



PALADIN

DATA CORPORATION

We Make Stores Run Better.

Winter 2010/2011

Paladin Think *POSitive* Newsletter

IN THIS ISSUE:

PRESIDENT'S CORNER

SOLUTION HIGHLIGHT - EMAIL FEATURE

TECH TIP -- PROTECTION & PERFORMANCE

TECH TIP -- PALADIN SELF-HELP TOOLS

TECH TIP -- STORED CATALOG MANAGEMENT

PHARMACY PARTNER UPDATE

SIGIS UPDATE NOTICE

UPCOMING EVENTS



PRESIDENT'S CORNER

As the various economic reports flow from the sources that monitor business activity, it appears there are some very positive indications that we may be seeing the proverbial "light at the end of the tunnel." While many of those reports have a very political purpose to affect public opinion, there seems to be a growing level of optimism within the business community that can't be ignored.



The Federal Reserve's December Beige Book, which surveys national economic conditions, reports that for the October to mid-November period economic activity continued to grow, albeit at a slow pace. The report indicates that manufacturing activity increased, with strong growth for auto and metal fabrication. Professional and non-financial services also continued to show steady growth.

Retailers reported strong November sales in another sign that the industry's biggest selling season got off to a good start. Among 27 retailers that reported their results, more than three quarters of them topped Wall Street expectations, leading to a 6% increase in November sales beating the 3.6% analysts' average estimate.

Our own anecdotal research through dialogue with our current and prospective customers indicates there is a much higher expectation for economic growth in the coming months, a cautious but real optimism that has allowed us to re-engage with those who have been putting off discussions about upgrades, conversion or installation of our powerful point-of-sale solution.

As the president of Paladin one of my most important functions is to monitor economic activity and use that information in our short and long term planning. What I'm seeing gives me hope that the "light at the end of the tunnel" is getting closer, and it isn't the train we all fear.

IMPROVE THE BOTTOM LINE: USE EMAIL

In this economy we are all looking for ways to reduce our spending and increase our revenue. Paladin POS offers a number of optional programs that help to accomplish this goal. One of the most effect programs is the email statement option. This enables store owners to automatically email invoices or statements directly to their customers eliminating the need for paper copies.

It is estimated that each monthly statement costs roughly \$4.00 to print, stuff and mail. In some cases it may be much higher than estimated. This is a known fact and part of the cost of doing business, but it's the store owner who is fronting the costs for this service.

Paladin's POS email statement option allows you to forgo the standard expenses associated with producing and mailing statements. An average store that is producing 200 invoices per month can save as much as \$10,000 a year! The only prerequisite for kicking this off, is to activate the email program and then convince a fair share of your customers to convert to electronic statements. The latter can be accomplished through marketing campaigns which offer incentives or extend discounts to customers that switch to electronic billing.

The Paladin email option is a mere \$799 per store location. This is a drop in the bucket considering the potential return on investment. However, we are offering this program to customers and prospects for the discounted price of \$499 through Spring 2011. Simply contact a Paladin Sales Consultant and mention the "Newsletter Email Special" in order to receive this limited-time discount.



TECH TIP -- EXTRA PROTECTION / PERFORMANCE

Do you want to provide optimum protection of your point of sales data? Do you want to achieve optimum performance and make your POS stations more responsive? There is a very simple and inexpensive way to achieve both. Upgrade your computers. By adding a dedicated server and/or upgrading your POS terminals, you can improve performance by as much as 10 times.

Hardware is cheap, relatively speaking. And when it comes to working with slow unresponsive computers versus super fast processing, the payoff in reduced frustration alone is substantial. Paladin has written several newsletter articles on this subject as performance is one area that just doesn't seem to resolve itself. If ignored, the problem just gets worse until finally we begin pulling our hair out and screaming profanities at the darn thing. It's not the computer's fault. All equipment has a lifespan just like people, but computers can't take vitamins or supplements to boost their performance when they begin maturing. Computers will eventually burn out and lag behind the software as new features and software applications continually demand more and more computer resources. That's just the way it is.

Paladin recommends the latest business-class dual and quad processors to get the most performance out of your Paladin POS system. As device manufacturers catch up with the 64bit technology, we will eventually migrate in that direction. But for now, 32bit is more suitable and the more stable platform for the POS stations. However, for back-office, 64 bit machines work extremely well.

As it pertains to protection, a dedicated server is highly recommended. What we mean by "dedicated", is a computer that is devoted to a single function in life, in this case acting as a server. We are talking about a dedicated computer that is behind a glass wall and fully protected from outside usage. A dedicated server provides the following additional security and performance services:

1. Enhanced Virus Protection; by restricting any access to internet surfing and email applications and associated attachments.
2. Superior backup support; using a dedicated high-capacity hard disk specifically for backup purposes.
3. Stream-lined database processing; by reserving the server exclusively for Paladin POS.



In order to provide additional protection, a second mirrored server is also a good idea. This adds yet another layer of protection and redundancy that will almost guarantee 99.99% uptime. This option requires a backup server that is identical to the dedicated server as well as the Replication Server component. This provides additional uptime insurance for your store operations and data protection.

For more information on this subject, contact a Paladin support representative or sales consultant.

“when it comes to working with slow unresponsive computers versus super fast processing, the payoff in reduced frustration alone is substantial”



TECH-TIP -- PALADIN SELF-HELP TOOLS



Nothing tops speaking directly with a Paladin Service Technician to get a problem resolved or to get a question answered. However, there are other self-help resources available to Paladin customers

should the need arise. One of the best self-help tools that Paladin provides is the Paladin Knowledgebase. This service is available only to Paladin customers and accessed by clicking on the "Support" icon on your desktop, then clicking on the "Knowledgebase" link.

Once in Knowledgebase, simply type a keyword or phrase in order to find a potential solution to your issue/question. There are hundreds of solutions in the knowledgebase that can help bring instant clarity to many issues. Some of the categories include topics covering everything from Invoices, Accounts Receivables and Inventory to Printing, Backups and EDI.

In addition to the Knowledgebase, there are other self-help resources available to Paladin customers, such as the Paladin Training Library, Paladin Best Practices, Paladin Ticket Support System, Recent Release Notes and the Paladin Web Store, not to mention, this periodic Newsletter. All of these tools may be found on Paladin's Support website. Past Newsletters are on the PaladinPOS website under the "Features" tab.



TECH-TIP -- STORED CATALOG MANAGEMENT

Do you know that the Paladin POS System stores not only your active inventory database, but also a full off-line all-items catalog? Great, because not everybody knows this. The advantage of this feature is that you can order or sell any new products without having to add it manually to your active inventory. Unbeknownst to the cashier or buyer, they just magically appear when scanned.

If you are hooked up with EDI (Electronic Data Interchange) to your supplier, then most likely any new items added to your vendor's catalog are automatically added to your off-line catalog when you process your maintenance files.

However, it is important to understand that this catalog is of no real use to you unless you activate it. To activate it, simply go to the Paladin Setup, click on the "Company" tab and you will find 5 check boxes under the "Obscure File Access" section. The check boxes enable the catalog access in various modules within the Paladin POS system.

PALADIN POS PHARMACY PARTNER UPDATE

Both Suite RX and PK Software have added patient integration to the Paladin POS interface. Most of our customers have incorporated this recent update but a few still have not. This is completely optional, and there is no charge from Paladin.

This update allows the patient data to be uploaded from the pharmacy system and added to Paladin automatically upon scanning the prescription barcode, thereby associating each prescription with the appropriate patient in the Paladin POS System. If you are interested in activating this optional feature, contact your pharmacy system vendor.



▶ IMPORTANT PHARMACY SIGIS NOTICES: DECEMBER 2010 SIGIS ELIGIBLE PRODUCTS

The December 2010 SIGIS Eligible Products List is updated on the SIGIS Eligible Products website. Please note that this month's list contains changes to support the Patient Protection and Affordable Care Act. As such, 15,817 OTC Drugs and Medicines have been removed from the list. In addition to these changes, members will need to ensure that private label and specialty nationally branded OTC and Drug items in their assortments are also flagged an FSA ineligible. It is critical that members apply these changes to their systems between January 1st and 15th, 2011. Members that connect via the FTP site will see those changes on 1/1/2011.

Additional information can be found on our PPACA webpage:
<http://www.sig-is.org/en/resources/ppaca.asp>

Please note that if you pulled the list between 12/15/2010 and 12/17/2010 that there were some issues with the initial posting. Please re-download the list.

There are 28,370 total eligible items in the November list and 48,014 records total. The list includes current deletes and new items (new Hamacher items plus submitting members' items).

There is also a "Rejects" folder on the FTP site and website that has the current month's member submitted items that were deemed ineligible.

▶ UPCOMING EVENTS

National Hardware Show
May 10-12, 2011 Las Vegas, NV

Orgill Fall Dealer Market
February 24-26, 2011 Orlando, FL

Handy Hardware Show
February 3-5, 2011 Houston, TX

NCPA-Multiple Locations Pharmacy Conference
February 16-20, 2011 Palm Springs, CA

▶ SIGIS MEMBER UPDATE DECEMBER 20, 2010: UPDATE ON IRS 2010-59 GUIDANCE

Beginning January 1, 2011, the Affordable Care Act restricts over-the-counter medicines and drugs (OTCs) from being reimbursed by tax-advantaged plans, unless the OTC has been prescribed. IRS Notice 2010-59 provides a transition period until January 16, 2011 for health debit card arrangements to make necessary changes. To ensure compliance with this requirement, SIGIS has modified its list of eligible OTC expenses to exclude OTC medicines and drugs from the list of products eligible for automatic reimbursement under the SIGIS system.

As further discussed in our November 1st 2010 member communication, language included in IRS Notice 2010-59 has raised some concern as to whether a health debit card can be used for OTC medicines and drugs after January 15, 2010 even if the medicine or drug is issued pursuant to a prescription. SIGIS representatives met with IRS and Treasury officials this past week to seek clarification on this issue, and provide additional information with regard to how the SIGIS prescription verification system operates. We are hopeful that further clarification will be issued prior to the end of the year, and will keep you apprised of any developments.

Please contact the SIGIS Help Desk with any questions at help@sig-is.org or (925) 275-6605.

Best Regards
SIGIS Management Office.

Microsoft
GOLD CERTIFIED
Partner



[the intelligent POS system]

WWW.PALADINPOS.COM

CALL 800.725.2346