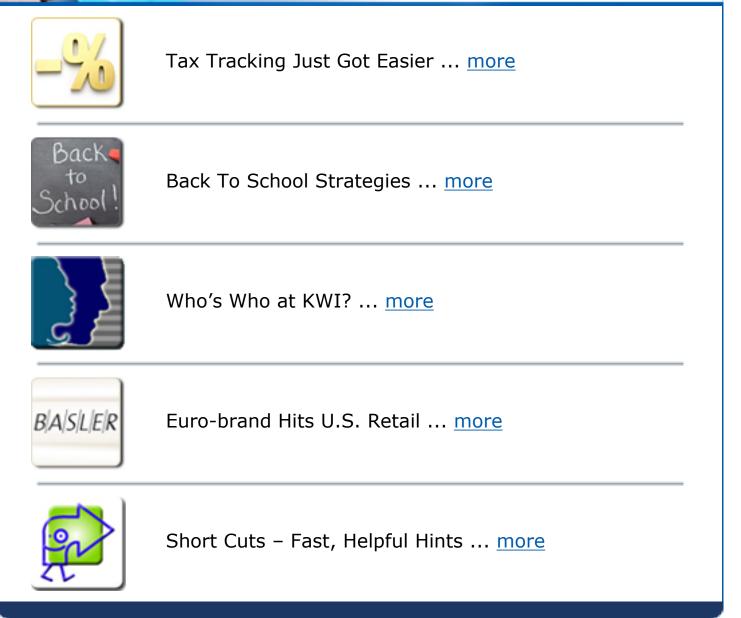


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Thanks for partnering with KWI. Your comments mean a lot to us. Please <u>email us</u> — we love to respond!

KWI is concerned about your privacy. We do not rent, sell or exchange email addresses.  $\hfill {\ensuremath{\mathbb C}}$  2009 Kliger Weiss Infosystems. All other trademarks contained herein are the property of their respective holders.





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## A Quick Intro to TDS - Tax Data Services from KWI



KWI is pleased to update our Send Sale capability that automatically calculates tax by zip code. Now you can enjoy the speed and ease of integrated tax data services at point of sale to streamline your operations. We are offering this service via Tax Data Systems, the leading provider of sales tax and use tax databases.

Tax Data Systems tracks thousands of taxing jurisdictions throughout the U.S. and maintains these rates in a

standardized format so that you can rely on swift, accurate rate calculations. No need for individual stores to look up the correct tax rate by city/town or any other tax jurisdiction - your KWI package will provide it automatically.

Software features include:

- Automated tax rate calculations on Send Sale/Shipping Transactions
- Tax rates are stored at the U.S. Zip Code level (updated monthly)
- Send Sale calculates tax based on store locations as defined within the KWI Back Office system

For your further convenience, we've built a full suite of reports around this functionality, so your finance team can quickly determine the total amount of tax collected by zip code/tax jurisdiction.

Your KWI team is always at work ... making business easier for you.

*To learn more about TDS, please contact Brian Mallia on our Concierge Services Team at brianm@kwi.com* or 516-621-2400, ext. 364.





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## School Still Rules for September Sales But the strategies have changed!



In U.S. retail sales, back-to-school spending is a big deal -second in importance only to the winter holidays. Last year, Americans spent \$54.1 billion on apparel, shoes, electronics and other items for school age and college students, according to the NRF. But what will this year hold? It's the first BTS season since the "Great Recession" hit.

Retailers are already seeing the impact of the economy on

BTS sales, which started in July. Four out of five American families have altered their spending plans by placing greater emphasis on discounts, budgeting to spend less, buying more generics and using more coupons. Even lifestyle decisions have been reigned in, by cutting back on children's extracurricular activities, or opting for public school over private.

Not surprisingly, most analysts predict a drop in sales versus BTS '08, and feel the best retailers can hope for is that the decrease will be moderate.

What can you do to maximize your profits during this crucial selling season? KWI has many ways to help. First, make your store operation as lean and efficient as possible using KWI technology solutions. Second, curtail theft with our expert Loss Prevention services. Third, create an exceptional shopping experience and differentiate yourself from the competition with a custom-designed KWI CRM program. This last point is crucial. When every competing store is offering discounts and deals, you need a unique strategy to attract and retain customers.

This may not be your best BTS season ever. But by partnering with KWI, you can build stronger strategies for success ... and start earning high marks for profits!

To learn more about the full spectrum of KWI retail solutions, please contact Dan Markowitz, CFO, at <u>danny@kwi.com</u> or (516) 621-2400, ext. 305.





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### Meet the MySQL Team



Seated from left to right, Dave Shea and Mike Enxuto. Standing from left to right, Saravit Chuaprasert, Silvio Del Percio, Matt Turino and Kathy Beck. Not shown: Jon Pachman. Transitioning the KWI Back Office system's database technology to MySQL was a challenge for the development staff. Vetting the task required a comprehensive User Acceptance Test (UAT) cycle. An ad-hoc team was assembled from many areas of KWI to test every component and ensure success.

The team combined expertise from CRM, Application Support, Client Services, Design, Programming and QA. Working diligently for more than six months, they verified that MySQL was ready for deployment in a production role. Together, they achieved a solution that was as simple as the challenge was complex: simply flip a switch and MySQL takes over!

As part of the test strategy, the Operations team staged dedicated servers with old and new environments, and ran thousands of reports and applications simultaneously. Results and timings were compared. If there was any difference, the root cause was identified and remedied.

As of this report, ten KWI clients have successfully migrated to MySQL and we will

now be converting clients at a faster rate. Our intention is to move our entire user base onto the superior MySQL platform by the end of this year.

*To learn more about MySQL and KWI's migration project, please contact Mike Ruvolo, Chief Technology Officer, at <u>mruvolo@kwi.com</u> or (516) 621-2400, ext. 322.* 





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### **BASLER Is A Dazzler ... Now At Retail**



BASLER, an upscale European fashion brand, is one of the industry's better kept secrets. In business about ten years, the German-based company has collections available on every continent, in more than 50 countries around the world. But as a wholesale brand, although they've been selling in well known department stores (including concessions in Bloomingdales stores), their visibility to the American consumer is low.

Now, they are seeking to change that. BASLER will be branching out into the retail marketplace in the U.S. with its first store in the Tyson's Galleria Mall in McLean, Virginia, projected to open September '09. To facilitate their retail vision, the firm has contracted with KWI for their POS system along with the KWI Back Office merchandising system. They will also be utilizing KWI Merchant Services. Their expansion plan is to open as many as 28 stores in the next five years. The concession business will also be expanded to the Bloomingdales Atlanta location this year.

BASLER's elegant product line is quite varied, targeting sophisticated women age 40 and over. They make all their own products and currently distribute their lines to stores directly from their own operations in Germany or BASLER Wholesale in America. In the future, product will be shipped to a warehouse location and distributed to the stores. Their U.S. wholesale business is managed primarily through The Isabella Company.

The KWI team is proud to be selected by this premier European brand. It's proof once again that exceptional retailing demands exceptional solutions.

For more information, please contact Gary J. Brill, VP of Business Development, at <u>gary@kwi.com</u> or (516) 621-2400, ext. 325.





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**This Month's Short Cuts** 

Time-saving tips and ideas that are right on the money – from the staff of KWI. 1. KWI Merchant Services Tip of the Month ... from



#### 1. KWI Merchant Services Tip of the Month ... from David Drucker and Phyllis Gricco

#### **Debit Card - Split Personality?**

Be aware that there are two types of debit transacted by Debit Cards. They can both be represented on the same physical plastic card.

**Online Debit**, also referred to as PIN debit, is similar to performing a transaction at the ATM. The card is swiped or inserted and the consumer is asked to enter their secret Personal Identification Number (PIN). The transaction is processed over the banking ATM network and the transaction is approved or declined.

**Offline Debit**, also referred to as Signature Debit, is similar to a credit card transaction. If the card has a branded logo on the front, such as Visa or MasterCard, the card may be processed by simply swiping it through a credit card terminal which supports that card's brand. The transaction is processed over the Merchant's regular credit card network and the transaction will come back as either approved or declined. The customer must then provide their signature as approval of the transaction.

There is a big difference between these two types of debit transactions in terms of rate schedule. Since the *Offline Debit* transaction runs through the Card Association, the Merchant pays an Interchange-based rate. With an *Online Debit* transaction, the transaction is processed through the ATM network which bypasses Interchange. *Online Debit* transactions are typically processed for a flat per transaction fee of between \$.35 and \$.65 per transaction.

*For more information on debit cards and to minimize your processing fees, please contact David Drucker, President, KWI Merchant Services, at <u>ddrucker@kwi.com</u> <i>or (516) 621-2400, ext. 720.* 

#### 2. CRM Tip of the Month ... from Jubin Thomas, CRM Services Manager

#### Show me the money!

In a down economy, where can you find sales? In your database, of course! Here's what you can do if you're a multi-channel retailer:

- 1. Look in your database for customers who have recently shopped your retail stores but live outside your trade area. These are great candidates for moving to the web and there is no cross channel feuding.
- 2. Look in your database for customers who have recently shopped in the retail stores and purchased products that are offered on the web.
- 3. Do everything humanly possible to acquire the e-mail addresses for all retail customers. I used to say I would sell my son for the ability to communicate with a customer (way back when the only way to communicate was via U.S. Mail). Now, I won't sell my son for an e-mail address because he is the father of two of my grandchildren. But you get the message - get those e-mail addresses!

If you need help finding sales in your database, please contact Jubin Thomas, CRM Services Manager, at <u>jthomas@kwi.com</u> or (516) 621-2400, ext. 367. **3. LP Tip of the Month: from Kim Woo, CFI, Director of Loss Prevention -West Coast, The Zellman Group, LLC** 

#### **Shoplifting Prevention 101: Part Two**

Shoplifting is an expensive problem: more than \$25 million worth of merchandise is stolen from U.S. retailers every day. Last month, we discussed the basics of shoplifting: amateurs versus professionals, and the methods they use. This month, we will help you identify the shoplifters in your store.

#### Spot the Shoplifter!

Start by being aware that there is no typical profile of a shoplifter. Thieves come in all ages, races and from various backgrounds. However, there are some signs that should signal a red flag for retailers. While the following characteristics don't necessarily mean guilt, retailers should keep a close eye on any shopper who exhibits the following behaviors:

- Spends more time watching the cashier or sales clerk than actually shopping.
- Wears bulky, heavy clothing during warm weather or coats when unnecessary.
- Walks with short or unnatural steps, which may indicate that they are concealing lifted items.
- Takes several items into dressing room or rest room but exits with one or none.
- Seems nervous and possibly picks up random items with no interest.

• Frequently enters store and never makes a purchase.

Also beware when a large group of people enters the store at one time — especially juveniles. Often one member of the group will cause a disturbance to distract the sales staff while others grab and conceal merchandise. These groups move quickly and can do a lot of damage in a short amount of time.

Next month, we will give some tips on how to stop the shoplifter.

*For more information on shoplifting prevention, please contact Kim Woo, CFI, Director of Loss Prevention, West Coast, at <u>kwoo@zellmangroup.com</u> or (516) 403-2442.*