El Pollo Loco Slashes False Alarm Costs by 95%

El Pollo Loco relies on Interface's managed video verified alarm services to cut false alarm costs and deter crime.

El Pollo Loco has carved a niche in the restaurant industry by combining the high quality dining experience found in fast casual restaurants with the convenience and value offered by quick service restaurants (QSRs).

To protect their inventory, assets, and people, El Pollo Loco relies on Interface's managed video verified alarms and intrusion alarm monitoring to reliably detect intrusions and minimize false alarms. With Interface, El Pollo Loco saves several thousand dollars in annual false alarm penalties across 198 locations.

Elpolloloco.com
Headquarters: Costa Mesa, CA

Interface Services for El Pollo Loco
• Managed Intrusion Alarm Monitoring
• Video Verified Alarms

ABOUT EL POLLO LOCO

El Pollo Loco (Nasdaq: LOCO) is the nation's leading fire-grilled chicken restaurant with a mission to bring people together around food, family, and culture in the communities it serves. El Pollo Loco is renowned for its handcrafted L.A. Mex food, an innovative blend of traditional Mexican cuisine and better-for-you eating, that Los Angeles is known for.

THE WILD WILD WEST

When Louis Burke, Senior Manager, Safety & Loss Prevention, joined El Pollo Loco, there were numerous challenges to grapple with. Burke had to contend with numerous alarm management protocols as El Pollo Loco had half a dozen vendors for intrusion alarms. Every vendor had different terms of engagement and there was no way to hold anyone responsible even when the alarm systems failed.

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Apparently, we had not signed up for a separate add-on service that would have ensured the communication channel between the alarm and the monitoring center was working. All along, we were paying service charges with no one monitoring our location and no communication from the alarm company."

This incident marked a turning point in El Pollo Loco's approach to loss prevention and paved the way for a complete review of how intrusion monitoring was implemented. This review presented a host of challenges that needed to be tackled.

1 **El Pollo Loco had security cameras only in about 60% of their stores.** The absence of cameras in a sizable number of restaurants made it difficult to carry out any investigation. Meanwhile, yearly false alarm bills were mounting even in locations that had the cameras as there was no way to verify the alarm before the police were dispatched.

2 **There was no system of properly assigning alarm codes to restaurant managers and key staff members.** The practice of employees sharing alarm codes was dangerously common. This left the retail chain vulnerable to insider theft and degraded its ability to audit intrusion events.

3 **Dealing with multiple alarm vendors with no standard service protocol and different engagement models turned out to be a nightmare.** Multiple invoices from vendors made cost management and mapping spend to performance almost impossible.

CONSOLIDATING ALARM SYSTEMS WITH INTERFACE

"We decided to untangle ourselves from the maze of alarm vendors and work with a company that understood our needs and was willing to take ownership for the service. That's why we decided to hire Interface.

When we first started the engagement, the first thing we did was to identify 26 restaurants from the toughest locations in our chain and established a robust protocol for monitoring and ongoing maintenance for the alarm systems," says Burke.

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The service scope included replacing outdated alarm systems with a state of the art new system along with Interface's 360 Alarm Maintenance Service that ensured all maintenance issues with duress buttons, connectivity, and the alarm panels were proactively addressed along with a comprehensive yearly technical inspection to ensure the alarm systems remain operational at all times.

In fact, the revamped managed alarm service by Interface became the gold standard for El Pollo Loco, as Burke's team insisted on following a similar engagement model and protocol with other service providers as well.

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All of this is taken care of with a single invoice that also covers alarm monitoring. So that's a huge win for us. Even when the alarm system is damaged in a burglary or fire, Interface has done their best to accommodate the repairs without slapping us with a huge bill," says Burke.

REINING FALSE ALARM COSTS

Once El Pollo Loco streamlined the basic alarm monitoring systems, Burke set his eyes on rolling out cameras to the remaining 40% of restaurants that still did not have video in place. However, the team wanted to effectively demonstrate ROI on the proposed investment first.

As Burke was reviewing the security operations, the hefty false alarm fines that added up to several thousands of dollars every year stood out. He worked with Interface to pilot Interface's video verified alarm service at a few of their restaurants that already had cameras installed. Interface made sure that its remote alarm monitoring team was able to connect to the camera network that was being managed by another vendor.

The results of the pilot project were eye opening. Every time a restaurant location had an alarm event, Interface's remote monitoring the local law enforcement or not. **Only 5% of the alarm events actually required police intervention. The rest were all false alarms!**

> **"In addition to the direct savings associated with eliminating false alarms, our store associates are a happy lot as there are hardly any instances of being woken up at odd hours with a false alarm. Every time a phone does ring, our associates know that they have a verified event."**

The pilot project paved the way for the installation of security cameras at all El Pollo Loco locations. Interface's video verified alarm was then made available in all the locations and directly contributed to thousands of dollars in savings per year, as El Pollo Loco cut down false alarm penalties and associated costs by 95% across their corporate owned restaurants.

"In addition to the direct savings associated with eliminating false alarms, our store associates are a happy lot as there are hardly any instances of being woken up at odd hours with a false alarm. Every time they receive an emergency call from Interface, our associates know that they have a verified event," says Burke.

INTERFACE - A TRUSTED PARTNER FOR EL POLLO LOCO

According to Burke, "Interface has always shown a willingness to work with us in defining a solution that's right for El Pollo Loco. Every time we face challenges, the Interface teams I work with come up with innovative ideas and solutions.
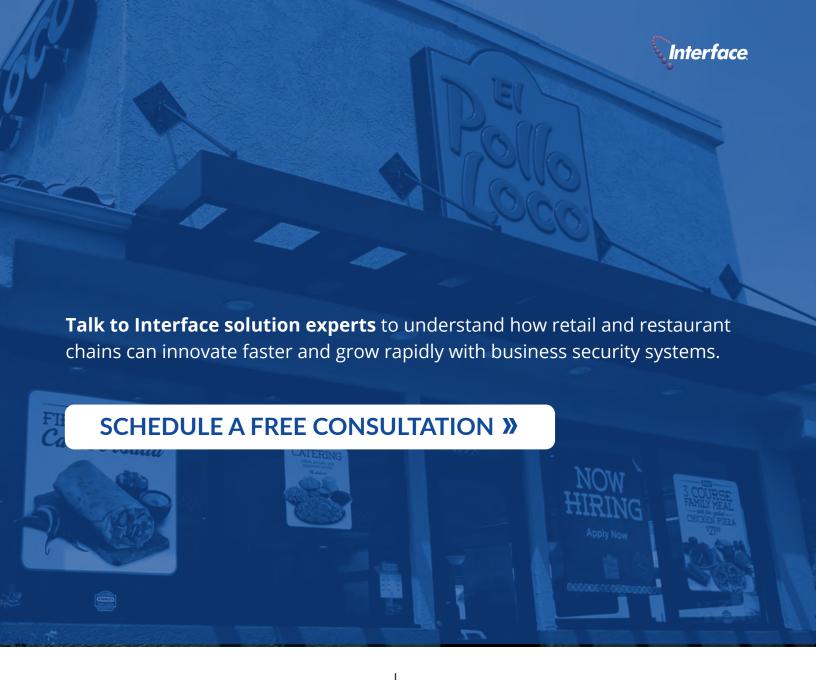
For example, the Interface team strategized with us to tackle specific security issues we have faced such as those presented by professional thieves and organized crime and were able to ramp-up our overall loss prevention and security capabilities."

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The custom-built video verified alarm solution is also helping to prevent crime at El Pollo Loco. Recently, a serial burglar attempted to make off with a significant amount of cash stolen from the smart safe at a Los Angeles-area location. The Interface Command and Control Center identified the burglary in progress and immediately dispatched the police. The burglar was arrested on the scene.

Interface has protected El Pollo Loco for over a decade now. Interface is currently in the process of working with their IT department to also eliminate expensive POTS lines and convert their alarm panels to help them reduce cost for all their locations.

> **"The biggest advantage of working with Interface is not just the value for money, it's the robust, process-oriented culture, the willingness to listen to customers, and the ability to creatively solve problems keeping the interest of the customer in mind. I have no hesitation in recommending Interface to all our franchises and also to any retail or restaurant chain looking to transform their physical security systems."**
>
> **- Louis Burke, Senior Manager, Safety & Loss Prevention, El Pollo Loco**

Interface

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