Retailer Simplifies Video Surveillance

Spartan Stores, Inc. centralized video surveillance for PCI compliance and loss prevention.

<table>
<tr><td colspan="2">

EXECUTIVE SUMMARY

SPARTAN STORES, INC.
- Retail
- Grand Rapids, Michigan
- 8000 Employees

CHALLENGE
- Meet payment card industry (PCI) regulations
- Simplify video monitoring for loss prevention
- Minimize ongoing operational costs

SOLUTION
- Engaged Midstate Security Company, a Cisco partner, to implement Cisco Video Surveillance Manager
- Deployed Cisco IP Video Surveillance Cameras in stores and other cameras to monitor servers containing customer credit card data

RESULTS
- Reduced management overhead for 175 users
- Freed up time for central security officers to monitor real-time video
- Gained capabilities to improve future merchandising and staffing

</td></tr>
</table>

Challenge

A leader in the food distribution industry, Spartan Stores, Inc. owns and operates 125 supermarkets, pharmacies, and fuel stations in Michigan. Spartan Stores operates banners under the names D&W Fresh Markets, Family Fare Supermarkets, Felpausch Food Centers, Glen's Markets, and VG's Food and Pharmacy. Spartan also supplies more than 40,000 private label and national brand products to nearly 300 independent grocery stores.

Like all retailers that accept credit cards, Spartan needs to comply with Payment Card Industry (PCI) regulations for information security. One requirement is to continually monitor the area around servers that process customer credit card data, to identify people who had access to the servers. "To meet the requirement, we needed to store 90 days of video, with fluid motion and clear picture quality for positive identification," says Tim Bartkowiak, director of security and loss prevention (LP), Spartan Stores.

When investigating video surveillance solutions for PCI compliance, the Spartan Stores IT department approached the LP department with a proposal: Could the two teams identify a video surveillance platform that would address both the PCI compliance issue and also meet longer-term company objectives? "Our existing retail CCTV [closed-circuit TV] system did its job, and yet we knew we would eventually adopt IP-based video surveillance to reduce total cost of ownership and overhead and increase system flexibility," says Bartkowiak. "The PCI project propelled us to implement IP video surveillance a little sooner."

Solution

After evaluating several systems, Spartan Stores selected the Cisco® Video Surveillance solution, engaging Midstate Security Company, a Cisco Premier Certified Partner, for design and implementation services. "We recommended the Cisco Video Surveillance solution because it's part of a complete Cisco Physical Security solution, including physical access control," says Dave McDonald, Midstate Security Company. "Spartan can use the solution now for PCI compliance and loss prevention, and later integrate it with the Cisco Physical Access Control system for earlier awareness of events such as someone opening a door after hours." Spartan Stores also appreciated that Cisco Video Surveillance Operations Manager would reduce the time needed to manage privileges for the 175 employees authorized to view video. "The ease of managing the Cisco Video Surveillance solution provides ongoing operational cost savings, and we have a high comfort level with Cisco and Midstate," says Bartkowiak.

To comply with PCI regulations, Spartan installed Cisco IP Video Surveillance Cameras to capture video of the servers used to process credit card data, 24 hours a day. Cisco Video Surveillance Manager stores the video for 90 days.

For LP, Spartan has implemented the Cisco solution in one store and is gradually adding other stores as their existing video equipment begins to fail or they remodel. Authorized personnel in the central command center and in stores use a web interface to view real-time and archived camera feeds from cameras in one, some, or all stores, based on their privileges.

> "In the past, we used video primarily as an evidentiary and reactive tool, to prove a theft occurred or disprove that a spill on the floor caused a customer injury, for example. With the ease of centrally monitoring video over the Cisco network, we can become more proactive by identifying signs of unlawful behavior before loss occurs."
>
> **—Tim Bartkowiak, Director of Security and Loss Prevention, Spartan Stores**

Results

Simplified Management

The Spartan LP department used Cisco Video Surveillance Operations Manager software to set up roles, such as investigators, internal auditors, store directors, district managers, and detectives. Each role is associated with viewing privileges, which can range from one camera in one store to all cameras. "After a one-time setup, it's much faster to manage user privileges with Cisco Video Surveillance Operations Manager than with other systems I've used," says Alicia Despres, LP analyst, Spartan Stores. "If an employee moves to another store or changes jobs, I just associate the person's name with the new role."

Faster Troubleshooting

Spartan Stores has approximately 3050 in-store video surveillance cameras. Previously, security officers in the Spartan Stores control center spent approximately one hour during every shift checking all digital video recorders (DVRs) and associated cameras for proper operation. If a camera failed immediately after the wellness check, the team might not discover the outage for another 1.5 days. "A delay in discovering a camera malfunction can be costly if a shoplifting incident or in-store injury occurs during the outage," Bartkowiak says. "Cisco Video Surveillance system reduces risk by continually checking the health of video surveillance cameras and automatically alerting appropriate personnel if a camera is not online or recording."

More Time for Proactive Monitoring

With each new store added to the Cisco Video Surveillance system, security officers will eliminate time spent monitoring the health of that store's DVR and cameras, freeing more time to monitor live video feeds and perform other value-added tasks. "Cisco Video Surveillance Manager gives us an extra set of eyes and ears to monitor for suspicious behavior in stores," says Bartkowiak. For example, a security officer who sees a customer loitering near the razor blade display can notify a store manager or security officer to provide customer service and proactively deter unwanted activity. "Using centralized security officers to monitor video feeds is more cost-effective than hiring more security officers to work in our stores," says Bartkowiak. "And the more preventive activities we can offer, the more we help to decrease loss and reduce shrink."

Next Steps

Certain local police departments have expressed interest in viewing real-time video feeds from in-store surveillance cameras. Spartan can easily accommodate these requests by using Cisco Video Surveillance Operations Manager to create a role for police, giving them access to the appropriate stores and cameras. When suspects are in a store, police officers who have the proper network access privileges will be able to view the camera feeds from a laptop in their vehicles, connecting over the store's Wi-Fi network, or a citywide network if available.

Spartan Stores also looks forward to using the Cisco Video Surveillance solution in new ways to further increase the return on investment. Ideas include:

- Implementing the Cisco Physical Access Control system and integrating it with Cisco Video Surveillance Manager to accelerate awareness of security events. If someone enters a door outside of normal hours, for example, the Cisco Physical Access Control system can signal Cisco Video Surveillance Manager to begin capturing video, stream it to the 24-hour command center, and send an email alert.
- Using video analytics software to detect missing merchandise, triggering an alert to restock.
- Improving merchandising by reviewing video and using video analytics software to better understand shoppers' buying behavior, such as factors influencing whether a shopper picks up an item.
- Using video analytics software to count people in lines at store registers at different times of day, helping stores optimize staffing levels.
- Monitoring workflow and labor standards without influencing behavior, as sometimes occurs when a human is watching.
- Integrating Cisco Video Surveillance Manager with the employee directory, further decreasing the time it takes to manage privileges for 175 users.

Bartkowiak concludes, "In the past, we used video primarily as an evidentiary and reactive tool, to prove a theft occurred or disprove that a spill on the floor caused a customer injury, for example. With the ease of centrally monitoring video over the Cisco network, we can become more proactive by identifying signs of unlawful behavior before loss occurs. We look forward to taking full advantage of the Cisco Video Surveillance solution and video analytics to not only to improve the bottom line through proactive shrink reduction, but also to use the solution in new ways to increase the top line through more effective merchandising."

PRODUCT LIST
Physical Security
• Cisco Video Surveillance Manager
• Cisco IP Video Surveillance Cameras

For More Information

To learn more about Cisco Physical Security Systems, visit:
http://www.cisco.com/go/physicalsecurity