

# Chipotle seeks increased visibility into every aspect of operations.

## Envysion helps Chipotle increase profits, streamline operations and optimize the customer experience.

Despite the fact that Chipotle Mexican Grill has over 1,890 locations, 50,000 employees, and a loss prevention team of only 6 people, the restaurant chain's profit margins are still among the highest in the industry. But Chipotle has built its reputation doing things their own way, using high-quality ingredients grown and raised with respect for the animals, land and farmers who produce the food.

### Aligning unique values with innovative technology

Given Chipotle's consistently unique approach to their industry, it's no surprise that Tim Spong, Executive Director of Safety, Security & Risk for Chipotle, took an innovative path when it came to updating their existing in-store video solution. "Before we went to Envysion in early 2007, our restaurants had VCRs and DVRs, which were difficult to access and didn't have our POS data incorporated with the video. We went to Envysion because this solution marries video to POS and analytical reports, and this enables us to audit restaurants remotely with dramatically increased efficiency in terms of the audit program. Additionally, we use Envysion because it is so easily accessible and user friendly to do throughput audits, HR investigations, support for Facilities and respond to customer incidents and customer comments. Chipotle relies on Envysion."



### ► BUSINESS PRIORITY

As Chipotle grew and expanded to over 1,890 locations, the management team needed complete transparency into store operations, including video, audio and POS data. They were seeking to minimize employee theft while simultaneously increasing efficiency and optimizing their customer experience.

### ► BUSINESS OUTCOMES

- Internal theft and cash mishandling has been greatly reduced and can now be easily identified
- Profit margins are up as a result of improved risk management as well as more efficient, streamlined operations
- Managers can now review store maintenance and daily prep activities across multiple stores without leaving their office

### ► ENVYSION SOLUTION

Envysion worked with Chipotle to understand their unique needs and design a fully integrated, comprehensive solution that includes:

- Strategically placed high resolution cameras capable of capturing audio
- High storage capacity networked EnVR®, Envysion's proprietary network digital video recorder
- POS data integration

*“We’ve realized a sustained and predictable profit impact from Envysion over the last seven years and we are continually finding new ways to use video to improve our restaurants’ performance.”*

### **Gaining full visibility into every transaction**

Starting in 2007, Chipotle engaged Envysion to deploy a highly scalable, centrally managed and bandwidth-intelligent solution to all of its locations, gaining the ability to grant and control access to hundreds of users throughout the company. Chipotle also worked with Envysion to integrate its point of sale (POS) data, enabling every transaction and sale to “come to life” with targeted exception reports.

### **Driving increased profits through video intelligence**

Today, Envysion’s video-driven business intelligence enables Chipotle’s loss prevention team to increase the efficiency and effectiveness of audits by flagging high-risk transactions. Chipotle also uses Envysion data to rank employees across the country. This helps focus management on the right (or wrong) employee behavior across a massive network of stores, based on a wide range of parameters.

### **Transforming intelligent video into game-changing insights**

“Because it’s so easy to use, every other department at Chipotle—HR, legal, facilities, marketing, finance—uses Envysion for various projects. Even our CEO uses Envysion,” says Spong. “We use it for everything from responding to customer incidents, customer complaints, and so forth.” In fact, managers are now required to log into Envysion every week, review a certain number of exceptions from a rotating schedule of reports, and report back with their findings. Of course, this strategy has been successful in mitigating risk and identifying theft—but more importantly, it has empowered Chipotle to achieve measurable profit gains across the enterprise.

### **Tapping into Envysion’s auditing expertise**

Chipotle utilizes Envysion’s Audit Services group to review Chipotle’s data and video to measure employee behavior. This partnership has enabled Chipotle to minimize internal theft and

has provided valuable scalability of the metrics Chipotle uses to measure daily store performance. According to Spong, “We use Envysion to do throughput audits where we’re looking for what we call our pillars of throughput—operational things like being ready for the shift, all hands on deck, all the food prepared. If Envysion shows us that those elements are in place, we know we’re going to bring more customers through the doors, which results in higher sales.”

### **Achieving innovation with real-world application**

“We’ve realized a sustained and predictable profit impact from Envysion over the last seven years and we are continually finding new ways to use video to improve our restaurants’ performance,” says Spong. “I think the idea of having a partner that’s continuously upgrading and improving the user experience, the product, the data—that’s what we’re looking for. That’s what we have with Envysion.”

### **About LMI Systems, Inc.**

LMI Systems, Inc. is a full-service integrator and installation specialist with deep expertise in large-scale, regional and national installation and deployments of electrical, electronic, network, audio visual, security and communications equipment. Serving enterprises large and small since 1962, the firm partners with companies such as Envysion, recommending and installing their products for its projects. LMI, as a one of Envysion’s trusted partners, was an onsite deployment specialist for the Chipotle project, installing EnVR Digital Video Recorders and IP Cameras in numerous Chipotle locations. For more information, visit [www.lmisystemsinc.com](http://www.lmisystemsinc.com).

