

# Exclusive talk with Trion's **Tom Nagel**

*On using store fixtures to bolster the fight against retail theft.*



**S**hoplifting is costing supermarkets millions of dollars annually, and retailers are searching for effective and affordable solutions to curtail practices that can have a devastating impact on their bottom line.

The National Supermarket Research Group (NSRG), in its 2003/2004 Supermarket Shrink Survey estimated that supermarket shrink overall was 2.32 percent of retail sales, compared to grocers average net profit of 1.10%. Shoplifting was estimated to be 20 percent of overall shrink, totaling \$814. million in product value for the companies representing 9,000 stores that were surveyed.

Last summer, the Food Marketing Institute (FMI) surveyed its members, and responding companies, operating nearly 7,000 stores, said they apprehended 130,201 shoplifters in 2003, an average of 22.7 per store. The value of merchandise recovered was \$51.71, totaling \$4.5 million. FMI's survey response covered about one-third of stores operated by its member companies.

According to FMI, types of products most frequently targeted are health and beauty care (HBC), analgesics, razor blades, cigarettes, as well

as meat and baby formula.

"Retailers have been successful at reducing theft of some of these items, particularly cigarettes, by restricting access," FMI said.

Trion Industries, Inc., based in Wilkes-Barre, PA, has developed anti-theft devices intended to prevent many of today's major shoplifting tactics, which the company estimates costs all types of retailers some \$23 billion annually.

To learn more, Progressive Grocer interviewed Tom Nagel, Trion's chief engineer.

**Q. How serious is theft and shoplifting in the supermarket industry?**

**A.** This is a problem that just keeps coming, and supermarket operators are asking for effective ways to lock items down, especially those that are expensive and most commonly stolen like razor blades, batteries and medication.

Individual theft crosses all demographics, from low income people to middle class professionals, and even famous movie stars.

**Q. Most supermarkets have systems in place to curb theft and pilferage—even video cameras, electronic detection devices and even security guards. Aren't these sufficient?**

**A.** There are a variety of techniques that shoplifters use to defeat security cameras and other detection devices.

Sometimes an individual will simply come into a store, sweep products from a pegboard hook or a shelf into the bag, head for the door. Sure, the alarm goes off, but by the time someone responds, they're in the car waiting outside, and they're gone. There have been reports that such sweeping follows a bus route and incidents can run right across a city,

with the same items coming out of stores of the same company. Thieves learn where items are, figure out a way to defeat a certain store's system, and repeat it over and over again.

Sometimes a shoplifter is a bit more subtle and uses misdirection--hold something up like he's checking it out, while he's dropping another item into his pocket or bag. Or they will use blind spots away from the camera, or drop an item to the floor that is picked up by a partner passing by.

Shoplifters have learned to defeat sensor tags by leaning over the scanner and desensitizing them. Sometimes a shoplifter will reuse receipts to refill a shopping bag and walk out with the same item over and over again. They will use decoy shoplifters, and while attention -- and the alarm -- is focused on one person who "forgot" to pay for something, will walk out of the store with a bag full of merchandise. You can even purchase books on the Internet that tell you exactly how to do it.

It's hard to train store personnel to spot all of these activities, and it's particularly tough with the high turnover rates in supermarkets.

**Q. What other approaches can supermarket operators take to cope with this problem?**

**A.** The next layer of defense is at the fixture level. Supermarket operators can augment their defenses with fully-lockable fixtures that we have developed. Our new ScanLock is easy to use, inexpensive, works with a key that can't be reproduced, and secures most common scan hooks.

You simply unlock the device with the key, and swing the lock aside to free up the article for sale. It can prevent removal of any stock, or it can display one or two items unlocked while the remainder remain locked and secure. It prevents mass theft and sweeping of items. And it conveniently

locks without a key.

The ScanLock retrofits most existing scanning hooks so it doesn't stand out like a sore thumb and disrupt your shelf set.

We've developed another device, the Anti-theft Shelf Works EWT Security Unit, which can contain products such as decongestant or other HBC products. You can meter out product one-at-a-time, thus slowing down any would-be shoplifter and defeating sweeping.

It costs no more than a box of Sudafed to put these on the shelf.

And, it's much easier for the honest customer who wants an item that otherwise might be kept locked behind glass doors, while less expensive for the store.

**Q. Some states now require retailers to keep certain products secure until they are sold. It seems like lockable fixtures might be a big help in these instances. Is that correct?**

**A.** Yes, there are a number of states, particularly in the western part of the country that require certain over-the-counter medications to be locked because some of their ingredients can be turned into street drugs. These devices are inexpensive systems that can help retailers comply with those laws with minimal disruption of the selling process.

**Q. Can you quantify the reduced rate of theft that can be attributed to Trion's anti-theft devices?**

**A.** I can tell you that these products are in high demand, and companies that use them are experiencing success in reducing shoplifting. They are an inexpensive, practical and effective way to significantly reduce retail store theft.

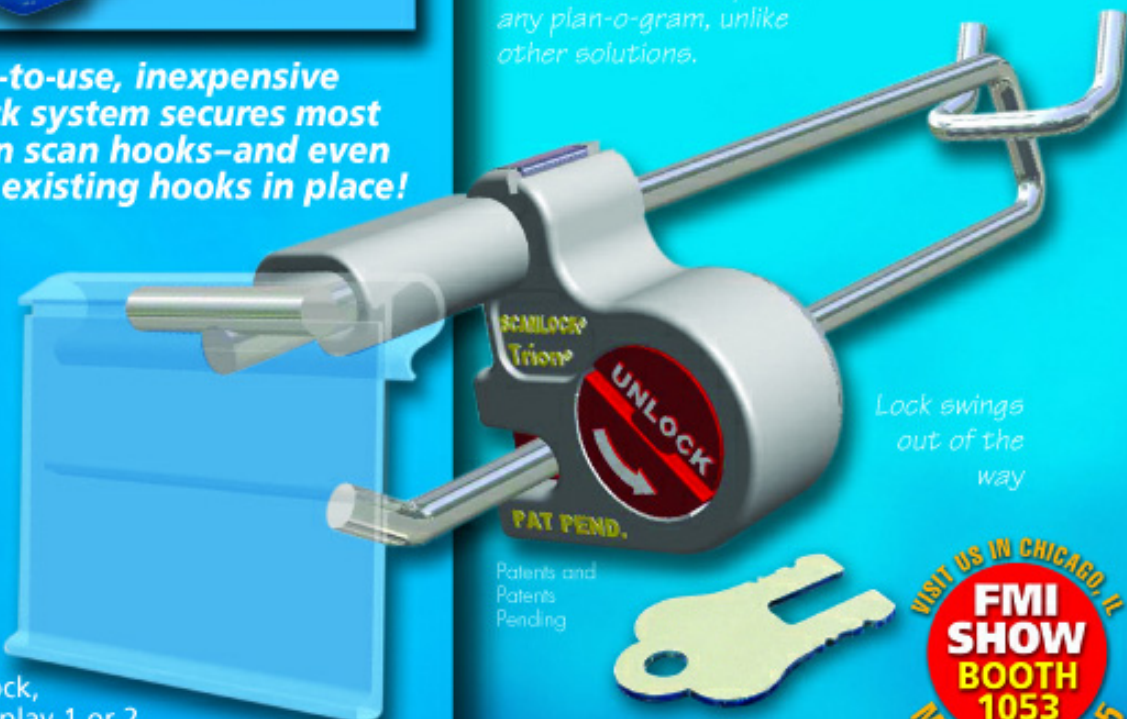
## New ScanLock™ Cuts Theft



Lock all product or display 1 or 2 items unlocked while the balance of stock is locked.

**Easy-to-use, inexpensive key-lock system secures most common scan hooks—and even retrofits existing hooks in place!**

- Simple swing-aside access to items; no need to remove the lock to sell product.
- Prevents removal of any stock, or can display 1 or 2 items unlocked while the balance of stock is locked and held secure. Prevents mass theft and "sweeping" of items.
- Trouble-free design re-locks without a key. Open several hooks for hands-on selling to customers, replace items and re-lock in an instant without fumbling with a key.



Lock swings out of the way

Patents and Patents Pending



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