

Contact:

Fred Kopp
m²Methods.net
(585) 586-4830
fredkopp@m2methods.com

**m²METHODS ANNOUNCES LATEST VERSION OF THE ASSET PROTECTION SUITE (APS) –
PROVIDING DIGITAL CAPTURE SUPPORT
FOR THEIR WEB-BASED LOSS PREVENTION SOLUTIONS**

Pittsford, New York, January 15, 2002 — m²Methods, a leading supplier of Loss Prevention software solutions for distributed location retailers, announced today the release of WorkPlace Methods' Asset Protection Suite (APS) 1.8, an innovative network-based store-level loss prevention application. APS is designed to help reduce loss prevention shrink, thereby improving customer service, while cutting operating costs. APS's data-driven architectural platform is based on Java and XML in order to allow ease-of-use and quick deployment.

According to a recent national survey, every year U.S. retailers lose an average of \$28 billion to theft alone. Up until now, there were no solid, integrated solutions to improve the way companies control loss prevention related shrink. APS 1.8 is designed to improve and connect store-level loss prevention work activities. APS allows the collection, storage, sharing and management of customer and employee information. It makes use of a Person Master Database, which makes easy to identify trends and abuse across the entire enterprise, in real-time.

"What intrigued us about m2Methods and APS was the unprecedented savings a retailer could gain from the use of the product with savings of up to 1% of sales," said David Fournier, Director-Retail Industry Segment, CGI Group, who has a Teaming Agreement with Methods. "The addition of digital capture sets the bar for other suppliers of Loss Prevention software."

With APS, retailers can more effectively manage and collect on civil recovery and bad checks, reduce shoplifting associated losses and fraudulent merchandise returns, as well as reduce inappropriate accident and compensation claims across large geographic areas or store counts. "I would say that anything that helps us save time or make processes of the store more efficient would be something that we would consider," said Brian LaValley, community relations manager at Tops

Markets LLC, a member of the Ahold family of grocery stores. "Making the product user friendly with a relatively short learning curve is essential."

"Integrating digital capture into our APS application suite was a very important milestone for us." said Mark Kindig, CEO, m²Methods. "Our customers told us loud and clear that they needed this capability and we considered it a priority. This new capability now allows retailers to scan police and incident reports, capture signatures, digital pictures from security cameras and other digital devices, attach the image to the electronic detail of the maintained in APS as part of a persons permanent record."

APS 1.8 Features:

Merchandise Return Manager

- Dynamic reporting provides a method to track and monitor returns to identify fraud
- Reports help provide information to improve refund/exchange policies
- Information can be gathered to identify potentially defective products

Shoplifting & Civil Recovery Manager

- All details of an apprehension are easily documented for record keeping purposes
- Company and state-specific civil demand and collections letters are easily generated
- Standardized statements of theft, admissions of guilt and agreements to out-of-court civil settlements can be easily generated and stored

Collection Manager

- Bad check information is available at store level immediately, improving customer service and payment options
- The cost of third-party collection activities is significantly reduced or even eliminated
- Exportable reports enable trend analysis, and the improved management of bad checks, including the ability to generate receivable trial balances and aging reports

About m²Methods

m²Methods is a software and business services company founded in 1999 by retail executives and store managers with over two hundred years of combined retail experience and technology innovation. Methods' vision is to dramatically improve their clients' profitability by automating redundant, repetitive and labor-intensive workflows that occur at the store-level of distributed location retailers. Methods' system efficiently collects, processes and enables the publication of information related to these workflows, and strengthens the relationship they have with their employees and customers. For more information on m²Methods.net, please call (716) 586-4830 or visit www.m2Methods.net.

###

NOTE: All trademarks or registered trademarks are the property of their respective companies.