

Interface Asset Protection and Business Intelligence Solutions Boost Safety and Operations at Panda Express[®]

Interface Services For Panda Express

Virtual guard, video verified alarm, POS exception reporting, 4G wireless WAN backup



\$100K Savings in
false alarm fees



Vast improvements in
security for associates,
customers and assets.



Reduced shrink at
the POS

Panda Express at a glance

Andrew and Peggy Cherng opened the first Panda Express in Glendale, CA in 1983. Since it was established, the fast-casual restaurant brand serving American Chinese cuisine has steadily grown throughout the United States and ten other countries. Today, with more than 2,200 locations worldwide and 41,000 associates, it is America's largest family-owned and operated Asian dining concept.

Website: www.pandaexpress.com

Headquarters: Rosemead, CA

Key Challenges

Panda required a solution that would involve advanced technology to dramatically decrease shrink and resolve security inadequacies.

As a food service leader that prides itself on its variety of quality Chinese-cuisine-inspired dishes, Panda Express has always looked to excel internally as well, by building a strong company culture and a passionate team to stand behind the brand. From the beginning, Panda has always had high expectations for delivering best-in-class results. At one point, these results were being challenged by losses at the point of sale (POS) and growing false alarm penalties.

Panda store managers faced continuous distractions from false alarms, receiving calls from the legacy alarm company at all hours of the night and fines from local law enforcement for needless police dispatches. “When an alarm went off overnight, our managers would always err on the side of the caution, send police in, or go in themselves. That was dangerous in itself if there was actually a burglary happening inside the store,” says Lyle Forcum, Executive Director of Asset Protection at Panda Restaurant Group, parent company of Panda Express. “Additionally, we were losing significant amounts of money on false alarm charges.”



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Lyle Forcum
Exec Director, Asset Protection
Panda Restaurant Group

Solution

Interface’s innovative Central Command Center offers Virtual Guard interactive monitoring solutions that protect businesses 24/7/365.

Panda turned to Interface Systems, a leading provider of managed network, asset protection, and business intelligence solutions for a customized solution. First, to address the false alarm challenge, Interface installed a next-generation IP Interactive Monitoring system with live video and two-way audio, which offers a virtual, guard-like level of protection in every Panda location. Operators in the Interface monitoring center instantly verify any alarm from a Panda store with live streaming video, eliminating false alarms.

“What Interface offered us was eyes on target,” says Forcum. “They can look through the cameras and see what’s going on. We gave them the rules of engagement to basically make the decision whether to call the police or not, and only at the very end, call the store contact as the last resort.”

Forcum continues that Interface's solution offers Panda the flexibility to graduate the security levels from areas of lower crime to areas of higher crime rates. "We were able to gradually increase the security level, based on the threat and if the business was in a higher crime location," he says.

"We have what's called voice down, where the employee can call up to Interface, unbeknownst to anybody, and request help. The security professional can immediately look through those cameras, see what the disturbance is, and as a security professional, assess the disturbance. It removes the need for the General Managers to address the situation themselves and put themselves in harm's way. Plus, it puts the onus on a security professional, where it belongs."

"The Virtual Guard solution has been a big force multiplier for Panda. Virtual Guard is a great alternative, because in the immediate sense, you're going to have a security professional on the other end of the line to talk you through a situation. We also have suppliers that sometimes come late at night and have an option of actually taking a Virtual Guard in and out of that store. They really like that Virtual Guard Remote Escort option when it's two in the morning, and they're making a delivery of food or supplies to the Panda location and/or if that Panda location is in a higher crime area. The Virtual Guard takes that threat away", says Forcum.

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Panda had also implemented a customized, exception-based POS reporting system, which notifies Panda management whenever a suspicious transaction takes place at the register. Interface took the tool a step further by integrating it with the video surveillance and alarm systems at each of the Panda locations, allowing management to immediately connect to the video of any problematic transaction. The solution enables loss prevention professionals to quickly identify anomalies and prevent shrink. Top offenders from thousands of employees doing millions of transactions can easily be bubbled up to the top. The combination of business intelligence and video surveillance resulted in a massive reduction in shrink and cash shortage at the register.

“This system helps on several levels,” says Forcum. “First, it assists in the training of our cashiers, since every exception is pointed out in a subsequent format. Second, it allows the GM or Manager to know what’s going on when they’re not actually in the store.”

Result

With Interface, Panda has experienced vast improvements in security for its associates, customers and assets.

“With the remote monitoring system Interface put in place, we virtually eliminated those wasteful costs of false alarms charges, which were significant over the years,” says Forcum. “Since Panda hired me 12 years ago, and we’ve put these new solutions into play, we’ve had significant decreases in all our external and internal crime and the POS solutions have also resulted in more effective training, significant financial savings, and better customer service in the end.”

Forcum reports that Panda is saving over \$100K per year in false alarm fees and thousands of dollars per month per store in reduced shrink at the POS. The business intelligence provided allows for focused tracking and improved store operations, including people development, store performance data comparison, optimized store efficiencies, monitored intrusion data, and cash tracking. Panda and Interface have successfully partnered to create a potent security and loss prevention tool in the Quick Service Restaurant space.

“Interface is a partner that’s been collaborating with us on our needs from day one,” says Forcum. “The company understands what we need, and then it develops solutions towards that end. It doesn’t just come up with an off-the-shelf product and expect us to purchase it. Also, the interactive live video and two-way audio service that the company provides is invaluable. It’s very reassuring to have a security professional on

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the other end of that video working at the command center who can speak directly to the criminals inside our stores. Last, Interface has shown a real commitment to our business. We meet with them regularly to collaborate on new initiatives and on emerging issues that Panda faces. The company has truly become part of that solution voluntarily and eagerly. Other business partners do not do that. Interface is, in fact, a true part of the Panda team.”

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Talk to Interface solution experts to understand how retail and restaurant chains can innovate faster and grow rapidly with business security systems.

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