



Great Partnerships Strengthen the Core of Business

When it comes to physical fitness, it's important to build a strong core foundation. A strong core gives you that coveted beach body, but it's also important to overall health. The core is the body's powerhouse and is important for balance and stability. It facilitates movement and keeps your organs and central nervous system operating at peak performance. When a body's core is weak, it can cause back pain, heart disease, and several other preventable ailments.

The same can be said for the core of a business. Without a strong core, inefficiencies run rampant, and profitability is less easily attained. Behind every successful business are strong partnerships. Strong partnerships strengthen the core of a business like nothing else. This is true of the partnership between lululemon Athletica and InstaKey Security Systems.

Just over ten years ago, it came to the attention of lululemon's facilities department that there had to be a better way to secure its stores rather than having to rely on a core-swap program that was no longer feasible due to inefficient turnaround and growing budgetary costs. That is when they identified InstaKey's KeyControl® program as a strong solution for the store's security.



Greg Brumley, Vice President, Asset Protection and Facilities, lululemon

Streamlining for Cost Efficiency

InstaKey's program approach streamlined the ordering and delivery processes and significantly reduced the costs associated with managing a mechanical lock program.

Before partnering with InstaKey, the cost of each core swap, due to employee transition, was around \$140. (Today's cost is closer to \$240.) With InstaKey's unique, turnkey, rekeying solution, each event now costs lululemon \$70. That's an immediate ROI upon the second rekey event.

When it came to streamlining the ordering and delivery processes, lululemon maximizes on best practices by retaining the Rekeying Kit on site (in a safe) for when a key is lost, stolen, or unaccounted for. This solution allows for an immediate rekey response to the loss of a key, instead of waiting on a locksmith or cores and keys from a supplier. Additionally, freight costs are dramatically reduced because shipping the next Rekeying Kit delivers standard ground instead of overnight.

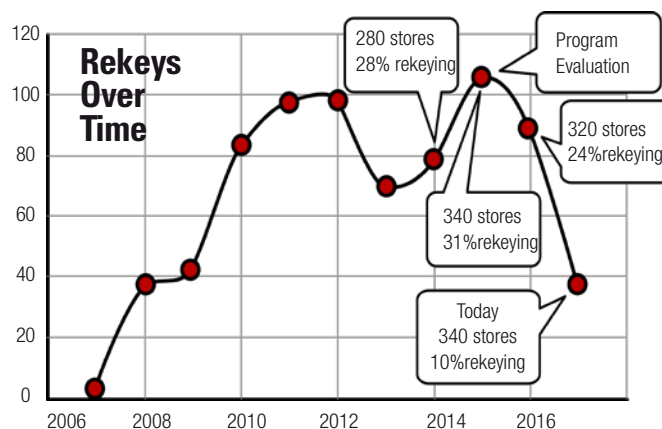
In September 2014, lululemon's facilities team wanted to further tighten their key control and began to work more closely with InstaKey and store operations, teaching stricter key-management practices. By teaching stores to get the keys back upon employee separation, they began to reduce the need for the rekey events themselves.

Later in 2015, Greg Brumley, vice president of asset protection and facilities, joined lululemon and reevaluated the KeyControl® program again. He believes that strong partnerships are critical for any company

to achieve success. He added, "It's kind of like your core strength; nothing works right without it." Brumley went on to explain, "From a facilities standpoint, the InstaKey solution allows us to quickly respond to the needs of the store regarding initial basic security. We can rekey the store immediately at a fraction of the cost compared to locksmiths or managing a core-swap program. Also, having InstaKey manage the program for us is a huge benefit because it allows us to focus on other important facilities responsibilities. From an asset protection perspective, we can also be assured that keys aren't copied, get managed at store level, and are changed quickly when lost, keeping our locations secure."

George Woodruff, InstaKey's client services manager, explained, "By establishing a close working relationship with asset protection and facilities, our team has a clearer picture of its goals in assisting the stores, has better visibility for what is coming, and has a core of trust that guides a seamless program." He also added, "Through sharing of corporate culture, many personnel have now become lululemon brand loyalists and personally own their responsibilities for their partner's overall satisfaction."

For example, the graph below illustrates how a consistent evaluation and sharing of key-control data can result in dramatic cost reductions. In this case, lululemon's rekey events have reduced



significantly due to the open communication, access to information, and shared goals with assisting the stores.

The strength of any partnership is always evident in the results. InstaKey strives to support all clients with prompt order turnaround, solutions at store level, a professionally managed program dedicated to implementing and maintaining best practices, and training designed to keep the program efficient and secure. Together with its clients, they build strong, core, key-control partnerships that provide simple and cost-effective security for any organization.

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