

From the house or even the beach, retailers can now manage their stores, watch for loss and theft while improving their operations, all this thanks to a portable computer.

Retailers in fact have discovered a new breed of remote video surveillance system built for networks.

Developed by Visio-Soft Communications, of Montreal, the new tool brings new capabilities to the retailers that could soon supervise their store directly from their cellular phone, said Marc Lafontaine, president of Visio-Soft to La Presse Affaires.

At the technical level, the product performance is obtained by a superior image compression algorithm, from 4 to 10 times better than those seen on the market, according to Marc Lafontaine. "It is undoubtedly one of most powerful compression codec of the video surveillance industry and Bell Canada decided to market it".

The president will also suggest to Bell Mobility to offer the same using cellular equipment, "That should really make noise". The system is not cheap but Joanne Carrier, owner of the Chaudronnee, an independent convenient store in Mascouche, believe that she "will be able to recover her investment without problem".

Martin Lacasse, president of the Rona Warehouse of Hull and owner of two other stores, in Gatineau and Aylmer, in the Ottawa region believe his security systems will pay for themselves well within five years.

Founded last year, Visio-Software already counts on in its customer base several Rona hardware merchants, some Metro merchants and Uniprix pharmacists, as well as the National Bank and even the RCMP and the national Defence.

## Video Surveillance

Martin Lacasse, last week, was able to catch and stop a robber quickly thanks to Visio-Soft. The system recorded the theft of 40 \$ and the merchant had only to give "the evidence" filmed on CD, to the police officers.

"The Rona L'Entrepot Warehouse with inventory valued beyond seven millions and a 130 000 square feet floor, ...is large to watch", but Martin Lacasse can rely on more than 40 silent cameras, in a networked configuration with an easy access from his computer, as with his two other stores. It is an investment of almost 250 000 \$, but if the hardware stores reduce their loss by 1 %, he will recover already 400 000 \$.

The losses by shoplifting reach about 1,25 % of the sales, on average, in the Rona store as well as on the large Hull warehouse. Competitors often show losses of 3 % in the industry in general and clothing stores sometimes show even more, according to Martin Lacasse. In addition to this, can be added theft by employees and misbilling by suppliers, according to him.

At the Mascouche convenient store, a deliveryman invoiced three beer cases, instead of two, and thanks to her cameras, Johanne Carrier could recover her 25\$. "We do not make much profit on beer, therefore it takes a long time to recover, a loss in this department", she said.

The remote monitoring has now become a standard at Rona, according to Martin Lacasse who still prefers to manage his operation from his office. "I could do it everywhere, with my portable computer, including from a beach in Cancun, but I work already 85 hours and six days a week. From a cellular, will that be worth it? It's rather a question of quality of life.?"

Johanne Carrier likes to be able to supervise her convenient store from home. Early in the

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morning, a retailer can see what is happening at the opening, adds Marc Lafontaine, the Visio-Soft system complements the point of sale information system of the store. With plan for expanding its traiteur service, from four cameras, Johanne Carrier will expand to 20, to cover all of her operations, with a price tag of more than 6500 \$, "but that is worth it".

"I already had theft problems in the past, but there is more than that. I can also assist the employees or ensure that the work requested is done". Johanne Carrier's profit margins already increased by 2 %. Because the margins are thin in the retail industry, the final bottom line often depends on a good loss control and prevention, according to Marc Lafontaine. Martin Lacasse also uses his system to monitor how customers are taken care of, how efficient is the cashiers' service and the store readiness and general merchandising in order react quickly and adjust accordingly.

An emerging company, Visio-Soft targets the networked video surveillance market, a promising market where competition remains very fragmented. According to Marc Lafontaine, the video surveillance sales will jump from 1,3 billion (in 2003) to 7,4 billion in 2007, especially in the public sector, retail industry and travel. Visio-Soft expects to quadruple its sales within the next two years thanks to its technology and its quality video images which can be recalled up to 28 days later.