



OUT OF THE BLUE

IBM is Helping Make Customer Checkout Faster, Easier, Smarter

Retailers worldwide are facing challenging times in an ever-tightening economy. They are trying to stay profitable, productive and competitive while satisfying and retaining customers who are more price conscious and demanding. This new breed of customers expects to engage with brands when and how they want, through multiple integrated channels—the web, mobile, social media and by phone as well as in a retailer's store.

However, while the popularity and acceptance of e-commerce, mobile devices and social media influences is exploding, the retail store still provides the best means to communicate with customers and offer a brand experience.

In fact, according to a recent study of global retailers, 85% of consumers prefer to complete their transactions through a traditional point-of-sale station, whether they take goods home or have items delivered. The checkout aisle is the retailer's last chance to save a sale, generate extra revenue, and make a lasting impression on shoppers.

On November 4, IBM announced a Smarter Checkout solution that allows retailers to extend the traditional point-of-sale to a revenue-generating point-of-service by offering targeted third-party products and services to consumers at checkout and adding future services with close to "plug-and-play" simplicity.

This new Smarter Checkout solution provides shoppers a more personalized, interactive experience that includes the ability to purchase specialized items such as

lottery, theater and show tickets in the checkout lane. For example, shoppers can buy their favorite Quick Pick draw games with the scan of a bar-code in the main aisle just like other store items. They can also use mobile devices to help process their orders, redeem digital coupons, access loyalty points, and pay for their orders at an IBM self-service pay station.

IBM Smarter Checkout combines systems, software and services into a technology platform that enables retailers to capture and analyze valuable customer data so that stores can quickly respond to changing customer demand and supplier market conditions. By plugging in real-time basket analytics, a retailer can now offer real-time promotions and relevant offers while the customer is passing through the checkout lane. For example, as a purchase is scanned, new products or services will appear on cashier and customer-facing touch screens, essentially making the traditional point-of-sale station a true point-of-service, and helping make shopping faster, easier, smarter.

Along with an enhanced consumer shopping experience and improved operational efficiency, Smarter Checkout enables more seamless cross-channel integration, giving consumers access to products available both on-line and in the store. Consumers can also take advantage of the cross-promotional offers between the retailer's store and fuel site. IBM Smarter checkout also provides seamless links to reducing front-of-the-store losses due to cashier and operations error, fraud and theft.

Message from the President



I am very excited to write this first "Message from the President". I have been associated with the IBM Retail User Group for 12 years but I can remember my first IRUG conference almost like it was yesterday. I was 24 years old, somewhat overwhelmed and yet very impressionable. That year's conference was at the Hilton in Orlando, Florida, and from the

opening reception through the last presentation, it was truly a memorable event. I met so many wonderful people, both retailers and IBMers, who shared ideas and helped me learn things that I was able to take back and immediately apply to the way I did my job. The improvement was remarkable.

For the next several years, although it was always a fight to get approved to attend IRUG's annual conference as my company rotated attendees so that everyone could benefit, fortunately, I always managed to get approved. I like to think that the main reason I kept getting approved was that my genuine excitement and belief in the benefits the conference provided for our company always convinced my management to have me attend.

Fast forward a number of years and I am now President of the IBM Retail User Group. It is truly an honor. First, I want to recognize and thank Michael Sachar, our retired President, for all that he has done for the organization as well as for all of the assistance that he has provided to me during the transition process. Michael, - I wish you much success in your new position.

I would also like to thank all of the members of the Board of Directors, Staff, IBM-Liasons, and Associates. These folks work tirelessly, year round, to put our conference together. Until joining the Board, I never realized how much effort this entails. Without each and every one of them, this organization could not exist.

I am happy to announce three new additions to the Board. Please join me in welcoming **Byran Hull**, Spartan Information Technology Services, **Eileen Mahoney**, Group VP of Retail Technology, PVH Corp, and **Doug Wines**, Director, Application Development - Taco Bell.

Bryan Hull brings to the Board over 25 years of experience in the retail industry. As Manager of Retail Technol-

ogy Services at Spartan Stores, Inc. located in Grand Rapids Michigan, his current responsibilities include the deployment, integration and support of retail systems in both the corporate owned operations and independent customers.

Eileen Mahoney, Group VP Group VP of Retail Technology, PVH Corp has a wealth of senior level retail IT experience. Eileen was the CIO at Barnes & Noble College Bookstores, Inc. Chief Information Officer - Petrie Retail and Vice President - Information Systems & End User Computing - R. H. Macy's and Company.

Doug Wines, Director, Application Development - Taco Bell; brings a fresh look to the Board and IRUG representing the hospitality segment of retail systems. Doug has a strong background of experience and leadership, serving as VP of Information Technology - Data Impact, Sr Manager, Project Development - First American Title, and President - Cobalt Data.

Currently, the Board is hard at work finalizing plans for the 2012 conference which will be held in Las Vegas at the J.W. Marriott on May 20th through May 23rd. During the Boards recent conference planning session held at the hotel in October, I got a chance to revisit the hotel, meet with the staff and see the surroundings. It is a truly first class resort with breath taking views and numerous amenities as well as fantastic golf courses nearby. If you can take a few extra vacation days while you're out in Las Vegas, I highly recommend going to see the Grand Canyon, the Hoover Dam, or Red Rock National Park.

This year's event promises to be the best in our 35-year history. I am pleased to announce that we will be introducing some new aspects this year. Based on the many positive comments about the Super Sessions over the past several years, we are planning to use the panel discussion format for the main tent, bringing in industry experts to talk about several "hot topics", including Chip and Pin, EMV, and Digital Wallets. Another topic of interest, given the recent media attention to extreme couponing along with coupon policy changes that many of you are implementing to combat the fraud, is a panel of experts to provide an update on upcoming changes. Information gleaned from these discussions is certain to help your organization to be better prepared to face these issues.

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New For IRUG 2012 Annual Conference

HOT Super Session and Main Tent Panel

Specialty Store Super Session The Challenges Facing Specialty Retailers Host and Moderator: 4690World

IRUG will offer a super session geared to help you understand migration paths and options for your organization.

Specialty retailers face tough competition from other retailers who offer a differentiated brand or shopping experience, and from e-commerce pure-plays such as Amazon, EBay, and Zippos who can offer a much broader selection. Come hear how a variety of specialty retailers are transforming their stores and enabling a more personalized, cross-channel shopping experience to attract and retain customers.

The session/panel will include IBM solution experts and solution partners, IRUG associate members equipped to help you meet the challenges of these changing and competitive times.

All about EMV, Chip and Pin and Digital Wallets Moderator: Catherine Johnston: President and CEO, ACT Canada – Chairman, International Smart Card Associations Network

EMV is something you will need to do - Chip & Pin is coming to the US! IRUG is bringing together industry experts to talk about EMV, Chip and Pin, and Digital Wallets. While no-one wants expensive changes at the point of sale, mobile payment, NFC and contactless makes change inevitable.

VISA has announced a October 2015 deadline for implementing EMV (Chip & Pin) in the US. What will the other brands be doing and when? What about EMVCo, issuers, acquirers, switches networks and Pin Pads and take into account mobile NFC and the e-wallet. IRUG is providing a platform for early education and sharing experiences with a main tent panel moderated by Catherine Johnston: President and CEO, ACT Canada. The panel will consist of leading industry authorities' representing the brands, issuers, acquirers and retailers who will share their experiences.

As an added benefit of this IRUG conference focus, you will have the opportunity to meet the panelists in an EMV exhibit for a one-on-one discussion. Even more, there will be a focus group for retailers and associate members following the conference; to understand and learn more

details and contribute to the development of a (EAP) Early Adoption Program. This IRUG enabled event will save you time and money and retailers will help set the direction and deliverables.

See you at the 35th annual IRUG conference in May 2012 in Las Vegas, NV!

Message from the President

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Also new for 2012, we are adding a technical education track in our breakout sessions, which offers the opportunity for you to bring your technical staff to gain relevant information about key IBM solution areas, no matter what their experience level. We will, of course, continue to offer a vast array of breakout topics that are non-technical.

In addition, we are working with IBM on a new feature planned to be an extension of the IBM booth in the exhibit hall, focused on demonstrating real world experience. This new aspect will feature many of the most current hardware and software from IBM, some incorporating Associate solutions that run on the IBM POS.

Finally, for those specialty retailers, we haven't forgotten about you. This year, you will find a super session as well as breakout sessions geared to help you understand migration paths and options for your organization.

Stay tuned for updated conference information that will be available on the IRUG website as well as announced in regular emails to our membership.

I am extremely excited about this upcoming Conference and hope that you are too. Please remember to get those travel request budgets in now! On the behalf of the board of directors and myself, we wish you a safe and happy Holiday season, and look forward to seeing you next May in Las Vegas.

Best regards,
Ron Ferri, President

Guest Speaker

Sam Glenn

The Authority on Attitude

Entrepreneur, Business Author, Inspirational Speaker

Monday - May 21, 2012

9:30 am - 10:30 am



Nighttime Clean-Up Guy Goes from Negative, Broke and Depressed to Happy, Humorous and Successful

Sam Glenn knows success and failure. At one time, Sam was negative, broke, depressed, jobless, had no place to live and got by working odd jobs at night. Sam's attitude was in the dumps until a dear friend gave him what he calls a "Kick in the Attitude," a gift that changed his attitude for the better. Sam began to work on his attitude and made some life changing discoveries. Within two years, Sam went from sleeping on the floor, to achieving dreams he once thought were impossible. Today, Sam energizes audiences as large as 75,000 at stadium events with his inspiration and sidesplitting humor. His book, **A Kick in the Attitude**, highlights his own journey and energizing principles on how to find opportunities in your adversities and how to use courage to conquer your fears.

For the past 15 years Sam Glenn has worked with hundreds of organizations on *Training and Development, Peak Performance, Employee Motivation, Staff development, Leadership Training, Fundraisers* or simply kicking off an event with the purpose to create a positive tone.

In Sam's Words:

The topic of attitude has become my passion ever since I knocked Zig Ziglar over at a buffet. I didn't know who he was, but his advice to me served me well: "If you don't like

the output in your life, then you need to change the input." I was struggling to survive and had an attitude that made people want to run the other way, so I listened up.

When I made a choice to change my attitude, I began to read quote books and listen to inspirational speakers to reshape my outlook. However, I had been sleeping on the floor for close to two years. I needed more. While my attitude was improving, I needed to put it into action through developing a purpose.

I began to volunteer at a youth program, and found purpose in encouraging others. Being shy by nature meant that getting up to speak was a tough obstacle (still is some days!). I persevered, however, and it paid off. Today, I speak for a living and get to help a lot of people.

I want others to hear my story and know that whatever they are going through, they can make it. It's never too late to start over, pursue a dream, turn things around, and become the best version of yourself.

My book, *A Kick in the Attitude*, is really a story of my journey, filled with emotion and stories. You are gonna feel like you are in a time machine, 'cause I mentally take you to the moment when I was struggling, and show you how I used my attitude to change circumstances. This book is energizing. Often, we get tired, frustrated, burned out and feel a sense of hopelessness. *A Kick in the Attitude* is a jolt to wake you up, and get you refocused and headed in a better direction. Even if you are a positive person, it still juices you in the right way. It's refreshing.

Attitude is such a personal subject to most, but my hope is that people feel encouraged by my story. Attitude is a choice, and some days the hardest choice we can make. I often ask people, *how valuable is your attitude to you? If you were to buy your attitude, how much would you pay?* This gets people thinking about the value of something they already own. *I love taking a garage-sale attitude and transforming it to something priceless.* That's makes it all worth it for me. And it's something you can do.

Today, I no longer sleep on the floor, unless I fall off the bed. But, I am more alive, happier, healthier and successful in the sense that I am doing what I love. Is this possible for anyone? I believe it is.

The Partner Pavilion

The Partner Pavilion is pleased to highlight GlobalBay, an IBM Business Partner and member of the User Group by Chi Park, Manager of Sales Engineering, GlobalBay

A prominent editorial in every POST is the “Partner Pavilion” a feature that highlights Associate members, their involvement and contribution to IRUG, and a focus on their products and services. This issue of the partner pavilion features GlobalBay, one of the associate member that contributed to the success of the 2011 conference as an Exhibitor, Elective Session presenter; participated in the Technology Pavilion, the Innovation Award Program and as a sponsor. GlobalBay exemplifies the partnership between IBM, IBM Business partners and retailers, making IRUG the success it is for thirty five years. GlobalBay was recently acquired by VeriFone another associate member and together will continue to provide retail the networking partnership for the sharing of information, experiences and best practices

Elevate Your Profitability with Secure Mobile Retail Solutions

GlobalBay, recently acquired by VeriFone, demonstrating VeriFone’s continued commitment to bring the power of mobile into the world of retail and payments, extending new smartphone- and tablet-based shopping and payment experiences to retail organizations.

GlobalBay’s mobile retail applications extend retailer’s current systems to deliver rich mobile solutions that create new opportunities for merchants to engage their customers in deeper, personal interactions that generate increased profitability and shopper loyalty.

Compliant with the IBM Retail Integration Framework (RIF), retailers running IBM’s 4690 can quickly deploy GlobalBay mobile POS and other solutions and leverage the latest devices.

GlobalBay has worked with retailers across North America, Europe and Asia to increase sales and improve customer satisfaction with mobile applications that leverage existing POS, e-commerce, and traditional store systems.

Integrated Mobile Solutions for Retailers

The GlobalBay retail platform extends beyond mobile point of sale (mPOS) to offer a complete set of mobile retail modules including Clienteling, CRM and Inventory Management. Retailers can deploy these solutions, accelerating time to market and generating ROI. GlobalBay mobile applications can be deployed on a wide-array of other supported mobile devices, including Apple, Motorola,

and Honeywell devices. The platform includes mobile user interface management, local data storage, the synchronization of data and application updates, and much more.

GlobalBay’s innovative mobile retail solutions, coupled with VeriFone’s secure mobile payment technology, offers retailers an unparalleled, comprehensive and integrated suite of mobile applications that transform the in-store retail experience.

VeriFone has been a long term partner with IBM, together providing reliable and secure solutions to the industry. With GlobalBay, VeriFone will continue to sustain a competitive business environment offering a high level of technical expertise, as well as value and commitment to all of the IBM customers.

Integrate Seamlessly with the IBM 4690

GlobalBay’s solutions are designed to integrate seamlessly and to reduce time to deployment by using customers’ existing suite of hardware and back end systems. The GlobalBay mobile platform is system agnostic and integrates to today’s industry leading POS systems including the IBM 4690. As a key partner within the IBM 4690 POS Platform and the IBM Retail Store Integration Framework, GlobalBay helps increase functionality, flexibility and capabilities, quickly and cost effectively.

GlobalBay’s solution integrates data in real-time into the back-end enterprise systems. The enhanced security features of the IBM 4690 POS Platform helps protect store and custom data regardless of how it is accessed. GlobalBay’s Retail solution takes full advantage of these security features and stores no data on the mobile device. GlobalBay’s offering also supports 4690 POS authorization and encryption technology as well as the most secure wireless infrastructure to further assure iron clad security of each transaction.

Commitment to Advancing Payments Technology , Security and Value

VeriFone is the industry leader in payments technology – continually seeking to deliver new, innovative, secure best-in-class payment solutions across many industries. VeriFone understands the profound and transformative

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The Future of Digital Social Communities

By Dan Hopping, Next Retail Group, LLC

For the past year it seems nearly every media in issue after issue has discussed the social networking phenomena – usually in awed terms at the speed of adoption and the magnitude of the impacts that it has had. Social networking has impacted the politics of the Middle East and it appears that it will have a large impact on the US elections of 2012.

Importantly for retail, social networking has been having a very large impact on the behavior of the world's consumer. Because of this, retailers have been rushing to embrace it as another channel and in the process have found that it is more complex than it appears and requires more than normal thought and planning. I'll be using the term "social communities" here in order to cover a wider range than what is commonly referred to as social networking and include venues from e-mail to bulletin boards, to Geocities, to Second Life, to LinkedIn, to Facebook, to Google+, to Twitter, and to include your own loyalty programs.

The consumer fascination with all these applications is the human connection - a sense of belonging, a sense of community. To the retailer, the Holy Grail is to have a community revolve around your business.

It's important to look at the topic from a broad perspective because social communities are constantly evolving as the channel agnostic consumer gets tired of one venue and jumps to the next fashionable one. The social communities of 2017 will be much more sophisticated than Facebook or LinkedIn are now. Look at how far evolution has brought us since Friendster launched nine years ago. Facebook has three quarters of a billion users and is constantly changing to keep pace with its users. A quarter of a trillion e-mails are sent each day. Advances in technology and bandwidth have allowed this explosion of users and data. Social community evolution has matched pace with these advances. This trend will continue for the foreseeable future.

The primary technologies that will fuel advances over the next five years are:

Mobile bandwidth – 5G and 6G will provide an order of magnitude increase in the capability of a device to stream movies, TV, video and even 3D. Data will reside on the cloud so that any device can be used for access. Lost devices will not mean lost data. The data will encompass the life of the consumer.

Mobile devices – different forms, larger screens, higher definition and even more intuitive touch interfaces.

Longer life batteries – some current devices can run 9 hours without recharging. Advances in devices and batteries should give us a once a week recharge capability.

Software – here is where the most breakthroughs will come. Drag and drop development tools will be available to the mobile developer as well as to the end user. They will be as easy to use as a word processor. This will allow the most imaginative and appealing applications to develop explosively. Location based apps will be the norm.

Payment alternatives – What if the dominant credit card companies are Visa, MasterCard, American Express, Google, PayPal, Verizon, and Apple? We should be able to securely pay anywhere, any time and with any device or media. Payment applications will be coupled to loyalty apps, social communities and location. We will go through multiple iterations of offerings in rapid order before this will settle down to a viable secure set. I have now lost track of how many mobile payment offerings are currently available. I think many of these will shake out by the end of 2013.

Media – newspapers, local TV, the USPS and printed magazines will continue on the way out. Digital media wins.

Business Intelligence for social community data:

As if retail didn't have enough things creating data, social communities can bring your business terabytes per month if you let them. Of what value is all that data if you can't get actionable decisions out of it to improve the business? This year the spending on social intelligence software alone has passed \$9 billion in revenue. This is up from \$6.5 billion in 2009. Yes, that is with a b.

The entertainment industry can now successfully predict the opening revenue of a new movie by analyzing the tweets about it that take place during the month before the movie comes out. Retailers can do the same to predict the degree of success of a new store, a new brand or a major promotion. A retailer can now pool the data from Facebook, LinkedIn, Twitter and their own loyalty programs to predict the lifetime value of an individual consumer and predict how best to sell to them. Drs. Rogers and Pepper's old book "One to One Marketing" looks like it is at last coming to fruition.

This collection and crunching capability has been referred to as Big Data. The traditional techniques of BI that are still

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Tuesday Keynote

David T. Giambruno

SVP & CIO

Revlon

“Harnessing the Big Cloud”

Tuesday - May 22, 2012

8:30 am - 9:00 am



- Mr. Giambruno is responsible for driving global technology capabilities to provide competitive advantages to the company's business units and shareholders.
- Latest contribution to Revlon capabilities is the deployment of an internal Cloud which supports over 500 applications, providing over 99.9999% uptime and cost savings / avoidance of 70.4M in 2 years.
- Prior to Revlon, he was Director of Global Engineering, Security & Deployment for Pitney Bowes, Inc. where he built global security capabilities and frameworks to managed FDIC, PCI, HIPPA, and SOX compliance.
- Mr. Giambruno has also held diverse and global positions, including CTO of venture capital firm, Selway Partners, Founder and CTO of leading web services companies, such as Econium, Inc., and turn around CEO for Milestone Software Systems, where he worked on behalf of its venture capitalists to restructure the company and energize its product portfolio. He possesses extensive expertise in product development, product distribution, mergers and acquisition, global network sales, technology sales and media sales, as well as raising capital.

Graduation S.U.N.Y Buffalo

B.A. In Communications with Public Relations minor

Mr. Giambruno has been recognized by the industry:

- 2011: VMWorld Keynote speaker
- 2011: ComputerWorld 100
- 2011: Present to MIT on Cloud
- 2009: InfoWorld CTO of the year
- 2008: NetApp green Award
- 2006: Tri State Security Executive of the Year: Finalist

Daniel L. Hopping

President and CEO

Next Retail Group, LLC

**“The Future of Social Network
Communities”**

Wednesday - May 23, 2012

11:00 am - 11:30 am



Few technologies have had the dramatic impact that we have seen with Social Networking on the Web. The fascination with these applications for the consumer is the human connection - A sense of belonging and a sense of community. It started with free e-mail and now to many people, it is the documentation of their life and their circle of friends. It will change dramatically over the next five years. This topic is a discussion of what will change, what will cause the change and how retailers should take advantage of it.

Dan Hopping, President and CEO, Next Retail Group

Daniel Hopping is a global technology futurist, author, inventor, consultant and speaker. He has worked with hundreds of retail companies and has been involved with dozens of retail “*store of the future*” projects in almost every segment of Retail. His company, *Next Retail Group*, works with retailers to keep them abreast of the latest technologies and how their utilization of technology affects the enterprise's competitiveness. The consumer is now changing faster than retailers can change their systems, making planning for change a critical function.

Mark Your Calendar

35th Annual Conference

May 20- 23, 2012

Las Vegas, NV

at the JW Marriott Las Vegas Resort

**for more information visit us at
www.IBMretailug.org**

IBM Retail User Group 35th Annual Conference Agenda

“Get Connected. Stay Connected.”

Sunday - May 20, 2012

7:30 am - 2:30 pm Golf
Sponsor: 4690World & QVS

9:00 am - 3:00 pm Tour
Sponsor: Source Communications

3:00 pm - 3:30 pm Associate Member Meeting

4:00 pm - 7:00 pm Registration

4:30 pm - 5:30 pm 1st Time Attendees

5:00 pm - 7:00 pm Opening Reception
Sponsor: Agilysys

Monday - May 21, 2012

7:30 am - 8:30 am Continental Breakfast
Sponsor: Equinox

8:30 am - 8:40 am Welcome
Ron Ferri, President

8:40 am - 9:00 am **IBM Executive Perspectives**
Steve Ladwig, IBM

9:00 am - 9:45 am **Keynote Address**
"The Future of Mobile Payments"

9:45 am - 10:30 am **Motivational Speaker**
Sam Glenn

10:30 am - 1:00 pm Exhibit Hall Open

10:30 am - 11:00 am Refreshment Break in Exhibit Hall
Sponsor: Balance Innovations

11:30 am - 12:30 pm Lunch
Sponsor: Zebra

1:00 pm - 1:30 pm IBM 2012 Retail Strategy
John Gaydac, IBM Corporation

1:45 pm - 4:30 pm Elective Sessions

4:30 pm - 6:30 pm Exhibit Hall Open

Refreshment Break in Exhibit Hall
Sponsor: Clarity

7:00 pm Banquet

Tuesday - May 22, 2012

7:30 am - 8:30 am Continental Breakfast in Exhibit Hall
Sponsor: Ingenico

7:30 am - 8:30 am Exhibit Hall Open

8:30 am - 9:00 am **"Harnessing the Big Cloud"**
*David T. Giamb Bruno,
SVP & CIO, Revlon*

9:00 am - 10:00 am **"All about Chip and Pin, EMV, and
Digital Wallets" - Panel**

10:00 am - 11:00 am **Super Sessions**

11:00 am - 11:30 am Refreshment Break in Exhibit Hall

11:00 am - 1:30 pm Exhibit Hall Open

Tuesday - May 22, 2012

12:00 pm - 1:00 pm Lunch
Sponsor: Seamark

Lunch & Learn - Birds of a Feather

1:45 pm - 3:30 pm Elective Sessions

3:45 pm - 4:45 pm Super Sessions (repeat)

4:45 pm - 7:00 pm Exhibit Hall Open

5:00 pm - 7:00 pm Reception in Exhibit Hall
Sponsor: Motorola Solutions

Wednesday - May 23, 2012

8:00 am - 9:00 am Breakfast
Sponsor: Associates

9:00 am - 9:30 am Associate Meeting

9:00 am - 9:30 am User Group Business Meeting

Election of Directors 2012-2013

Prize Drawing - ThinkPad

9:30 am - 10:30 am **Extreme Couponing - implementing
to combat fraud - Panel**

10:30 am - 10:45 am Refreshment Break

10:45 am - 11:00 am **2012 Retail Innovation Award**

11:00 am - 11:30 pm **The Future of Social Network
Communities**
Dan Hopping, Next Retail Group

11:30 am Closing
Prize Drawing - ThinkPad

12:00 pm - 2:00 pm Board of Directors Meeting

12:00 pm - 12:30 pm Focus Group Working Lunch

12:00 pm - 5:30 pm IBM POS Application Focus Group

12:00 pm - 5:30 pm EMV Focus Group

Thursday - May 24, 2012

7:30 am - 8:00 am Continental Breakfast

8:00 am - 12:00 pm IBM POS Application Focus Group

12:00 pm - 5:30 pm IBM Self Checkout Focus Group

Friday - May 25, 2012

8:00 am - 12:00 pm IBM Self Checkout Focus Group

Exhibit Hall Hours:

Monday	7:30 am - 8:30 am
	10:30 am - 1:00 pm
	4:30 pm - 6:30 pm
Tuesday	7:30 am - 8:30 am
	11:00am - 1:30 pm
	4:45 pm - 7:00 pm

Topics and times subject to change

IBM Retail User Group 2012 Elective Sessions

“Get Connected. Stay Connected”

Architecture/Infrastructure

Succeeding in Uncertain Times: Strategic Preparedness in a Turbulent Age

Uncertainty and change are facts of modern life. Economic turmoil and uncertainty are global concerns today and not apt to fade quickly. Rapid, disruptive change is ongoing among consumers and technologies that touch them – from social networking to smart phones to point-of-sale/service. Consumer-technology cycles though ultimately virtuous are highly disorderly exercises. No industry is more sensitive to consumer-technology upheaval than retail. This session presents a framework and guidelines for strategic positioning for success in uncertain times. The methodology promotes readiness for quickly and effectively responding to change at the intersection between consumer and technology – where retailers flourish or fail.

Hollis Posey, Next Retail Group

Customer Service

Mobility in Retail: Payments & More

The move towards mobile for a myriad of solutions is in high gear – from payments to couponing to clientelling and more. Coupled with the emergence of NFC as a vehicle for payments and customer communication and interaction, there is a lot of activity going on in our industry at a very rapid pace. This session will provide the audience with a clear picture of where mobility is playing in the retail space, how NFC benefits both the merchant and the consumer and how to securely implement mobile and NFC payments and solutions into the retailing business as a growing source of revenue.

Erik Vlugt, VeriFone Systems, Inc.

ScaleAbility

We consume more fresh than our parents. Addressing consumer demographics, expectations and behavior, the grocery retailer increased substantially the size and variety of fresh products in the store, fresh today accounting for a big percentage of the grocery retail. With that there other aspects that come along: legal aspects, product declarations, country of origin, labeling, traceability, liabilities but also huge opportunities: better service at the counter, in-store-couponing, event based marketing, cross-selling, product advertising, price, promotion and CRM consistency, extensive use of mobile applications and intelligent digital signage. The goal is: “satisfy any desire with zero waste”. To reach that goal, a whole industry in changing: the scale becomes an IP based system with full IT visibility,

uses POS Standards, offers unmatched opportunities through separation of HW, operating systems and applications. Traditional companies have to change, new players arrived, early adopters can tell the story of short ROI and substantial benefits. The dream of having the same application on all customer contact points, even on a scale, still fulfilling all Weights and Measures requirement is now reality and many 3rd party providers, together with Bizerba are making that happen thus changing a whole industry and opening many new application fields with real customer benefit. The scale platform is supporting not only the UPOS drivers, it supports also IBM4690OS, opening the door to completely new possibilities for the American IBM grocers.

Tudor Andronic and an EU/US Retailer, Bizerba

Customer Touch Points

Automating Cash Handling at Retail Point of Sale

Automated cash recycling delivers measurable benefits in self checkout. These benefits can be applied to cashier attended payment terminals as well, multiplying the value to retailers. By replacing cash tills with automated cash recycling devices, cashiers can be empowered to provide improved customer service without the concerns of correctly handling their cash. These cash recycling equipped lanes:

- Reduce labor costs and cash shrink
- Improve lane up-time
- Increase safety and security
- Reduce cash on hand, cash management and CIT costs

Come join MEI to discuss how this system can improve POS from your consumer’s perspective while delivering ROI to your stores.

Joshua Clapper, Russell Strickland, MEI

Services Enabled POS.....from Self Checkout to Mobile POS

Join us to learn how Walgreens capitalized on their next generation point-of-sale strategy to enable the use of mobile point-of-sale, self checkout and kiosks through exposing their next generation POS as a service to other in-store devices and applications. More specifically, this session will explore the building of a solid point-of-sale foundation, and how exposing POS functionality as a service has enabled Walgreens to quickly implement new customer service initiatives while reducing costs.

Scott McArthur, Walgreens

Mike Timmers, PCMS

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2012 Elective Sessions

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Self-Service Systems that Supermarket Customers Love to Use

Many kiosks applications have been tried by supermarkets, but while the novelty has worn off in many cases, self-ordering kiosks and queue management systems for the food service departments continue to enjoy increasing popularity with shoppers. The reason is simple: Convenience! Who likes to have to wait in line!

Juan C. Perez, ADUSA, Inc.

What You Need to Know Before Going Mobile: Key Considerations and Best Practices

Mobile technology provides a unique opportunity to retailers who integrate it into their in-store selling strategy. By empowering sales associates with mobile devices, retailers can increase customer interaction and enhance service while also making the most of a store's inherent assets — physical inventory and trained sales personnel. This session will highlight key issues to take into consideration as you make the move toward mobile, such as:

- Infrastructure and device management
- Security and integration
- Store flow and operations

Jerry Rightmer, Starmount

Store Operations / Solutions

Maximizing the Retail Experience, A Case Study Using Video Analytics

Harris Teeter, a recognized market leader will share their experience in using innovative technologies, including video analytics, to deliver a compelling value proposition that contributes to their growth and profitability in today's competitive marketplace. Harris Teeter will share the challenges, decision process, implementation experience, and business benefits of using video analytics to monitor, measure and manage in-store factors to maximize the shopper's retail experience. SCOPIX will share how an innovative technology, video analytics, can be implemented and drive quick and compelling ROI for retailers in any segment by leveraging the cloud and web technologies.

Shannon Pardue, Harris Teeter

Casey Adams, SCOPIX

On the Trail to WIC EBT Nationwide

A 2010 federal mandate requires all WIC State agencies to convert to an Electronic Benefit Transfer system by 2020. Interest is high among WIC State agencies with over 45 now formally planning or in some other phase of implementation. Attendees will be able to get a national outlook on WIC EBT, understand federal/State plans for optimizing existing cash registers, and learn about WIC EBT Operating Rules. We will also discuss challenges related to potential for budget reductions from Congress and efforts to streamline and improve certifications of cash register systems that

support WIC EBT. This session provides key information to keep you informed as States where you do business adopt electronic WIC processes that will affect your checkout lane.

Erin McBride, USDA, Food and Nutrition Service

Bob Hoblit, WIC Direct System

Trends / Management

Chip & Pin Strategy Considerations

VISA announced an October 2015 deadline for implementing EMV (Chip & Pin) in the US. What is the timeline to implement EMV and what about the other card schemes? What about the EMVCo, issuers, acquirers, switches, networks and Pin Pads? This is a joint decision by finance, systems and store operations for Retail. Now take into account mobile NFC and the e-wallet. Do you have your strategic plans together? Where do you go to get information and what are the best associations to be informed by. What are the complexities? What are your choices: Do you do nothing; go it alone; or integrate solutions. Attend this session and find out.

Stephen Braceland, President, STJ Retail

Future of Mobile

Two payment technologies NFC and EMV are on a collision course at a store near you! In 2011 Visa announced what is essentially a 5 year roadmap to accelerate the migration of EMV contact and contactless chip technology in the United States. Retailers are looking for clear direction on how to "future proof" their point-of-sale investment, but do these VISA mandates force retailers to pay more, will it substantially reduce payment fraud, and will it pave a way for NFC-based mobile payments in the US. In this presentation we will explore the status of this announcement and implications for retailers.

Dennis E. Blankenship, Verizon

How to Keep Your Store Employees Engaged with Your Customers

This elective session will introduce the newest solutions to keep store staff engaged with customers who bring their own smart phones into your store. We'll show you how employees can collaborate with those connected customers, not compete for their attention. By using the solutions that help orchestrate the customer behaviour stores can enhance the shopping experience. We will also discuss the solutions that can generate customer loyalty to your store. Solutions include assisted selling, guided selling, clienteling and dressing room assistance. Solutions that keep information at the finger tips of store staff so that they can drive, orchestrate and even close the sale.

Frank Riso, Motorola Solutions, Inc.

(Continued on page 11)

IBM Elective Sessions

IBM will be delivering a variety of elective sessions at this year's IRUG Conference, covering topics from POS to mobility to the smarter consumer. Some of the topics that will be offered include:

- Self-service checkout is all about modularity
- Research innovations in retail
- Creating a unified customer experience with cross channel order management
- Smarter checkout and the connected store
- Winning over the consumer - why trust matters
- Gateway to a smarter store: IBM POS portfolio
- Understanding the Smarter Consumer
- Get back on target with IBM's offering and promotions systems
- The world of payment options
- Why mobile shopping works for IBM grocery retailers
- The path forward for specialty retailers

2012 Elective Sessions

(continued from page 10)

The Good, The Bad, and The Ugly- Where's the Disconnect?

Everyone is talking about the latest trends in retail such as mobile marketing, social networking, cross channel, enterprise inventory visibility and mobile payments. We will explore these trends to bring you real world examples of what works and what doesn't. We will take the consumer's perspective to see which retailers are making it work and why some initiatives are just not making the grade.

Michael Hess, Tech Global Partners/ Accuvia

Reasons and Benefits for Transforming Tax for Retailers: The Automation Imperative

In recent years, sales and use taxes have taken on an unprecedented level of importance, as has the corresponding scrutiny by governments and companies. This is particularly true for the retail industry, where the collection and remittance of sales tax is an everyday concern. But by transforming how the sales tax collection and compliance process is handled through automation, retailers are discovering significant benefits - in terms of process efficiency, risk management and impact on the bottom line. This session will explore the benefits of tax automation for retailers, and how new technology can help transform their tax operations.

John Cowan, Nancy Rieti, Vertex

Super Sessions

IBM Super Session

Not Just Another Channel: Transforming Stores in a Cross-channel World

Host and Moderator: IBM

Despite the proliferation of e-commerce, smartphones, tablets and other consumer devices, 92% of purchases still occur inside the four walls of the store. Retailers face a dual challenge: giving information-rich, channel-hopping consumers a dynamic, personalized experience inside the store; and extracting maximum value from existing investments in store and enterprise infrastructure. At this session, learn how leading retailers are transforming their stores in the context of channel convergence.

The Mobile Customer and Connectivity Is Reshaping the Retail Industry and how Retailers stay Competitive.

Host and Moderator: Frank Riso, Motorola Solutions

Managing on the move gives customers on-demand access to product information as they shop, and provides merchandise pricing and availability to satisfy customer demand. Retailer and shopper mobility drives measurable results from the warehouse to the sales floor to merchandise in the hands of the customer. Customers and retailers alike are using mobile as a way to research products, deliver cross channel promotions and coupons and loyalty programs.

The Super Session will explore innovative mobile shopping, personalized product information, special offers and social media empowering consumers; setting the stage for integrating mobile payments with opt-in marketing and loyalty programs. The consumers' newest shopping lifeline is their mobile phone; but its vast scope is challenging: ranging from mobile payment—with PCI issues—to M-Commerce,

The Challenges Facing Specialty Retailers

Host and Moderator: 4690World

Specialty retailers face tough competition from other retailers who offer a differentiated brand or shopping experience, and from e-commerce pure-plays such as Amazon, EBay, and Zippos who can offer a much broader selection. Come hear how a variety of specialty retailers are transforming their stores and enabling a more personalized, cross-channel shopping experience to attract and retain customers.

The session/panel will include IBM solution experts and solution partners, IRUG associate members equipped to help you meet the challenges of these changing and competitive times.

Main Tent Panels

Tuesday - May 22, 2012
9:00 am - 10:00 am

All about Chip and Pin, EMV, and Digital Wallets

*Host: Stephen Braceland,
CEO and President, STJ Retail*

*Moderator: Catherine Johnston,
President and CEO, ACT Canada - Chairman, Interna-
tional Smart Card Associations Network*

Is EMV something you need to do, or something you want to do? We are bringing in industry experts to talk about Chip and Pin, EMV, and Digital Wallets.

It could be argued that no-one wants changes at the point of sale, but the consumer push for mobile payment, NFC and contactless makes change inevitable.

How can a retailer accommodate all this change, starting with a reasonable level of future proofing for the POS? Implementation of EMV is a process of sequential events that requires experience and expertise. What is next for supporting and serving the impacts of futures? Come and find out!

Wednesday - May 23, 2012
9:30 am - 10:30 am

Extreme Couponing - implementing to combat fraud

*Host and Moderator: John Rohland,
AVP, Sales Operations Solutions,
BJ's Wholesale Club*

Given all of the recent media attention to extreme couponing, along with the coupon policy changes that many of you are implementing to combat the fraud, the panel comprised of experts will update you on some of the upcoming changes which are currently being planned.

Follow us on:



Out Of The Blue

(continued from page 1)

Powered by IBM SurePOS 700 point-of-sale systems running the IBM 4690 operating platform, Smarter Check-out also leverages IBM System x, Lotus Expeditor and Store Integrator to integrate a wide variety of applications for use at the point-of-sale, on mobile devices, and at kiosks.

Content for this article taken from:

Press release issued by IBM on November 4, 2011

<http://www-03.ibm.com/press/us/en/pressrelease/35899.wss>

The Partner Pavilion

(continued from page 5)

impact that mobile technology will have on the future of retail. With GlobalBay, VeriFone will maximize delivery of cutting edge mobile solutions that will change the face of retailing.

VeriFone's global knowledge of payment security standards and certifications is unmatched. Our solutions continually evolve to incorporate the most stringent security standards and industry best practices worldwide. VeriFone's commitment to payment security is demonstrated by becoming the first terminal vendor to become a member of the PCI Security Council Board of Advisors, publishing PIN Pad Security Best Practices, distributing a weekly Payment Security Newsletter, holding an annual Retail Payments Security Conference, and offering more PCI certified products than any other vendor.

2012 Exhibit Registration

The 2012 Exhibitor Information, Floor Plan, and Registration Form are now available on the web site at www.ibmretailug.org. Register early, download the form and reserve your space for the 35th Annual Conference in Las Vegas, NV.



The Future of Digital Social Communities

(continued from page 5)

in use today are not effective when you need fast decisions from petabytes or exabytes of consumer and product data. We are already seeing retailers and their service providers hiring quants. A quant is a quantitative analyst - someone who applies mathematical analysis to solving questions such as predictive modeling. Energy companies use quants to predict the cost and usage of different types of energy as much as a year in the future. Banks use quants to predict the return on future investments. Retailers are starting to use quants to predict future consumer behavior.

The output of coming predictive modeling applications will make heavy use of very advanced data visualization techniques such as 3D animation of results over time. These techniques will provide great improvements over snapshots in time of past data. Humans tend to be visual but have trouble visualizing even a simple spreadsheet. Animated videos of data in real time will dramatically improve productivity and understanding.

Verifying, cleaning and reconciling petabytes of consumer data from multiple sources while maintaining security and privacy will not get much better.

Scary parts of the equation:

Of course all this will be a nightmare for the security folks since the black hats will advance right along with the retailers. All of the advances that I have seen all the way back to the early days of punched cards and the IBM 7094 have brought about more and more complexity in IT in order to make it more intuitive and useful for the end users.

Theft of information has become a big business worldwide. A decade ago a large part of the threat was from small time hackers who could do a lot of damage with an old PC from just about any place on earth. Generic shotgun attacks have become much less prevalent and profitable in the last two years. Criminals have now gone big time turning to social media for targeted individual attacks which can be done at the speed of the network. Drag and drop toolkits are readily available to hackers and large scale criminals who can now perform sophisticated attacks with ease. They have money and access to the latest technology for pursuing the theft and use of data. Business intelligence techniques are now being used by criminals to compile information from multiple social network sites to target victims.

Today's high value attacks go for personally identifiable information. It takes very little work to be able to match social community information and find a person's friends and interests. Having this information enables a spear

phishing attack to implant an advanced persistent threat (APT) such as the March 2011 attack on RSA. If your business is attacked and black hats get your customer data, your reputation and credibility can be ruined. New forms of attack easily skirt traditional security tools. Customer data attacks will continue to be a major pain point for retailers.

Standards will not be able to keep up without additional help. Retailers should be actively involved with and support ARTS.

I am also expecting our friendly government to get involved with regulations concerning social communities' data that will be quite costly for the retailer.

Conclusion:

Every retailer needs to be immersed in consumer thinking and spend the resources to understand what has to be done to successfully keep abreast of the fast paced social community evolution. Waiting to see which way it will go is suicidal. Retailers used to be able to focus on a subject like customer experience and be successful. Now they have to address a broad range of consumer activities in ever decreasing time frames. Just being ambidextrous is not enough.

The topics and issues discussed in this article and many more are on the agenda for the IBM Retail User Group's 35th Annual Conference in Las Vegas – May 20 through 23, 2012. For more insight into solutions for retail pain points, come to the conference.

Become a Member

Retail Membership

Annual Dues: \$195

Associate Membership

IBM Business Partners

Annual Dues: \$395

Membership includes:

- Access to member directory
- Ability to pay dues online
- Access to forum
- Ability to register for conference online

Apply online at
www.IBMretailug.org

2012 Retail Innovation Award

Presented by the IBM Retail User Group

The IBM Retail User Group's Board of Directors will present their 5th Retail Innovation Award to a Retail and Associate member at the annual conference in Las Vegas, May 20-23, 2012.

General Rules and Information*

1. Nominations of a Retail Member's innovative solution must be in hand by close of business March 30, 2012.
2. Nominations may be submitted by any Retail, Associate or Professional member of the IBM Retail User Group,
3. Nominations may include solutions in any category of retail. All nominated solutions must have been deployed in a test store/location by March 30, 2012.
4. Judging criteria will be based on creativity, uniqueness—innovation as defined by Webster; i.e.
 - 1: the introduction of something new
 - 2: a new idea, method, or device.
5. The Board of Directors will evaluate all nominations and select finalists prior to the Annual Conference.
6. The finalists must be able to provide a demo of their solution, either in the form of a working example or a video/ppt of the solution in use, to be displayed at the Annual Conference.
7. The Retail attendees at the Annual Conference will vote on the final candidates.
8. The votes will be tallied on Tuesday evening, May 22nd, of the 2012 Conference.
9. The winning Retailer will be announced and the Outstanding Retail Innovation Award presented to the Retailer and the solution provider at the close of the conference.

* Watch for more information and details to follow.
visit www.IBMretailug.org

Are you developing an Award-Winning solution?

Board of Directors

Ron Ferri: President
Giant Eagle, Inc.
(412) 967-4643
ron.ferri@gianteagle.com

Deb Jones: VP Administration
IBM Retail User Group
(440) 238-5880
issug@roadrunner.com

Paul Rosas: VP/Treasurer
Cost Plus World Market
(510) 808-9181
paul.rosas@cpwm.com

Karen Paramore: Secretary
Pier 1 Imports
(817) 25 2-8058
kmparamore@pier1.com

Myron Castleberry: Director
HAC, Inc.
(405) 290-3451
mcastleberry@hacretail.com

Kathy Forringer: Director
Godiva Chocolatier, Inc .
(610) 988-6188
Kathy_Forringer@godivachoc.com

Bryan Hull: Director
Spartan Stores, Inc.
(616) 878-8641
bryan_hull@spartanstores.com

Scott Krienbring: Director
Kohl's Department Stores
(262) 703-1334
scott.krienbring@Kohls.com

Eileen Mahoney: Director
PVH Corp
(908) 698-5103
eileenmahoney@pvh.com

Joe Myers: Director
Winn-Dixie Stores, Inc.
(904) 370-6373
joemyers@winn-dixie.com

John Rohland: Director
BJ's Wholesale Club, Inc.
(774) 512-6598
jrohland@bjs.com

Ronald Sims: Director
Neiman Marcus
(972) 401-6333
Ron_Sims@neimanmarcus.com

Douglas Wines: Director
Taco Bell, Inc.
(949) 863-3735
doug.wines@yum.com

Steve Biccum: Associate Liaison
Retail Tech Inc.
(877) 202-0759
bic@retailtechinc.com



Jeff Boyle: Associate Liaison
4690 World
(248) 651-6200 x300
jeffb@4690world.com

Steve Braceland: Associate Liaison
STJ Retail
(905) 851-6600
sbraceland@stjretail.com

Dan Hopping: Professional Liaison
Next Retail Group
(919) 848-1441
hopping@nextretailgroup.com

Ed Weiser: Associate Liaison
Motorola, Inc.
(920) 434-1386
Ed.Weiser@motorolasolutions.com

John Gaydac: IBM Liaison
IBM Corporation
(919) 486-3622
gaydac@us.ibm.com

Tina Horne: IBM Liaison
IBM Corporation
(877) 425-7270
thorne@us.ibm.com

Bill Watson: IBM Liaison
IBM Retail Store Solutions
(919) 486-3170
wwatson@us.ibm.com

Erv Jones: Director of Logistics
IBM Retail User Group
(330) 310-2866
erv.jones@roadrunner.com

Call for Board of Directors Candidates

Do you have a desire to serve as a director for the IBM Retail User Group? The Nominating Committee will be selecting a slate of individuals to run for the Board of Directors at the 2012 Conference.

Although many directors come from our volunteer ranks, the main requirement to be a director is good business sense and relevant experience with the User Group or similar businesses or organizations. A director is responsible for strategic planning in the areas of policy and administration where it relates to IBM Retail User Group activities and organization.

If you are interested in running, or know someone who you think would be a good candidate, please contact Deb Jones at issug@roadrunner.com.