

# RETAIL CASH HANDLING

The New Way of Working



**GUNNEBO®**  
For a safer world

# Introduction

80% of all transactions in Eurozone and US were made using cash, the total amount was €675 billion.

World Politics Review 2011

## New ways of working

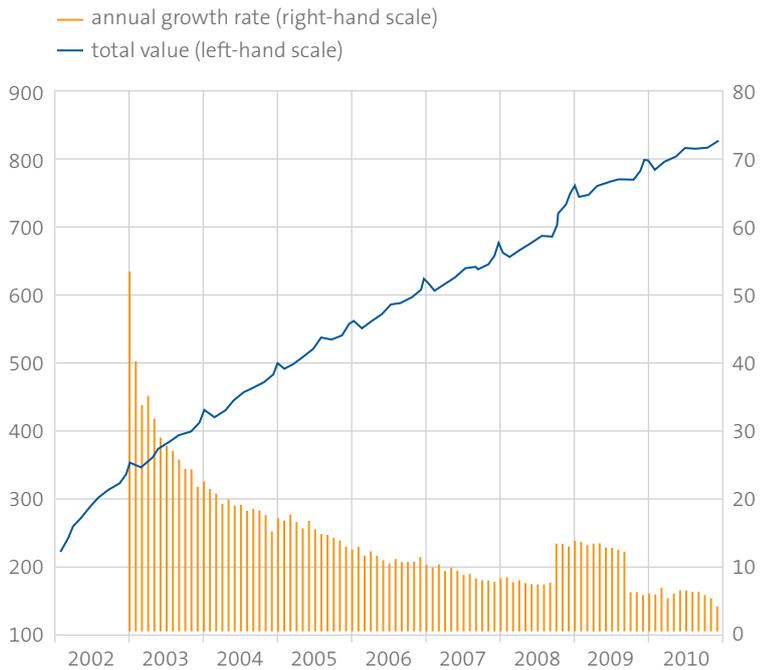
Over the last decade, the retail cash handling market has grown and developed at a rapid pace. This trend looks set to continue in the years ahead. Faced with intensive global competition, retailers are more and more likely to need cash handling solutions that offer enhanced security, lower costs and improved productivity.

Retailers will also come under increasing pressure to improve their processes and security, with modularity, reliability, integration, efficiency and connectivity topping the agenda. These solutions will need to work within existing environments and adapt to a range of business models leaving retailers free to focus on their core activity, optimize security and control their cash cycle.

The winning solutions will be the ones that take into account the whole cash cycle and effectively interact with a complete range of stakeholders, including store owners and managers, banks, particularly for pre-credit operations, and CIT companies intent on improving transport security.

We aim to do more than provide retailers with added value. We want to help them create new ways of working.

## Circulation of euro banknotes (annual percentage change; EUR billions)



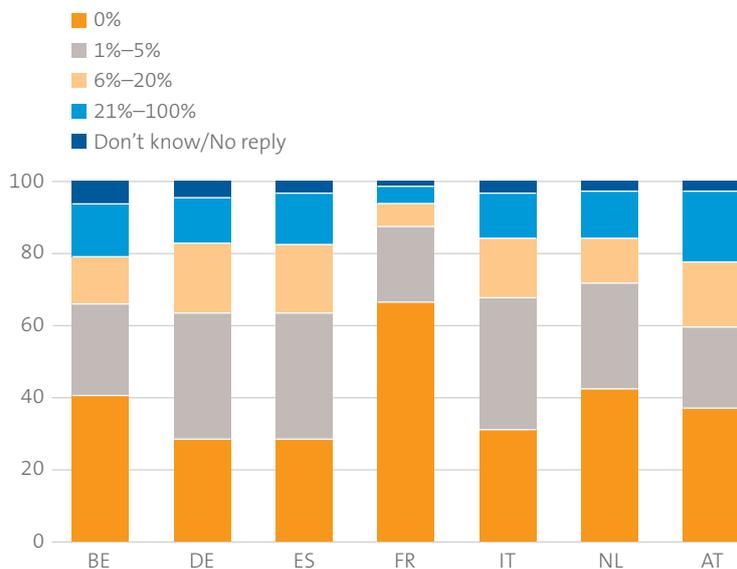
Source: ECB Currency Information System.

## Cash is here to stay

Cash will not go away. That's a fact. Cash has been around for 27 centuries and has proved to be one of mankind's most successful inventions. It remains the most used and widely accepted form of payment in the world.

In 2010, cash payments accounted for 80% of all payments in Europe and the US. Statistics published by the European Central Bank in 2012 showed that the number of banknotes in the Eurozone is growing by 9% every year. There are roughly 360 billion cash transactions on earth – that's almost one billion every day!

### Proportion of expenditure in cash by country (percentages)



Source: ECB company survey on the use of cash, April 2011.



*In 2010 financial worries were putting people off running-up debt and they turned away from credit cards. Overall card use is down by 10.5 per cent as people have switched to cash to better manage their spending.*

*Tom Ironside, Director of Business and Regulation, British Retail Consortium*

## Card payment is not always the answer

Contrary to popular belief, payment cards do not increase security. Studies carried out in Sweden have shown that the average store robber leaves with less than €400 in cash. Our own interviews reveal how many retail customers who have limited the maximum cash value in their tills have not seen a drop in robberies.

Small amounts of cash attract thieves just as much as large sums. The only way to significantly increase security would be to switch to cards and abandon cash completely. Obviously, this will not happen overnight, as it would mean turning away large numbers of customers who prefer to pay with cash.

Moreover, card payments cost money. In fact, they are quite expensive. A single check or card payment costs more than 24 times as much as a cash payment. The latest annual payment survey from the British Retail Consortium also found that card payments are not the quickest way to pay, taking 36 seconds compared to 27 seconds for a cash payment.

## Cost of cash handling

Although cash is still the cheapest payment method in most countries, cash handling raises a number of challenges for retailers. They include shrinkage, robbery, staff and customer safety, and the optimization of administrative procedures, reconciliation and reporting.

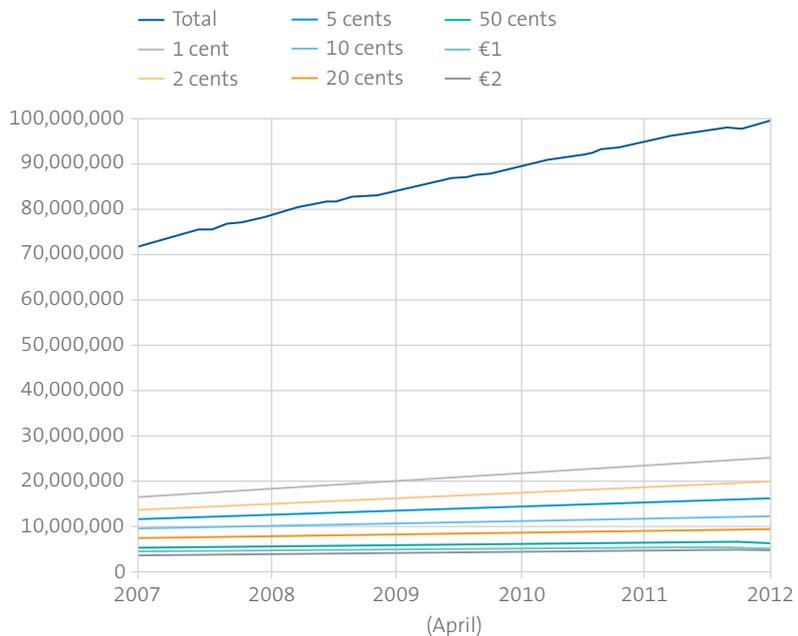
In addition, cash security imposes limits on the way retailers design their stores.



Administration alone represents 72% of cash handling costs. This includes the time spent on till reconciliation during morning and evening shift changes up to 15 minutes on average, with an additional 20 to 30 minutes for manual consolidation in cash offices for each checkout. Reporting, shrinkage control, safe reconciliations and a number of other administrative tasks – including additional bank formalities and cash transport preparation – waste even more time.

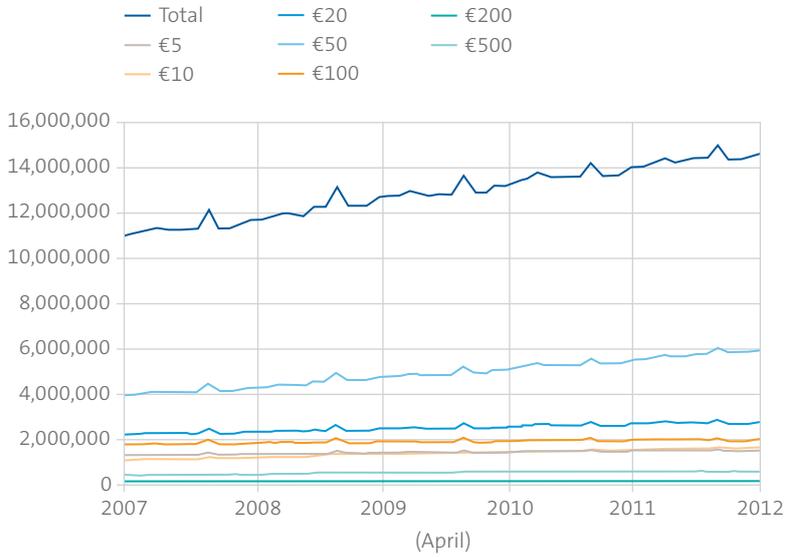
These “lost” costs do not generate revenue in any way. The time spent on administrative tasks is time store managers and staff could have spent on the floor with their customers, improving their store experience, or taking care of their core business: selling their products and services. In short, it’s a loss of revenue.

### Coins quantity in thousands



Source: ECB, Euro Banknotes and Coins Statistics, April 2012.

### Banknotes quantity in thousands



Source: ECB, Euro Banknotes and Coins Statistics, April 2012.

### Efficient solutions

Solutions exist to reduce cash management costs and remove restrictions, allowing store staff to spend more time with their customers and helping retailers increase their sales. The automation of cash handling significantly improves the cash process and allows retailers and their employees to save time, energy and money. The result? More productive employees focused on serving customers, higher profits and improved security for both staff and customers.

This is what we aim to achieve. We work with retailers and all partners involved in the cash process to offer solutions that help store owners and managers optimize their daily processes, reduce the risk of theft, and increase the overall performance of their retail business.

## Who we are

*Shaping the future  
of controlled and  
secure retail cash  
handling*

### Retail cash handling leaders

We are leaders in the retail cash handling sector. Over 100 billion euros pass through Gunnebo cash handling solutions every year. Today, we have more than 35,000 cash solutions and tens of millions of sealbags all over the world.

For over 200 years, Gunnebo has been trusted to secure its customers' most valuable assets. What's more, innovation has always been one of our core values.

Over the past decade we have been asked by leading retailers in a number of countries to help them develop new cash handling solutions that will improve their processes. Like them, we realized that a market that had remained the same for over a century, with identified and recurring risks linked to security, shrinkage and time spent on cash administration, provided huge opportunities for change.

Today, we are experts in the retail cash handling sector. We have extensive experience of working with retailers and other major players in the cash cycle. We understand the retail cash process and day-to-day business in stores, for both cashiers and managers. We come up with solutions which simplify their work, from the store to the central office. That means removing repetitive tasks, shortening administration time throughout the cash cycle, significantly reducing cash-related work at inconvenient hours and providing real-time information.

We also understand how cash handling fits into the larger cash cycle, which involves CIT companies and banks. We are closely interconnected with them and lie at the center of the entire cash cycle. This is what makes us unique. And why our technology can fit into any existing infrastructure, making it easy to implement and keeping external costs as low as possible.

Because we are market pioneers, we know that different customers have different needs, depending on their location, staff changes, safety regulations, and more.

This is why our solutions are adapted to different retail processes, from convenience stores, gas stations, fast food outlets and hypermarkets to DIY stores, leisure centers and financial institutions. From entry-level to closed cash handling, all our solutions are tied to one software platform to create a single and simple cash handling process.



## Doing today what others think of tomorrow

We have a long history of innovation. We are doing today what our competitors will think of doing tomorrow.

Thanks to our global R&D teams, we have complete control over the development of our cash solutions and provide a rapid response to customer demands.

We were the first to offer fully closed cash systems, the first to integrate ink protection into the retail world and the first to design solutions to achieve full connectivity with banks and CIT companies.

## Providers of solutions designed for the retail world

The solutions we design have been developed for the needs of retailers. They are adapted to retail requirements and the way retailers work. They function within existing infrastructures and deliver immediate benefits. This is what makes us different from other service providers: we work with all players in the cash cycle to provide added-value to retailers. Our goal is to simplify their lives and provide the security they expect, enabling them to focus on their core business and improve the performance of their businesses. This is why all of our applications are retail-oriented and our solutions are supported by a single software platform designed and built to meet the requirements of the retail world.

## Suppliers of scalable solutions

Flexible and easy to implement and use, our large portfolio of modular solutions range from entry-level systems to complete closed cash handling solutions. They include cash deposit products, front office security, back office automation and a system covering the entire in-store cash handling process. In a nutshell, we deliver the right functionality, backed by proven technology, with a high level of reliability and performance.

We build on open standards, not proprietary formats. We do not market solutions which turn out to be technical dead-ends and our customers are not locked-in.

This is why our retailers place their trust in us: we provide them with what they need and assist them along the way. Our customers know they have a partner they can rely on, allowing them to focus on what really matters to them: running and growing their business!

**Cash automation has removed the risk associated with cash. The reporting and the whole cash process is more streamlined. Our cash and our staff are more secure.**

**Tom Mazzatelli, National Compliance and Training Manager, Caltex Australia**

### Trusted partners for retailers

For the last ten years, we have focused our efforts on improving cash handling in the retail sector. We work with and for retailers with a good knowledge and understanding of the different players in the cash cycle.

And because we serve retailers better if we are geographically close to them, we rely on highly-experienced and well-trained local sales forces who know their customers. Our dedicated local teams optimize the implementation and deployment of our solutions and in-store services. We combine this strong local presence with a highly efficient network operating center that provides monitoring and remote customer services and software hosting solutions.

Retailers know they can rely on us to install, roll-out and manage their solutions, on or off-site. They can also count on us to solve any problem, without interrupting their daily business.

# What we have seen

*The number of store robberies has increased and we have to resolve the problem of how we handle cash.*

*Petrus Bolin, Security Manager, Coop Sweden*

## Cash Handling drivers

Over the last 10 to 15 years, the emergence of five key issues has encouraged retailers to seek reliable automated cash handling solutions to help them run sound and profitable businesses.

### Robbery

Robberies cost a lot more than meets the eye. Whereas the average thief usually leaves with less than €400 in cash, the overall cost to the retailer exceeds €20,000 for a three-checkout store, due to loss of sales, damages and extra personnel costs. Fewer robberies equals more money and a lower risk of both staff and customers being physically hurt or wounded.

### Time Inefficiency

For retailers, time not spent on customer sales is lost time. There are, however, tasks which have to be performed on a daily basis, both at the POS and in the back office, especially at the start and end of business hours. Preparing tills, changing shifts, replenishing tills at midday, cashing-up, reconciliation, reporting, preparing cash for transportation and ordering change are some of the things retailers have to do every day. They take time, use staff resources and do not generate revenue.

### Shrinkage

Shrinkage represents a potential loss that directly hits a retailer's bottom line and hurts profitability. Shrinkage-related losses vary from 0.3% to 2% of global turnover, depending on the time spent on cash control.

In the UK, recent surveys have shown that retailers lose £1.5 billion (€1.9 billion) in cash a year, with almost half due to internal theft. External theft (18%), genuine handling errors at till points (19%) and genuine handling errors during cashing up (14%) make up the remaining 50% of the total loss.

So not only would a solution that removes the risk of shrinkage be highly beneficial to profitability, but it would also help create a much more attractive working environment for honest employees.

## Retail shrinkage 2010 by region (US \$ billions)

(Total shrinkage \$107.284 billion)



### Control and reconciliation

With traditional cash handling, retailers only know how much cash they have when they count it. So there is no real control over the cash process. Nor does manual cash handling provide accurate real-time information. Automated cash handling provides retailers with up-to-date and precise information, facilitates cash-planning, reduces costs and makes it easier to perform paperless monitoring of day-to-day business transactions.

### Information

Traditional cash handling can result in cash discrepancies and incorrect totals. Automated cash handling backed by software technology provides up-to-date, reliable information, eliminates the risk of errors, and significantly improves overall cash management for all parties involved in the cash cycle. Once again, it helps retailers save time, reduce costs and gather accurate data.

### External costs

External costs such as cash transportation have to be taken into account too. They average around 0.1% to 0.2% of the total cash turnover for any given year. This represents a significant loss of money. The benefits to retailers of identifying solutions which limit or reduce external costs are obvious.

## Change is in the air

Retailers want cash handling solutions that do more than automate existing routines. Gunnebo is developing new approaches to cash management and new ways of working. More than a simple change of tools, our solutions change the way the entire cash process is handled and monitored. This requires the assistance of a professional supplier who understands the changes we need to make.

### The challenge of full integration

Payment and cash handling lie at the heart of all retail businesses and the cash process spans their entire organization.

But there is no point working with separate state-of-the-art components if they are not connected to each other. Without integration, retailers simply automate one or several parts of their daily cash handling routine. In other words, they continue to work in the same way. At the end of the day, they lose out on the benefits of technology.

A cash handling solution can be integrated into POS systems, for instance, to ensure proper reconciliation. Retailers can also choose front office or back office integration, so that the required amount of cash is automatically dispensed to cashiers. They can go further and decide to choose full integration with CIT companies to improve CIT services or automatically order change for pre-credit.



Connectivity with the systems of our bank provides greater flexibility and streamlines store cash security.

Competitive Foods Australia Limited (Master Franchise for Hungry Jacks & KFC)



And real integration means connectivity. It means using the expertise and resources of a supplier at the center of the cash handling chain who can directly interact with other players saving both time and money.

#### High performance without heavy investment

For retailers, cash handling can seem like just another expense. But easy to implement solutions based on proven technology are extremely cost-effective. We believe that today's solutions need to be affordable, easy to implement and highly beneficial to retailers. They also need to grow at the same pace as their needs. And for a solution to work, it has to be based on proven technology.

Solutions are just one part of the equation. The total cost of ownership – the original investment, the right level of functionality, availability through service, project management and staff time – has a vital role to play. Our software and hardware solutions can be integrated into existing systems at a minimum cost to retailers.

#### Professional services

Retailers do not want to spend time on cash handling. They want to sell their products and interact with their customers. A professional provider who takes over cash related administrative tasks is a major asset. As is a partner who understands the need for change and the importance of easy-to-implement solutions that get everybody on-board fast.

Retail is a highly demanding environment, with long hours and daily peak times. The support of skilled people who make sure the technology works and works well is a big advantage. Put simply, suppliers need to be able to provide a remote monitoring service that does away with on-site intervention waiting times completely.

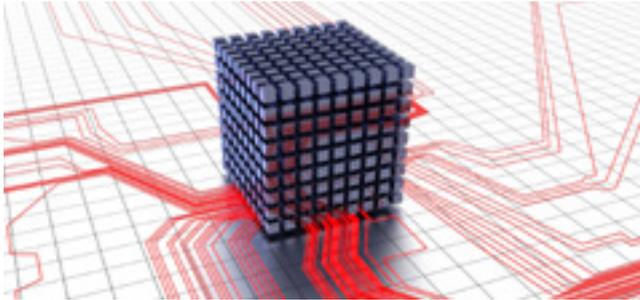
# What we offer

## Exclusive benefits for retailers

### Scalability

Whether retailers are looking for a front office solution, back office automation or a complete closed cash handling solution, we can deliver it.

We know how to implement simple solutions which improve one aspect of the cash handling process, and which can be enriched with new functionalities. For retailers, this can be achieved without losing their initial investment.



Our solutions fit all store formats, from small outlets to hypermarkets. And whatever the size of the store, all of our solutions are based on a single cash handling process.

We also work with open standards and integrated software. This means that as retailers' needs grow, our solutions and those of our partners can be integrated into the cash handling process. Our customers are never locked into a specific setup.

### Connectivity

Effective and reliable cash management requires cooperation between store staff and management, solution suppliers, CIT and banks. Little wonder, then, that our solutions ensure full connectivity with our partners. Because we stand at the center of the cash-handling cycle, we provide connectivity with banks, making it easier for retailers to access pre-credit. Better connectivity means better infrastructure support, which in turn allows us to supply CIT companies with up-to-date information on cash available for pick up and cash available to their store. And when a company has more information, it can plan its services more efficiently. All in all, it is a recipe for better cash management.

### Solutions tailored to today's cash cycle

Our solutions fit into today's infrastructure and provide immediate and full benefits to retailers, with no hidden costs. CIT will not have to adapt to our solutions because our solutions are adapted to their infrastructure.

In fact, we have solutions for retailers who do not use CIT and those who do. In a nutshell, that's money saved for retailers.

### Proven global service concept

Developed with and for retailers, our service concept has been successfully tested by hundreds of thousands of customers over the last ten years. We know exactly what retailers expect from us. They want help to manage their cash handling system so they can focus on their core activity.

This is why we provide managed hosting and cloud-based data storage, managed back-up, calculation tools, monitoring and remote service, CIT and Bank Connectivity, POS Matching, application responsibility for software, support with POS integration, and integration into CIT and bank systems. Drawing on our experience and expertise, we make sure our services fully integrate into the latest cash handling technology.

It is also crucial to make the transition to automated cash handling as easy and seamless as possible, so everybody can get onboard. We make a point of providing reliable support when it comes to implementing our solutions and performing project management tasks.

To provide the best service, we rely on the best people: our own teams. Our technicians are not only highly skilled, they can draw on our extensive experience in implementing, managing and monitoring our solutions. By delivering our own service, we take full responsibility for the reliability of our solutions. Whether retailers need on-site intervention or remote monitoring, we are able to respond to their needs and supply them with trouble-free solutions they can trust.

Once again we are not only helping retailers improve cash management, we are helping them create new ways of working!

## Solutions spanning the entire cash cycle

From cash deposit to closed cash handling, we offer the widest range of solutions in the industry. We can handle back office automation, front office security and provide custom-made solutions which can easily be integrated into mixed checkout environments.

### Software

Our software is the cornerstone of the concept we have developed. Based on that overall platform, we are able to adapt our solutions to the specific demands of each of our clients. It also enables to fully integrate the solutions we install at any point of sales with its CIT and bank, so retailers can receive real-time information and retain full control over their own cash-cycle.

The screenshot shows the Gunnebo software interface. On the left is a navigation tree with categories like 'Gunnebo Demo System', 'Bank & Hub', 'Gunnebo Branch', 'Gunnebo Device', 'Gunnebo System', 'Gunnebo Terminal', 'Gunnebo Station', 'Gunnebo Store', 'Gunnebo Terminal', and 'Gunnebo'. The main area displays a 'Device Performance Report' for 'SubPay Demo' from 2012-03-21 00:00 to 2012-03-21 23:59. The report includes a table with columns for Location, Device, Transactions, Cash, and Ratio.

Location	Device	Transactions	Cash		Ratio			
			In	Reject %	Bank %	In	Reject %	Bank %
SubPay Demo	SP 1	100	100	0%	94%	100	0%	71%
SubPay Demo	SP 1	70	280	0%	0%	70	20%	10%
Row COUNT:	2	170	280	1%	24%	170	7%	60%
Average:	Total	170	480			280		

A young woman with dark hair and bangs, wearing a grey zip-up hoodie over a white top, is smiling warmly at the camera. She is holding a 20 Euro banknote in her right hand. In the foreground, a hand is offering another 20 Euro banknote. The background shows a retail environment with shelves containing folded clothes, including a bright green item.

**The automation has provided us with much greater flexibility and reaction time for providing our registers with change when required.**

Mitre 10 Mega

”

## Back office automation

Back-office administrative tasks take up a significant amount of time and can generate errors. Our automated back-office solutions help retailers reduce the risk of mistakes and focus on dealing with their own customers.



### Cash deposit

This simple, entry-level solution for small shops provides for reliable cash counting and checking. The cash in the till is deposited in a smart safe and automatically counted. Our cash deposit solutions provide basic end of day reconciliation, picked up by the CIT. The money automatically appears on the store's bank account, significantly improving cash flow.

### Cash Deposit High Speed

A highly effective note deposit solution, especially designed for stores that handle large amounts of cash. Bundles of up to 200 notes can be deposited into the machine at once before being automatically recorded and counted.

This relieves employees of their cash-counting responsibilities and other back-office administrative tasks, making cash discrepancies a thing of the past.

Connected to the CIT and banks, our Cash Deposit High Speed solution also provides for real-time monitoring of cash levels and an optimized pickup service.



### Cash Recycler

Our Cash Recycler solution takes back office automation one step further by improving both the cash cycle and the retailer's internal process. The notes are deposited in cassettes then stacked and sorted. As an option, the solution can be upgraded to dispense, exchange and recycle notes, adding a wide array of features that make the daily lives of retailers much easier.

## Front office security

Making cash payments safer is a genuine concern for many retailers. This is why we offer solutions which reduce handling errors and increase security for cashiers.

### Safepay™

Safepay™ takes care of payment issues: customers just drop their money into the machine and get their change back. Cashiers are never in contact with cash, preventing both handling errors and the risk of robberies.



## Fully integrated solutions

Thanks to our software platform, our scalable and flexible back and front office solutions can be fully combined and integrated with those used by banks and CIT. In this way, retailers can benefit from everything our services have to offer. Our cash handling solutions also fit into all types of check-outs – traditional registers, SCO, kiosk or specialty – and easily adapt to scenarios combining manual and automated cash handling systems.





It's about increasing staff security, reducing collection and processing costs and removing cash shortages.

BP Oil New Zealand Limited



## Gunnebo's unique assets

In a fast-changing sector, Gunnebo is streets ahead of the competition and has fully embraced the retail cash handling market of tomorrow.

### A peerless global player with local presence

An international service organization with a strong local presence, Gunnebo has an in-depth and unique knowledge of the retail cash handling market, coupled with extensive experience of working with banks and CIT companies. We offer a one-stop-shop for hardware, software and optimized customer services.

### Flawless command of the cash handling chain

We have mastered the entire cash handling chain, from R&D and manufacturing to installation, technical support and project management. We guarantee retailers long-term viability and a high level of maintainability, as well as openness and ability to work with external existing systems.

### Innovative thinking

Focused on retailers and the challenges they face, we have always been an innovative and forward-thinking player working to the highest standards.

### Connectivity and data-hosting

We have already taken into account the need for more efficient cash logistics. Our solutions provide full integration with retailers' banking systems, enabling pre-credit and thus increasing retailers' liquidity. Thanks to our software and communication tools, we're at the center of the cash management. So retailers know we are the only interface they need.

### First rate customer-service

Our solutions offer seamless 24/7 back-up systems to optimize performance. Benefiting from our remote assistance organization, our clients can count on us to prevent breakdowns, plan operating processes and cut costs.

We also provide full data security through our secure hosting infrastructure and remote connections. Our systems are protected by highly effective firewalls.

Retailers who choose to work with us do not have to worry about investing in innovation and resources: we take care of the entire IT set-up and team up with our customers to identify future solutions.

### A single software platform

We use the same software platform for all of our solutions. It handles communications and data exchange, enables accurate and real time upstream reporting on all targets and gives retailers complete control over the cash process for added security.

### A complete range of services

Our solutions include daily-use software and fully-managed services. In addition to remote management and cash monitoring, our systems offer optimal availability. They are fast to implement, simple for retailers to use and easy to update whenever existing stores are renewed or new ones opened.

We can also combine a wide variety of modules to meet our clients' specific needs and adapt to a wide range of business models, from basic to complex. We work with stores of all sizes and leave the choice to retailers.



Gunnebo is a leading provider of efficient and innovative security solutions and services to customers around the globe. It employs 5700 people in 32 countries across Europe, Asia, Africa, Australia and the Americas, and has a turnover of €580m. Gunnebo focuses its offering on Bank Security & Cash Handling, Secure Storage, Global Services and Entrance Control.

We make your world safer.

[www.gunnebo.com](http://www.gunnebo.com)



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For a safer world