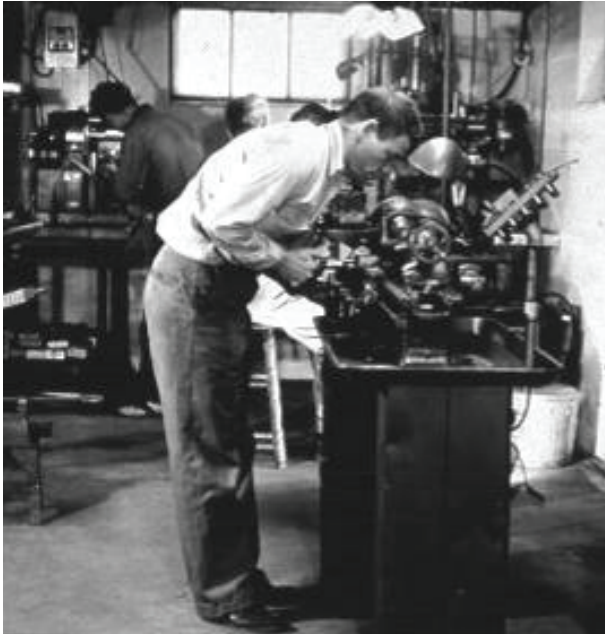


Medeco at 50: *A History of Security*

medeco
ASSA ABLOY

ASSA ABLOY, the global leader
in door opening solutions



From a Single Mechanical Cylinder to Comprehensive Loss, Liability and Security Solutions

It all began with a clever idea. In the 1950's, Roy Spain, an engineer in rural Salem, Virginia, opened a machine shop business named Mechanical Development Company. Spain invented a lock with a key that had unique angled cuts, making it extremely difficult to pick open. Unfortunately, it would be another 10 years before the marketplace was ready for a security lock. In 1968, Spain and his partners applied for a utility patent and named their new lock company "Medeco," an abbreviated version of their original name.



Medeco's first distributor was in New York City, where pick-resistant locks were

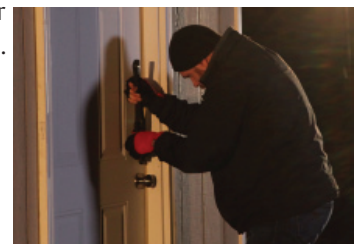


a dream come true. Medeco had discovered its niche market—selling wholesale to locksmiths. Over the next half-century, Medeco Security Locks would become world renowned for their retrofit mechanical locks and for their expansion into retrofit intelligent key systems.

In 1998, Medeco was acquired by ASSA ABLOY in Sweden. ASSA ABLOY is the world's leading manufacturer and supplier of locking solutions with about 47,500 employees, operations in more than 70 countries and annual sales of \$8.5 billion.

Today, Medeco locks are still manufactured in Salem, Virginia with precision handcrafted, solid brass construction. Medeco takes pride in producing high quality products that are made in America, and we use recycled and regional materials. We continually strive to provide our customers with sustainable building solutions while minimizing our environmental impact.

Medeco's mechanical locks remain famous for their resistance to picking, bumping, and physical attack. Users are also safeguarded from unauthorized key duplication thanks to utility patents on Medeco's locking technology and innovative designs.



Medeco has also led the market with development of very sophisticated intelligent key platforms.

Medeco CLIQ and Medeco XT add scheduling and audit capability on top of the robust physical security in a mechanical cylinder, providing smart new solutions for a world in need of more effective and efficient security systems.

Medeco is proud to have led the security industry in innovation and quality for more than 50 years. From a single mechanical cylinder to comprehensive loss, liability and security solutions, Medeco is the market leader for security and safety.



Medeco Milestones



- **1968:** Applied for first patent (10 employees at the time).
- **1969:** D. Silver Hardware in New York City became the first distributor.
- **1969:** First product catalog (one page) appeared in print (the current catalog has 200+ pages).
- **1970:** First ad appeared in the New York Times.
- **1970's:** Medeco offered a \$10,000 reward to anyone who could pick three Medeco cylinders. One person was able to pick one lock.
- **1974:** Medeco built its current manufacturing and office facility on 30 acres in Salem, Virginia.
- **1979:** A UPI photo in newspapers around the world showed a Medeco padlock on the gates of the U.S. Embassy during the Iran hostage crisis.
- **1982:** Medeco's manufacturing facility was expanded to 132,000 feet.
- **1983:** Medeco was purchased by Hillenbrand Industries.
- **1985:** Second generation product patent was filed for Biaxial cylinder.
- **1990's:** First electronic cylinders developed for use in vending, pay-phone, and parking markets.
- **1995:** Medeco created KeyMark, a line of small format interchangeable core (SFIC) cylinders.
- **1998:** ASSA ABLOY in Sweden, the largest lock group in the world, acquires Medeco.
- **2003:** Medeco's third generation design (M³) was launched to replace the expiring Biaxial patent.
- **2006:** Medeco CLIQ Intelligent Key System launched.
- **2010:** Medeco M³ CLIQ launched.
- **2011:** Medeco XT Intelligent Key System launched.
- **Medeco Today:** 260+ employees; Worldwide distribution in 22+ countries; 132,000 square foot manufacturing facility; Uses over one million pounds of brass per year; Number of SKUs = 1M+.
- **ASSA ABLOY Today:** ASSA ABLOY is the global leader in door opening solutions, dedicated to satisfying end-user needs for security, safety and convenience. Worldwide, there are 47,500 employees, with operations in more than 70 countries and sales of \$8.5 billion.



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