



Kentron turns to source tagging



Massimo Viale
General Manager
of Kentron.

Over the past five years, **Kentron's** flash memory sales have increased so much that the company has decided to make flash memory a core business. Kentron is owned by the Italian GIVI Distribuzione S.p.A, a nationwide wholesale distributor of electronics and mobile phones since 1993.

The company manufactures a complete range of flash memories suitable for all digital devices, including cameras, mobile phones, MP3 players, GPS systems, and PDAs, as well as USB flash drives of various sizes and capacities. Kentron has now launched its newly developed memory cards with embedded multimedia contents. The cards come ready for uploading to next-generation mobile phones. This exciting new range from Kentron includes dictionaries, tourist guides and a wide variety of games developed with the world leader Gameloft.

When it came to looking for effective shrink management for this product, Kentron turned to source tagging. Checkpoint's small Enhanced Performance (EP) Labels are being used to tag Kentron's flash memory devices, and will be ordered through Checkpoint's Check-Net platform. EP labels are small, discrete and now more effective than ever.

We asked **Massimo Viale**, General Manager of Kentron, about source tagging and EP labels.

What were you looking for when you opted for source tagging to protect your products?

Source tagging adds value. Competition is very aggressive in large-scale distribution and with source tagging we can really stand out from our competitors. It not only protects products, but also allows them to be openly and attractively displayed on the sales floor. With source tagging, the EAS (Electronic Article Surveillance) tag is integrated into the packaging, so the product can be displayed in accessible locations without fear of shrink. With products being more accessible to consumers, cross-selling strategies can be applied successfully, and sales increase.

We're convinced that this kind of technology can seriously reduce shrink and we firmly believe that Checkpoint, with its high-quality EAS solutions, is the ideal partner to work with.

What do you expect from source tagging?

Source tagging is becoming increasingly popular and is gaining an excellent reputation for loss prevention. Radio Frequency (RF) Source Tagging solutions are becoming a standard in large-scale distribution across the board.

Our aim is to combine theft prevention with product promotion. You add value to your products when they can be showcased openly with unrestricted customer access. Everyone knows that one of the biggest incentives for the potential customer is the ability to touch the product before buying it.

And that's just why Checkpoint's EP labels are the ultimate solution for these products. While they are much smaller and slimmer than traditional labels, they also offer enhanced protection. Additionally, this





solution reduces staff workload at the sales point, as retailers can rely on the labels to provide a high reduction in losses. These labels can be used on a wide variety of items and are absolutely perfect for our electronics range, which would otherwise be locked away behind glass.

Shoplifters are constantly improving and changing their tactics. Can source tagging beat their game?

This is a very complicated area, but I believe that source tagging is a huge step in the right direction, especially as the label forms an integral part of the packaging. And the proof is in the pudding: A great many retailers who have started using source tagging have recently reported significant revenue increases.

Your products are considered high-theft merchandise. What value can you offer your customers with Checkpoint's source tagging solution?

This is a crucial time for boosting sales as well as preventing losses, especially given the dramatic worldwide financial crisis. We can increase sales of source-tagged

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products precisely because they can be openly showcased. The customer can handle these products and get a good look at them, so the whole shopping experience is pleasant and reassuring. It's simple: If the product can be accessed, sales will go up.

For us in microelectronics, this is only made possible by our own patented packaging, the Kentron Blinder. We started research on this two years ago to resolve the issue of how to openly showcase more products. This has now borne fruit with the development and production of this innovative packaging. Everyone who has tested it on large sales floors has reported increased sales, proving that the Blinder really does add value, and Checkpoint EAS labels are now integrated directly into our Kentron Blinder. ■