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— Charles (Chip) McBreen, Assistant Vice President of Fraud and Security Services

## CHALLENGE

As a former officer on the Pennsylvania State Police organized crime detail, Charles (Chip) McBreen has intimate and extensive knowledge of video surveillance equipment. He also spent a number of years working for a national alarm company before being hired to lead security at Members 1st Federal Credit Union in 2003.

His experience with surveillance technology immediately became useful in his new position. Members 1st FCU was relying on VCRs for video collection and storage. McBreen quickly came to realize that the credit union’s current video set-up was not going to be useful in mitigating the security threats and fraud issues so prevalent in today’s banking environment. The VCRs could hold about 36 hours of video, but with the rare exception of a robbery, the bank didn’t find out about an incidence of check or account fraud, its biggest source of loss, until a few days after the event occurred at best. Even if the bank had the video, searching through it was an arduous task. He immediately set forth with a search to replace the VHS recorders with a newer product.

McBreen initially purchased a PC-based DVR because it enabled multiple users. But when the units began failing permanently after only two years he found himself once again on the search for a better, more intelligent solution.

## IN BRIEF

**Customer:** Members 1st Federal Credit Union

**Locations:** 30 full-service branches

**Cameras:** 22 per branch, analog and MP cameras

**Integrator:** Gilbertson Group, Coatesville, PA

## BUSINESS NEEDS:

- Reliable, durable, state of the art DVRs
- Hybrid DVR capabilities
- Enterprise video search
- Improved efficiency of fraud investigations

## 3VR SOLUTION:

- 3VR VIP P-Series
- 3VR VIP Enterprise Appliance
- 3VR VIP Facial Surveillance
- 3VR VIP License Plate Recognition
- 3VR CrimeDex

## 3VR SOLUTION AND BENEFITS:

- Superior quality video evidence
- Enterprise video search reduces time spent on investigations by more than 50%
- Central video management for multiple users
- Facial surveillance identifies and tracks suspects, revealing trends in organized fraud

## RESULTS:

- Mitigate an astounding 92% of fraud
- Create more enforceable cases and reduce the number of total fraud cases
- Speed fraud investigations; solve \$100,000 fraud case
- Identify and stop criminals before they strike a second time

Members 1st FCU’s integrator Gilbertson Group suggested 3VR’s Video Intelligence Platform™ (VIP) Appliance as a replacement for the failing PC-based DVRs.

“It’s an open solution capable of integrating with just about every camera, access control, and transaction system out there today,” said Matt Gilbertson, president of the Gilbertson Group.

## CASE STUDY: MEMBER'S 1<sup>ST</sup>



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McBreen liked the features of the 3VR solution including intelligent search functionality, facial recognition and hybrid capabilities, but he was skeptical.

“The 3VR solution purported to do a lot of innovative things that other products had promised but failed to do,” said McBreen. “I needed to put the 3VR solution through a rigorous testing process to make sure it was the right one for Members 1st Federal Credit Union.”

McBreen piloted 3VR’s Video Intelligence Platform in its busiest branch, the location that also had the highest number of fraudulent transactions and the most robberies. “I knew if I was going to break the 3VR solution, I would break it there,” he said. “But after a year in place, the P-Series has been running without a problem since the very first day.”

### THE 3VR SOLUTION

On average, there are 22 analog cameras deployed at Members 1st FCU’s standalone branches. 3VR’s award-winning facial surveillance analytics are deployed on approximately 10 cameras and four are operating with 3VR’s license plate recognition capability outside of the branch on various exits and entryways, as well as ATMs.

These advanced analytics enable investigators to use 3VR’s patented technologies to identify and track suspects, and develop trends on potentially fraudulent activity across Members 1st FCU’s branch network.

The credit union also has a number of megapixel cameras in place. 3VR’s hybrid capability will enable the credit union to use analog, megapixel, PTZ and IP cameras in its video system as needs evolve.

3VR’s intelligent search functions make the solution a primary component of the credit union’s fraud reduction program. Being able to search through hours of recorded and archived video quickly and efficiently has helped investigators determine repeat offenders or trends across multiple locations.

“It’s not just another video management system, it’s a search engine for surveillance,” McBreen said. “We can use it to search across a couple of different factors at once. For example, I can search by date and time for a counterfeit check, get the face associated with that transaction and then search across my branches for similar faces. This is extremely useful in cases where fraudsters travel from branch to branch to cash counterfeit checks.”

If McBreen is able to identify a similar face to a known perpetrator using 3VR’s built-in analytics, he can quickly e-mail the image to the appropriate branch or manager, or e-mail high quality images to police in mere minutes.

“The local police love this system,” he said. “They rave about the high video quality, the license plate recognition feature and the fact that it enables us to share video data with them on a moment’s notice.”

Most notably, McBreen was able to leverage the power of the 3VR solution to stop a scam within the credit union’s lending department. In the summer of 2009, individuals were applying for car loans with false identifications. These perpetrators were approved for the loans using the IDs but never made payment on the loans. Members 1st FCU was able to use 3VR Video Intelligence Platform to solve that case, which had cost the credit union approximately \$100,000. McBreen was able to locate the transactions’ corresponding video footage and was able to pull up images of people involved. He then was able to search across his branches for similar individuals, gathering key evidence before handing the investigation over to the police.

### A PROACTIVE APPROACH

Members 1st FCU leverages the strengths of its security and fraud reduction team coupled with innovative technologies like 3VR’s to be able to mitigate an astounding 92 percent, or \$5.7 million of the \$6.2 million of fraud attempted against the credit union this year.

## CASE STUDY: MEMBER'S 1<sup>ST</sup>

"I have a very aggressive team that I have trained myself," McBreen said. "We're also innovative with the kind of technology we deploy to reduce fraud. 3VR is a large and critical part of that solution and it has enabled us to work smarter and reduce our fraud."

Members 1st FCU's efforts have paid off. Not only has it recovered a substantial percentage of dollars, it has subsequently reduced the chance that criminals will target the company's branches. Today, McBreen said he and his team are working approximately 19 cases per month, down from 35 cases per month before the credit union embarked on an aggressive combination of personnel and technology in its campaign against fraud.

Members 1st FCU also uses 3VR's CrimeDex, an online database of criminal incidents available to the private and public sector, and a complimentary service to 3VR customers. The service enables Members 1st FCU to share information, including photos or video clips, on criminal incidents or potential fraudsters.

"Anytime you have a database that enables you to share information with other entities like your peers and law enforcement it is a very powerful tool,"

McBreen said. "Criminals have no geographic boundaries so being able to see the other cases banks like us are working on is invaluable. We are very excited to be participating in this robust crime reduction tool."

### FUTURE

Members 1st Federal Credit Union is committed to growth. It is, on average, committed to adding four additional branches to its existing network of more than 30 full-service branches and 141,000-plus members. Branches may vary from standalone locations to those inside giant grocery stores. In 2010, the credit union added 10 branches.

McBreen is eager to integrate the 3VR Video Intelligence Platform with its teller transaction system. This will marry transactional data to video, enabling McBreen to view video footage associated with a specific transaction. For example, if a customer who approached a teller window was found later to have cashed a fraudulent check, Members 1st could search for the transaction in its system and pull up the corresponding video to view the perpetrator.

"The possibility of integrating video with our teller system is the smoking gun," McBreen said.



## CASE STUDY: MEMBER'S 1<sup>ST</sup>

### ABOUT 3VR

3VR, Inc., the video intelligence company, enables organizations to search, mine and leverage video to bolster security, identify and mitigate fraud, and better serve customers. 3VR's Video Intelligence Platform allows video surveillance systems to reach their true potential and deliver a measurable and sustainable return on investment. 3VR is the video surveillance standard for hundreds of global customers, including leading banks, retailers, governments and law enforcement agencies and owns CrimeDex, an online community reaching more than 600,000 fraud, loss prevention and law enforcement professionals dedicated to stopping crime. Based in San Francisco, CA, the company is privately held with funding from DAG Ventures, Focus Ventures, In-Q-Tel, Kleiner Perkins Caulfield & Byers, Menlo Ventures and VantagePoint Ventures. 3VR's VIP Appliance is the three-time winner of the SIA Best New Video Product Award and was named Security Product of the Year from Frost & Sullivan in 2006 and 2007, among other awards. For more information, please visit [www.3vr.com](http://www.3vr.com).

### ABOUT GILBERTSON GROUP

The Gilbertson Group began as a small family-owned and operated company back in 1991. Opportunities developed as our reputation grew. Today, the expanded Gilbertson Family includes many outstanding employees who, along with sons Matt and Jeff, provide products and services to a wide variety of clients over an ever increasing geographic footprint. Gaile Gilbertson remains at the company's helm, serving as CEO and CFO. She, along with husband and COO Ron Sr., works with their sons and the extended company family in order to ensure every client receives the absolute best in sales, service, support and consultation. TGG provides an integrated approach to meeting each client's needs. This is accomplished by the combined efforts of our many departments working in cohesion to accomplish every task at hand.



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