MOVADO GROUP INC.

OPTIMIZED RETAIL SECURITY OPERATIONS
3VR HELPS MOVADO GROUP PROTECT LUXURY TIMEPIECES

Overview

One of the world's premier watchmakers, Movado Group, Inc. designs, manufactures and distributes luxury brand and accessible fashion watches, each recognized for their inherent quality, design and value. The company's timepieces are sold throughout North and South America, Europe and Asia, including 48 retail outlet locations in the United States.

Business Challenges

Protecting stores, inventory and employees are key objectives for all retailers. Ensuring a secure retail environment is especially critical for luxury retailer Movado Group, with individual products ranging in price from $75 up to $10,000. The company's existing security solution included analog cameras and a video recording system that was being phased out by the vendor so replacement units were no longer available. Movado vice president of loss prevention, Bob Alexander was interested in upgrading to new IP cameras and a more user-friendly video recording solution.

Under the guidance of Tyco's National Account Manager and Applications team, Movado brought in two new vendor solutions to test in the company's beta lab and at one of their local retail stores. After two months of testing, Alexander selected 3VR's VisionPoint VMS and HVR appliances based on ease of use, functionality and customer support from 3VR engineering staff and Tyco Applications.

3VR Solution

With 50 locations to deploy including 48 stores, the distribution center and the corporate headquarters, it was tempting to do a gradual changeover to the new 3VR system. But Alexander did not want to endure an extended period of relying on two different systems, or create unnecessary work for his team. So he decided to complete the transition for all locations in less than one month. This required strong coordination between the 3VR sales and support team and Tyco who completed the installs at each location.

Results
Faster loss investigations

Movado relies on 3VR's unique forensic search capability to find video evidence of theft faster and more efficiently. A store manager might not discover a missing watch until the end of the day. Instead of having to watch eight hours of video, 3VR allows the security officers to search by store, date, camera and incidents of motion near the case where the watch was stored. 3VR search has reduced the time required by the team to investigate incidents from hours to minutes. This is particularly important for Movado, given the company has to monitor 50 locations across the U.S., with an average of 12-16 cameras at each location. Loss prevention officers can easily drag-and-drop to change camera views, making the process extremely user-friendly.

IN BRIEF

Industry: Luxury watch design, manufacturing and distribution

Location: Corporate headquarters in Paramus, New Jersey; Distribution in Moonachie, NJ

Facilities: 48 retail locations throughout the U.S.

Cameras: Arecont Vision SurroundVideo® OMNI & MicroDome®

VMS/Servers: VisionPoint™ VMS and HVR Appliances

System Integrator: Tyco Integrated Security

Results:

- Significantly reduced loss investigation time from hours to minutes
- Increased efficiency of operational audit completion
- Reduced impact on corporate bandwidth

Movado's security officers are also tasked with responding to alarm calls. If a store alarm occurs, the night manager can dial into the store and view live video of what is happening. He can also send a clip to the police as evidence. Additionally, 3VR's open architecture integrates with POS systems to add context to video evidence for comparing transaction data with camera views over the cash register.

More effective operational audits

The Movado loss prevention team conducts operational audits for the regional managers of the retail division. Each security officer is responsible for creating the report for a set number of stores each month within a two-day timeframe. The report provides the regional manager with data regarding store opening times, number of people entering the store, cash register set up, number of sales managers on the floor and other security information such as whether customers are being helped or left alone on the sales floor.

3VR's unique search capabilities greatly accelerated the time it was taking security officers to complete the operational audits for each store. Instead of reviewing endless of hours of video, the officers could simply search for motion and only review the video when people were present on the floor. 3VR also made it easier to save still pictures of a violation for reporting.

As a result of the coordinated Tyco rollout of the 3VR implementation, the team has increased the completion rate for operational audits by approximately 25%. This has delivered a great value to store managers who can now target specific areas of improvement and conduct employee training based on the reports. By studying security video data regarding staffing levels and customer interactions, Movado can ensure consistent branding and service across all retail locations.

Minimal impact to corporate bandwidth

Centralized video surveillance systems that must stream video across the network to headquarters from cameras in remote locations can often lock up network bandwidth and limit access for other critical data traffic. This was a concern for the Movado IT team who needed to ensure that surveillance videos did not interfere with point-of-sale (POS) data and other information that needed to travel over the single connection from each store.

3VR helps minimize any impact to network performance by controlling the amount of bandwidth used for surveillance and real-time monitoring while still capturing evidence of criminal events. 3VR's search allows you to find evidence without having to download large amounts of video that can impact the network or require large Internet connections to regional locations. Movado IT has been pleased with the reduced impact that 3VR's VisionPoint VMS has had on corporate bandwidth.

Expansion of IP platform

Based on the initial success of the 3VR rollout, Alexander was then able to accelerate the company's upgrade to IP cameras. Working with the Tyco National Accounts team, Movado conducted a trial of the Arecont Vision 360-degree camera at the company's central valley retail location and was pleased with the unobstructed views it provided of the selling floor. As a result, Tyco installed Arecont Vision multi-sensor SurroundVideo OMNI IP units in each of Movado's retail sites nationwide over the course of the following year, and is adding the cameras to key areas at their U.S. distribution center. Going forward, all new retail spaces will utilize Arecont Vision IP cameras and 3VR NVR head ends.

> "The ease with which 3VR has helped us complete [operational reporting] is absolutely incredible."
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> **- Movado V.P. of Loss Prevention Bob Alexander**

Great partnership

Alexander feels a key ingredient to their success is his relationship with both Tyco and 3VR. He looks at both companies as partners to Movado — not just suppliers or vendors — and appreciates their willingness to listen and understand what was most important to Movado in a security system. Alexander relies on Tyco to introduce new products to him and help him keep up-to-date on the latest technologies. 3VR's "hands-on" support and responsiveness have been key to the success of the project. With high-end merchandise to protect, Movado needed a partner that understood how critical it is to maintain a secure environment for the company's stores.

"Having a close relationship with our Tyco National Account Manager and our 3VR technician has been a huge factor for our success," says Alexander.

Future Plans

One of the key reasons Movado selected 3VR was for the ability to leverage this same security platform for additional analytics and customer insights, instead of having to purchase two separate systems. Alexander is interested in both security analytics such as facial surveillance that might help his team identify repeat offenders or organized retail crime events, as well as business analytics that could provide strategic insights for in-store decisions. 3VR analytics such as queue line management, people counting, dwell patterns, and heat maps can help retailers improve the customer experience, manage staffing levels, increase conversion rates and analyze store performance across locations.