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StopLift demonstrates checkout vision technology

System integrators can now install technology that enables retailers to catch "sweethearting" theft at the checkout

By StopLift

Updated: 06-15-2010 11:12 am

StopLift Checkout Vision Systems' Scan-It-All technology catches what the retail industry calls "sweethearting," when cashiers pretend to scan merchandise but deliberately bypass the scanner, thus not charging the customer for the merchandise. The customer is often a friend, family member or fellow employee working in tandem with the cashier.

Supermarket chains like Safeway, Hannaford's and Big Y have installed the video recognition software for monitoring existing security cameras mounted on the ceiling over the checkout registers. (Security cameras are at best sporadically monitored.) Major 1,000-plus general merchandise chains are also beginning to use this technology. The software constantly monitors 100% of the security video at each register.

"Most retailers realize in their gut that they should have cameras over every register, but they've often had difficulty justifying it from an ROI point of view," said Malay Kundu, CEO of StopLift (www.StopLift.com (http://www.StopLift.com)), headquartered in Cambridge, MA. "But now, because of the substantial tangible value delivered by StopLift's Scan-It-All system, retailers are more than happy to put a camera over every register to reap the benefits to the bottom line.

"System integrators will now be able to provide retailers with a more complete solution by using StopLift's technology, ensuring that the retailer can immediately detect theft at all the checkouts," Kundu said. "This is good for retailers, good for system integrators, and bad for shrink."

Retail store employees steal $15.5 billion worth of merchandise a year, according to the 2008 National Retail Security Survey. Nearly half (43%) of retail theft is committed by employees, compared to 32% by shoplifting.*

Retailers estimate that about two thirds or $10.5 billion of employee theft is due to "sweethearting" at the checkout.

Retail theft is the fastest growing crime in America, according to the FBI. Loss prevention executives draw a direct link between the nation's economic woes and increasing theft-related shrink levels.

"If retailers can't sell more in this economy, they can still lose less," Kundu said.

The technology eliminates costly, time-consuming human review of video, drastically reduces and deters fraud at the checkout, and significantly improves profitability, he said. Rather than take a one-size-fits-all approach, StopLift develops targeted applications to address the specific needs of retailers from different sectors including general merchandise, grocery, and specialty retail.

As soon as a "sweethearting" incident occurs, the software flags the transaction as suspicious. It quickly reports the incident, identifying the cashier and the date and time of the theft. Dishonest associates are identified on the basis of video evidence the very first time they conduct a fraudulent transaction, rather than months or even years down the road, significantly reducing inventory shrinkage, deterring future theft, and boosting profitability. To watch real sweethearting incidents tracked by StopLift, visit www.StopLift.com (http://www.StopLift.com) .

"Malay Kundu is truly a visionary in addressing sweethearting," said Mark Gaudette, Director of Loss Prevention at Big Y, which is installing StopLift throughout its 56-store grocery chain. "This type of theft has been costing the retail industry $13 billion a year and, before StopLift technology became available, there's been no way to detect it."

Supermarkets, with their lower profit margins, are particularly vulnerable to sweethearting, which has accounted for an almost 35% profit loss industry wide.

Tom Perkins, Director of Loss Prevention at Hannaford Supermarkets, based in Scarborough, Maine, which has implemented a pilot program using StopLift, said: "Having the Stoplift technology in place has enabled us to discover losses that we were previously unaware of. This is one of the most significant leaps in loss prevention technology I've seen in more than a decade. Despite several new kinds of loss prevention technology available to us, none of them has addressed sweethearting.

The 2008 National Retail Security Survey reports that $36.3 billion was stolen at U.S. retail stores. The survey is a collaborative effort between the National Retail Federation (NRF) and the University of Florida.