



# CEOCFO

## Interviews & News!

[ceocfointerviews.com](http://ceocfointerviews.com) – All rights reserved. – Issue: June 27, 2008

### With A Shift Of Focus Towards Environment Remediation And Disaster Cleanup To Go Along With Their Security Integration Services Business And Portable Radiation Detection Devices, Homeland Security Capital Corporation Is Positioned To Capture A Larger Percentage Of The Homeland Security Industry In Three Critical Areas: Security, Disaster Cleanup And Radiation Detection

HOMELAND SECURITY  
CAPITAL CORPORATION

#### Services

Security & Protection Services  
(HOMS-OTC: BB)

Homeland Security  
Capital Corporation

1005 North Glebe Road, Suite 550  
Arlington, VA 22201  
Phone: 703-528-7073



**C. Thomas McMillen**  
Chairman and CEO

#### BIO:

Mr. McMillen has had a highly diversified and successful career in the fields of sports, business, and politics.

Mr. McMillen served three consecutive terms in the U.S. House of Representatives from the Fourth Congressional District of Maryland from 1987 to 1993, and was named by President Clinton to co-chair of the President's Council on Physical Fitness and Sports in 1993 until December 1997.

Mr. McMillen began his involvement with the Council in 1970 when he was selected by President Nixon to become the youngest member of the Council while a student at the University of Maryland. While Mr. McMillen attended the University, after an illustrious high school basketball career where he was featured on the cover of *Sports Illustrated*, he was a three-time All-American in basketball, an academic All-American, and a member of the 1972 Olympic Team. When he graduated from the University, Mr. McMillen delivered the valedictorian address for his class. Mr. McMillen is the first and only University of Maryland student to be awarded a Rhodes Scholarship, on which he received a Master of Arts in politics, philosophy and economics from Oxford University in 1978.

In the 1974 National Basketball Association draft, Mr. McMillen was the first selection by the Buffalo Braves. He subsequently played for 11 years in the N.B.A., with the New York Knicks, the Atlanta Hawks, and the Washington Bullets (now Washington Wizards). He retired from the N.B.A. in 1986 when he ran for Congress.

In Congress, Mr. McMillen served on the Banking, Finance and Urban Affairs Committee, the Energy and Commerce Committee and the Science, Space and Technology Committee. He was unanimously elected as President of the Democratic freshman class of the 100<sup>th</sup> Congress. While in Congress, Mr. McMillen held the Maryland record for consecutive House floor votes, casting 2,050 votes in a row during his first five years in office. He served as Chairman of the Congressional Chesapeake Bay Caucus, Co-Chairman of the Congressional Biotechnology Caucus, and Vice-Chairman of the Federal Government Task Force.

In May 1988, McMillen was inducted into the GTE Academic All-American Hall of Fame. He is co-author of *Out of Bounds*, a compelling exposé on ethics within the American sports establishment. From 1991-2003, he served on the Knight Foundation's Commission on Intercollegiate Athletics investigating abuses within college sports.

In 2002, at the 50<sup>th</sup> anniversary of the Atlantic Coast Conference (ACC), McMillen was chosen as one of the ACC's *Top 50 players of all time*.

During 2003, Mr. McMillen also founded and served as Chief Executive Officer of GlobalSecure Corp., a consolidator of first responder companies. During his career, Mr. McMillen has been an active investor, principal, and board member in companies in the following industries: cellular telephone, paging, health care,

motorcycle, environmental technology, real estate and insurance.

Currently, Mr. McMillen serves as Vice-Chairman of Fortress International Group, a mission-critical firm, CEO/President of Homeland Security Capital Corp, a homeland security consolidator and as Chairman of Washington Capital Advisors, LLC., a merchant bank. He is also Chairman and Co-Chief Executive Officer of Secure America Acquisition Corp, a homeland security special purpose acquisition corporation.

Mr. McMillen serves as a member of the University of Maryland System Board of Regents (BOR), a member of the Board of Visitors of the University of Maryland College Park School of Public Affairs, the newly-formed BOR Workgroup on Campus Safety and Security, and as a member of the Executive Board of the University of Maryland College Park Center for American Politics and Citizenship. He previously served as a member of the University of Maryland College Park Foundation Board of Trustees. In addition, Mr. McMillen is Chairman of the University of Oxford U.S. Sports Campaign Committee.

#### **Company Profile:**

Homeland Security Capital Corporation (OTCBB: HOMS) is a company engaged in the strategic acquisition, development and consolidation of homeland security-related businesses, within the fragmented homeland security industry. The company is focused on creating long-term value by taking controlling interest and developing its subsidiary companies through superior operations and management. The company is headed by former Congressman C. Thomas McMillen, who served three consecutive terms in the U.S. House of Representatives from the 4th Congressional District of Maryland. Homeland Security Capital Corporation operates businesses that provide homeland security products and services solutions, growing organically and by acquisitions. The company is targeting emerging companies that are generating revenues but face challenges in scaling their businesses to capitalize on homeland security opportunities. Homeland Security Capital Corporation's portfolio of companies includes:

- Safety and Ecology Corporation (SEC), considered one of the fastest-growing environmental services companies in the US, providing services nationally, in Europe and the Caribbean. The Company specializes in the removal and remediation of hazardous nuclear materials for the US Department of Energy, US Department of Defense, and other federal agencies. SEC also provides advanced environmental services for private industry across the country and internationally. Since its founding in 1991, SEC has grown approximately 30 percent per year, and has emerged as a technology innovator with more than 420 personnel worldwide and with annual revenues of more than US \$50 million. For more information on SEC, visit [www.sec-tn.com](http://www.sec-tn.com).
- Polimatrix, Inc., a leading system integrator and total solutions provider delivering advanced radiation and nuclear protection and detection services. The company has been operating since September 2006 as a joint venture between Homeland Security Capital Corporation and Polimatrix, Inc. For more information about Polimatrix, visit <http://www.polimatrix.com>.
- Nexus, a mid-Atlantic security integrator for the corporate and governmental security markets that specializes in non-proprietary integrated security solutions including access control, alarm, video, communication, perimeter protection and bomb and metal detection security systems. Nexus provides integrated security solutions for the corporate and government security markets. For more information about Nexus, visit <http://www.nexusna.com>.

#### **Interview conducted by: Lynn Fosse, Senior Editor CEOCFOinterviews.com**

**CEOCFO:** Mr. McMillen, how has Homeland Security Capital Corporation changed under your leadership?

**Mr. McMillen:** "Over the last two years or so we have focused primarily on the

homeland security marketplace, prior to that the company did not. We even changed the name to Homeland Security Capital Corporation. We made a number of acquisitions, most recently we bought a company that is in the nuclear radiological clean-up business so I would not call it a pure homeland security company. Much of the work they do, however, serves the homeland security markets in making sure that nuclear radiological waste is cleaned up. We have shifted our focus more towards environmental remediation clean-up, sort of disaster clean-up, then when we had first started the company."

**CEOCFO:** Is there a trend towards consolidation in your industry?

**Mr. McMillen:** "I believe there is a great trend toward consolidation. There was a lot of money that came in the industry, in the aftermath of 9/11 and a lot of investments have created opportunities to consolidate smaller companies to larger more scaleable enterprise. We have tried to do that in a number of incidences and I think it is still quite fragmented and there are continuing consolidation opportunities."

**CEOCFO:** What are the services you are offering and to whom are you offering them?

**Mr. McMillen:** "In one of our divisions we have a company that provides security integration services both to commercial and government clients anywhere. We can go into a building, or a school, and provide a turn-key security solutions for them. That company is called Nexus Technologies Group. Our other company Polimatrix has state-of-the-art radiological detection devices. We were rewarded recently the largest portable radiation detection contract in the US through the state of Illinois. We are providing detection devices to 22,000 first responders through the state of Illinois. Our other division Safety and Ecology is focused on environmental remediation focused on radiological cleanup and they also do disaster clean-up. Those comprise our main lines of business."

**CEOCFO:** Will you tell us about the recent contract with the Department of Energy?

**Mr. McMillen:** “It is a contract with a large corporation to assist the Department of Energy (DoE), in cleaning up some of their facilities. We have done work for them in the past with this contract and we continue the relationship.”

**CEOCFO:** How do you reach your potential customer?

**Mr. McMillen:** “We have a very aggressive proposal infrastructure. We put out probably over \$1 billion in proposals a year to secure the business that we do. Therefore, we are active in solicitations, RFPs, and putting these proposals together for government work is quite substantial, and that is one of our core talents.”

**CEOCFO:** Why are people choosing your offerings as opposed to some of the others?

**Mr. McMillen:** “In the security integration space we offer non-proprietary solutions. We do not push a particular equipment or vendor so we try to get best-of-breed for our customers. In our radiological detection we have excelled in terms of technology. We have been selected as the leader by a federal lab, so I think in that case we have a superior product and technology. In our remediation business we have a very talented, experienced team. Many of them have security clearances to work in very secure facilities. Our competitive advantage, I think, is a combination of not only the quality of our management and the quality of our work which over the last several years, which keeps getting us continued business.”

**CEOCFO:** Are you able to handle business as it ramps up or would you need to increase your personnel?

**Mr. McMillen:** “We have sufficient personnel but if it ramps up substantially we would have to add to our head count. I think we can expand our business 20% without having to do that.”

**CEOCFO:** When you are looking at the emerging companies to perhaps take into the fold, what is your criteria?

**Mr. McMillen:** “The most important criteria for us is the management team; is it solid, do they have a proven track record, and are they committed to staying in business, and are they at risk; so that is key for us. We also work for businesses that we think we can help with not only our business development but our relationships and strategic help. Finally, we look for a company that is priced right for us in the marketplace.”

**CEOCFO:** What is the financial picture like for the company?

**Mr. McMillen:** “We have really changed the company. We bought a company that was doing only \$50 million a year combined with a base operation, so we are a 60 or \$70 million company. We are moving from zero two-and-a-half years ago so

**“The company is very well poised to be a leader in this environmental remediation area. We have security products as well as detection products in the nuclear radiological area. We are still in the early part of our development and we see a lot of potential upside. We have a good strong management, we are profitable and I think over time we will continue to do more acquisitions as well as grow organically.”**

**- C. Thomas McMillen**

we are moving in the right direction. We are profitable and hope to continue to add acquisitions as well as grow organically over the next couple of years.”

**CEOCFO:** What do you see ahead for the next two or three years?

**Mr. McMillen:** “We are going to continue to expand our product offering. We will look for acquisitions where we can either help bring in customers or help expand those product offerings. Over the next two or three years we hope to see this same kind of growth and approach the kind of \$200-\$300 million business that we would like to become. This would give us the scale to address many of the needs in the marketplace where often times you need a larger company to deal with some of these issues.”

**CEOCFO:** Is money to fund security projects more available now?

**Mr. McMillen:** “It is true, the money is more available, but in a lot of respects it is tightening because there are so many needs for it. We have also focused on not necessarily being right in the middle of the security space. A lot of our companies do work that is not necessarily pure security work so we not only get the benefit of enhanced security spending but we have other lines of business that we work on, for example nuclear remediation. We might clean up the DOE lab. It is not necessarily tied to homeland security but we might end up cleaning up a nuclear bomb if it ever went off or a dirty bomb if it ever went off. Some of our businesses have that dual use to them. We can serve or do serve security markets but we also serve other markets.”

**CEOCFO:** Does being in the security business help you generate other business?

**Mr. McMillen:** “It is always a plus, and there are always security components to our work. We are brought in to clean up secure sites with waste and we can synergize with other various parts of our business. However, the acquisition of the remediation company was recent so we are just in the process of doing those things and

we hope to be more successful at it over time.”

**CEOCFO:** In closing, why should investors be interested and what might they miss that they should understand about Homeland Security Capital?

**Mr. McMillen:** “The company is very well poised to be a leader in this environmental remediation area. We have security products as well as detection products in the nuclear radiological area. We are still in the early part of our development and we see a lot of potential upside. We have a good strong management, we are profitable and I think over time we will continue to do more acquisitions as well as grow organically.”

**HOMELAND SECURITY  
CAPITAL CORPORATION**



**Homeland Security Capital Corporation  
1005 North Glebe Road, Suite 550  
Arlington, VA 22201  
Phone: 703-528-7073**