



Press Release

ALPHA HELPS MAKRO REDUCE SHRINK BY 40%

FOR IMMEDIATE RELEASE – October 5, 2009: Alpha High Theft Solutions – a division of Checkpoint Systems – has announced it has helped leading cash and carry wholesaler Makro cut shrinkage of its high-risk merchandise by 40 percent by implementing an innovative three-tier anti-theft protection program. This, in turn, has helped the wholesaler increase sales on its key lines by 50 percent.

The two-year long partnership has seen a significant decrease in product loss and increase in sales across all areas of the business implementing the Alpha High Theft Solutions – Spider Wraps, Keepers and Alpha Accessory Tags. Not only that, the use of these devices on expensive goods such as plasma screen televisions, iPods, cameras and razors allows these desirable products to be sold in an open merchandise format – representing a first for a cash and carry outlet in the UK. Overall, the integrated solution ensures effective, secure and easy protection, without disrupting store employees or the customer shopping experience. And, ultimately, the increase in stock availability of high value goods has helped Makro improve its profitability.

The implementation of Alpha Spider Wraps – secure wrap around cables – on products in the vision department, including televisions and computers, has reduced Makro's losses by over £500,000 in this area alone. The Alpha Spider allows the wholesaler to 'wrap' a wire cable around a product's packaging. This is then secured in a durable locking mechanism, which can only be opened using an Alpha security key.

By incorporating Keepers – clear plastic cases – onto iPods, Makro can move the products from defensive merchandising to open display, leading to a 50 per cent increase in sales. The iPods are protected safely inside while customers can visually examine them, enabling purchasing decisions to be made easily without needing the assistance of a store employee.

Matthew Bowker, Head of Security for Makro UK, is delighted with the results of the project so far. He says: "The project has been extremely successful to date. Results show a decrease in product loss across all areas implementing the solutions, whilst the financial results speak volumes. The Alpha products were selected thanks to their functionality, versatility and flexibility and have not disappointed.

"Prior to implementing the protection program, we were experiencing increased levels of shrinkage on our high value domestic electrical, health and beauty goods, meaning there was a lower number of products available for purchase – something that simply could not continue in today's tough trading conditions. The Alpha range is the first consistent loss prevention solution that we have employed, with the aim of reducing shrinkage, increasing on-shelf availability as well as sales. The solutions have certainly delivered on these objectives as well as enhancing the customers shopping experience," added Matthew.

Makro, which operates a network of 30 purpose-built cash and carry stores nationwide, chose the Alpha S1 and S2 solutions to deliver enhanced protection to its high-end products. Once implemented, they work in

conjunction with Makro's Checkpoint EAS system to provide a highly effective means of security without hindering the customer shopping experience or obscuring the product.

Patricia Lacey, Alpha UK Business Development Manager, concluded: "It's great to see such fantastic results and Makro's success in reducing shrinkage, and ultimately increasing product availability and sales, is testament to the innovative nature of the anti-theft technology used. The fact that the wholesaler is now able to display its high value goods in such an open environment is wonderful and a real step towards combating theft."

Makro and Alpha were recently crowned overall winners in the Loss Prevention category at the Retail Week Technology Awards for their success with the project.

ABOUT ALPHA: *Locally, nationally, globally; ALPHA (a division of Checkpoint Systems) leads the way to the most innovative and technically advanced solutions engineered to protect retailers' high-theft merchandise. For three decades and counting, every ALPHA product is designed with uncompromising security; ease-of-use; and the ability to deliver outstanding merchandising capabilities to help retailers reduce theft and increase sales. For more information on ALPHA solutions to protect high-theft challenges, call Carlos Perez direct at 704.206.7849 x332.*

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