



MarkeTechnics 2005

See Invatron at booth 404

Do you know what changes are impacting your perimeter departments this year? COOL is on hold but Nutrition records are changing and GTIN is being added to the number format of your scale management system. Stop by our booth for the latest from the fresh food management experts. Invatron staff will be discussing the latest industry trends and demonstrating new products for the fresh foods market. Interact with the latest versions of our ePLUM Enterprise Scale Manager and PeriScope DSS applications. Preview our new Pocket PeriScope application for mobile computing!



ePLUM Invades England

by Tom Barclay, National Sales Director

The prevailing attitude for the past few years suggests that European retailers' have supermarket systems up to two-years ahead of that in North America. If so, Sainsbury's recent purchase of ePLUM and PLUM Host is strong validation of just how advanced Invatron's new application architecture is over traditional scale management applications. Sainsbury is currently the longest-standing major food retailer in Great Britain, managing more than 500 stores.

Invatron worked closely with Avery Weigh-Tronix, the world's largest scale manufacturer and Sainsbury's primary weigh-label equipment supplier, through the selection process. ePLUM passed arduous qualification and testing, run by Accenture and Sainsbury, before being selected.

ePLUM will run on a single high powered Sun Solaris UNIX server, with the ability to communicate directly to over 2500 scales. The scale inventory is a mix of serial and ethernet devices. ePLUM will provide a complete load to each scale every night. Other advanced features include image downloads, label format transmissions and scale status notifications to their help desk application; NCR's Unicenter. See: [Sainsbury](#) on Page 4

PeriScope Expands Again!

by Joe Smirlies, Director of Development

The recent decision by Albertsons to arm their fresh food departments with PeriScope DSS, indicates a growing retailer understanding of the bottom line value in a Fresh Item Management (FIM) application.

The benefits of FIM are indisputable—having a PLU level understanding of out-of-stock situations and shrink (including discards and markdowns) can alone generate an ROI most projects only dream of. However, a couple of issues left supermarket operators waiting on the sidelines; "so who's using it right now" and "what is the impact on my store personnel?"

Invatron's development partner Giant Eagle has helped put PeriScope on the map by continuing to drive development based on issues that directly improved their ROI. Albertson's gives PeriScope a Tier One presence that places PeriScope as an application not to be ignored. Let's face it, your perimeter departments are not that efficient-and if they are PeriScope will tell you so.

Giant Eagle has also fine-tuned PeriScope to maximize its attraction with a minimum of store interaction. For example, manual inventory counts or worrisome rolls of markdown coupons are no more. Reports such as Production Lists, and Shrink are scheduled to print automatically, eliminating the need for manual intervention. Experience has proven that, when properly presented and trained, end-users will embrace this tool-set and its benefits.

PeriScope now understands inventory conditions and can forecast demand from the case all the way to the backroom. So what is the next step? How about web-based dynamic cutting tests for yield analysis, cutter competency and supplier quality? Why not reduce in-store inventories 20 percent by understanding demand and aligning it with actual orders? Or, automatically roll-up forecasted demand and generate an order directly to the supplier based on current inventory counts?

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From the President's Desk



by Axel Doerwald, President
Welcome to our Winter 2005 Newsletter. Much has occurred in the last year both within Invatron and throughout the world. The current disaster in Asia while unfortunate, has brought the world together in a massive outpouring of compassion and recognition of the suffering that has impacted millions of people. Why is it that it takes a disaster of these proportions for the world to unite in a common interest? More salient to our own industry, what would it take for the grocery industry to unite behind a common motivation, namely, its' own survival.

This question brings to mind an acronym now over ten years old. Does anyone remember ECR? ECR stands for Efficient Consumer Response. In 1992, industry leaders got together and came up with ECR as a way of using technology to improve overall efficiencies in replenishment and shorten their order cycles. Now almost fifteen years later, the challenges we hear from customers don't seem that different than those from 1993.

So what happened? Is it that retailers implemented all the ECR best practice suggestions but competition is forcing them to be even more creative and competitive than originally envisioned? Or is it that retailers never properly implemented the suggestions from 1993 and therefore find themselves in the same circumstance today as they were then? The truth likely lurks somewhere in-between.

While we don't hear much about ECR these days, many retailers are implementing applications and business process changes that reflect the same initiatives some twelve years later. As with many other challenges, these initiatives

are embraced by retailers to varying degrees or not at all. There are the early adopters, the late starters and those that continue to march to their own drum, never embracing anything that they don't come up with themselves.

One of the best practices accepted in 1992 was Category Management. Category Management, as we know, is the analysis of consumer buying behavior by category of food or beverage. It prevents buyers from carrying products based solely on the deals available from suppliers and instead, focuses on customer demand.

The goal of category management is to maximize sales of an entire category rather than one or two items. To do this effectively, items within the category that are not selling need to be identified. Product assortment, another part of ECR, is automatically achieved as proper category management is practiced. Scan data analysis is key to supplying this process with useful information.

While many retailers have developed category management practices for the center store, relatively few are doing so in fresh foods. Invatron's FIM (Fresh Item Management) offering PeriScope DSS, provides invaluable data that category management applications can use to better identify consumer trends and, more importantly, how well store-level personnel are implementing the category plan.

Invatron has seen many instances where the category plan is not properly executed at store-level. Even worse, many stores are forced to use the same plan simply because they share the same zone, even though the plan and corresponding product assortment is not suitable. It is our belief that each store should have its own category plan regardless of demographic similarities. What works in one store cannot be assured to work in another. See: [ECR on Page 4](#)

Welcome New Members to Our User Community

by Tom Barclay, National Sales Director

We at Invatron, gratefully acknowledge the interest retailers continue to show in our suite of applications:

Albertson's

We are extremely pleased to announce that Albertson's has chosen PeriScope to improve efficiency in their Fresh Food departments. Albertson's is starting with complete shrink tracking and markdown capability before moving to Out of Stock alerts, Perpetual Inventory, and ultimately Production Recommendations. They have also decided to use PLUM Host for their scale hosting requirements. PLUM Host will feed an existing in-house application with an extended feature set to meet Albertson's objectives.

Penn Traffic

ePLUM was the solution of choice to allow Penn Traffic to communicate directly with the weigh-labeling equipment in all 109 corporate stores. Item data is passed from a mainframe to ePLUM for management of the scales.

Sprout's, Sunflower Markets, PCC Natural Markets

These three retailers all selected ePLUM as their scale manager even though they have different Host feeds. Sprout's feeds ePLUM with TCI Solutions HQ product, while Sunflower selected BRdata. PCC Natural Markets opted with PLUM Host. Regardless of where the item data originates all three retailers are taking advantage of the reliability and help desk tools that ePLUM provides.

Cardena's, Payless, PW Markets, Northgate Markets

In the California marketplace, Invatron is pleased to welcome Cardena's, Payless, PW Markets, and Northgate. Cardena's has installed PLUM Store while the other three retailers have installed PLUM Host and ePLUM.

Hy-Vee

Hy-Vee recently finished its twelfth PLUM Store installation and is reporting high levels of user satisfaction. All stores are using Hobart scales with a wireless card—providing a state of the art installation.

New Mobility with Pocket PeriScope

By Ron Spankovich, Client
Service Representative

With the ever-increasing popularity and enhanced functionality of mobile devices, Invatron is proud to introduce Pocket PeriScope. This change allows users to remotely access their historical, current and projected data movement for any item in the case. Pocket PeriScope runs on any wireless hand-held scanner or PDA device that supports the Pocket PC and Windows CE operating system.

Wouldn't you like to see managers in your perimeter departments have more time to administer their departments and spend time with your customers instead of managing inventory? With Pocket PeriScope managers can quickly gain control and monitor inventory. Simply scan an item to instantly see how many items sold in any previous period, how many are currently in-stock (front case and back-room), the forecasted movement for any future period and how many are currently on order. All of this information is presented in real time on the hand-held device in a concise and easy to read format.

With this information managers can instantly see if the current order status meets the predicted forecast movement or needs to be positively or negatively adjusted. This



reduces department operating costs by minimizing shortages and overages. Easy access to item movement information also reduces the time needed to maintain case inventories overall.

The first release of Pocket PeriScope in 2004 incorporated hand-held capabilities for performing shrink (discards) and markdowns. A maintenance release later in 2005 will expand these capabilities to include Product Status (current on-hand), Product Sales (historical and projected), Case Layout and Product Details reports. With this next release of Pocket PeriScope, in-store managers can know the exact status of any item while standing in front of the case. This saves managers from running to their office to print

reports or walking around with sheets of paper to reconcile orders.

For district and corporate managers, Pocket PeriScope can check on and evaluate the status of any store under their jurisdiction. As they walk in the door, supervisors can review the status of a department from their PDA and be prepared to meet with their department heads en-route. Being caught off guard in a meeting will be much harder since supervisors can access data about any of their stores in real time.

Push Updates Out with Binary Resource Manager

by Steven Scott, Sr. Systems Analyst

Getting new firmware installed on a scale can be quite expensive. Scale firmware updates usually involve a lot of manual intervention by the scale vendor to ensure that updates are successful. Scales typically require a technician to physically install upgrades at each device. Thanks to new protocols that support updating other binary data, this process can now be automated.

With Invatron's new Binary Resource Manager (BRM), users at the central office can "push" firmware updates out to the scales instead of physically inserting them. The BRM provides a common, automated solution that can update your scale's firmware from one central location. This includes the loading of firmware, label formats, fonts, graphics, speed keys and other resources as well.

Binary Resource Manager can upgrade or rollback packages for many different devices (like scale models, Serial Gateway Servers, etc...) from multiple vendors. Simply import new resource files from your vendor into BRM and the installation is handled for you. Resources are loaded using standard XML to define the packages.

Binary Resource Manager also supports multiple binary versions for different stores. Using the "Grouping" feature, an administrator can configure binaries for every scale in the enterprise. You can use one package or separate packages for each scale, department, store or the whole chain. Anyone can then reload a scale since group assignments ensure that the right resource is loaded with the proper package and kept up to date.

Not sure when a binary file was changed in a scale? Are the labels in the scale up to date? These questions can be answered with the log feature. Any files pushed to a scale are also logged. The Binary Resource Manager can then be used by anyone to view the history of activity for any scale in the enterprise.

The Binary Resource Manager combines with PLUM Store or ePLUM Scale Management System to provide a powerful tool for any retailer. The average labor savings per scale multiplied by your whole enterprise should identify a healthy return on investment. Just alleviating the need to visit a store or make a service call can represent a considerable savings in operating expense.

IP Speeds Up Your Transactions

By Don McNeil, Sr. Client Service Representative
Eliminate your monthly recurring phone line costs with a single, high-speed Internet connection. In partnership with Systech Corporation, Invatron is pleased to introduce a new broadband IP payment solution. The *Dial-to-IP* gateway is a device that reroutes transactions over the Internet or a private IP network. Keep your existing equipment—it connects to any payment terminal, controller, check reader or ATM. Dial-to-IP gateways are secure because they use the latest accepted standards for SSL encryption. No changes are required to your existing terminals or applications. These gateways are certified by leading payment and check processors everywhere. Contact Invatron today to accelerate your company's transition to IP-based savings.



2004 Product Enhancements

by Steve Chesney, Director of Client Support
Each year brings about another opportunity to review the previous year's activities for Invatron Systems Corp. This was certainly a growth year. Two of our fledgling products, ePLUM and PeriScope, took off in the marketplace.

This brings about the "good news-bad news" scenario that all growing companies inevitably fall into. Invatron's expansion means continued growth and a solid financial foundation. Customers can continue to count on us long into the foreseeable future. Initially however, this will stretch our resources in the short term and directly affect what we can offer in maintenance and new functionality.

In addition, our attempts to comply with new Country of Origin Labeling (COOL) and Global Trade Identification Numbering (GTIN) really affected our development cycle. In hindsight, the amount of effort spent on COOL was premature as exhibited by the US government's continued changes in position on this legislation. While the ground-work was not wasted, we would dearly like to have back some of that time for other enhancements.

This coming year, we are committed to balancing customer requests with legislated requirements in any new

From the President's Desk: (cont'd from pg. 2)

One of PeriScope's benefits is its ability to collect and deliver a range of data that a category analyzer can use to filter out store exceptions. For example, since PeriScope collects production data from the weighing equipment and transactional data from the POS, it can highlight items that are produced but never sold or not selling to expectations. By tracking discards and markdowns, PeriScope can also determine costs from the over-production of products in the assortment plan that may not be suited to that particular store. Meeting the assortment strategy from head office simply creates excess shrink and reduces margin expectations on the department. A store-specific category plan built on real inventory patterns will directly improve the bottom line.

Perhaps it would be a useful exercise for retailers to go back, review the ECR initiatives from twelve years ago and see how well they have been implemented. Then, if you are satisfied with what you see, take a look at your fresh food departments to determine if they are being used effectively and to the same extent as the rest of the store.

Sainsbury: (cont'd from pg. 1)

PLUM Host, currently installed with several tier-one grocery retailers in North America, will be integrated with the existing Item Management system to provide complete support for all scale required fields as well as the capacity to zone each field on the item record. With recent installations in South and Central America, Invatron is pleased to see far reaching acceptance of its products from the global supermarket community.

functionality. Schedules and their contents will be finalized and made available for our customers review in the coming weeks. We hope they will be well received. The following list is a summary of the work delivered in 2004:

ePLUM release 2.0

- use eScaleLink centrally or remotely
- Introduced Serial Gateway Server
- Remote management of eScaleLink bundles

HIT 1.1.101 for PeriScope Release 1, Version 1.7.10

- Added whole or tenth-of-pounds for discard tracking
- Added generic barcode labels for PLU reference
- Added inserting of one text line above or below the barcode

PLUM Applications:	Host 4.5.0	UNIX 3.35.0	WIN 3.5.0
• Expanded Nutrifact data set	✓	✓	✓
• 14-digit UPC for GTIN (RSS-14 compliant)	✓	✓	✓
• Configurable length-width for ingredients	✓	✓	✓
• "SQL Explain" variable for Informix	✓	✓	
• COOL support (Hobart and Toledo only)		✓	✓
• Avery-Weightronix scale support		✓	
• Special message text with overflow function			✓
• Linked Sale and Reset batches			✓
• Automated scale read, compare and reset			✓
• Effective Time added to the batch header			✓
• Linked Ingredient Text			✓