

New vs. Certified Pre-owned EAS Systems Worth a Closer Look

By John Gantenbein, President, BSI

As a former, long-time loss prevention executive, I have seen my fair share of technologies come and go and have worked with a number of solution providers throughout the years. Having more than thirty years of progressive loss prevention and retail security experience, I have held senior executive positions at Macy's West, Marshall Field's, Dayton's, and Hudson's department stores. During this time, I was responsible for overseeing shortage programs, compliance audits, staffing, budget, apprehension policies, civil recovery, and major investigations among other things. In addition, one of my primary responsibilities was evaluating and making procurement decisions on various technologies to help the companies that I worked for effectively protect company assets.



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Today's loss prevention executives have a wider and more robust array of technologies available to them. Along with the technology selections out there, the procurement process is changing at many retail chains. A recent survey conducted by *LP Magazine* found that while loss prevention executives remain the primary decision maker when it comes to LP-related purchases at 63 percent, procurement is emerging as a strong influencer. This dynamic introduces into the equation not only the quality and effectiveness of the technology, but the cost to deploy also plays a more prominent role. Taking into account some of these new dynamics, what are some considerations loss prevention executives should take into account when making technology decisions?

For the first time in its 24-year history, the National Retail Security Survey conducted by the University of Florida found that external theft, which accounts for shoplifting and organized retail crime, outpaced internal theft. So let's focus first on electronic article surveillance (EAS), a long-standing staple in many LP programs. This technology is proven to be effective in countering external theft when there is a solid set of processes and procedures established behind it and adhered to at the store level.

Future-Proofing Your EAS Investment

Retailers have spent millions of dollars over the years to build and maintain their EAS infrastructures. Most embarked on a very thorough vetting process before selecting the technology that worked best in their environment and best for their product mix before making a decision and deploying the systems, whether that be AM- or RF-based. Once the decision and investments were made, how do you ensure that you add some level of future proofing to that decision? That is when

you should ask yourself if buying new or pre-owned certified systems and components make the most sense. Both have their merits, and many times the answer is a combination of the two.

Let's take a look at a couple of different scenarios. You have invested in a chain-wide implementation of a certain brand and model of EAS when the original equipment manufacturer, for a variety of reasons, discontinues the model and subsequently the



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support of those systems. You could replace the infrastructure with newer technology that comes with a fairly significant capital expenditure, or you could look for an organization that provides pre-owned, certified systems that meet the original specifications to supplement your existing investment. An important factor behind this decision is to ensure that these systems come with a warranty of their own. While pre-owned systems typically do not fall under the capital investment category at most companies, they can deliver significant savings and/or leverage your equipment budget and extend your ROI to the organization.

Another area where pre-owned, certified or repaired and refurbished components may make sense is in the area of accessories to the existing technology such as tags, deactivators, or detachers. Remember to look for a guarantee that these components will work with your current EAS systems with the same level of performance as new ones.

The Case for New Equipment

So what about the case for new equipment purchases and the factors behind those decisions? Obviously, the first question to ask is whether there is a capital budget approved for switching out the existing infrastructure for new technology?

Some of the factors that may weigh into this option are the need for advanced features available in newer technologies to support your company's strategic and tactical plans. Another option may be to implement a phased approach between new and certified, pre-owned systems. As new stores are opened or existing ones renovated, new models of EAS that are compatible with the existing infrastructure can be deployed as long as the other components of the EAS system are compatible as well, particularly as it relates to tags and labels.

Refurbished Equipment

Another option that is available to retailers and oftentimes overlooked is the ability to refurbish their existing inventory and warehouse it until needed at the next location. It is not uncommon for companies to close or relocate stores to remain competitive. BSI offers a unique service in the industry where we will uninstall your EAS systems; repair or refurbish your systems, tags, deactivators, or detachers; and hold them in inventory for you until you need them again.

For those retailers who do not perceive the need to hold the used equipment in inventory, BSI will also offer to buy back the EAS inventory or trade it in for newer systems. BSI is always looking for used EAS technologies that it can purchase from retailers who no longer need the systems and components. This is just one more way that retailers can extend the investment they made years

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earlier and help the overall industry access legacy solutions that it may need to complement existing infrastructure.

Video Solutions

Many LP executives don't realize that BSI also has a strong reputation for engineering highly effective video solutions across many of North America's leading retailers. We partner with best-of-class product manufacturers to ensure each installed system is "fit-for-purpose" based on individual needs. Our specialty is in analog-to-IP phased upgrades as well as design and installation of new, high-end IP solutions. We also offer a full range of video analytics that can be used not only for fine tuning your loss prevention programs, but also to help with merchandising, staffing, customer intelligence, and a whole host of other applications.

The BSI Advantage

Our leadership team is comprised of seasoned former LP individuals from the retail and solutions provider industries who understand the requirements and challenges faced in the business. Our customers benefit from our experience helping to ensure their success.

Here at BSI, we offer the broadest range of EAS tags, systems, and related product offerings in the retail marketplace by offering both certified pre-owned EAS and BSI private-label AM/RF EAS options. Our product and service portfolio also includes EAS installation, deinstallation, inventory and logistic depot support, equipment repair, equipment buy back and/or trade in, design consulting, and equipment leasing options along with our state-of-the-art video solutions.

Today's retail loss prevention executives have a number of options that were not available in the past, and all of them are worth a closer look before deciding which path best suits the retailer's individual needs. So, isn't it time to take a closer look at BSI? ■



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