



EVOLVE

Beyond Imagination.

An EAS solution that
redefines shrink management



EVOLVE *Beyond Imagination*

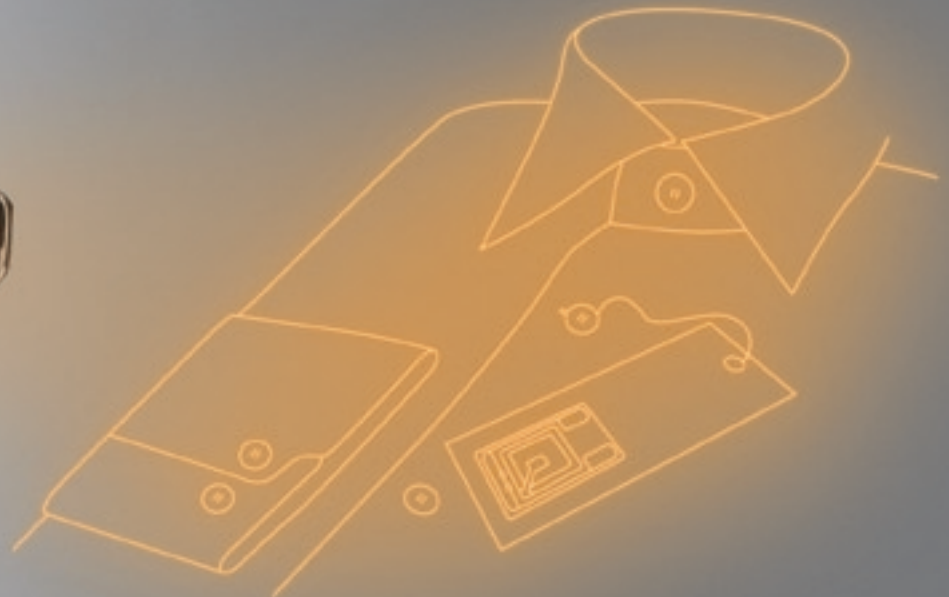
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SHRINK MANAGEMENT SOLUTIONS FOR RETAILERS

Protecting Merchandise, Increasing Profits

When it comes to safeguarding merchandise while providing a great shopping experience for consumers, retailers face many challenges. These include:

- Doing more to protect their products against theft and other forms of loss
- Ensuring that their loss prevention technologies are reliable and give store employees confidence in the accuracy of those systems
- Capturing and analyzing critical data inside the store to help them increase sales and profits

Whatever the challenge, the goal is clear: do a superior job of protecting merchandise, while ensuring that consumers can easily access and evaluate items for purchase. In short, loss prevention systems must go even further to help retailers sell more and lose less.

EAS systems must continue to evolve to a new level, providing improved security and giving retailers vital information to help them increase sales and profits. As retailers confront the reality that merchandise shrink is now approaching \$75 billion globally, they're looking for new, state-of-the-art solutions that help them achieve their goals.

That's why Checkpoint Systems has developed EVOLVE, its newest family of EAS systems for shrink management. As its name suggests, EVOLVE helps retailers make the transition to the next generation of loss prevention by incorporating technology and features that deliver a higher level of merchandise security and important data analytics, without compromising their consumers' shopping experience. EVOLVE represents a step forward by integrating the most essential functions of today's successful retailer: shrink management, store design, shopping convenience and advanced data analytics.

EVOLVE SETS NEW STANDARDS IN SHRINK MANAGEMENT

- Outstanding System Performance
- Full System Connectivity
- Enriched Data Connectivity
- Improved Investment Protection
- Reduced Cost of Ownership
- Enhanced System Integrity



Outstanding System Performance

Thanks to revolutionary 360 RF technology, the EVOLVE EAS system's detection performance stands head and shoulders above all previous systems. Using a rotating RF field not only improves accuracy by relying less on the orientation of the EAS tag, but also allows retailers to have wider aisles. As a result, retailers benefit from a more attractive store environment while improving their security levels. Combine the new and aesthetic design of EVOLVE with some of Checkpoint's other state-of-the-art EAS innovations, such as Checkpoint RF Specialty Labels, Enhanced Performance Labels, and Checkpoint accessories, and increase the performance of your shrink management system beyond imagination.

Benefits:

- Greater accuracy
- Best possible ability to protect even the smallest items
- Optimal coverage in aisles, entrances and exits with fewer antennas
- Attractive store environments



Full System Connectivity

EVOLVE adds versatility and profitability to shrink management in a number of ways. All products, for instance, work on the same platform: antennas and deactivators share one electronic design. TCP/IP addressable devices, Ethernet communication, and FTP server capabilities streamline processes and ensure that existing retail IT systems and the EVOLVE platform communicate smoothly and securely. What's more the system is fully compatible with Checkpoint's full range of accessories, such as EVOLVE deactivation, CheckPro Manager™ and Checkpoint's comprehensive line of tags and labels.

Benefits:

- Seamless interconnection of key components
- Increased system reliability
- Maximum reliability and operation
- Accurate store data for proactive decisions

Enriched Data Connectivity

Representing the next step in EAS development, EVOLVE moves from an EAS system to an open-architecture shrink management solution for more efficient, precise shrink management. Using well-established technical standards such as TCP/IP addressing for Internet-based communication and Ethernet for in-store networking allows retailers to update software more quickly and cost-effectively, export data to back-office systems for data analysis and create a comprehensive, more strategic retail information system. Using EVOLVE couldn't be simpler, especially for loss prevention departments. It offers seamless EAS data integration for IT managers and provides faster service capabilities for store operations.

Benefits:

- Easily connects to other data management devices
- Smoothly integrates with existing retail IT systems
- Familiar TCP/IP for retail IT departments
- Leverages LP data with other retail data for broader analysis



Improved Investment Protection

EVOLVE represents true investment protection: it is designed as a platform for expansion. Expansion can include improvements to the function/performance of the current system, or the addition of new functions through a combination of hardware and firmware upgrades. For example, improving the detection algorithms would simply require a firmware upgrade. The addition of extra sensors to make the alarm management much more intelligent, or upgrading the functionality to include RFID capability, would involve an upgrade of both hardware and firmware. EVOLVE's flexible design and technology will easily enable future enhancements to the system.

Benefits:

- Extends product life
- Provides software upgrades simply and easily
- Upgrades to EPC/RFID applications

Reduced Cost of Ownership

EVOLVE's advanced technology ensures that operating costs are kept to a minimum for the product's lifetime. Standardized and regular service via remote access leads to fewer on-site visits, and provides ongoing preventative maintenance. Connectivity and diagnostics ultimately save time and service calls, so that the EVOLVE EAS system always performs to the highest standards, while the number of service calls is greatly reduced.

EVOLVE protects retailers' EAS investments by supporting transition to new technologies and improved functionalities, while enabling cost-efficient, quick and easy maintenance.

Benefits:

- Reduces site maintenance visits and costs
- Provides automatic preventive maintenance
- Guarantees minimal system downtime by delivering optimized remote maintenance
- Adapts to retailers' specific security requirements



Enhanced System Integrity

EVOLVE offers a new level of system integrity never before seen in EAS security. By improving detection rates, improving system integrity and integrating loss prevention analytics with other essential in-store information, EVOLVE gives retail store employees greater confidence in the system's accuracy and responsiveness. As a result, retail staff is more efficient and can focus on what matters most: helping customers. At the same time, greater confidence in the system ensures better employee responses to alarms and improved merchandise security.

A highly advanced EAS solution, EVOLVE is a system that can be tailored to the security needs of individual retailers.

Benefits:

- Fits seamlessly into existing retail processes
- Facilitates staff compliance with security policies
- Increases employee confidence in the system; builds trust in EAS
- Delivers a higher level of theft deterrence



KEY TECHNOLOGIES FOR AN ASTONISHING RANGE OF POSSIBILITIES

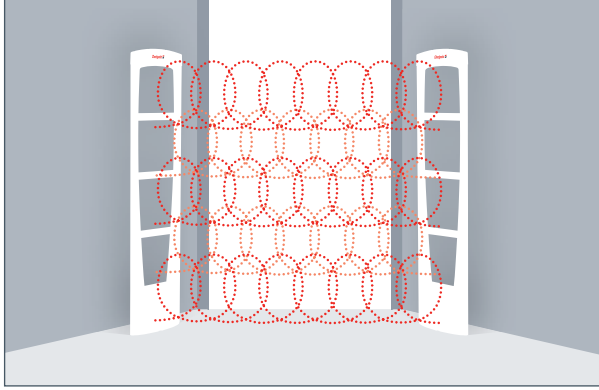


"When it comes to in-store security systems, I want to see solutions that offer high quality and performance, but are also almost 'invisible' to the customer. As a designer, I look for systems that do not compromise aesthetics or interfere with product displays and merchandising."

Fashion Designer

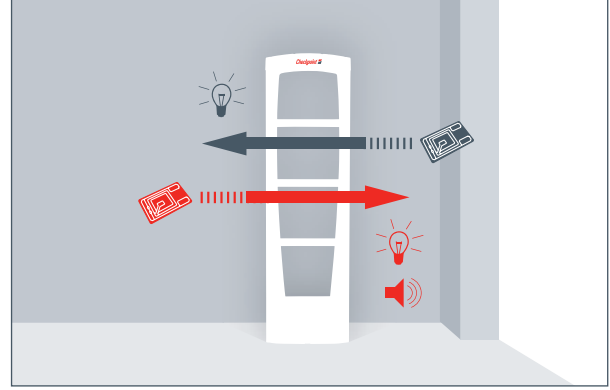
Software Defined Radio (SDR)

EVOLVE is an expandable platform that utilizes the latest in SDR technology. While the concept of SDR is not new to Checkpoint, the rapidly evolving capabilities of digital electronics are making many processes practical that were once only theoretically possible. With the exponential growth in the ways and means by which the retail world needs to communicate – data communications, video communications, broadcast messaging, command and control communications, emergency response communications, etc. – modifying EAS devices easily and cost-effectively has become a business critical. SDR technology brings the flexibility, the efficiency and the power to drive retail communications forward.



360 RF

360 RF is an exciting new technology that improves detection levels. Originally designed for military applications, this technology is now incorporated for the first time in a retail loss prevention system with EVOLVE. Through its sophisticated design, EVOLVE systems can more easily detect tags in previously hard-to-reach areas where traditional detection has been difficult to achieve. EVOLVE uses 360 RF technology to boost detection levels by as much as 25 percent, while allowing store designers to increase aisle widths and offer a superior consumer shopping experience. Checkpoint brings this breakthrough technology to shrink management, raising the bar for EAS system performance.



Smart Alarm Management (SAM)

Smart Alarm Management (SAM) is an intelligent alarm analysis tool that helps distinguish between a person with tagged merchandise entering a store and a person with a protected product exiting the store. Store employees can react to each situation appropriately, ensuring that store processes continue to run smoothly. SAM uses smart technologies such as bidirectional sensors (VisiPlus®) to provide the most accurate alarms possible, thus system integrity is further improved and staff confidence in the EAS system is strengthened. Any data collected can also be exported and used for trend analysis.

"A security system needs to be effective, but we need to make sure it will not be intrusive or intimidating. Retailers spend a lot of time designing their stores and apparel manufacturers spend equal effort designing their collections. It is our job to ensure the store design flows and provides the best consumer experience, so we look for security and loss prevention solutions that enhance all aspects of a store's layout."

Apparel Store Designer



Intelligent Deactivation

Intelligent Deactivation transforms EVOLVE from a loss prevention system into a powerful sales analysis and shrink management solution. Equipped with a smart learning feature that automatically creates a log of scanned and deactivated items, Intelligent Deactivation allows retailers to track deviations such as untagged items that are supposed to arrive tagged at source, or unusual deactivation patterns without a cash transaction. Store managers can easily compile reports on individual Stock Keeping Unit (SKU) levels for shrink management or sales monitoring.


"Today's new markets and emerging economies demand CPG companies to address increasingly stringent product requirements and a new set of sourcing dynamics. Ideally we want solutions that create visibility along our supply chains, while respecting the integrity of our products' designs and packaging."

Consumer Goods Manufacturer

TCP/IP Addressable Devices

Data transparency, easy connection, and interchange of data are always priorities for an IT department. EVOLVE, using the standard TCP/IP platform, achieves all of this without placing additional demands on existing IT systems. Introducing the principles behind TCP/IP addressable devices to EAS solutions has proven to be incredibly effective. Antennas and deactivation electronics share a common architecture. Thanks to standard Ethernet and FTP protocols for straight-

forward and secure access to retail IT, retailers can enjoy high-speed data connectivity. By combining information from various departments and sources, retailers can easily extract comprehensive and accurate data and use it as a solid basis for strategic business decisions.



"I want to make products as attractive and easy to access as possible. At the same time, they should be sufficiently secured so they don't become high-shrink items. I look for solutions that will not compromise the merchandising and promotional plans that I have for my category."

Category Manager
Health & Beauty



Expandable Platform

EVOLVE is based on an expandable platform, shifting it from a loss prevention system to a state-of-the-art, truly integrated shrink management platform. Highly advanced electronics are at the heart of the system. They enable the antennas to communicate with retail IT systems and system peripherals, such as people counters and retail management software tools, to compile and analyze data seamlessly. The streamlined system design enhances performance and improves the reliability of gathered data. With its expandable platform and integrated software, the EVOLVE system is easy to upgrade. When it comes to information processing and system connectivity, EVOLVE takes a quantum leap over previous systems, so retailers can easily connect to the future of retail management.



"To fight shrink successfully, I need the right tools to help me drill down on every detail about shrink. I need to get accurate, real-time data in order to see patterns and trends to determine exactly what we are losing, and from where."

**Supermarket
LP Manager**



NEW LEVELS OF RELIABILITY: EVOLVE DEACTIVATION

The EVOLVE antenna and EVOLVE D11 deactivator are the core components of the entire EVOLVE system. Read on for a summary of the features and benefits that make the EVOLVE D11 deactivator unique.

Industry Standard Communication

Employing a range of IT devices and protocols, the EVOLVE D11 communication capabilities surpass those of previous deactivation. It's TCP/IP addressable and comes with FTP server capability and Ethernet communications. Each of these outstanding features integrates easily into existing retail IT environments.

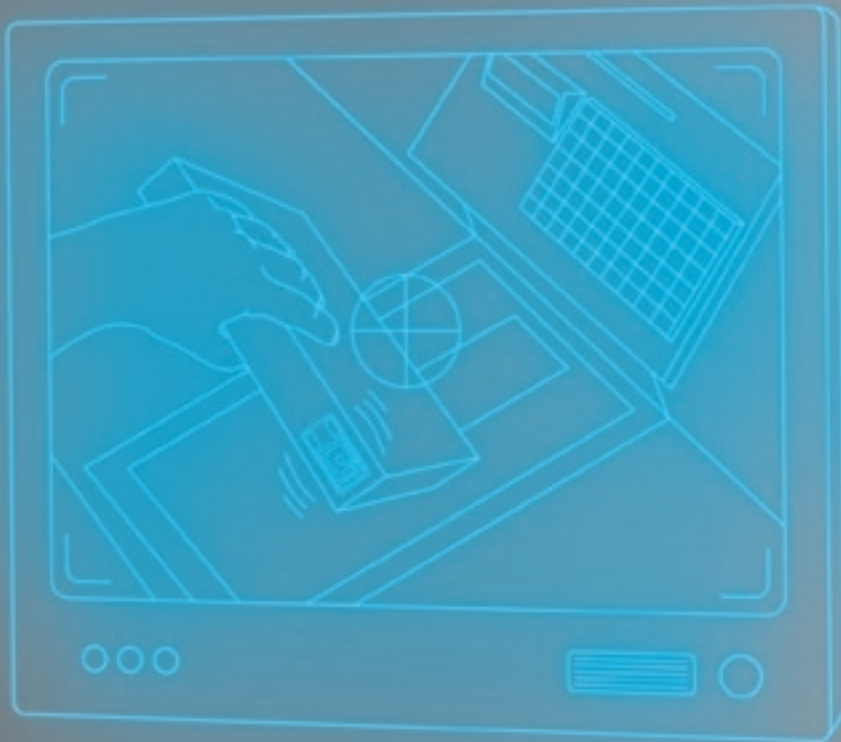
Compatible Interfaces

Communication between the various elements within the EVOLVE network is seamless. Thanks to the common architecture shared by the whole system, features can be upgraded remotely, and a single connection point for all EAS components greatly simplifies information transfer.

Improved Deactivation Performance

The EVOLVE D11 tracks whether a tag has been deactivated after it is detected at the check-out. If the tag is not fully deactivated, the system records the event and will alarm immediately. Thus, EVOLVE D11 minimizes the risk of error during deactivation, reduces the number of alarms at the door due to improperly deactivated tags, and reinforces staff confidence in the EAS program.





Identification of Different Tag Types


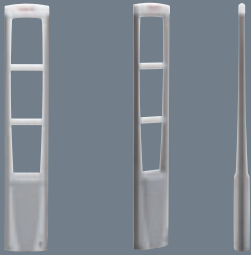
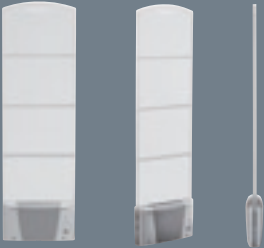
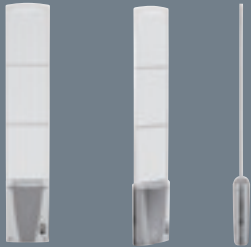
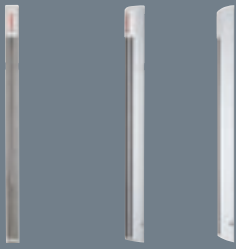
EVOLVE D11 can detect and recognize various types of tags, such as hard tags or soft labels, providing valuable insight into what's happening in a store at any time. Any deviation from normal deactivation patterns, such as sweethearting, after-hours tag removal or a sudden drop in deactivation of source-tagged items, can now be easily recognized and tracked.

Remote Sounder/Keyswitch

With EVOLVE D11, retailers can switch the deactivation function on or off remotely, providing a higher level of control over who can turn on the deactivation. This can also prevent tags from being deactivated at an unstaffed or closed checkout.

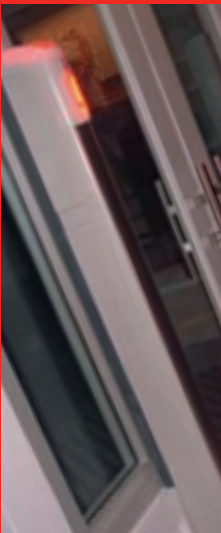
If a tag has been detected, an audible signal will be transmitted. Additionally, in the standard POS configuration, the audible signal confirms that a tag has been detected and deactivated.

ANTENNA OVERVIEW

Antenna	Specification	Product Data
<p>EVOLVE P10</p> 	<p>The P10 has been designed to withstand the toughest and most demanding shopping environments, such as fresh food markets, supermarkets, DIY stores, or garden centers. Its modern and appealing design blends easily into existing store surroundings.</p>	<p>Width: 19.68 inches/500 mm Depth: 4.55 inches/115.5 mm Height: 67.28 inches/1709 mm Weight: 26.5 lbs./12 kg Material: Satin/Stainless steel Color: RAL 7030/RAL 9002 Max. voltage: 24</p>
<p>EVOLVE P20</p> 	<p>The P20 is the slimmer version of the P10. It is designed to suit the needs of a wide variety of larger chain stores and smaller retailers.</p>	<p>Width: 12 inches/305 mm Depth: 4.57 inches/116 mm Height: 67.4 inches/1711.6 mm Weight: 22 lbs./10 kg Material: Satin/Stainless steel Color: RAL 7030/RAL 9002</p>
<p>EVOLVE G10</p> 	<p>The G10 fits high-end, modern store formats, such as apparel stores, perfumeries, drugstores and pharmacies. Its sleek design features a clear Plexiglas™ construction with integrated LED lighting, offering the nearly transparent protection that apparel and specialty stores demand. The system provides detection, maximum alarm integrity and exceptional tag discrimination.</p>	<p>Width: 19.68 inches/500 mm Depth: 4.7 inches/119.5 mm Height: 65 inches/1651 mm Weight: 62 lbs./28 kg Material: clear Plexiglas™ Color: RAL 7030/RAL 9002</p>
<p>EVOLVE G20</p> 	<p>The G20 has been specifically developed for apparel and specialty stores where the highest design and aesthetic qualities are a must. This slim antenna provides superior detection and maximum alarm integrity and is ideal for stores where space is limited.</p>	<p>Width: 11.81 inches/300 mm Depth: 4.65 inches/118 mm Height: 65 inches/1651 mm Weight: 44 lbs./20 kg Material: clear Plexiglas™ Color: RAL 7030/RAL 9002</p>
<p>EVOLVE S10</p> 	<p>This unique and almost invisible EVOLVE antenna presents a totally new approach to unobtrusive EAS protection. It offers department, apparel, drug and specialty stores a revolutionary, smart and minimalist look that provides the most elegant shrink deterrence available. It is flexible enough to be mounted onto virtually any surface, such as glass, wood or metal, completely freeing up retail space for merchandising and sales.</p>	<p>Width: 3.98 inches/101 mm Depth: 5.12 inches/130 mm Height: 68.8 inches/1748 mm Weight: 51 lbs./23 kg (57 lbs./26 kg incl. mounting plate) Material: Satin/Stainless steel Color: RAL 9002</p>



Checkpoint Systems is the leading supplier of shrink management solutions. Checkpoint's global team partners with retailers to reduce theft, increase inventory visibility and provide customers with greater merchandise availability through a combination of advanced RF technology, a broad merchandise protection program, added-value software and real-time labeling solutions.



Electronic Article Surveillance



Source Tagging



High Theft Solutions



Shrink Management Software



RFID



Check-Net Labeling Services

CONTACT
Checkpoint Systems, Inc.
101 Wolf Drive
Thorofare, NJ 08086
Tel.: 800 257 5540
E-mail: marketingleads@checkpt.com