technician, he was also an inventor. He designed a range of locks



and security products, including the innovative night depository boxes for banks. In addition, John created other products such as bank vault ventilators and bank-counter depositories. Diebold recognized the value of John’s inventions and purchased the designs, patents, and rights to many of these products from him.

As the economy started to recover from the Depression, Diebold wanted to hire more salaried workers, including John. In 1940, Diebold offered John and James each a salary to run their service operations. Although they were honored by the offer, they recognized that everything they had worked hard to build would be sacrificed if they accepted it. After careful consideration, they decided to decline Diebold’s offer, and instead expand their business under a partnership named The Safemasters Company. With their entrepreneurial spirit, hard work, and commitment to excellence, John and his family continued to build a thriving business that would leave a lasting impact on the industry.

SAFEMASTERS

The new business was successful from the start. They had regular calls for service work, and continued to refurbish and resell used safes and furniture. However, they began to get service calls at all hours of the day and were soon stretched thin. It was evident that they needed additional locksmiths on their staff. As World War II approached, labor became harder to come by. John and James decided to stop pursuing bank work because they realized they were unable to effectively compete with the large safe companies. Instead, they decided to “provide service wherever needed at the most consistent rate possible.”⁵ As men of integrity and charity, they wanted to ensure that they were dealing fairly during the war. This led them to establish two core principles of their business: (1) “Let integrity prevail. Beware of the ‘Fast Buck;’ and, (2) Shun any questionable deal!”⁶ It was not uncommon to see the Millers repairing locks and keys, sharpening tools, and helping with odd jobs for their neighbors for free.

Not long after Safemasters was established, Diebold contracted John to supervise the erection of a pioneering design of a two-story, all-welded, flood-resistant, bombproof vault for the New England Mutual Life Insurance Company in Boston. This was an opportunity John could not refuse, as it gave him nationwide publicity. James ran the

business while John was away, and continued to grow the safe sales and service operations.

At the start of the war, President Roosevelt tore down the east entrance of The White House to excavate the site and build a bomb shelter. Within this shelter, there were numerous entrances that were to be controlled by specially constructed vault doors made by the Mosler Safe Company.

Safemasters became a main provider of safe service for the government during the war.

Due to his connections and experience with the vault he had recently constructed in Boston, John was selected to supervise the installation of the vault doors. This was not the only government work Safemasters performed; in fact, they became a main provider of safe service for the government during the war. Whenever there was a change in government personnel, the Millers would perform code changes and open containers. Government work quickly became their main source of business, and eventually, their commercial and residential work was only performed after-hours.

In addition to performing government service work, the Millers also focused on research and development. Harry had developed a manipulation-resistant combination lock, and Safemasters worked to make the devices necessary to help retrofit safes and cabinets with that lock. One such invention was the Number 50 Pinch-Proof Deadlock Extension with Inside Release. While focusing on these research and development efforts and continuing their service work, Safemasters developed a sought-after apprenticeship program.



Once the war was over, they started an apprentice program for veterans. Just as with his time leading the Old Soldiers Home, caring for veterans was of the utmost importance to John. Throughout the rigorous apprenticeship, each trainee would go through four years of training—considered to be the most complete instruction in the safe industry. Jim Taylor, who would later become entrenched in the Miller family and its many businesses, was a trainee of this program.

In November 1963, Safemasters merged with Sargent & Greenleaf, and became a wholly-owned subsidiary. While John continued as chairman of the board and technical consultant, James retired from the business.

John was confident in the future of the company; his son, Harry, was the president of Sargent & Greenleaf, so he knew Safemasters was being left in very capable hands. John remarked upon the merger, saying, “the reign and leadership passes to a forceful and energetic organization that has its pathways lighted with experience and a fine record to emulate.”⁷ Safemasters continued to grow and expand, purchasing other locksmiths across the country that operated under the umbrella of Safemasters.

As Sargent & Greenleaf was later acquired by Stanley (who also owned Best), they merged the Best and Safemasters’ service centers. Although Safemasters eventually dissolved as an organization, its impact on the safe industry and our country still resonates today. Throughout its history, Safemasters remained steadfast in its commitment to integrity, honesty, and service to others, leaving a legacy that will always be remembered.

HARRY C. MILLER COMPANY

The Harry C. Miller Company was established in the 1940s by Harry, who had inherited his father's passion for physical security. Having honed his skills and connections while working alongside his father, Harry specialized in providing physical security solutions and advice to the government. He had become a master safe-lock manipulator, and was contracted by the Pentagon to perform all of their safe work. He also worked with the intelligence side of the Department of State, and during the war was flown all over the world to open safes containing valuable intelligence information. He was flown throughout Europe, and also to China when Taiwan separated from China. Throughout his career, he visited more than 700 embassies, which helped him forge connections with highly influential people in the intelligence community.

With the end of the war came new security concerns for the government. Ironically, on V-J Day—the day that the war ended—Safemasters received a code book containing the codes of all the leading combination padlocks that were in extensive use on file cabinets, lockers, and other security devices throughout the various U.S. Defense activities.⁸ The Millers knew that this was a major national security threat, and brought it to the attention of the top security officer at the Pentagon, who confirmed that the codes were correct. However, thinking that the war was over and the codes were no longer relevant, the officer did not take the threat seriously. The officer turned out to be very wrong. They soon noticed that files containing highly classified information were going missing, with no trace of people breaking into

the file cabinets. This problem got Harry's inventive nature spinning. After spending countless hours in the basement of his and Grey's Virginia home, Harry emerged with the Manipulation-Resistant Combination Lock, which was the first true innovation in the lock industry in 75 years.

Harry had become a master safe-lock manipulator, and was contracted by the Pentagon to perform all of their safe work.

As a shrewd businessman and educator, Harry realized that he needed to convince the government of the need for his lock. He trained other safe technicians in his manipulation methods and demonstrated to the government that he could defeat their high-security locks in a matter of minutes. This was enough to convince the government to adopt his lock, and Harry licensed the production of the lock to Sargent & Greenleaf. This partnership ultimately led to Harry becoming the owner and president of Sargent & Greenleaf.

As the demands of his role at Sargent & Greenleaf grew, Harry made the decision to dissolve the Harry C. Miller Company and relocate to Rochester, New York, where he could concentrate entirely on his new enterprise. The Harry C. Miller Company had been a resounding success that brought significant benefits to the United States. Harry had made a plethora of contributions to the industry and the country during his ownership, as evidenced by receiving the Key to The White House from the Technical Security Division of the U.S. Secret Service.

SARGENT & GREENLEAF

While Sargent & Greenleaf was a successful organization, some of its management practices were not ethical. As a result, the company faced financial difficulties and was unable to pay the royalties due to Harry from the licensing of his lock. Harry took a calculated risk, and between the royalties he was due and money he borrowed, he gained control of Sargent & Greenleaf in 1951. A gamble that many would have been hesitant to take, Harry—always a visionary—saw as an opportunity. He had a saying that he shared with many, that has since been passed through his son Benson to his children, Chad and Katie: “Look out your windshield and over the hood—not out the rear window and over the trunk. Watch where you're headed.” His visionary move to purchase Sargent & Greenleaf is one that would chart a successful future course for both himself and his children.

Harry's leadership helped him grow and evolve Sargent & Greenleaf—inventing new locks and products to prevent manipulation techniques. In the early 1960s, son Clay joined the family business, followed by his other son, Benson, in 1973. There was now a new generation of Miller men working together in business. While this arrangement worked for awhile, that would prove to not always be the case.

Sargent & Greenleaf was located in Rochester, New York, a place that faced several challenges, including high taxes, unionization, harsh weather,

and stiff competition in the labor market. To address these challenges, Harry tasked Clay with finding a new location for the company. After a thorough search, they settled on Nicholasville, Kentucky, due to the favorable taxes, solid labor pool, and excellent transportation infrastructure.

In 1970, Jim Taylor—who was married to Grey Miller's sister, Alice—took charge of moving the plant to Kentucky. The new facility was opened on John C Watts Dr. in Nicholasville in 1972. Only 18 of the 250 employees in Rochester were moved



Kentucky Expansion

Sargent & Greenleaf, Inc. of Rochester has announced plans for a new manufacturing facility to be built near Lexington, Kentucky. The new building (shown here in an architectural rendering) will house some operations currently occupying the Rochester facility and many new products. Although the Rochester plant, it will take a great burden from Rochester operations and will allow us to manufacture more efficiently.

The addition became necessary because S&G has been growing at an unprecedented rate, with an increase in domestic and export sales, an expanded RSH line, and constant research into new products. The fifty year old Rochester facility can no longer produce the volume necessary to keep up with current orders. After considerable effort to find room to expand in Rochester, the decision was made to build an additional facility out of state.

The Kentucky operation will be started under the direction of Executive Vice-President James L. Taylor. Mr. Taylor is already in Kentucky supervising the construction of the plant and scouting for employees. Latest estimates place the completion of the facility close to the end of the first quarter of next year.

The management of S&G has not yet made final decisions about which operations could best be moved to Kentucky, and in any event the rearranging will be done gradually. Some machinery will probably be moved from Rochester to Kentucky, according to General Manager J. Clayton Miller. In addition, some employees whose job specialties are not readily available in the Lexington area will be asked to go to Kentucky to help train new employees.

Sargent & Greenleaf would like to express our deep gratitude to all the employees. We recognize that our growth and our success have been due entirely to the consistency and dedication with which they have worked. We take this opportunity to thank each one for the effort that went into making Sargent & Greenleaf so successful.



PUBLISHED QUARTERLY BY SARGENT & GREENLEAF, INC., ROCHESTER, N.Y.

to Kentucky, which turned out to be a flaw in their planning. The loss of years of knowledge held by the laid-off workers led to significant inefficiencies in the Kentucky operations, causing the company to hemorrhage cash. This situation took a toll on Jim Taylor who separated from the company. Clay was appointed general manager, and a year later, Harry retired, leaving Clay with the task of turning around the company as the new president.

Clay and Benson enlisted the help of Price Waterhouse Cooper, who recommended developing and introducing manufacturing systems. Benson, with his background in computer science, was tasked with developing the computer systems to manage all the inventory and manufacturing processes, while Clay focused on increasing sales. Together, they successfully turned the company around and continued Harry's legacy of innovation and visionary leadership.

With their hard work and perseverance, Clay and Benson were able to improve the company's lead times; however, their debt service remained a challenge. Despite their efforts, family dynamics continued to impact their ability to make progress. Even though Harry was retired, he was still heavily involved in daily operations, and often went against the directions given by Clay and Benson, causing confusion and disruption. The company needed a clear and unified leadership approach to move forward successfully. Realizing this, the three Miller men decided to sell Sargent & Greenleaf, and the process was initiated. The sale was closed with Oz Mutz in early 1981.

Although Benson and Clay stayed on after the sale, it was not a good fit for them. The new management had different values and ethical standards, which didn't align with those of the Miller family. Both men left the company within one year of the sale. The company was later sold to Stanley, who ultimately sold it to venture capitalists. Despite the challenges they faced, the Miller family's legacy of hard work, innovation, and vision lives on in Sargent & Greenleaf.

Safe deposit locks— The other side of the story

by Benson L. Miller, Vice President
Sargent & Greenleaf, Inc.



In preparing for this writing on safe deposit box locks (SD locks), I read several articles written on the subject over the past few years. They range from the philosophy to the service of SD locks. When I was just about to abandon the idea of finding something new to write, I realized that the articles did not look at SD locks from the lock design and manufacturer's point of view. Nor did they provide a summary of the broad range of pertinent information for the locksmith. With those thoughts in mind, my direction became clear.

SD locks found their origin in the early days of Wells Fargo when stagecoach travelers needed protection for their valuables. Tin boxes with locks on them were put into a strongbox which kept them secure for the trip. Each traveler was given the key to his particular box which was returned at the end of the trip. Looking back nearly 100 years later, it is evident that with the exception of mobility, the mission of the SD box supplier is the same today as it was in the Wild West days. That is to: 1) provide a safe or vault for forced entry protection; 2) provide

boxes, within the safe or vault, which can be opened only by the authorized renter; and 3) provide serviceable product, based on an estimate of more than 30 million safe deposit locks in use today in the United States. Remembering that I work for Sargent & Greenleaf, an SD lock supplier, I will comment on each of these three areas focusing on the banking industry. Later, I will branch into other applications of SD locks. My purpose is to give a basic understanding of the design and use of SD locks, to provide specific information relative to forced entry protection, design and opening techniques, keys and key control, and to list all of the sources of information and training on SD locks currently available.

Forced entry protection

Today, banks rely on physical security and alarms for forced entry protection of their SD boxes. Under physical security, the key element is TIME. Thus, the use of thick steel doors and reinforced strong room walls to slow down entry by use of tools; the use of UL Group I manipulation resistant locks to prevent the use of modern manipulation techniques; and finally, the use of UL approved time locks to provide nighttime security and to prevent kidnappings. In the instances where SD boxes are contained in a safe, weight has been important to prevent the safe from being stolen.

Perhaps the most publicized and rapid growing field relative to bank security is the alarm system. The objective is to make the risk value higher than the value

Financial Highlights

(Dollars in thousands)

	1974	1973
Net Sales	\$ 8,238	\$ 4,562
Earnings before income taxes	461	426
Income taxes	237	189
Net earnings	224	236
Depreciation and amortization	282	213
Capital expenditures	1,371	1,068
Current Ratio	1.27	1.71
Stockholder's equity	2,378	2,124
Per Cent Equity to Long Term Debt	85.8%	88.8%
PER SHARE DATA		
Net earnings	\$ 0.87	\$ 0.81
Dividend	53.00	47.61
Income Percent of Equity	10.88%	10.08%
Average number of shares outstanding	64,823	64,822

The cover page highlights the new Sargent & Greenleaf Building, formerly DuPont Building and Plant. The facility was completed in late 1974.

President's Message



The year 1974 will be remembered as one of dramatic change. Having confidence in the future, Management started by purchasing seventy-eight acres of industrial property and erecting a new facility in 1975-1976 at Nicholasville, Kentucky.

The new facility was ready for occupancy in May of 1974 and the housing of skilled workers soon proved one that a good labor force was available in our region. Several major product lines and the manufacturing methods were moved from Nashville with a minimum of interruption.

The expansion was timely, as sales orders increased and our backlog soared. It was essential that production meet the demand. Group Two was moved into our Kentucky plant to augment our capability for meeting new orders. Rebuilding it would require finding real and the money, so we decided to do so quickly, at the new factory, this, and orders were badly needed. For you and the progress in this regard, we are grateful. The vacant Courtyard Hotel property at Auburn, New York was sold.

The first Code/Tronic Electric Locks came off our assembly line in Downey, California. Excellent performance led to immediate acceptance by industry and Government Security Specifiers.

During the year 1974 many problems arose, but these were solved with attention—they were Capital expenditures, inventory, and profit. The new plant in Kentucky would, in fact, create a large capital investment. It would necessitate finding other capital requirements for a number of years. The future looks bright and we are confident that you will be carefully watched to improve profits. Expenses were studied and corrective steps planned.

locations, other considered essential to meeting production schedules, were given close scrutiny. With material costs higher than ever, and our backlog growing with vitality and additional personnel to test plants, it became apparent that better utilization of inventory was vital. We set about, the year-end, to reduce inventory substantially within six months.

During the latter half of the year, at shipping volume increased, our profits improved substantially. In December, a re-financing program was completed with the Kentucky Group Bank. This really improved our financial outlook.

This is an appropriate time to recognize new Executive Management Personnel, who have recently joined the Sargent & Greenleaf staff. See pages 19 & 20. These companies and people are carrying our Management Team.

The determination to progress and grow, resulted with the years of experience, should make the nucleus of great assets for years to come.

Harry C. Miller
President

Sales



1974 HAS BEEN A YEAR OF NOTABLE PROGRESS

Sargent & Greenleaf sales grew to \$8,238,000 in 1974 which was 85.8% over the 1973 income of \$4,562,000. Growth occurred in all product lines highlighted by a substantial increase in demand for the "K" Series constant rate locks.

The most notable progress made was in the export sales program. Export sales increased by 85% in 1974. A considerable portion of this increase was due to the promotional efforts of Mr. Jacques Pymont to the European continent. Sargent & Greenleaf's products are now being used in more than 120 countries around the world.

In the area of new products, 1974 saw completion of the joint marketing program for the unique Klonec Key® and push key locks. The new market was highly successful and management is presently planning to get up high volume production.

The introduction of the Code/Tronic and Code/Tronic II electronic security alarm systems continue to emphasize the ability of Sargent & Greenleaf to stay ahead of the modern trends in security. Sales increased steadily along with production in 1974, and the outlook for 1975 is promising. These new products will prove to make Sargent & Greenleaf a leader in the electronic security field.

WE ARE ENTERING 1975 WITH AN ATTITUDE OF CHANGE

The relocation of the sales department to the new Kentucky facility will take place during the month

of February. This will put the sales force in a more strategic location to Sargent & Greenleaf's major customer base, allowing for better communications and less costly transportation.

Further change will take place with the introduction of a new national sales policy. Sargent & Greenleaf will become a distributor-oriented Company by referring all low volume accounts to factory authorized distributors. This will allow Sargent & Greenleaf to reduce by approximately 75% the number of accounts dealing directly with the factory. Management is confident that this new policy will improve profitability, increase the efficiency of operations, and provide an expanded organization to handle our rapidly increasing sales.

We are looking forward to meeting the challenges and demands that will be placed on Sargent & Greenleaf in 1975. We are confident that it will be a successful and profitable year.

Benson L. Miller
Sales Manager

Manufacturing



1974 has probably been the most exciting event in the history of Sargent & Greenleaf.

Assembly of our Safe Deposit Products got off to an amazingly smooth start the fall of 1974, at the Nicholasville facility. At the beginning and manufacturing portion of the Safe Deposit division was being moved during early August, some were being sold for the Company Office move. It is felt that all moves went quite smoothly with absolute zero delay in product shipments.

The Code/Tronic® air new electronic lock was introduced in mid 74 and had very exciting acceptance. Its futuristic design and styling are far ahead of the market place and will, in a short time, make it a leader. Complimentary models to the line are now being designed and will be ready for the market in early 1975.

The Code/Tronic® Public System has been a tremendous help during 1974 and the outlook for 1975 is a continuation of this strong demand.

Our marketing staff has been quite busy with particular emphasis on export which is continuing to become a major sales

Our backlog and back log are remaining at an unusually high average, despite the economic pressure on customers today.

I feel that our expansion in 1974 was good and we have every expectation and opportunity for growth in 1975.

Stanley G. Miller
Vice President and General Manager



IGNITOR PRODUCTS

During his tenure at Sargent & Greenleaf, Harry Miller and a colleague invented a self-igniting propane torch that was automatic-on, pressure-regulated, and heat-safe. The torch was unique in that it allowed people to touch the nozzle without getting burned. After retiring from Sargent & Greenleaf, Harry established Ignitor Products, where he sold the SureFire™ Propane Torch to the plumbing wholesale market. He ran Ignitor Products from a warehouse at 800 John C Watts Dr. that Benson and Grace Miller owned. Although it was a small operation, Benson, who recently had left Sargent & Greenleaf, saw it as an excellent testing ground for the ERP business management software he was writing. His father agreed, and Benson began working for Ignitor Products, implementing and testing his software. As Benson embedded himself in the organization, he saw the immense potential that the SureFire possessed.

Ready to retire to Florida, Harry struck a deal and sold Ignitor Products to his four children: Benson, Clay, Harry Jr., and Barbara. Benson became the president of the company, and Harry Jr. and Barbara worked there as well. Excited to be leading his company, Benson quickly wondered what he had signed up for when he received a concerning call the week after he purchased Ignitor Products. A plumber called to report that the propane torch had burst into flames, burning all the hair off his arm. Benson was sure he was about to go through a significant product liability lawsuit; but surprisingly, the plumber simply asked if he could send the product back, and if they would repair it for him, so it wouldn't burst into flames again. Relieved, Benson gladly obliged, discovered the issue, and issued a recall to repair other torches.

When Benson joined the organization, the company only sold into the plumbing wholesale market. However, Jim Wiems, a sales representative from Chicago, saw the potential of the



Ignitor Products, Inc., fires up its complete SureFire[®] line

After its striking introduction of the self-igniting torch into the professional and home markets, Ignitor Products, Inc. has introduced a complete product line. Under the SureFire brand name, the product line has expanded from torch models, from their 20 accessories for torch and torch packaging, into new manufacturing techniques to improve the quality of the SureFire line.

The complete SureFire line of self-igniting torches and accessories is the most advanced in 1985. Sales reached approximately \$10 million last year. The line includes professional and homeowner models, and the original SureFire torch remains the recognized standard for quality and safety.

The SureFire torch product line:
The SureFire torch line of Ignitor Products, Inc. now consists of 11 professional use torches with 20 accessories, home owner models T-400 and T-4000, and a 1985 model for the (DIY) market, model T-300. The line includes a variety of accessories, including T-300, T-400, and T-4000.



Model T-300 is the most popular model in the SureFire line. It is a professional use torch with 20 accessories. The line also includes a variety of accessories, including T-300, T-400, and T-4000.



Robert Benson, president of Ignitor Products, Inc., is shown in the photograph. He is a man in a suit and tie, smiling slightly. The text next to him describes his role and the company's success.

Then, after turning off the gas, he would immediately put the nozzle of the torch on his face. The shock and awe of this always drew people to his booth—including Sears.

Sears was interested in testing the product and invited Benson to set up demonstration booths in three of their Chicago stores. Benson's demonstration drew crowds, and product sales began to flourish. After the successful pilot, Sears started selling the SureFire in all their stores. Once Sears accepted the product, other major retailers began to sell the propane torch as well. Benson continued to attend hardware shows, and sales continued to increase.

At the Tru-Value dealer market in Chicago, all the propane torch company booths were located near each other. While the SureFire booth was crowded with a steady stream of traffic all day, the Bernzomatic and Cleanwell Turner booths remained relatively empty. Seeing Benson's success, an executive from the Bernzomatic booth approached him and asked if he was interested in selling the company, to which Benson replied "no." Later that same day, an executive from Cleanwell Turner asked him the same question. This caused Benson to take pause, and he told him that if he wanted to

After turning off the gas, he would immediately put the nozzle of the torch on his face.

make him an offer, he would consider it. Wanting to create healthy competition, Benson went back to Bernzomatic and let them know he would consider an offer from them as well. Bernzomatic came back with an acceptable offer and a deal was struck. The Newell Group, who owned Bernzomatic, purchased Ignitor Products in 1986.

product and suggested that Benson should consider selling it in retail markets. Benson's introduction to Jim proved transformational for the organization. Jim traveled to Kentucky and walked Benson through the process of working with retail hardware companies. He helped work through the packaging, pricing, discount models, and advertisements. In short, Jim taught Benson everything he knew about selling into the retail market. One marketing strategy that Jim recommended was to get a booth at the National Hardware Show. Benson developed an attention-grabbing sales demonstration where he would solder small pieces of copper pipe together with the SureFire.

THERE IS A SUREFIRE DIFFERENCE IN TORCHES.



New self-igniting SureFire[®] torches.

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MILLEX

Benson's experience with Ignitor paved the way for him to establish Millex. After selling Ignitor, he continued to work for The Newell Group under a three-year contract. However, he quickly discovered that the large corporate world was not for him, and he desperately wanted to start his own business. During his time at Ignitor and Newell, a colleague had approached him with an idea for a wall-mounted ironing board cabinet. After reviewing the product, Benson determined that the production cost was too high to meet the needed mass-retail selling

price, so he advised his colleague that the product would not be successful in its current design.

While working at Newell, Benson started thinking about the ironing board idea and came up with an entirely different design that would cost substantially less to produce. While attending a Young Presidents' Organization seminar at Harvard, instead of attending the cocktail and networking receptions, he went to the library and performed market research. He began to see parallels between the value-added features of the SureFire torch and the laundry appliances market.



95

Home Organization

Millex's original board can be hung over a door, or permanently installed into the wall.

Millex adds a cabinet feature to its product, which hides the ironing board when not in use.

Millex goods steam ahead

Ready Press ironing board with cabinet bows

NICHOLASVILLE, Ky. — When Millex Inc. entered the home organization category last year, the company hoped to provide consumers with non-traditional ironing boards, designed to make the dreaded chore a little easier. And with its latest product — the Ready Press Cabinet Ironing Board — the company has added a fashionable cabinet to its functional product.

At last year's National Hardware Show, the company introduced its cornerstone product — the Ready Press Foldaway ironing board — which hangs over a door or attaches to a wall. Consumers can flip up the board for easy storage when ironing is completed, and no tools are required for assembly.

Now a year older, Millex is

expanding with a new product. Because the original Ready Press has been so successful, said marketing manager Grace Miller, the company will be introducing an extension to the line at the January housewares show.

The product is based on the original Ready Press, but the new board has a cabinet feature, which hides the ironing board when not in use.

“With the cabinet, you can't see the ironing board when it's folded up,” said Miller. Now consumers can keep the board out of the closet and in a kitchen or laundry room, Miller explained, but without having to look at an unsightly board all day.

The cabinet — available in a wood finish or a white laminate finish — can be hung on a door, or permanently mounted into the wall. The cabinet door will swing to either the left or the right, depending on the customer's available space.

The product will retail for \$99, which is considerably cheaper than most custom made ironing closets on the market today. In fact, president Benson Miller started his Kentucky company after noticing the proliferation of these ironing closets. He also noticed the steep price — installing a closet can

cost up to \$400. And the process is not as simple as hanging a cabinet over the door.

While other companies might stop with one or two innovative products, Millex also has several accessories available, including ironing mats made out of silicon or cotton, and a kit designed to hang the board on the wall.

A rack to hold the iron is on the way, as well as an extension cord holder, and a rack for hanging pressed clothes.

“Our intention is to expand the line as much as we can,” said Benson Miller.

LOCKMASTERS

Lockmasters was founded in 1952 by Harry Miller, Jimmy Taylor, and Leonard Singer in Rochester, New York. Originally, the company focused on training locksmiths in manipulation techniques, but it has since expanded into a much larger enterprise. Harry began offering safe-lock manipulation classes while he developed the manipulation-proof safe lock produced by Sargent & Greenleaf. However, as demand for the courses increased, he struggled to balance both his new business and the manipulation classes. He turned to his friend Leonard Singer, who had experience running correspondence courses, to help develop such a course for lock manipulation. Locksmiths could receive lesson kits in the mail and would mail back completed assignments for grading. Harry's brother-in-law, Jim Taylor, who had taken Harry's courses, was adept at lock manipulation and with the help of his wife, Alice, began to run the courses out of his home, leading to the creation of Lockmasters.

The company expanded over time, adding courses in safe lock and safe deposit lock servicing. In the early 1960s, Lockmasters began offering in-person courses in Rochester. When Sargent & Greenleaf moved to Kentucky, Jim and Harry moved as well, but Lockmasters continued its operations in Rochester. Harry purchased both Leonard's and Jim's shares and became the sole owner of Lockmasters.

After retiring from Sargent & Greenleaf, Harry moved Lockmasters to Satellite Beach, Florida, but eventually considered donating it to ALOA. His son, Clay, who saw an opportunity in Lockmasters, convinced Harry to sell the company to him in 1981—a time when interest rates were high and the business was struggling. Satellite Beach was a small town that was expensive to travel to, and locksmiths couldn't afford to fly to Florida for classes. The correspondence courses were still successful, but Clay needed to find a way to increase business. Ever the visionary, Clay decided to purchase a truck and take the courses on the road. Clay and his instructor, Speedy Chandler, took the truck to various cities where he would host courses for locksmiths in that area. This innovative approach proved successful, and business began to grow. With no ties to Florida, Clay moved Lockmasters to Nicholasville, Kentucky, where it remains today.

Many players in the government sector started attending Lockmasters' classes, and sending their people to learn from Clay.

Speedy left Lockmasters, and Clay took his place, becoming the only instructor for six years. During this period, Clay developed numerous connections with locksmiths across the country, and teaching on the road became a significant learning experience for him. He discovered that there was no central source for purchasing locksmithing tools and equipment, and while teaching students how to drill a safe, they often asked where to obtain the tools he was using. Initially, he shared his sources, but he soon realized that he could become the source himself. Clay began telling his students that they should call Lockmasters for the tool. This marked the birth of Lockmasters' Wholesale division, which



LOCKMASTERS SECURITY SPECIALIST SEMINAR GRADUATING CLASS APRIL 6 - 22, 1971

Front row (l.-r.): Johnny M. James, Joseph DelGuidice, Richard C. Van Veen (Ins.), James L. Taylor (Ins.), Ken Norton, John Hilenski, Jr. Back row (l.-r.): Dee W. Colley, Anthony Mc Kenzie, John Kendrick, Carroll C. Kuyon, Arthur Crouch, Claybrook H. Carlton, Clair A. Henry, Richard L. Parizo, Ronald R. Hyman, William W. Bucy, Halbert M. Jester.

grew significantly over time. Clay's son, Mark, later purchased this division in 2005.

In addition to leading to the development of a new division, Clay's time as an instructor further cemented his position in the government security sector. Due to the connections he had developed through Harry and his tenure at Sargent & Greenleaf, many players in the government

security industry started attending his classes and sending their people to learn from him. These connections set the course for future developments at Lockmasters. In the mid-1980s, the government experienced a security breach that prompted them to assess the security of locks and containers safeguarding their classified material. They contacted Clay and two other men and gave each of them a contract to demonstrate how many ways they could bypass the locks approved for government use. The caveat was that they had to use covert and surreptitious ways to manipulate the locks

without the use of x-ray or radiographic technology. Each person had 20 continuous man-hours to open the locks, but Clay was determined to find a method that would take an hour or less. Clay and Wes Day developed two methods through mechanical bypass technology. Clay's friend Nick Gartner, who owned LaGard, had worked with Mike Harvey to develop an auto-dialer that would automatically dial various safe combinations until it opened a lock. Nick introduced Mike to Clay, and the two enhanced this concept, developing an auto-manipulator that would use cues from the lock to generate combinations.

Clay fondly recalls the night they first opened a lock with their auto-manipulator, which took place after midnight. As they shared a celebratory beer, Mike proposed the idea of creating a lock that would be resistant to all manipulation techniques, including their own auto-manipulator. This would create a compelling problem and solution that would drive demand for a new type of lock. While they continued to develop and sell the auto-manipulator, they also created a proof-of-concept prototype of the generator-powered combination lock, which was successful. They patented the invention as the XO-7 and licensed manufacturing to Jim Taylor and Jimmy Hamilton with Precision Lock.

With the Research and Development division of Lockmasters in full swing, Clay shifted his



focus to partnering with Nick Gartner to increase the sales of the SmartGuard—the touchpad safe locks Nick had invented. Nick didn't have the means to install the locks nationwide, but with connections through the Safe and Vault Technicians Association (SAVTA) and Lockmasters graduates, Clay was able to provide an installation network. Clay enlisted his brother, Benson's help to get the new division, LockNet, up and running. That allowed Clay to continue focusing on education, wholesale, and research and development initiatives.

While Benson focused on LockNet, Clay and Mark continued to grow Lockmasters. Due to Mark's success in expanding the Wholesale division, Clay sold the Education division to Mark in 2013. Mark ran both the Wholesale and Education divisions until, upon his terminal cancer diagnosis, Mark sold them to Dominus Capital in 2020. Clay now runs Lockmasters Technology Incorporated—the research and development wing of Lockmasters—where the primary focus is on tools and education for the clandestine security market.

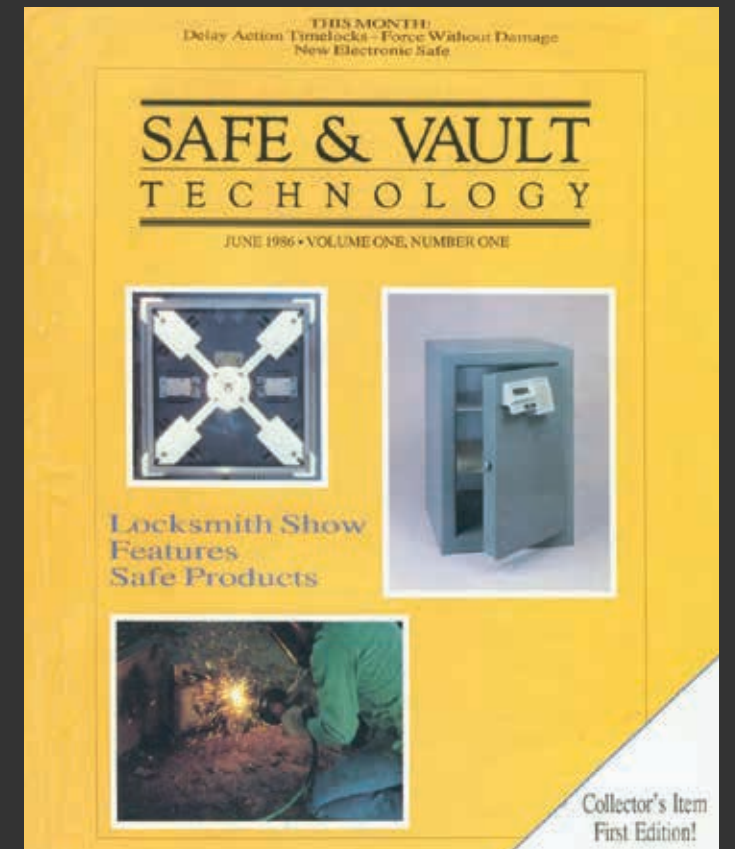
SAVTA

To expand the reach of Lockmasters, Clay began attending ALOA conventions to connect with locksmiths and safe technicians. During these conventions, he and his colleagues noticed the lack of representation for safe technicians. It became apparent that there was a huge need for an association for safe technicians. Together with the editor of *Locksmith Ledger* and industry leader Bill Reid, and Leonard Singer, Clay and his wife, April, founded the Safe and Vault Technicians Association (SAVTA). This association became an invaluable resource for safe technicians across the globe.

To form the association, Clay first purchased the *Professional Locksmiths* magazine. Clay laughed recalling how he made the deal on a telephone that was in the seat-back of an airplane. While flying from coast-to-coast, Clay called Scott Anderson, the owner of the magazine, and purchased the publication. They merged the subscriber base of the magazine with the TruCenter Club, which was made up of all Lockmasters graduates. This base of safe technicians was enough to start the association. Initially run out of Arizona, SAVTA was eventually moved to Kentucky, where April took over the daily operations.

SAVTA aimed to provide education, networking, and resources to safe technicians. April provided value to their base in a number

of ways. In addition to putting on annual conventions hosting a number of different courses, she also put out a 40-page magazine when desktop publishing was unheard of. She created the first full-size magazine entirely on desktop publishing. She also developed a call-in support service for technicians to get help and information on various issues they were having in the field. Prior to this service, technicians were reluctant to call competitors for assistance; but now they had a reliable resource in SAVTA. By the time the association was donated to ALOA, it had grown to over 2,000 members. Today, it continues to provide valuable resources to safe technicians worldwide.





THE LOCKNET DIVISION OF LOCKMASTERS WAS FOUNDED IN 1990 WITH THE PRIMARY AIM OF SELLING AND INSTALLING SMARTGUARD ELECTRONIC KEYPAD SAFE LOCKS TO THE FAST-FOOD INDUSTRY. AFTER THREE YEARS OF OPERATION, IT WAS OFFICIALLY SEPARATED FROM LOCKMASTERS IN FEBRUARY 1993, AND ESTABLISHED AS AN INDEPENDENT ENTITY WITH CLAY AND BENSON AS PARTNERS, AND BENSON AT THE HELM AS PRESIDENT. SINCE THEN, LOCKNET HAS SURPASSED ITS ORIGINAL OBJECTIVE OF INSTALLING SAFE LOCKS, AND HAS EMERGED AS A LEADING PROVIDER OF LOCKSMITHING SERVICES AND DOOR HARDWARE FOR THE NORTH AMERICAN NATIONAL ACCOUNT MARKET SEGMENT, SELLING TO CUSTOMERS WITH LOCATIONS SCATTERED THROUGHOUT NORTH AMERICA.

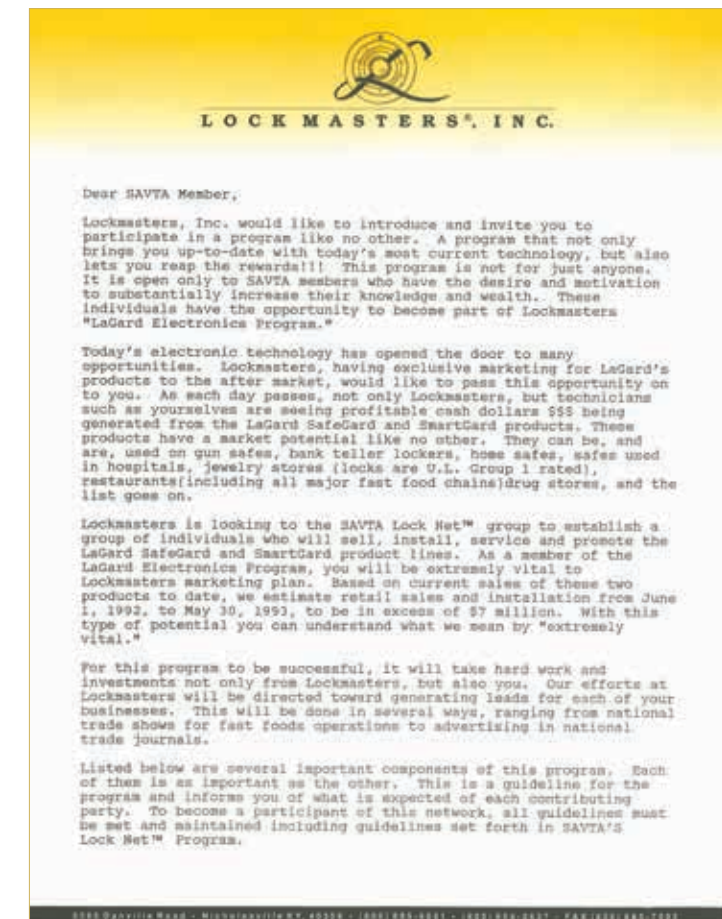


LOCKNET'S BEGINNING

Nick Gartner, the inventor of SmartGuard and owner of LaGard, reached out to Clay in the late 1980s. Nick wanted to target the fast-food industry, but he did not have a reliable way of installing a large number of locks across the country. With Clay's connections in the industry and through the SAVTA members, he had access to the network required to perform the installations. To get the division up and running, Clay brought Benson on board. Together, they worked on creating a sales and installation program.

Benson started by studying the SmartGuard lock and meeting with Nick to understand his selling strategies. Nick was selling SmartGuards to locksmiths, who were then selling them to fast-food restaurants with varied success. After speaking with the locksmiths, Benson discovered that the pricing for SmartGuards varied widely from region to region, resulting in inconsistent pricing. Benson knew from his previous experiences, that consistent pricing and a consistent sales program were essential to successfully working with national accounts. Benson realized that the challenge he needed to overcome was creating a national sales program with consistent pricing when sales were handled independently by locksmiths across the country.

To solve this problem, Benson hosted LockNet's first technician council meeting and brought in locksmiths who were successfully selling SmartGuards. Together, they developed a program where LockNet would sell SmartGuards directly to corporate accounts, and the locksmiths would receive an installation fee. The fee was structured to cover their labor plus an additional amount to cover the parts margin that locksmiths would forfeit by not selling the product themselves. In return, locksmiths



did not have to carry inventory nor be responsible for a parts warranty. Benson utilized the SAVTA network and the ALOA locksmith database to start marketing the program. The program was successful, and LockNet began to build an installation network.

at all hours—at a time when LockNet’s only employees were Benson, Mike Moynahan, and Scott Green. Scott offered to be the on-call technician, to handle the incoming phone calls, day and night.

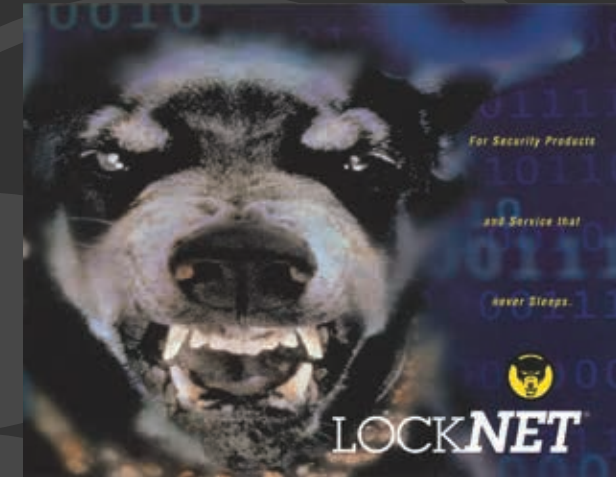
During Benson’s time at Young Presidents’ Organization at Harvard, he learned that data collection was crucial and to collect all data—even if it didn’t seem significant at

McDonald’s liked the program, and this started the sales engine for LockNet.

the time. To this end, Benson programmed a Service Call System using Microsoft® Access and began collecting as much data as possible. Through the collection of data and working with Nick, they were able to resolve most of the issues. As a result of the need to “save their bacon on warranty issues,” the 24-hour service department was born.



Benson then focused on acquiring corporate customers. He first approached McDonald’s and addressed the price variability they experienced throughout their regions. After demonstrating the product and explaining how it reduced theft and simplified code changes, Benson presented them with the sales and installation program. McDonald’s liked the program, and this started the sales engine for LockNet. Shortly after, Benson approached Kentucky Fried Chicken and Taco Bell, who also liked the product and agreed to join the safe retrofit program. However, as business began to grow, the locks began to fail frequently, and stores were unable to access their cash. LockNet began to receive calls



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At LockNet, we are here to make your job easier!
In doing so, we promise to:

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 In some cases lead times may be up to 6 weeks due to heavy demand. Please call for availability.
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LOCKNET'S DIVERSIFICATION

Over time, Clay and Benson realized that the accounting and management systems that LockNet needed were vastly different from the operating systems needed to effectively run Lockmasters' wholesale business. This led to the decision to spin LockNet out as its own business in 1993 so that LockNet could utilize its own accounting and operating systems. LockNet moved to a small office building with a meager warehouse attached at 100 Courchelle Dr. in Nicholasville. At the time of the incorporation of LockNet, the main issue was that when they had a retrofit project, they were making money, but when they did not have projects, they were losing money. It became apparent that they needed to diversify and find a more consistent source of revenue. This led LockNet to expand into key systems.

One of their retrofit customers, Service Merchandise, asked if LockNet could rekey their stores while they were installing the SmartGuards. Seeing this as an opportunity to diversify, Benson and Mike Moynahan told them they would do research and



get back to them. Mike talked to U-Change and InstaKey and, satisfied with the InstaKey solution, told Service Merchandise that LockNet could handle their request. Once introduced to LockNet, InstaKey understood the value proposition that LockNet brought to their current and potential client base.

Working with Starbucks firmly put LockNet on the map, and set the foundation for further growth and diversification.

In 1996, InstaKey took Benson on a trip to Hollywood Video and Starbucks and pitched LockNet as the installation and system

management arm for InstaKey. This was a successful sale to Hollywood Video who remained a loyal customer until they filed for bankruptcy in the early 2000s. Starbucks decided against purchasing the InstaKey product; however, they were interested in partnering with LockNet for safe retrofits and key system management of standard interchangeable cores. LockNet's Rod Oden set to work developing a key system infrastructure, while Benson's son, Chad, wrote the software to manage it, and a solid business partnership was formed. Working with Starbucks firmly put LockNet on the map, and set the foundation for further growth and diversification.

While providing rekey kits for Starbucks, LockNet noticed an expensive trend. When LockNet's rekey kits arrived on construction sites, they couldn't be installed. Contractors were supplying non-spec hardware, causing installation issues. LockNet presented this issue to Starbucks and proposed that LockNet supply the specified locking hardware along with the keys and cores. Starbucks agreed, diversifying LockNet into the locking hardware sector.

With LockNet expanding its services to include safe service, key system management, and locking hardware, Starbucks requested that LockNet become their *sole* provider for door and lock needs, including doors and frames. However, at the time, LockNet did not have any experience or partnerships within the door industry. Benson took it upon himself to embark on a journey to visit various door manufacturers to gain a better understanding of the industry, and what it would take to enter the business sector.

Eventually, Benson established a relationship with FireKing—a company that produced a “door in a box” product called the Entera Door. This door was primarily sold to Pizza Hut as their delivery door. In 2001, Benson negotiated a deal with

FireKing to purchase the door program, which also led to acquiring the Sur-Lock exit device from Silver Lining Companies. Pizza Hut had specified the Sur-Lock as the preferred exit device for their doors, and upon purchasing the Entera Door program, Benson also entered negotiations to purchase the Sur-Lock. With the pending addition of the door program, LockNet moved its production and shipping operations from the small warehouse attached to the office on Courchelle Dr. to Benson's vacant warehouse at 800 John C Watts Dr.



LockNet appeared to be moving toward a firm foundation that would launch them into the future. However, all this changed in one day.

TURBULENT WATERS

Capital Investments, which had provided start-up capital for LockNet, had agreed to fund the purchase of the Entera Door, but ultimately decided to withdraw the loan due to a major economic downturn. Benson, aware that it was imperative for LockNet to diversify into the door sector, decided to proceed with the deal and pay for it using the working capital line of credit. This decision plunged LockNet into a significant cash flow hole. The company was on the brink of collapse, and Clay and Benson had to inject large amounts of their savings into the business. To make matters worse, shortly after this investment, LockNet lost two significant customers—Taco Bell and Kentucky Fried Chicken.

The Jewelry Case Cover Project and the purchase of the Entera Door program provided LockNet with critical building blocks.

LockNet had been providing their safe service through the Allied Gary safe company, which got acquired by the NKL safe company. NKL had its own service arm, which began to handle safe service directly, rendering LockNet redundant. In just three months, LockNet lost 40 percent of its business. This led to layoffs and pay

cuts for employees, and the company's future looked bleak. Late-night discussions were held, questioning whether it was time to close the doors. However, just as things seemed dire, an opportunity arose that would save the business.

At around the same time, Service Merchandise reached out and explained that they were experiencing huge issues with nighttime smash and grabs, where robbers would drive into the store's glass windows, smash open the jewelry cases, steal the jewelry, and leave before the police could arrive. They were losing over \$350,000 in a matter of minutes. They desperately needed a solution, one that Benson was willing to design. Working with Paul Sherer, they invented a smash and grab jewelry case cover that he patented. Service Merchandise was pleased with the solution and signed a contract worth over \$2 million. The first check—which was framed on Benson's wall for many years—was received on February 8, 2001, for \$493,000. This project officially saved LockNet.

The Jewelry Case Cover Project and the purchase of the Entera Door program provided LockNet with critical building blocks. With LockNet now able to provide Starbucks' doors and frames successfully, the coffee giant asked if LockNet could also provide the wood doors and frames for their bathrooms. Shortly after, they requested that LockNet provide Division 10 products and bathroom accessories. This growth cemented LockNet as the sole provider of all of North American Starbucks' door and frame needs. The new sector's diversified growth offered the profitability base that the company needed. As profitability grew, Benson and Clay made the decision to buy out Capital Investments, at which time Chad invested all of his life savings to date, and bought into the company as well.

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This innovative design provides the additional after-hours security necessary to protect your valuable inventory. LockNet CaseArmor™ is a deterrent and will significantly delay the "smash-and-grab" thief. These security covers are a proven and cost-effective way to reduce the risk of burglary at your retail location.

LockNet CaseArmor™ is easily installed and removed in minutes. These lightweight, quality case covers fit snugly and will not damage your display cases.

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GROWTH AND EXPANSION

LockNet continued its growth and expanded its customer base. The organization had a stable year-round income from service customers, while the Account Administration department served project-based and seasonal income customers, and the Construction and Estimating department served new construction customers. Benson desired to grow the business and bring his daughter, Katie, back to Kentucky; so he asked Katie's long-term boyfriend to run the Door division of the business. Zach and Katie agreed to move to Kentucky in 2007, with Zach managing the Construction and Estimating department, and Katie managing the Service department. Meanwhile, Chad took over as the president of the organization, while Benson was still involved in strategic management but was transferring tactical management duties to Chad.

When the 2008 financial crisis hit the United States, Benson realized the importance of a unifying set of values that would hold the company together. Benson, Chad, and Katie gathered to discuss their shared values and what values and behaviors were non-negotiable for the culture they wanted to create and maintain. Being a family business, it was crucial to maintain a family atmosphere where employees could grow and thrive. After careful deliberation, they shared the Guiding Principles with the organization. These same Guiding Principles continue to lead LockNet today: (1) Safety comes first; (2) I am honest and respectful; (3) I listen and serve others before myself; (4) I am purposeful, constructive, and proactive; (5) I focus on efficiency and continuous

improvement; and, (6) I embrace problems with a positive attitude. The fourth principle was later expanded to include the trait "accountable."

These guiding principles helped the company navigate through the recession, which required difficult decisions such as layoffs and pay cuts. The organization embraced the challenge with a positive

it was crucial to maintain a family atmosphere where employees could grow and thrive.

attitude and successfully weathered the storm. Sales soon began to increase, and it became clear that the existing organizational structure of the Service and Account Administration departments needed to change in order to provide quality service levels. Eddie Bradley led the effort and developed customer group service teams called Pods. Each Pod had assigned account administrators who managed the accounts in their assigned Pod. This structure allowed the Service



department to absorb additional customers and increasingly complex customer demands successfully. The growth and profitability that followed led Benson and Chad to buy out Clay's remaining shares of LockNet. While remaining a silent partner in the business, Clay provided an immense amount of support and company-saving backing throughout LockNet's growth. Chad and Benson were now ready to formally transition the ownership to Benson's side of the family, where Benson had the hope and expectation of being able to pass LockNet onto his children in the future.

As LockNet continued to evolve, Howard Dame, the sales manager, was busy pursuing new opportunities. In 2011, Howard successfully negotiated a deal with CBORD, an access control integrator, to install wireless locks in all the dormitories at Miami University in Oxford, Ohio. This was a game-changing project that introduced LockNet to a new market. The project required an all-hands-on-deck effort, and numerous employees spent their summer working in non-air-conditioned buildings with temperatures exceeding 100 degrees Fahrenheit. Virtually every employee played a tangible role in ensuring the success of the project. The hard work paid off, and LockNet completed the job, which at the time was the largest wireless lock access control installation project of its kind. This success officially put LockNet on the map in the integration space, and other access control integrators began to take notice. Integrators excelled at managing the wiring and software side of access control—and they recognized that LockNet had the expertise to specify, supply, and install locks and repair doors when needed. In 2012, when Elise joined LockNet as director of business development, she made it her top

priority to develop this market opportunity. She quickly built partnerships with several large access control integrators, and the Electromechanical Solutions (EMS) department was created, propelling LockNet into its next significant phase of growth.



As the company continued to grow, the management team decided to rebrand each of the customer-facing departments. They became Service, Managed Projects, Electromechanical Solutions, and Architectural Door and Hardware Solutions (ADHS). The EMS department expanded rapidly, and between the growth of EMS and ADHS, LockNet quickly outgrew both the Courchelle Dr. building and the John C Watts Dr. warehouse. The decision was made to move the warehouse operations just down the road to the 30,000-square-foot Capital Court warehouse, freeing up the John C Watts Dr. warehouse to be remodeled into an office space. With a great sense of pride and hard work, LockNet employees successfully packed up both buildings and relocated all the equipment and inventory to their new respective homes.

THE FOURTH GENERATION

LockNet experienced significant growth over the years, which resulted in the family negotiating a deal to formally transfer ownership of the company from Benson to Chad and Katie. As part of the transition, they sought the guidance of family business consultants and mentors to set clear guidelines and boundaries for working together as partners and professionalizing the business. They rewrote the Operating Agreement, formed a Board of Advisors consisting of highly accomplished and seasoned business leaders, and learned a new mode of interacting with one another while at work. In December 2017, LockNet officially passed into the hands of the fourth generation, with Chad as CEO and Zach as COO.

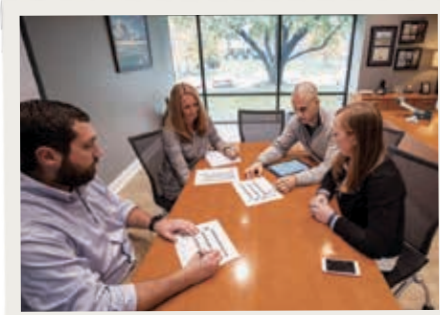
“What got us here won’t get us there!”

Chad Miller
CEO, LockNet

Through involvement in Vistage and YPO, Chad was constantly looking to learn from others and bring new ideas into LockNet. In late 2016, he was introduced to EOS



(Entrepreneurial Operating System) through a mentor in a CEO peer group. It was clear that EOS was what LockNet needed to support the company’s growth, and in 2017 LockNet began implementing and running on EOS. This new strategic planning and execution framework supported disciplined growth management and quickly led to restructuring. Managed Projects and EMS departments were merged, and together with Service and ADHS, the three client-facing groups began operating under a unified Client Services group. The Sales department was reinforced with the addition



of a Sales Operation Support group. While this provided a more stable structure, LockNet continued to feel the stress of rapid growth. It quickly outgrew the new and expanded warehouse and moved further down the road to the current Venture Court 100,000-square-foot warehouse. Additionally, all business systems began showing signs of strain, and with the rapid increase in head count, effective recruiting, onboarding, training, and cultural management became progressively more challenging. The Service department outgrew its existing model and shifted to a production-style operating system. Management worked diligently to put plans in place to tackle these complex issues.

While progress continued, many initiatives had to be reprioritized when the COVID-19 pandemic struck the world. Leadership gathered in the training room one morning, and by that afternoon, a vast majority of office team members had packed up their equipment to become remote workers. Collectively, the organization again embraced its sixth Guiding Principle and navigated the new waters with grace,

transparency, and camaraderie. Together, everyone learned how to navigate the new business landscape which brought with it a new set of complications.

Chad is fond of saying, “What got us here won’t get us there,” and as LockNet continued to grow, so did the need for a new structure and approach. In 2021, the IT team was significantly expanded, and a Customer Experience team was formed to emphasize the delivery of an exceptional customer experience by further unifying the Sales and Client Services teams. Simultaneously, each functional area of the business continued to grow and adapt. Despite the challenges, LockNet continued to experience rapid growth and now stands as a successful fourth-generation family business.

A STRONG FUTURE

LOCKNET, NOW WITH MORE THAN 200 EMPLOYEES, CONTINUES TO GROW AT AN ACCELERATED PACE BEACONED BY THE ONGOING VISION TO “ENSURE THE LIFE SAFETY OF EVERY NORTH AMERICAN.” THE FOUNDATION OF THIS SUCCESS IS LOCKNET’S EMPLOYEES, UNITED BY THE GUIDING PRINCIPLES, WHO CONTRIBUTE EVERY DAY KNOWING THE MEANINGFUL IMPACT THEY MAKE IN THIS WORLD. IT IS WITH HONOR, HUMILITY, AND DEEP GRATITUDE THAT CHAD AND KATIE LEAD LOCKNET AND CONTINUE THE LEGACY STARTED BY JOHN MILLER OVER 100 YEARS AGO.



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