



PALADIN

DATA CORPORATION

We Make Stores Run Better.

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Paladin Think *POSitive* Newsletter

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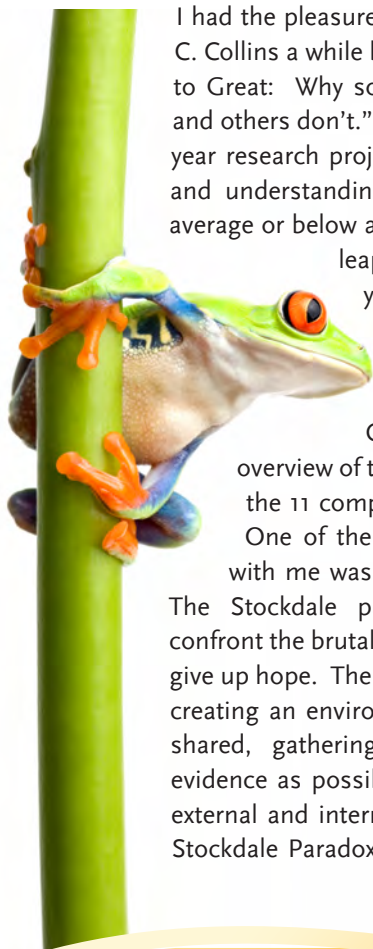
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PRESIDENT'S CORNER - LEAP TO GREATNESS



I had the pleasure of re-reading a book by James C. Collins a while back. The book is called "Good to Great: Why some companies make the leap and others don't." This book is based upon a five year research project and gives a very clear view and understanding of the principles that allow average or below average businesses to make the leap to greatness. It's almost 10 years old but the information is very timely in our challenging economy.

Collin's gives a detailed overview of the 7 common characteristics of the 11 companies he described as "great".

One of the characteristics that resonated with me was "Confronting the Brutal Facts: The Stockdale paradox," which tells you to confront the brutal truth of the situation but never give up hope. The individual components include creating an environment where the truth can be shared, gathering as much information and evidence as possible for accurate assessment of external and internal threats, and embracing the Stockdale Paradox, which is an unwavering faith

that you can and will prevail in the end. The Stockdale Paradox should not be confused with "false" hope.

We're all in a business and economic environment where average is not enough. One could argue that good is not enough. Great products, great services and great people will rule the day both now and in the years to come. At Paladin we're doing all we can to provide your businesses with the necessary tools to achieve and maintain greatness. Remember the saying, "Lead, Follow or Get Out of the Way" by Thomas Paine? Now is the right time to lead our companies to greatness by confronting the truth, being positive and taking action to achieve successful results.

UPCOMING EVENTS

Cardinal Health RBC

July 22 - 25, 2010 Denver, Colorado

Orgill Fall 2010 Dealer Market

August 12 - 14, 2010 Chicago, Illinois



IN-STORE MARKETING - POS BILLBOARDS

There are countless ways to market your business such as; local print advertising, mailings, signage, coupons, radio, in-store advertising, and the like. There's also another highly visible form of in-store marketing called "POS Billboards". POS Billboards enable you to capture your customer's attention while the Cashier rings-up their items. We've seen this form of marketing in many large-chain stores. Usually it's a small flat screen TV or monitor, or in some cases advertising that's displayed directly on the credit card terminal. The display monitor is usually playing a video or some sort of presentation and looping it over and over again. In some cases, there is an additional small window on the same screen that is broadcasting a sports game or television show. This is a form of entertainment for the customer and an efficient method for pushing additional product.

Many stores don't employ POS Billboards because of fear that it may be too expensive or complex to setup and implement. In reality, this highly visible and effective form of marketing is available to all Paladin customers and is astonishingly affordable.

In order to implement POS Billboards, there are a couple of hardware components and software applications that are required. Once you have the new devices and software installed, the next step is to create the media. The required hardware devices encompass a Flat Screen Monitor and a Dual Display Video Card. The software needed depends on the type of media being presented. Typically, the only software required is the Windows Media Player and/or Microsoft's PowerPoint application. However, there are several other highly sophisticated and moderately expensive applications available.



The entire "do-it-yourself" investment for the POS Billboard deployment can easily fall well below \$1,000 depending on the media production costs. If you leverage an existing employee resource that is well versed in creating streaming video or

PowerPoint presentations, the production cost is minimal. Paladin can provide all of the material necessary and assist in the setup for the cost of hardware, software and additional services. If you are interested, please contact Paladin sales and we'll be happy to get you setup.



BACKING UP DATA - NOT AN OPTION

Is making a backup really necessary? You probably think this question is rather silly and childish if your computer system has failed on you in the past. It is extremely important to create backups on a regular basis. What is “regular”? Good question. The answer depends on several criteria. The first question is, “How much transactional data are you willing to lose?” If the answer is “none”, then you may want to look at alternative methods like real-time replication and backup servers.

For most of us though, backing up a couple times a day falls within our comfort level. One nice feature in Paladin is backups can be performed anytime, by anyone. When backing up however, it is important to know which terminal to perform the backup on. In most cases the backup should be performed on Terminal #1. This will assure that the data will be written from the active database server.

So what is the “best practices” when it comes to backing up data? Very simply put, they are as follows:

1. Always backup your data the last thing in the evening and check every morning that the prior days backup is done. Backing up multiple times during the day is not a bad idea either.
2. Always backup using Terminal #1 or the primary database server.
3. The target drive for the Backup should always be on a different terminal and the DVD drive.
4. Assign an owner or owners to this task and post a clipboard next to the terminal for initialing that it was accomplished. As an

option, you may assign the task to a scheduled event in the Microsoft control panel. *Warning: even though the task may be automated, an individual should still confirm and signoff that the task was performed. There have been instances where tasks were dropped and scheduled backups were not performed and by the time it was discovered, it was too late.*

5. Take the DVD backup out of the store or place it into a fireproof safe. The medium used is typically a DVD, but flash drives may also be used.

6. Finally, don't forget to clear out and remove old backup files. Each time the backup function is performed the system stores it as a new file. Backup files can be large and may fill up your hard drive over time. Backups can be found in the root directory PaladinPOS under the folder named Backups, (C:\PaladinPOS\Backups)

Now if your hardware fails, Paladin can always get your system back to the same state it was when you backed up last. If you want further protection, as I mentioned above there is another option called

Replication. By adding the replication component, your data is mirrored, not only to an additional hard drive, but to an entirely separate machine. Replication does just what it says in the name, it replicates the data in near real-time to another terminal. That way, if the main server fails, the other server will have the identical information close to the moment the server crashed.

For more information on backups or the replication option, please contact Paladin.

Check List

- Always backup your data the last thing in the evening and check every morning that the prior days backup is done.
- Always backup using Terminal #1 or the primary database server.
- The target drive for the Backup should always be on a different terminal and the DVD drive
- Assign an owner or owners to this task and post a clipboard next to the terminal for initialing that it was accomplished.
- Take the DVD backup out of the store or place in into a fireproof safe.
- Clear out and remove old backup files.



PROTECTING YOUR COMPUTER

Nothing can guarantee the security of your computer 100 percent. However, you can continue to improve your computer's security and decrease the possibility of virus infection by keeping your system up-to-date, maintaining a current antivirus software subscription, and following a few best practices.

Steps to help you avoid getting a virus.

1. Keep your windows Operating System up to date.
2. Get a good anti virus program, Paladin uses, Trend Micro. This program needs to be kept up to date and should be set up to run a nightly scan. Paladin can install and set up this program for you.
3. Get a router with built in firewall and virus protection.
4. Being that this is your store and it needs to be able to stay up and running at top speed, Paladin recommends that your computers not be used for Internet surfing, IE: Facebook, Limewire, You Tube, MySpace, Pornographic and any other type of social Website.
5. E-mail, never open files from anyone you do not know and always scan files from people you do know.
6. Backup. Make sure you are making backups of your data and removing it from the store every night. This is to protect your files in case of some type of loss in the store.
7. It is a good idea to have the same anti virus program installed on all of your computers.
8. Try to not install any 3rd party software onto any of your store computers and if at all possible do not install 3rd party software on your main terminal.
9. Have all of your terminals plugged into a UPS (Uninterrupted Power Supply) also known as a battery backup.

Paladin Data would be happy to help you in making sure that your store is protected. Contact Paladin's Customer Support at support@paladinpos.com



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On March 23, 2010 the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (collectively "the Act") were signed into law by President Obama. The Act includes a number of modifications to employee benefit programs including a new provision as to what is considered eligible for reimbursement under Section 106 of the Internal Revenue Code of 1986, which affects requirements for transactions conducted with payment cards accessing these funds, by adding the following:

"(f) REIMBURSEMENTS FOR MEDICINE RESTRICTED TO PRESCRIBED DRUGS AND INSULIN.-For purposes of this section and section 105, reimbursement for expenses incurred for a medicine or a drug shall be treated as a reimbursement for medical expenses only if such medicine or drug is a prescribed drug (determined without regard to whether such drug is available without a prescription) or is insulin."

For SIGIS members who are IIAS certified, the significance of the change is represented in its impact to the Eligible Products List (EPL). Under the Act, items such as cough medicines, pain relievers, acid controllers, and diaper rash ointment will no longer be eligible for purchase using FSA or HRA payment cards. Instead, consumers will be required to purchase these items using some other form of payment and then submit a reimbursement request, accompanied by a doctor's prescription to their health benefit plan. Insulin and other OTC items, such as band-aids, will continue to be eligible without a prescription.

While many provisions of the Act do not become effective for several years, the change described above becomes effective January 1, 2011. In advance of the effective date, SIGIS has and will continue to assess the impact to the EPL, removing items no longer considered eligible under the Act, in order that certified IIAS members can meet the new eligibility criteria. Go to the official SIGIS website for up-to-date detailed information under their SIGIS News: News Releases. www.sig-is.org

Should you have any questions please do not hesitate to contact SIGIS at help@sig-is.org or 925-275-6605.



[the intelligent POS system]

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