



## **Pathmark stores upgrades to IBM point-of-sale systems**

New ACE Software, 4690 OS and SurePOS 700s Help Speed Checkout and Increase

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Pathmark Stores, the first IBM supermarket customer to use scanning point-of-sale systems 30 years ago, is upgrading all of its stores to advanced IBM SurePOS 700 systems and new supermarket application software to speed checkout, increase capabilities and provide a retail-hardened platform to enable future promotions and services for Pathmark customers, IBM announced today.

IBM announced its first electronic point-of-sale systems 30 years ago, and Pathmark was one of IBM's first two customers for what was then a revolutionary new technology that utilized laser scanners and bar codes to speed checkout and improve inventory control.

Those original electronic POS systems and scanners from three decades ago have evolved into powerful computer-based systems that feature Internet access, multimedia capabilities and are connected to kiosks and wireless consumer access devices to allow Pathmark associates to perform a number of personalized services for increasingly choosy consumers. Today's POS systems form the backbone of the emerging store of the future in which these wireless devices, used by both the stores and shoppers, promise to change the retail shopping experience.

Pathmark Stores recently completed the replacement of all of its more than 2,700 IBM 4683 POS systems with new, advanced IBM SurePOS 700 systems in its 143 stores. Pathmark plans to standardize on the IBM 4690 Operating System for its POS network and also selected the IBM Application Client Server Environment (ACE) grocery application software.

"Our business requires an open, industry-standard platform that can run our current software, but still has the potential to run a wide range of other operating systems and applications in the future," said Bob Schoening, Sr. Vice President and CIO of Pathmark. "This kind of investment protection and retail hardening is critically important for us as we strive to deliver the best performance and prices for our customers. Combined with powerful new software, we have the flexibility and enhancements to build new applications for our shoppers."

The new SurePOS 700s are faster and offer much higher performance and flexibility. The open hardware connectivity also increases Pathmark's options for POS peripherals, such as displays, scanners, scales, receipt printers and payment terminals.

The typical Pathmark store uses 16 terminals, so reduced power consumption and systems management were additional reasons for the company's decision. The SurePOS 700 features "Powered USB," an IBM innovation designed to simplify both the number of power cords needed as well as adding POS peripherals. Powered USB also allows for "plug-and-play" exchange of peripherals, such as receipt printers, in the middle of a checkout transaction. Powered USB simplifies maintenance and promotes higher availability, which are important issues in speeding checkout.

Pathmark is also using the IBM 4610 Thermal Printer, which offers silent, faster printing for the consumer and helps facilitate a completely "clean" receipt in the future. The printer also promotes customer service by writing the face of the check for the consumer while franking the back of the check in a single pass.

#### ACE Software Adds Numerous Capabilities and Simplicity

Pathmark's plans to upgrade to IBM's ACE grocery application software will give Pathmark numerous capabilities to increase customer service and enhance promotions and merchandising. The simplicity of the new software also should enhance the ability to implement new applications and communications between the stores and headquarters.

The new software will allow Pathmark to more easily and consistently deploy new services and promotions in its stores for customers.

With its old system, for example, Pathmark was limited to having only 600 items on promotion at any one time. However, with the new system, Pathmark will now be able to double the number of items it can include in promotions. The new software will enable Pathmark to access Windows-based applications at the point-of-sale, vastly increasing the number of applications that can be run at the store. This capability was not available on the company's previous systems.

Looking to the future, the new IBM software positions Pathmark to take advantage of future demands on the in-store systems. For example, support for the new GTIN 14 digit UPC code is available through IBM 4690 OS, allowing Pathmark the opportunity to take advantage of this capability when required. In addition, simplified interfaces provided by the new software will much enhance the ability to deploy new applications such as Pharmacy integration.

#### **About Pathmark Stores**

Pathmark is a regional supermarket chain operating 143 stores in the New York-New Jersey and Philadelphia metropolitan areas.

#### **About IBM**

IBM, the world's largest information technology company, is the leader in providing the Retail Industry with a full range of e-business solutions, including: point-of-sale systems, other hardware and software technology, consulting focused on business transformation, IT strategy and planning, store operations improvement, and supply chain optimization, and with services, such as outsourcing, managed operations, systems integration, and application development and design. IBM has a list of retail customers in 100 countries worldwide that reads like a "Who's Who" of retailing. For more information on IBM Retail Solutions, please visit [www.ibm.com/industries/retail/store](http://www.ibm.com/industries/retail/store)