

Total Solution Optimizes Loss Prevention

New Zealand Supermarkets
Integrate Video Recording,
POS, Alarm, and Access
Control Systems

When New Zealand's Foodstuffs South Island Ltd. began crafting a blueprint for a common, chain-wide security and loss prevention platform, a key requirement was that all the pieces had to fit together.

The board of directors of the supermarket co-operative bought into the vision of a total, integrated solution, encompassing video recording, alarm monitoring, access control, exception reporting and point-of-sale (POS) systems. It was a classic example of the whole being greater than the sum of the parts.

Foodstuffs management, based in the city of Christchurch, did their homework, evaluating no fewer than 30 video recording systems before selecting March Networks™ technology.

The ability to integrate video recording and POS data and search for suspect transactions using the March Networks Retail Transaction Investigator was one of many reasons driving the decision, says David Norton, Foodstuffs Loss Prevention Manager.

“Once the entire system is deployed and integrated with our POS, alarm and access control systems in all of our locations, we expect our members to realize the full value of their investment.”

Dave Norton

Loss Prevention Manager, Foodstuffs South Island



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The Linux operating system embedded in flash memory, the four expandable hard-drive bays and advanced health monitoring also influenced the decision.

Foodstuffs South Island consists of 40 full service New World supermarkets, nine warehouse-type Pak 'n Save stores and 80 smaller format supermarkets trading under the Four Square name. All New World and Pak 'n Save stores are gradually being equipped with March Networks recorders, and a number of the Four Square stores have also installed systems.

The co-op provides its members with a full range of head office-type services, including warehousing and distribution, marketing and advertising, accounting and

information technology. Loss prevention was added to the list of centralized services in 2004. Until then, individual store owners looked after security system procurement themselves, resulting in a mix of analog and first generation digital video recording systems in the supermarkets.

Foodstuffs (NZ) Ltd.

Foodstuffs South Island Ltd., a co-operative based in Christchurch, New Zealand, serves 137 independently owned supermarkets operating under the New World, Pak 'n Save and Four Square banners. (www.foodstuffs.co.nz)

Centralizing loss prevention allowed Foodstuffs South Island to offer owner-operators expertise and support in acquiring, deploying and managing the technologically sophisticated systems that are becoming more prevalent in the marketplace.

Larger format stores are equipped with several March Networks recorders connecting up to 80 cameras covering entrances and exits, checkout aisles and cash rooms. Stationary and PTZ cameras are also installed throughout the stores to monitor departments known to be at high risk for shrinkage. These would typically include liquor, health and beauty, hardware and meat departments, says Norton.

Following through with its vision for a total solution, Foodstuffs' strategy is to gradually integrate its March Networks recorders with duress and burglar alarm systems to allow offsite alarm monitoring companies or owners themselves to view live video before responding to an incident.

"Some of our stores are in rural locations which don't have security services, so

Guardall NZ Ltd. (www.guardall.co.nz) offers a comprehensive range of networked digital video recording and access control solutions, including system design, installation and maintenance. A March Networks Certified Solution Provider, the company serves a diverse customer base from its office in Auckland, New Zealand. It also has offices in Sydney, Australia, where it operates as Asset Security Concepts Pty Ltd, and in Malaysia. To contact a sales representative, please call 0800-007-100 or email info@guardall.co.nz.

when an alarm goes off, the owner-operator or manager can often be the one who goes down to check out the store," explains Norton. "We don't want them exposing themselves to a potentially dangerous situation, so the idea is to give the alarm company or the owners immediate access to live video at the alarm company's office or the owner's home." For added safety, the store lights can be interfaced with the alarm systems, so the lights come on when an alarm is triggered.

Access Control

By standardizing on one access control and intruder alarm system, Foodstuffs' strategy is to gradually integrate the text logging capabilities of that system with the March Networks recorders, so that there is quick and easy access to text-tagged video of access and alarm events in sensitive areas. This integration can be extended to the opening of safes, says Norton.

Foodstuffs has used video evidence from its March Networks recorders to resolve incidents of employee and customer theft on numerous occasions. Customers have been caught passing through the checkout aisles with concealed items, swapping price stickers and requesting refunds for merchandise they haven't purchased. In some of the larger format stores, loss prevention staff conduct live monitoring of suspected shoplifters, using PTZ cameras to track their progress through the aisles.

To combat cashier-related fraud, management will use the March Networks Retail Transaction Investigator to conduct searches of the point-of sale database, specifying the transaction type, item, checkout aisle or any number of other variables. Access to transaction details and corresponding video in a single user interface dramatically enhances investigation effectiveness.

With four hard drive bays available per recorder, video can be archived easily for 90 days or more, allowing management to go back in time to search for earlier incidents of concern in the event that a cashier is under suspicion of dishonesty.

The March Networks recorders are even integrated with the fuel emergency alarm systems at supermarkets with self-service fuel pumps. In the event of an emergency, live video from cameras at the fuel pumps pops up on a monitor in the store's service kiosk,

allowing staff to assess the situation and respond accordingly.

Video can be accessed by designated staff at each location and by Norton at the co-op's head office in Christchurch. Using March Networks powerful Enterprise Service Manager, Foodstuffs' IT Department also oversees system configuration, manages user privileges, monitors the health status of cameras and recorders, and performs system-wide software upgrades as required.

"Once the entire system is deployed and integrated with our POS, alarm and access control systems in all of our locations, we expect our members to realize the full value of their investment," says Norton. "In stores that have been equipped with March Networks recorders to date, we have seen a decline in some types of losses."

The co-operative operates autonomously with its own board and management team, but is affiliated with Foodstuffs (Auckland) Ltd. and Foodstuffs (Wellington) Cooperative Society Ltd. serving New Zealand's North Island. Foodstuffs Auckland has already standardized on the March Networks platform and the Wellington operation is evaluating the technology. *

