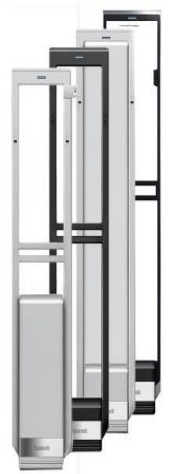


Eight Things You Need To Consider Before Purchasing An Electronic Article Surveillance System

A retailer's decision to purchase an Electronic Article Surveillance (EAS) system can seem to be a simple one. However, we have encountered many retailers who have made serious and usually costly mistakes. With a little knowledge and planning, an EAS system can be an excellent return on investment, simple to use and maintain.

Make sure you understand what you are getting into. There are several choices and terms you should be aware of as part of the buying decision:

- 1 **RF vs AM** - There are two different types of systems on the market: Radio Frequency (RF) and Acousto Magnetic (AM). These systems operate very differently and do not work together although both technologies have been around for many years. RF systems tend to have a high rate of false alarms. This makes sense as it is similar to getting static on an AM or FM radio. AM systems technology does not have that issue. Both AM and RF systems have the ability to work with Radio Frequency Identification (RFID)



- 2 **System Quality** – Like anything else in electronics, you get what you pay for. There are many knock-off type systems out of Asia available. The problem with them is quality control in the manufacturing process, lack of good research and development as well as support. Many times these systems work for a short period of time and then break down. Lack of support or parts become an issue at that point.



Small retailers have found themselves with a non-working system that has to be completely replaced. If properly maintained, you should look for a 10 year plus life expectancy out of an EAS system. Yes, new models and features come along but a system you purchase should be able to go the distance.

Remember, an EAS system is never turned off. It works 24/7. Make sure your selection is supported to go the distance. Warranty should be at a minimum 1 year.

3 **Support** – Look into this in advance. Otherwise your support will consist of you on the phone with someone, while on your knees with a screwdriver making adjustments. Does the vendor have nationwide or even worldwide Techs in the field? This in itself says something for the manufacturer. Major Retailers like Walmart... are not interested in having their staff even tinkering with sophisticated equipment. It takes away from what they are supposed to be doing and ultimately the systems would not be working. In some cases we have seen that the “Tech” is a local sub contracted Electrician. Electricians are generally very unfamiliar with low voltage equipment. It is not anything against a professional, licensed Electrician. They are highly skilled in high voltage but generally know nothing about low voltage. It would be like asking a Railroad Engineer to fly a Boeing 747 (or the reverse). Probably not a good idea! Something else to consider. Systems that are connected to your high speed internet connection allow for some remote service and support as described in the next point.



4 **Internet Connection** – This has become a very important feature. This allows us to do service remotely. In many cases this will eliminate an onsite service call and reduce your costs. An internet connection will also allow you to use other current and future applications and features such as a people counting, alarm reporting etc. Many new Sensormatic systems have the ability to be attached to your high speed internet connection.



5 **New Features** – EAS systems can serve many other functions other than shoplifting prevention. New system models have built in AD Panels. This allow you to advertise right at your entrance without taking up more floor space. You can feature specials, sales or simply say “Welcome”.

People counting has become a very important add-on that will give you data that you never had access to before. EAS systems can count the customers that enter and leave your store. Before we would have to rely on sales data which does not give the real picture. What opportunities did you miss because of staffing issues? People counting requires a connection to your internet service.

The data is compiled and automatically sent to you in a choice of reports. Retailers tell us that this has helped them to reduce payroll and target the hours that help is needed on the sales floor. People counting is not just restricted to the front doors. It can monitor traffic in a department or even at a specific end-cap with overhead sensors.

6 **New-vs-Used Systems** – There are a lot of used systems available. What you have to ask yourself is where did they come from? This is not like buying a used car. With a car you can have it examined and see the wear and tear. Not so with EAS systems. Like I mentioned before these systems, once installed are rarely turned off. Most of the used systems you see come from two places. First, a store that has closed. So if the equipment at say a Target store that is being closed and moved to a new location is in good enough shape, why would they not have it moved? It is probably because it is at the end of life or is somehow defective. These systems are sold to companies that remove fixtures from stores that are closing. They are not handled by Certified Techs and so the possibility for damage or the weakening of the electronics is likely. Companies then bring them in and “refurbish” them. This basically means that they take the parts from several systems and make a working system. Again, how good are these parts? On top of this the other possibility is that they are being sold by someone whose store has gone out of business. Again, ask yourself “Was this system de-installed properly so the very valuable electronic boards were not damaged or destroyed”? How long was it setting on someone’s garage floor? Lastly think about warranty. New equipment generally includes full parts and labor warranties.



7 **Tags and Labels** – AM systems use a “label” that is about 2mm thick and plastic. The labels are very effective. AM labels excel over RF when placed on merchandise surface that is metal such as a hand tool. RF labels cannot be placed on any merchandise or packaging that is metal. There are a number of different types and shapes of AM labels. We have genuine Sensormatic specialty tags and labels. For example, AM labels that are microwavable (important for food merchandise), hang tags, and tags that can be inserted into shrink wrap. Other tags are designed to be placed in the spine of a book. There are many other AM labels available. An RF label is paper thin. There are approximately 30 types, sizes, shapes including round and clear ones available.



Certain RF labels can be printed on with your Thermal Transfer (TT) printer. You can print your barcode, logo, pricing, description or anything else you want. In addition to branding or pricing this helps disguise and hide the EAS label from shoplifters. AM labels are not printable by the Retailer, however, some types of AM labels have a barcode printed on them. Both AM and RF system labels can be defeated in certain ways.



That is why hiding or disguising the label is important. Labels are “deactivated” by a deactivation unit at the point of sale. This “kills” the label so when the legitimate customer goes out with their purchases they do not



cause an alarm. Cheap RF labels tend to reactivate up to twenty percent of the time between the point of sale and the exit door. RF or AM labels do not require any batteries or power to operate. Hard Tags are the plastic tags that go on to mainly fabric type merchandise like clothing, accessories and shoes. Hard Tags are always the best option to use if your product mix allows for it. Hard Tags are reusable and more importantly give off a stronger signal than any label. There is a wide variety of Hard Tags. Specialized Hard Tags can protect liquor, wine, boxed goods, handbags, shoes, power tools and much more.

8 **Training** – EAS equipment will not solve your shoplifting problem alone. Many retailers I have worked with over the years have expressed dismay that they spent the money putting the EAS system in and shoplifting did not decrease as much as they expected. You have to have a different mind-set and set your expectations correctly. The system is a support tool for you and your staff. Many times because of poor training and turnover of staff what happens is that a customer causes an alarm and the staff just waves them through. If that is what you are going to allow, then do not spend the money to install an EAS system. Your training program should be two-fold: first - training on the system. How it works, tag and label placement, what is a phantom alarm, when there is a problem what do they do and so on. Second is antishoplifting training. How do I approach a customer that I am suspicious of, what can I say or do? What are the laws of my State? What are the policies of my company? And most importantly how can I deter a shoplifter in the first place while creating a super environment for my good customers? Once you do that then you should see a considerable decrease in your losses. An ROI at about 3-5 months, if you follow this program would not be unusual. Again does the vendor provide this type of training (we do with all system sales including unlimited follow up training) and have that level of experience dealing with shoplifters or do they just sell the equipment?

shop-
lifting
because LOSS is a four letter word.

An EAS system should be viewed as any other equipment or tool you need to operate and ultimately turn a profit in your retail store. It is as necessary to any retailer as freezers are to grocers or clothing racks to a clothing store.

Contact us at: 770-426-7593 or

www.LossPreventionSystems.com or www.RetailLossPreventionStore.com