Retail Technologies Corporation

RTC

VOLUME #15 ■ SUMMER/FALL '10

NEWS

CUSTOMER UPDATES

Columbia

Columbia Sportswear implements RTC's MMSxTend Advanced Coupon Management

DUANEreade — YOUR CITY. YOUR DRUGSTORE.

Duane Reade rolls-out RTC StoreMS POS in rest of chain

Peavey Mart — 100% Canadian Owned

RTC assisting Peavey Industries in implementation of advanced radio frequency (RF) warehouse capability in JDA® MMS®

VW VARIETY WHOLESALERS INCORPORATED

Variety Wholesalers to implement RTC's StoreMS Gift Card as **Software-as-a-Service (SaaS)**

TSC Stores

TSC Stores (Canada) implements RTC's MMSxTend Advanced Coupon Management

THOUGHTS FROM THE PRESIDENT'S DESK

**Bruce Hicks
President & CEO**

RTC has always taken a customer driven approach to the solutions we provide in the retail market place. Who better for us to listen to than our clients whose business is dependent on providing excellent service to their customers? Over the past several years, I have been hearing from our clients just how important leveraging Business Intelligence (BI) is to their businesses. Retailers have been gathering customer specific information for years, but many still haven't leveraged that information to improve their business results.

In a recent article in RIS Magazine entitled "Customer Centric BI", we learn why more and more retailers are turning to BI and customer solutions – to allow increased intelligence into customer purchasing patterns and behavior. Armed with this knowledge, retailers can better optimize their assortments for each store and region and create more targeted offers that can increase store traffic and market basket size.

RTC continues to evolve our solutions along with the needs of retailers. We are focused on providing our retail clients the functionality, flexibility and customization they need, coupled with the ease of use and familiarity that the customer desires.

Our partnership with Manthan provides our clients with insight into detailed customer data, but most importantly provides decision support capability to the users. A recent Gartner report stated, "Manthan Systems should be considered by retailers that are looking for a very broad, retail-specific BI suite that has numerous accelerators and prebuilt content to speed initial implementation and ongoing expansion". By utilizing Manthan's ARC BI solution, a retailer can successfully leverage sophisticated advanced capabilities such as data mining, while at the same time getting an easy to use, low cost of ownership, and quick implementation solution.

RTC Enables TSC Stores (Canada) Being Awarded Loss Prevention Award by the Retail Council of Canada

RTC's long term partnership approach to doing business has paid significant dividends for many of our clients. One client in particular, TSC Stores in Canada, has received an Excellence award from the Retail Council of Canada because of their internal focus on tightening inventory controls and their increased focus on Loss Prevention. In both of these areas, RTC was looked upon by TSC Stores (TSC) as a key advisor and counsel in developing and implementing solutions to help achieve TSC's aggressive objectives.

To increase their focus in these key areas of the business, the first thing that TSC did was to create a new Director's position, filled by Ralph Bouch, to govern the activities of the newly minted Central Operations department. Immediately brought into the new department were the Manager of Loss Prevention and the Operations Inventory Control Manager.

THOUGHTS FROM THE PRESIDENT'S DESK   ...con't

In this issue, we discuss the benefits of our new Electronic Rewards enhancement for our Customer Loyalty Rewards (CLR) solution. These new features in CLR will soon be the standard for all rewards programs. No longer will retailers have to offer rewards across the board, just to reach their loyal customers. Retailers will save millions of dollars with targeted marketing programs to only their loyal customers. The key is to be able to identify your most loyal customers, those which are the most profitable, and to determine the best way to communicate with them. RTC's CLR provides the ideal store level delivery platform on which to execute a loyalty strategy.

To help our clients address these challenges, we have entered into two exciting partnerships to expand our integrated solution offerings and enhance the experience for the customer. Our partnership with CopiaMobile showcases our Advanced Coupon Management solution for retailers running JDA MMS, to enable retailers to easily set-up creative coupon promotions that are simple to manage and easy for the customer to use. These coupons can then be delivered to targeted consumers using mobile devices, print media, or over the Internet and can easily be integrated with the retailers Point-of-Sale system.

RTC will continue to be committed to providing our clients with solutions and services that lead to a better understanding of their customers and their purchasing habits. The more informed and the better prepared our clients are, the better they will be able to understand their customer's needs, the products they demand and promotions that work to increase their bottom line.

Create Excitement at Checkout with CLR's New Electronic Rewards

Now RTC's Customer Loyalty Rewards (CLR) allows retailers to instantly reward customers at checkout through the PIN Pad device. The customer simply selects an available reward to be applied to the current transaction by touching the screen on the PIN Pad, adding value and excitement to the checkout experience.

Retailers can maximize their marketing budgets by designing more targeted messaging to make more personalized offers to customers, enhancing their perceptions of the value of those offers. Cashiers are able to greet customers by name and call attention to

"CLR helps us achieve our goal to create relevant messages to people who care, in the way they want to hear them," says Bob Gibson, Director of Marketing for ABC Fine Wine & Spirits. "We are able to communicate with our guests in ways that are relevant to them. We can design targeted offers to buyers who care, so they come in more often and they spend a little more. We have achieved our goal of increasing the number of visits by one more visit a month, which means 12 visits a year. Furthermore, we have also seen our basket size increase, about 50% higher than a non-loyalty customer."

Bruce Hicks President & CEO of RTC says, "We are excited about CLR because of its ability to offer targeted messaging and electronic rewards at the Point-of-Sale. Most loyalty solutions reward all customers equally. CLR goes further, by offering to target only the customers who generate the most revenue to a retailer, lowering their marketing costs and providing the best ROI."

If you're a retailer looking to build a sustainable customer loyalty program, RTC's StoreMS CLR provides the infrastructure to easily develop, launch and manage your program.

Contact us to learn more, **nbanerjee@rtc-group.com or by phone at 919/383-4588.**

CUSTOMER UPDATES

Schurman Fine Papers (Papyrus) contracts with RTC to provide remote systems support

RTC assists Black Photo Corporation with eCommerce site implementation

StoreMS POS installed at new Margaritaville Pensacola location

Duane Reade upgrades to Electronic Rewards release of Customer Loyalty Rewards

RTC assists TSC Stores (Canada) with Franchise management solution on JDA MMS

Prior to the creation of the new Central Operations department, TSC had implemented two of RTC's MMSxTend Solutions, the Loss Prevention Analyzer and the Mobile Wireless Solution. These solutions were installed in 2007 and were paying dividends for TSC, but it was not until Ralph decided to partner with DeVan McArthur, RTC's Executive Vice President of Consulting Services, that the creative leveraging of these systems really began to blossom. Through a jointly developed strategy, it was decided that automating the cycle count capability of Mobile Wireless Solution (MWS) to produce daily cycle count batch requests, by store, would enable the Operations Inventory Control Manager to get real-time snap shots of the store inventory positions throughout the year, without any manual effort in setting up cycle count batch requests. RTC developed the capability within MWS for cycle count batch requests to be generated using the merchandise hierarchy whereby every item in the store was cycle counted at least twice per year.

In addition, the ability to automatically generate individual cycle count batches for the top 100 selling items, by store, was created to insure inventory accuracy, particularly for replenishment purposes, of the top sellers. The implementation of both of these pieces into the inventory control strategy were key components in significantly increasing the accuracy of TSC's store level inventories.

TSC also recognized that they weren't leveraging the data provided by RTC's Loss Prevention Analyzer (LPA) to its fullest extent, and therefore, they suspected that internal theft was a problem. They developed a strategy to implement Sensormatic units in their 5 highest shrink level stores, as well as in a control location that had median company shrink numbers.

In addition to the Sensormatic implementation, the Loss Prevention department received refresher training on RTC's Loss Prevention Analyzer and with the use of the LPA, they successfully identified and prosecuted a number of employees in several stores who were manipulating POS transactions and stealing from the company. Word quickly spread that the front end and receiving areas of TSC's stores were being closely monitored and the level of theft activity in both areas dropped dramatically.

"The results of us leveraging RTC's Loss Prevention Analyzer and the implementation of Sensormatic's units in some of our stores produced dramatic results", states Mr. Bouch. "Comparing mid-year physical inventory count results from our 5 worst stores to year-end physical inventory count results, there was a reduction in shrinkage dollar loss of 26% in just 6 months. When comparing year over year results, the same 5 stores improved their shrink totals by over 47%".

In the retail game, the numbers tell it all. The 2008 year end results for TSC showed a reduction in shrink as a percentage of sales to a level of 1.9%, down from the previous year's 3.1%. The results showed a 31% reduction in actual dollar loss due to shrink on a same store basis and a 29% improvement for the company as a whole.

"Our strategic partnership with RTC has enabled us to leverage the wealth of retail expertise that RTC has to offer," says TSC COO, Greg Hicks. "RTC's consulting services team are true system architects with an aggressive approach to problem solving. Their business analysis skills coupled with their creativity and ingenuity have helped us achieve our very aggressive business goals."

To learn more about RTC Loss Prevention Analyzer and Mobile Wireless Solution please **contact us via email at nbanerjee@rtc-group.com or by phone at 919/383-4588.**

MAKE SURE YOUR OLD POS SOLUTION IS PA-DSS CERTIFIED FOR USE IN YOUR NEW STORE

Some credit card processors are not providing Merchant ID's for new stores unless retailers can show that their POS solutions are PA-DSS certified.

Don't worry, we can help. At RTC, we have the knowledge and solutions to get your retail stores PA-DSS certified fast. We can successfully navigate the PCI minefield with our StoreMS Point-of-Sale application which is certified by the Payment Card Industry Security Standards Council (PCI SSC).

The Payment Card Industry Data Security Standards for retailers (PCI DSS), requires merchants and service providers that store, transmit or process sensitive customer-payment-card data to adhere to information security controls and processes that ensure data integrity.

Contact us to avoid PCI challenges down the road; by email at nbanerjee@rtc-group.com or by phone at 919/383-4588.

StoreMS Point-of-Sale

RECEIVES PCI PA-DSS CERTIFICATION

RTC announces the certification of StoreMS Point-of-Sale (POS) version 5.0 by the Payment Card Industry Security Standards Council (PCI SSC). RTC's StoreMS POS is a proven retail software solution that effortlessly handles all the processes necessary for a speedy customer checkout. StoreMS POS delivers the ultimate in quick, easily maintained personalization along with an informative user interface to insure maximum efficiency without sacrificing ease of use and faster training.

"Keeping up with the changing Payment Card Industry Data Security Standards, can be challenging for retailers. We make it our responsibility to make sure our solutions adhere to these industry standards to protect our retail partners and protect customer information", said Neil Banerjee EVP Sales & Marketing.

Current RTC retail clients and prospects can be confident in their rollout of StoreMS POS and that the solution will continue to reduce costs, improve customer service levels and provide security and efficiency.

SPEED UP Your End of Day Process
with HTP~Link

RTC's HTP-Link iSeries Communications Solution can quickly and accurately poll your stores and significantly reduce your end of day processing time. HTP-Link is an automated bi-directional file transfer system for the IBM iSeries. It is designed for regularly scheduled, unattended, overnight polling of multiple store locations utilizing many user defined advanced features such as data compression, data conversion, post processing and wild card file processing. This system provides a powerful solution for any business seeking to communicate to remote locations via an iSeries.

Rickey Owen, manager of Computer Operations at Variety Wholesalers says, "HTP-Link is easy to set-up and very reliable. We were able to set up polling sessions for 260 stores, in minutes."

Implementing HTP-Link enabled VW to eliminate the unnecessary PC between their stores and their iSeries.

Many HTP-Link users have been leveraging this solution for over a decade with continuously improving results. Today, on a nightly basis, HTP-Link averages a 99.3% successful polling rate. Allowing those retailers using HTP-Link to reduce the time it takes to poll their stores and rest easy knowing that their end of day processes will be accurate.

Advanced Coupon Management (ACM) now Integrated with
MOBILE COUPON PLATFORM

RTC has partnered with cutting-edge Mobile Coupon solution provider CopiaMobile to allow consumers to receive, select, and redeem coupons via a secure, fast, and easy wireless connection to the Point-of-Sale (POS). No need anymore for mobile barcodes or key-stroke validation at checkout. Mobile Coupons are sent from the consumer's mobile handset to POS wirelessly.

With RTC's Advanced Coupon Management solution for retailers running JDA MMS, coupon set-up is simple and allows multiple selections of hierarchy, vendor, and item. With easy-to-use screens, coupons can be customized by deal quantities, percent off, fixed price, tiers, limits, and buy-one-get-one-free. These coupons can then be delivered to consumers using CopiaMobile's mobile coupon solution, which seamlessly integrates with the retailer's POS. The POS solution would then manage the promotional coupon event when a wireless coupon is 'processed' by a customer.

RTC ANNOUNCES STRATEGIC PARTNERSHIP TO PROMOTE
NEXT GENERATION BUSINESS INTELLIGENCE TO THE RETAIL MARKET

RTC will be working with Manthan to jointly market ARC to retailers based in North America with RTC taking the lead role in managing and supporting the business design and implementation requirements of joint clients.

"Manthan's ARC solution is the most comprehensive Retail BI solution that we have seen in the market" said Neil Banerjee, EVP Sales & Marketing RTC. "Covering the decision support requirements of the merchandise office, store operations, customer relationships, finance, loss prevention, supplier analytics and more, we believe that Manthan has truly delivered on the promise of BI with this next generation solution.

The ARC solution successfully blends sophisticated advanced capabilities such as data mining, with an ease of use, low cost of ownership, and quick implementation time frame that has not previously been possible."