



How Next are using Thruvision People Screening to address opportunistic theft in their DC's

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Steve Teatum, Head of Loss Prevention – Warehouse & Distribution, Next Plc.

The challenge was to “innovate” in Loss Prevention around the back end of the business - the engine room... the Distribution Centers

Next Plc is a British multinational clothing, footwear and home products retailer headquartered in Enderby, Leicestershire. It has around 700 stores, of which 519 are in the United Kingdom, and over 200 across Europe, Asia and the Middle East. Almost half of its annual sales, around £2Bn, are made through its online channel, Next Directory.

When Steve Teatum was recruited to the position of Head of Loss Prevention for the Warehouse & Distribution part of Next his interviewer for the position, the Warehousing & Distribution Director made it clear that he wanted innovation in Loss Prevention for the business.

He could see that the conventional approach to LP was not going to cut the mustard in the new era, where Distribution Centers are at the heart of the multi-channel retail piece. As a result, the business needed to look at reducing its current losses and innovate to meet the challenges that were ahead.

So, whilst not knowing the specifics, Steve was recruited to “innovate” in Loss Prevention around the back end of the business; the engine room – the Distribution Centers.

Like many businesses, Next quantifies loss as a percentage of sales. Whilst that percentage is small, it is a large chunk of change. Whilst it was not possible to calculate specifically what was being lost through theft at DCs, the number was still big enough to command attention.

The solution was initially discovered through their relationship with Hermes Parcelnet. The then Commercial Director for Next had seen the Thruvision system working at the Rugby Hub and oversaw the relationship between Hermes and Next and told Steve Teatum about the system, suggesting he might like to check it out.

Our experience with the Thruvision system has been nothing but positive, from delivery through to subsequent technical support. Thruvision is a great solution to a tricky problem.

By reducing the opportunity for theft, we are reducing the likelihood of people thinking they can get away with a crime

Most theft is opportunist. Next has not come across ORC in its distribution centers. There are some limited examples of professional thieves who have managed to briefly infiltrate the workforce. However, most thieves are opportunistic. By reducing the opportunity for theft, Next were reducing the likelihood of people thinking they can get away with a crime.

Discussions were entered into with other stakeholders – in particular Health & Safety. Other solutions emit X-rays or radio frequency. However, the Thruvision product uses passive technology. So, there were no concerns for our staff issues with radio frequency affecting pacemakers or X-rays harming pregnant women. That was a real selling point for Next.

The price compared to others was found to be competitive. However, most importantly, the system worked! It is not based upon metal detection, which means that attempted theft of non-metal items can be spotted. Not all apparel has zips or studs that will be picked up by a metal detector, and as a result thefts have been prevented using the Thruvision system that would not have been picked up by metal detection technology.

Initial trials showed the Thruvision was an instant deterrent and did its job

Initially there was a measured trial over 24 hours. During the trial, not a single thief was caught. However, Steve thinks that was down to Next positioning the equipment incorrectly for the test.

The aim was to surprise staff on their exit. However, the kit was positioned near a main doorway and people got wind that “something was different” even if they did not know quite what.

That said, a number of dumped items were found near the exit indicating that perhaps people had been ready to steal, but abandoned the attempt when confronted with the new technology. So, from that point of view the Thruvision was an instant deterrent and did its job.

Thruvision system showed a decrease in identified empty packaging of 56%, which is a useful benchmark for the deterrent effect of the system

The Thruvision system was introduced into one DC in September 2018, half way through a financial year. So, the cost of stock shrinkage in the period would not be known until the year end stock take. However, there were opportunities to benchmark...

As part of the security routine, security personnel are required to carry out physical inspections of premises on a regular basis. Part of the inspection is to look for empty packages. One physical manifestation of crime in Distribution Centers is empty packaging. All packages should have products inside them. If they do not, chances are the goods have been taken.

Analysis of the data produced by inspections for the 11 weeks before and after installation of the Thruvision system showed a decrease in identified empty packaging of 56% which is a useful benchmark for the deterrent effect of the system and probably reflects a reduction in incidences of attempted theft.

There are plans to extend the current operation of the Thruvision system and as well as to use it for different purposes in other parts of the business

All returned products go to Next's site in Bradford. This year has been earmarked as a good time to install Thruvision there. Also, a site in Dearn Valley which has recently introduced small, high value items such as cosmetics is intended to use Thruvision there also.

Consideration is also being given to the Health & Safety value of using Thruvision to scan people when they come in to the building. For example, workers are not allowed to bring lighters or mobile phones in to work. Thruvision would help effectively check for these.

Would you recommend Thruvision?

“Our experience with the Thruvision system has been nothing but positive, from delivery through to subsequent technical support. Thruvision is a great solution to a tricky problem. We very much enjoy working with the Thruvision people too. I would not hesitate to recommend them.”

Steve Teatum, Head Loss Prevention Warehouse and Distribution, Next Plc.



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