



"We are able to investigate so many more cases, and employees see that we are on top of any incidents quickly. We make sure employee awareness of the exception monitoring software and video surveillance platform is at a high level. Employees understand that, and it helps them to do the right thing."

— Leo Doran, Vice President of Loss Prevention for Chico's.

IN BRIEF

CUSTOMER FACTS:

- The Chico's brand was founded in 1983
- More than 1,250 boutiques and outlets
- 50 CCTVs were deployed in high-shrink stores

3VR SOLUTION:

- S-Series Hybrid NVRs

INTEGRATOR:

- Protection 1

RESULTS:

- The 3VR platform was installed in more than 500 stores. Plans to deploy in all new and remodeled stores are underway.
- Investigation times reduced from an average of 1 week to 20 minutes
- 1,000 video store audits were conducted in 12 months
- ROI was achieved within 6 to 10 months

CUSTOMER PROFILE

Chico's FAS Inc. is a specialty retailer of women's apparel, accessories and related products. Its portfolio consists of four brands: Chico's, White House | Black Market, Soma Intimates, and Boston Proper. The company operates more than 1,200 boutiques and outlets throughout the United States, the District of Columbia, Puerto Rico and the U.S. Virgin Islands.

BUSINESS CHALLENGES

Chico's FAS, like most retailers, faces challenges with loss prevention, specifically with employee theft and shoplifting. As budgets and the number of personnel shrink, retailers must learn to do more with fewer resources and at the same time, demonstrate ROI. The team of five loss prevention managers was working at maximum capacity managing more than 1,200 stores. The team needed a budget friendly loss prevention solution that was simple to use and manage.

Chico's FAS' current loss prevention program does not involve Electronic Article Surveillance (EAS) because its stores carry fine, delicate fabrics. Instead, the company's LP team focused on combating shrink by investigating potential employee theft and conducting store audits. A point-of-sale (POS) exception-

monitoring platform was also deployed, and CCTV equipment was installed in 50 high-shrink stores for remote investigations and random store audits. The process did an adequate job of identifying suspicious activity. However, the CCTV platform did not allow LP managers to access archived video quickly or easily, nor did it facilitate speedy case-building and investigation results. The video files were exceptionally large due to the legacy equipment. Requests for video clips were processed and downloaded during overnight hours. Often, these video clip requests would time out before they were downloaded, or the downloaded video did not capture the evidence required. Case investigations would take a week or more. Lastly, video file management and distribution were also cumbersome, requiring case videos to be saved to CDs for manual distribution.

3VR SOLUTION

To rectify the situation, Chico's FAS looked to Protection 1 for a better way to review video. Protection 1 recommended a 3VR solution that made video search efficient and easy in order to process more case investigations and deliver ROI. The 3VR solution was a perfect fit. Chico's FAS decided to test the new system by replacing some of the 50 existing CCTV systems across its stores. Testing proved to

CASE STUDY: CHICO'S

"Within the first inventory period, 90 percent of our CCTV installations go from being in the highest shrink store category to at or below chain average...We have saved millions in bottom line profit, taken our high shrink locations down to or below chain average, and achieved ROI on all of the systems installed in six to 10 months. We couldn't be more pleased with the results."

— Leo Doran, Vice President of Loss Prevention for Chico's.

be so successful that Chico's installed more than 500 systems the following year.

BENEFITS

Upon deploying the 3VR system, Chico's FAS found that total investigation times were reduced from up to a week to as little as 20 minutes. The company was able to conduct more timely investigations, and enjoyed a staggering reduction in employee-related shrink. The number of employee theft cases and the average case dollar amount decreased substantially. In addition, with video recorders keeping a watchful eye across the corporate network, Chico's was able to train the company's 14 security officers to conduct store audits using 3VR's Case Manager software during slow shift hours.

As a result, the company now conducts more store audits than ever before. Using the 3VR platform, the security officers have performed and documented more than 1,000 store audits in 12 months.

Chico's can now report that 90 percent of the installations at the high-shrink locations are now at or below the chain's shrink average. The company has saved millions of dollars in bottom-line profit, and ROI was achieved on all of the systems between 6 and 10 months.

FUTURE PLANS

Chico's FAS leadership has approved the deployment of this platform in all new and remodeled stores.



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