

IBM Retail Store Solutions Press coverage January 2000 SurePOS 700 Series Announcements

15 stories were announcement driven -- the web-enabled cash register. The other seven were proactive placements including the Investors Business Daily Q&A, the New York Daily News story, and the TV coverage around FMI MT, the supermarket show in San Francisco last week.

New York Daily News; February 1, 2000;
IBM Tests Technology to Allow Grocery Orders from Home

by Judith Schoolman

02/01/2000

KRTBN Knight-Ridder Tribune Business News: Daily News - New York City

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Picture this -- you're on the subway going home and realize you are out of all the fixings you need for tonight's spaghetti and meatball dinner.

Out comes your Palm Pilot. With a few touch strokes and a quick modem connection to your cell phone, you've ordered a cart-load of food, put it on your credit card and arranged for delivery to your home.

All this, and you didn't even have to give up your seat.

Sounds far-fetched? Not according to IBM. Expect to see it sometime this year.

Aimed at the 20 percent of the grocery shopping world that spends 80 percent of the money, Easi-Order is being tested in Britain, said James Green, IBM's vice president of marketing for the retail industry.

Combining technologies now commonplace, Easi - Order merges hand-held computing, wireless communication and computerized ordering and inventory control.

Completing the picture is a built-in scanner, such as those at store check-out counters. At home, a shopper could use an electronic eye connected to the Palm Pilot to scan the bar codes of items she wanted to buy -- for example, she could scan on the dairy and packaged foods in her refrigerator or on her shelves and, using Easi-Order , get the desired brand and size.

"We're working with companies in the U.S. now," Green said. "New York is a great location for it....This is a time-starved population and New Yorkers are especially oriented toward special services, such as delivery," he said.

Using the British model, a supermarket's biggest spenders would each get a free, specially programmed Palm Pilot that connected the shopper with a particular chain of stores.

Each device would contain a customized grocery list for the shopper, including recipe suggestions. Data could be updated to promote new products that might appeal to that individual.

Dallas Morning News, February 3, 2000,
If You Forgot to Get Milk, Just Order Your PDA

By Judith Schoolman / Knight Ridder News Service
Published 02-03-2000

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Wall Street Journal, February 10, 2000,
IBM Unveils Net-Enabled Registers

By KEVIN DELANEY
Staff Reporter of THE WALL STREET JOURNAL

PARIS -- Shoppers and sales staff will be able to log in at the checkout starting this spring, as International Business Machines Corp. rolls out what it says are the world's first Internet-enabled cash registers for retail stores.

The new SurePOS line, which the U.S. computer giant plans to unveil Thursday, will let customers access orders they placed online when they're in retail outlets. So they might, for example, cancel the purchase of a sweater they made over the Internet once they have tried it on in a store. Online frequent buyer programs and preferences -- such as what type of books a customer likes -- could also be accessed from the in-store cash register. And IBM says the new machines could be linked to computer terminals at the checkout or elsewhere that would make it easier for consumers to find information and perform self-service activities.

For retail staff, the cash register will allow them to access information about online sales and supply chain information through a Web interface. So a cashier, for example, might have a better idea of when an out of stock item might be delivered to the store from a supplier. And a manager could create in-store discounts after viewing the levels of inventory and sales activity across the Internet and retail outlets.

The new cash registers mark a further development for retailers' efforts to coordinate their online and off-line activities. It's one of the first concrete applications developed to bring the Internet into the retail space, rather than just bring retail to the Internet. And IBM's heft in the industry -- it leads the field with a roughly 15% share of registers sold world-wide -- suggests that more sophisticated in-store digital technology is on the horizon.

"We want to enable an environment whereby a customer can transact though the Web, a [standalone computer] kiosk, at the till, or through a mobile phone and get the same experience," says Kevin McEvoy, business manager for IBM's retail store solutions unit in Europe, the Middle East, and Africa.

The cash register hardware that enables this new functionality is based on standard PC microprocessors, with the high-end devices running on 500 megahertz Intel Celeron chips. Retailers can install their own software and run a variety of operating systems, including Microsoft Windows and Sco-Unix. A number of software makers allied with IBM are developing in-store applications to run on the machines.

A flat panel display with an 8.5 inch viewable area comes standard in the SurePOS 700 series, and IBM says additional displays could be added to the machines for customer-facing applications. They also support the high-quality digital video standard, Digital Video Interface, used for DVDs, and have DVD and CD-Rom players as optional add-ons.

The new SurePOS line also brings some computer industry standards to machines that were traditionally based on proprietary or sector-specific technology. For one, the registers come equipped with Universal Serial Bus ports similar to those found on most new personal computers. The UBS technology will allow store owners to plug in off-the-shelf peripherals like printers and

scanners, something that wasn't possible before.

IBM will begin releasing the first cash registers in the new series in March. It plans to deliver a so-called "thin-client" version in May, where most of the computing brains reside on central computer servers. Those cash registers would access data and applications over the network, as part of a centralized setup that's often easier for technicians to maintain.

It's clear that the sort of in-store Internet activity IBM describes would require businesses to overhaul much of their existing computing and network infrastructure, like supply chain systems, if they haven't done so already.

And the SurePOS line will arrive in what is largely a wasteland of Internet use in retail outlets. Some stores using personal computers as cash registers are able to pull up Web sites from the checkout. But those systems tend to be less scalable and robust than the kind of machines IBM, NCR Corp., Siemens Nixdorf, and others are cranking out.

Retailers, for their part, have mostly been focusing on getting online sales up and running and addressing related issues like how to get the products to customers. In recent months, efforts to integrate Internet and in-store sales have taken on new momentum at retailers like France's FNAC, a division of Pinault-Printemps Redoute SA, and England's W.H. Smith bookstores.

But, "it's still a lot in the making," says Mikael Arnbjerg, a market analyst with International Data Corp. "The traditional retailers have been a little confused about how to use this media."

The retailers are beginning to find that confusion is costing them as more sales move to the Internet. Business-to-consumer retail activity will more than double to 13 billion euros (\$12.8 billion) this year in Western Europe, according to IDC estimates.

Analysts say the new register technology could help break down individuals' fears about placing orders over the Internet that have hindered the takeoff of e-commerce to date.

"It's clearly going to increase the reliability of the whole system of online ordering and increase consumer confidence in that," says Tony Sherit, European retail analyst at Credit Suisse First Boston in London.

Depending on how the registers are used, they could also hasten the collapse of separate pricing policies for the different outlets. Consumers would likely respond negatively to deep discounts for online purchases if they can see access those from the store.

"The integration of the thing and the visibility from the front end raise issues from the retailers point of view about how much transparency they want in terms of pricing," says Mr. Sherit.

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Wall Street Journal Europe, February 10, 2000,
IBM Plans Web-Ready Registers

By Kevin J. Delaney
Staff Reporter of The Wall Street Journal

The Wall Street Journal via Dow Jones

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Karstadt, a German department store chain, will be among the first retailers to install the high-tech cash registers.

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IBM is not the only register manufacturer rushing to provide Internet functions at the checkout. NCR Corp. announced last autumn plans to release new software that displays Web-based content to customers on cash register displays. It expects that system to appear in stores starting this summer.

Also, Wincor Nixdorf, which recently changed its name from Siemens Nixdorf, says several retailers are testing cash registers it has manufactured that can access information over the Internet. Wincor Nixdorf is jointly owned by Kohlberg Kravis Roberts & Co. and GS Capital Partners III LP, the private equity arm of Goldman Sachs Group Inc.

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Reuters, February 10, 2000,

IBM marries the cash register to the Internet

NEW YORK, Feb 10 (Reuters) - International Business Machines Corp. <IBM.N> unveiled on Thursday what it said was the first Internet-enabled cash register to bring together online and in-store sales activities and provide store managers with more up-to-date information.

The SurePOS 700 Series, a cross between a cash register and an Internet access point, was already available in Karstadt<KARG.F>, one of Germany's largest department stores, said Ian Colley, spokesman for IBM, the world's largest computer maker. It would be rolled out worldwide in March. "It brings sales channels -- the way retailers touch their customers -- together," he said.

The system would enable customers to access online orders while at the store, Colley said. In this way, a customer who had previously placed an order for a dress, for example, could try on and, if it was unsuitable, cancel the transaction. It would also allow retailers to offer the same loyalty programmes in the store as they do online.

The terminal, placed in a kiosk, enabled customers to access product information and the retailer's electronic commerce Website. The interactive system came with a flat-panel display that allowed customers to search out specific information and provided a venue for retailers to advertise, Colley said.

The SurePOS 700 Series was designed to provide retailers direct access to their supply chain, allowing them to keep tabs on inventory, and to cut prices on items that start piling up.

The system, which IBM said would replace current cash registers, would also allow retailers to know when a particular item would be delivered. "For example, if a customer comes looking for a product not in the store, the cashier can go through the supply chain and tell the customer when it will be in or have it shipped," Colley said.

Armonk, N.Y.-based IBM, which has about 15 percent of the worldwide cash-register market, was also working with independent software vendors to ensure that software designed for specific stores would run on the SurePOS 700 Series, Colley said. "Over the next few years, most stores will migrate to this type of Internet-powered cash register," he added.

((Iaina Jonas, New York News desk, 212-859-1676)) REUTERS Rtr 06:05 02-10-00

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Bloomberg News, February 10, 2000,
Big Blue plans cash registers with Net access

By Bloomberg News
Special to CNET News.com
February 10, 2000, 4:40 a.m. PT

ARMONK, N.J.--IBM, the giant computer maker, is expected to unveil Internet-enabled cash registers tomorrow that allow customers to access orders they placed online when they are in retail stores, according to reports.

IBM will likely release the cash registers next month. It is the latest step in retailers' efforts to coordinate their online and offline activities, the Wall Street Journal reported.

IBM today unveiled its first supercomputer powered by copper microprocessors that can perform simulations and analyze data for research faster than conventional processors using aluminum wire.

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CNBC Cable, Today's Business Edition, February 10, 2000, 5am

37.00 IBM.

IBM is rolling out the first web accessible cash register.

GR; IBM logo. SurePOS is the name of the new line. V; IBM logos and computers. This will allow consumers to get items they ordered previously online. GR; IBM. 37.39

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NPR, Morning Edition, February 10, 2000, 6am

49.50 News. > Hackers hit websites again yesterday crippling E-Trade, Z.D.Net and other sites temporarily. Has government and business calling for improved security. Less than one in ten businesses have installed a fire wall. I; Mike Martouchie, VP of Watchguard Technologies, says hackers took over unprotected Internet services. Leashed a blizzard at sites like Amazon.com and E-Trade piling up electronic snow. The Computer Emergency Response Team at Carnegie Mellon is offering free software and tips to help small businesses to avoid being hijacked. Steven Head reporting.

49.51 > The attacks are rattling Wall Street. SB; NYSE. Gives market activity.

49.52 > IBM wants to run the Information Highway straight into your local mall. Will introduce the first Internet cash register according to the Wall Street Journal. Aimed at making shopping easier. > Boeing strike. Recap from 5 a.m. and above. Pierre Arronson reporting. SPEEA. > Wall Street activity. 53.08

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CNNfn, Before Hours, February 10, 2000, 8am

28.01 IBM. **IBM is rolling out a new line of cash registers.** Their Sure POS 700 series is a cross between a cash register and an Internet access point. 28.19

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CNBC, Today's Business, February 10, 2000, 6am

36.21 **IBM Plan.** Shoppers and sales staff can check out on the computer as IBM comes out with the first web accessible cash register. GR; IBM logo. V; IBM Aptiva. GR; IBM stock, over 3 months. 36.55.

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First Business, Syndicated Radio Broadcast, February 10, 2000, 5am

12.15 **IBM.** You will soon be able to log onto the Internet at the check out counter. Later today IBM plans to unveil what it says is the worlds first Internet enabled cash register to retail stores. 12.46

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WABC-TV Ch. 7 NY, Eyewitness News, February 10, 2000, 6am

1.23.01 TZ; Business/Claire Leka. > IBM is rolling out first Internet ready cash register > GR; closing charts. 1.25.44

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WCBS-AM, Newsradio 88, NY, February 10, 2000, 7am
24.40 > **IBM**. Cash registers with Internet access. Advantages.

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WCBS-AM, Newsradio 88 NY, February 10, 2000, 8am
54.40 Business News. Joe Connally. > IBM unveils cash register with Internet access. 56.12

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CNET Radio Morning Show 02/10/00 6:00 AM - 7:00 AM

BROADCAST TRANSCRIPT

Date February 10, 2000
Time 06:00 AM - 07:00 AM
Station CNET
Location New York
Program CNET Radio Morning Show

Brian Cooley, anchor:

On a much lighter side of e-commerce, IBM says the next wave of cash registers which they're announcing today will be fully Web enabled. And the idea is to blur the line between bricks-and-mortar (sic) stores and online cyber stores. We'll have details on how they're going to do that coming up in just moments.

* * *

Cooley: We're also going to tell you what's happening with the next generation of cash registers being announced today. IBM says when you go to pay for your goods at a store next time, you might actually walk up to a Web terminal, not a cash register the way you know it.

* * *

Cooley: We're also looking at a remarkable move here by the folks over at IBM, turning cash registers into Internet terminals. This one's remarkable. They have something called the Sure POS line being announced today. It is a line of cash registers that are going to have a Web browser in them, so that the person you deal with when you pay can check stock on the company's availability if you're buying something that has to be ordered or shipped to you, for example. And they're trying to move the two between each other. So when you go to a store, it might not be to buy something, but to look and purchase it for delivery, not necessarily to take home with you. You may scoff at that model, but it works really well for Gateway. Their Gateway country stores don't sell anything. You can't take a computer home from a Gateway country store, and yet they're opening another hundred and fifty of them this year. They find out that there's a great synergy between having a show room where people can see the product, and then the order fulfillment comes out of central warehouses over a mail-order purchase system. And the Internet ties them together. Great efficiency of the central warehouse, and you still make consumers happy because they can get their

hands and see things in the traditional brick-and-mortar way. Best of both worlds, many say. And IBM says their new cash registers, with a very nice panel Web browser display on them, are going to take advantage of exactly that.

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The Asian Wall Street Journal, February 11, 2000,
IBM's Internet-Enabled Register Will Bring Web to Retail Stores

02/11/2000

The Asian Wall Street Journal

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(Copyright (c) 2000, Dow Jones & Company, Inc.)

PARIS -- Shoppers and sales staff will be able to log in at the checkout starting in a few months, as International Business Machines Corp. rolls out what it says are the world's first Internet-enabled cash registers for retail stores.

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Orlando Sentinel, February 11, 2000,
New IBM Cash Register Compatible with Internet

NEW YORK - International Business Machines Corp. unveiled on Thursday what it said was the first Internet-enabled cash register to bring together online and in-store sales activities and provide store managers with more up-to-date information. The SurePOS 700 Series, a cross between a cash register and an Internet access point, is already in Karstadt, one of Germany's largest department stores, said Ian Colley, spokesman for IBM, the world's largest computer maker. It would be rolled out worldwide in March. Armonk, N.Y.-based IBM, which has about 15 percent of the worldwide cash-register market, was also working with independent software vendors to ensure that software designed for specific stores would run on the SurePOS 700 Series, Colley said. The SurePOS provides retailers direct access to their supply chain, allowing them to keep tabs on inventory and to cut prices on items that start piling up.
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Investor's Business Daily, February 11, 2000,
IBM's Jim Green On Mergers Of Clicks-And-Bricks Retailers
By Marilyn Much

Confused over who's selling what, where and how? Get used to it, because it's about to get worse.

The retail game is changing. Land-based stores and dot-coms are merging to gain an edge in today's fiercely competitive market.

Jim Green, vice president of global retail industry for IBM Corp., recently spoke with IBD about the merger trend - and how the winners will succeed.

IBD: *What's driving the increase in merger activity?*

Green: We've done a lot of consulting with retailers that are looking at mergers and acquisitions as a way to expand their portfolios. They're looking for brands, access, selection, information and convenience.

There's a strong merger-and-acquisition activity among large traditional retailers. In 1998, there were 21 M & A's between companies of over \$1 billion in revenue. This trend stayed strong in 1999 and should continue into 2000.

For example, in 1999, Wal-Mart bought Britain's supermarket chain, Asda Group. And the French supermarket group Carrefour bought rival Promodes to create the world's second largest retailer. The mega-retailers are consolidating to get bigger and take advantage of economies and buying leverage.

We'll see a lot of acquisitions and mergers between clicks and clicks, and bricks and clicks, once the stock prices of dot.coms and e-tailers come down to more reasonable levels.

IBD: *What other types of combinations are we seeing?*

Green: Clicks and bricks are merging through alliances and various ways to expand access and selection. It's also an opportunity to broaden their merchandise categories.

In 1999, Best Buy Inc, through its Bestbuy.com, invested \$10 million in Etown.com, an online information source for buyers of consumer electronic products and services.

CVS Corp. last month formed an alliance for health care portal Healtheon/WebMD to provide health content for its CVS.com site. The two companies will develop new products and technologies.

By doing this, CVS.com becomes the exclusive pharmacy and online drugstore for webmd, an Internet health community. This fits into CVS' strategy to be the preferred e-drugstore - on and offline.

IBD: *What's in this for traditional retailers? How will it make them strong rivals?*

Green: They're looking for ways to differentiate themselves. In the future, the retailers that will resonate with consumers are those that offer a multichannel model.

Consumers want the convenience of consistent service and value delivered anywhere, anytime, across multiple channels.

The Gap is an example of a company that's taken a strong brand and leveraged it via a multichannel strategy. It's one of the few where we can buy on the Web and make returns in the store.

They recognize the product purchase experience across various channels. This makes a competitive difference in the market because that's what consumers want.

IBD: *What does each player bring to the table in these various mergers?*

Green: That depends on the partners, what they are seeking to achieve and the competitive situation. CVS, with its WebMD pact, is trying to differentiate itself from the increasing number of pure-play drugstores.

We're also seeing dot-coms merging with dot-coms. In January, luxury goods site Ashford.com said it would buy fragrance marketer Jasmin.com. They got together to strengthen their brand images, as a combined site of luxury goods and fragrances, they're providing a broader selection and gaining access to each other's customers.

Also last month, Drugstore.com said it would buy health and beauty site Beauty.com. Drugstore.com wants to gain access to the \$6.2 billion market for cosmetics and personal care. Each company gains access to a new set of customers.

IBD: *What else are retailers doing to strengthen their positions?*

Green: We're also seeing clicks moving to bricks. Gazoontite.com, a seller of allergy and asthma treatments, is opening brick-and-mortar stores. And there's been some suggestion that Amazon.com will do the same.

This all goes back to the multi-channel strategy. People really like the idea that they can have contact with some merchandise, such as apparel.

You go to the Web to see pictures and get the best prices. You go to the stores to touch and feel. Anyone with a storefront is looking at merchandising as a key differentiating factor. Merchandising is a critical part of the whole buying experience.

In the future, we'll see clicks and land based stores doing cross promotions, and they'll be aggregating offers of value based on lifestyle needs.

IBD: *How will these trends affect consumers?*

Green: The consumer is the winner. The power has shifted to the consumer. The Net has leveled the playing field and has broadened the categories of merchandise available. Consumers feel they can get in on one-stop shopping.

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ComputerWorld, February 14, 2000,
IBM Cash Registers Come With Web Support

Devices expected to help retailers integrate channels
Carol Sliwa

02/14/2000
ComputerWorld
Page 6
(Copyright 2000 by Computerworld, Inc. All rights reserved.)

By Carol Sliwa

IBM last week unveiled a Web-enabled cash register that will help in-store employees gain access to customer data from all of the retailer's channels -- whether brick-and-mortar, catalog or online.

The all-channel devices ultimately should help retailers improve customer service, sell merchandise not available in physical stores to in-store shoppers and even prevent fraud, IBM said.

For instance, checkout workers using IBM 's new SurePOS machines could verify a credit-card holder's identity if the owner's photograph is on file.

Or, using the device's Web-enabled screen, employees could suggest and then show customers accessories related to their purchases, especially items that the brick-and-mortar store doesn't stock. Customers could order the items on the spot and select the desired method of delivery.

The point-of-sale devices can also help companies link loyalty-program and merchandise-return systems, IBM said.

Karstadt, a major German retailer, is pilot-testing SurePOS machines, and an IBM official said two large U.S. retailers have expressed interest in the devices, which are expected to roll out in the next few months.

"This might be a wake-up call for a lot of people who are thinking about a clicks-and-mortar strategy," said Paul Farris, a professor at the University of Virginia's Darden Graduate School of Business Administration.

Companies that split off their dot-com operations -- even to the point of offering different pricing schemes on the Web than they do in their stores -- might rethink some of their decisions.

"It would be a hell of a lot harder to have two separate organizations running one cash register," Farris said. "I'm not saying you can't do it. But I'd want to go back to the drawing board and say, 'Is this going to work the way we thought it was going to work?'"

The SurePOS line features a Java-enabled Universal Serial Bus, which gives users a choice of printers, scanners and other peripherals.

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ZDTV Cable Television, February 17, 2000, IBM Internet Cash Register

IBM INTERNET CASH REGISTER

02/17 to 02/18

Working the Web

ZDTV Cable

02/17/2000

10:30 - 11:00 pm

09.30 E-Commerce Weekly Roundup/David Stevenson. > The recent denial of service attacks may have cost web sites \$1.2 billion in total. GR; Yahoo web site. The Yankee Group reports that the hacked sites experienced service slowdowns leading to \$1 billion in total capitalization losses and more than \$100 million in ad and sales losses. GR; eBay web site. GR; CNN.com web site. GR; Datek Online web site. GR; Amazon.com web site. The report calls for companies to shift from accommodating large volumes of traffic to building more secure web sites. GR; ZDNet web site. GR; Buy.com web site. > RealNames.com has been hacked. This attack is believed to be unrelated to the recent wave of DOS assaults. GR; RealNames web site. The company says that its customer database was breached and that user credit card numbers and passwords may have been accessed. RealNames says that it is working with the FBI and is enlisting an Internet security firm to run an audit. > [IBM has unveiled what it calls the first Internet enabled cash register.](#) GR; [IBM logo.](#) GR; [Photo of the cash register on the IBM web site.](#) It is a kiosk that allows customers to place or change online orders while in the store. [IBM says that employees can even take web based training courses while they work the counter.](#) [The registers will be rolled out worldwide in March.](#) > Microsoft and KPMG International are teaming up to help companies build their e-businesses. GR; Microsoft, KPMG logos. The program, dubbed KPMGMicrosoft.compractice(?) will offer strategy, branding, marketing and hosting services to aspiring web companies, all based around Microsoft's new Windows 2000 OS. GR; KPMG web site. GR; Microsoft.com web site. The companies say that they'll also create a series of research and development labs around the country to allow e-entrepreneurs to work directly with consultants. V; Boxes of Windows 2000. The program will launch in the net year and a half. > Online retailers go a big rush of traffic before Valentine's Day this year. Neilson NetRatings says that retailers used email to get the word out about special Valentine's Day offerings. GR; Unidentified web site. GR; Evite.com web site. Traffic to online greeting card sites leapt 20% over last month. Other sites that received large boosts from those sending gifts included RedEnvelope, 1-800-Flowers and Victoriasssecret.com. GR; RedEnvelope web site. GR; 1-800-Flowers.com web site. GR; Victoria's Secret web site. 11.55

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Bay-TV News, Channel 35, San Francisco, February 20, 2000
February 20, 2000
09:00 PM - 09:30 PM
BAY-TV Channel 35
Network
BAY-TV News

Diana Yee, anchor:

The latest in food gadgetry took center stage in San Francisco today. A newer technology, called the U-Scan machine, allows consumers to check out, pay for and bag their own groceries. Another item is the veggie Vision, which determines the identity of produce by evaluating its scent, weight and color.

Dennis Uhrich (IBM Sales Specialist): It's possible now to walk into a store and use a handheld terminal and actually go around and scan all of the items up, place them in the shopping cart, and by the end of the order press the button on the handheld and go to a pay station and pay for your basket of groceries--without having to go through the check-out line.

Yee: The convention is in town for one more day at the Moscone Center.

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KBWB-TV (WB) Channel Twenty, San Francisco, February 21, 2000
February 21, 2000
10:00 PM - 11:00 PM
KBWB-TV (WB) Channel Twenty
San Francisco
WB News

Cheryl Hurd, anchor:

Our Technology Reporter Scott McGrew always has his eyes open for new gadgets and the new ways to take our lives easier. So what do we have?

Scott McGrew reporting:

Oh yeah. Tonight we're gonna look at the grocery store of the future, the kitchen of the future, and the radio of the future. Let's start with Scott Budman at the grocery store.

Scott Budman reporting:

Forget about long lines at the grocery store. The future of shopping is high tech and personal--like this U-Scan machine that lets you check yourself out, bag your groceries, and, as long as you're of age, pay and go much faster than your last shopping trip.

Nina Robles (Optimal Robotics):

You can come here, scan your item, bag and pay because you were in a rush. It's really up to you how fast you want to go. This is how it's gonna work for you.

Budman: It's a brave new world of shopping where you can scan items you have in your pantry, and automatically order replacements over the Internet when you get them. Scan your meal into this computer and it will tell you the best way to prepare it, or one more button and an expert will show you.

Frank Walter (Invensys): You can monitor this system from any corner of the house, whether it's in the kitchen, Web pad or into your TV. You can also monitor what the kids are doing upstairs on their computer, on their TV: Are they playing the Gameboy or are they doing their homework and that type of thing.

Budman: And how about the Internet Refrigerator? This monitor is what you have, and tells you when you have to head back to the store. And when you get to the store you'll eventually see a machine like this. [IBM calls it Veggie Vision. It's a produce identifier, and it really does know its apples from its oranges. From fruit to canned goods, technology is making shopping easier and faster. About the only thing it can't do is make it cheaper.](#)

McGrew: Expect to see these self-scanning systems in a store near you any day now. They're already in about four hundred stores nationwide.

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KNTV-TV (ABC) Channel Eleven, San Francisco, February 22, 2000
February 22, 2000
05:30 AM - 07:00 AM
KNTV-TV (ABC) Channel Eleven
San Jose, Calif.
Good Morning San Jose

Laura Garcia, anchor:

Shopping online is popular, but your local chain of grocery stores probably isn't going anywhere just yet. Instead, it's getting more high tech. Scott Budman shows us the latest in shopping convenience.

Scott Budman reporting:

Forget about long lines at the grocery store. The future of shopping is high tech and personal--like this U-Scan machine that lets you check yourself out, bag your groceries, and, as long as you're of age, pay and go much faster than your last shopping trip.

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Garcia: I figure they'll just eat the food for us and digest it and everything else. It's amazing. And if you want to get the Kitchen of the Future installed in your home, expect to pay anywhere from three to five thousand dollars for the whole package. You'll see the self-scanning systems at a store near you any day now. They're already in about four hundred stores nationwide.

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ZDTV, San Francisco, February 23, 2000, 10:30 AM - 11:00 AM

Erica Hill, anchor:

You know, a lot of the technology we take for granted today actually got started at the supermarket. In fact, the checkout counter's probably the first place many people saw laser at work. And now, once again, technology's changing everything. Here in San Francisco, the Food Marketing Institute is giving us a look at the supermarket of the future. But first, Janet Yee gives us a look back.

Janet Yee reporting:

Remember 1970? Retail scanners are just being introduced.

Unidentified Man: A quick scan of the magnetic strip on the ticket and the terminal takes over the salesperson's role of keying in the item.

Unidentified Woman #1: You understand how it works?

Unidentified Woman #2: I think. I've been watching enough to kind of think I know.

Yee: And in 1973, the scanning system is revised. The bar code comes out. When passed over a scanning screen at the counter, the computer totals your bill.

Unidentified Woman #3: So it even tells me what I bought?

Yee: Well, that's all in the past. Engineers must shop for groceries too and they've been busy designing the future supermarket. At FMI 2000, dozens of companies are showing off their visions, some prototypes, some ready to go, all to make shopping faster and more convenient.

This is IBM's Veggie Vision, a prototype not quite ready for shelf. (Visual of Veggie Vision)

Ralph Martino (IBM): And what it does is it can scan and sense based upon size, shape, color and texture what a piece of produce is and then quickly bring up on a screen that item, the weight, the price, so that a checkout person can check the customer out more quickly. I could put a bag of golden delicious apples on and it is smart enough to know the difference. It'll come up and tell the checkout person this is a bag of apples and these are golden delicious apples. So it's more accurate, the consumer will get through the line more quickly and the retailer will have a more accurate checkout process for them.

Yee: Speed and accuracy. Isn't that what you want at the checkout line? Even if you like the idea of doing your own shopping, few actually like standing in line. Well, another new device may have a cure for that. So what you'll have is a handheld personal shopper. You can just walk down the aisles of the supermarket, pick out what you want, scan the bar code on the bottom of the product and the front of this little device will tell you what you're paying, what you're saving and if there's a special, like a two-for-one. And just as your grocery card fills up in the store, your bill is being totaled up front at the checkout.

Martino: And then I go out to the checkout area. And if I had a smart card, my account can be debited with what I purchased. And soon enough, I got enough balance in there I can quickly go straight to the door and out to my car and I'm on my way home.

Yee: When you get home, check out the number of ways to restock for your next trip. ICL's showroom refrigerator has an on-board computer. Just fill up your cart as you empty the fridge, then click a mouse.

Jerri Traflet (ICL Retail Systems): So that you don't have to spend a lot of time shopping in the store. Being able to take the information, send it to the store and have you pick up the items from the store, as opposed to going in and spending a lot of time picking them out.

Yee: If you don't want to spend time picking out items, you'll likely be checking out the Internet. You'll be saving time while some employee is making money doing your shopping.

Also hoping to make a profit is Netran with its solution, a point of sales system on a palm pilot. This is where your order may wind up when it gets to the supermarket. Someone else takes it from there.

Chris Kemp (Chief Executive Officer, Netran): You could go onto the Web, order all your groceries, pick them up on your way home from work in five minutes.

Yee: And in five minutes, you can make your own list. Netran has a home hand scanner.

Kemp: I can scan a couple of items. Then I can do this with my PC at home. Click this button and automatically create my shopping list.

Yee: Oh, we've come a long way, baby.

Woman #2: Oh. I didn't see that. Oh, that's great.

Unidentified Man #2: You see what you're getting and you know what you got.

Hill: Well, Leo (sp), a long way indeed. At least one recent study shows a third of all grocery stores are or have plans to go on-line. But there's one problem: A lot of people say they still like to squeeze their own tomatoes and smell the melon before they buy.