Vertical Solutions Working Group

May 12, 2020

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Agenda

Conexxus - https://www.conexxus.org/:
• Initiatives with National Association of Convenience Stores (NACS)
• C-Stores Technology Standards
• C-Stores Use Cases
• Opportunities for EdgeX community to engage
NACS and Conexxus: Convenience Retail Perspective on IoT

Gray Taylor, Executive Director, Conexxus
David Ezell, Director of New Initiatives, Conexxus

May 12, 2020
Agenda

- History of Conexxus & what we do
- Advocacy
- Current Standards portfolio
- Creating an API Ecosystem
- Alliance with NACS
- Importance of IoT
Conexxus History

1995
Technology Standards Project

2003
PCATS

2014
Conexxus Rebrand
Conexxus

✓ Not for profit
✓ Neutral forum with Anti-Trust and IP policies
✓ 190+ member companies who have an equal say regardless of size
  • Retailers
  • Suppliers
  • Associations
  • State Associations
A Strong Technology Partner…

• We are independent & non-profit…
  – Expert volunteers, shaping the industry
• We set standards…
  – Data exchange, security, payments
• We provide clarity…
  – Emerging tech/trends; identifying & educating
• We advocate for our industry…
  – Open standards, innovation & competition
  – Technology is policy
• We improve profitability
Representing the Industry…

- Conexxus technical advocacy
  - Identifies relevant standards & specifications
  - Engages with broad-industry “regulators”
  - Represents our industry anywhere needed
  - Ensures fair and competitive landscape
…and Educating the Industry

- Webinars (webinars@conexxus.org)
- White Papers
- WeCare Program
- Annual Conference
- Tech Edge @ NACS Show
- Tech Research
- Field Trips
Active Committees

**Business Committees**

- Retailer Business Requirements
  - API Focus Work Group
- Membership & Marketing
- Technology Research Committee
- Standards Quality Assurance
- Technical Advisory Committee

**Technical Committees**

- POS/Back Office
- Device Integration
- EB2B
- Retail Financial Transactions
- Data Security
Rewiring the Enterprise = Reducing Tech Debt

- Machine Learning
- Predictive analytics

NEW Innovation APIs

Central Nervous System & Memory (amorphous)

Structured legacy data exchange APIs

NEW Partner Data Exchange APIs

NEW Partner Data Exchange APIs

NEW Structured Data APIs

E.g. delivery service, payment innovation, etc.

NEW Analytics Data APIs

- Associates
- Suppliers
- Customers

E.g. IOT, consumer data feeds, weather, news, forecasts

In-store system APIs
Active API Work

1. POS/Back Office (NAXML)
   ✓ Food Service
   ✓ Cloud POS Calculation APIs

2. EB2B
   ✓ Retail Merchandise
   ✓ Lottery
   ✓ Motor Fuels
   ✓ New opportunities exist here!

3. Data Security
   ✓ Security Advisory WG

4. Device Integration
   ✓ Site Asset
   ✓ Forecourt Device Controller
   ✓ Car Wash
     ✓ IoT
     ✓ Intelligent Cash Drawer

5. Retail Financial Transactions
   ✓ Mobile
   ✓ Loyalty
   ✓ Digital Offers
   ✓ EPS
   ✓ P2PE
   ✓ Payment System Product Codes
   ✓ EMV Support
   ✓ EMV Fleet
   ✓ Gift Cards
Open Retailing

✓ Global Collaboration between Conexxus & IFSF
✓ Home for Global Standards
✓ Data dictionary – Draft 0.1 – Seeking industry feedback
✓ APIs Guidelines – Published – Feedback Welcome
  • JSON
  • Transport
  • Security
  • OAS 3.0
✓ New standards…
✓ Updated versions of XML Standards…
✓ Incorporating new technology …
Alliance with NACS

• NACS represents 153,000 U.S. convenience stores
  – 600,000 global stores

• Powerful partnership with NACS
  – Helping shape public policy
  – Laser focused on industry success
U.S. Convenience Market

- 153,000 stores
- 15% of retail locations
- Over 80% of transportation fuels
- 2.5M employed directly
- 17% of total retail sales (2017)
- Over 160M customers per day
Strategic Headwinds

**Annually, DSOE Growth is Basically Equal to Inside GP$ Growth but the DSOE Trend Line is a Concern**

**NACS**

**Employees are Paid More, but are Less Productive**

**NACS**

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*Source: NACS CSX Over Time 2015-2019*

*Source: NACS CSX Time Period Difference 2015-2019*

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14 Conexxus: Presentation Title
Small Format Retail is Poised for Growth Over the Next Five Years

<table>
<thead>
<tr>
<th>Size of Store in Gross Square Feet</th>
<th>2014</th>
<th>2019E</th>
<th>2024E</th>
<th>'14-'19E</th>
<th>'19E-'24E</th>
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</thead>
<tbody>
<tr>
<td>Less than 20,000</td>
<td>221,492</td>
<td>221,873</td>
<td>229,077</td>
<td>6.6%</td>
<td>0.0%</td>
</tr>
<tr>
<td>20,000 – 50,000</td>
<td>27,978</td>
<td>27,370</td>
<td>28,666</td>
<td>-0.4%</td>
<td>0.9%</td>
</tr>
<tr>
<td>50,000 – 100,000</td>
<td>12,119</td>
<td>10,993</td>
<td>11,255</td>
<td>-1.9%</td>
<td>0.5%</td>
</tr>
<tr>
<td>100,000 – 150,000</td>
<td>9,569</td>
<td>9,061</td>
<td>9,145</td>
<td>-1.1%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Above 150,000</td>
<td>5,454</td>
<td>5,458</td>
<td>5,467</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

Source: Kantar Retail IQ
Convenience
IoT Use Cases
Convenience Environment
Target Use Case Categories

- Inventory Management
- Interactive Marketing
- Site Security & Security
- Edge Warehousing
- Regulatory Compliance
Site Security

The old “skimmer install behind the white van” trick, thwarted!
Security (Guest Safety)

The “Dad passes out in the bathroom” scenario.
Regulatory Compliance

*The “last yard.”*
Sponsorship?

How can we get the brands to sponsor some of these use cases?
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Conexxus LinkedIn Company Page: Conexxus.org
Meeting Dial-in

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877 369 0926 US Toll-free
Meeting ID: 132 889 142
Find your local number: https://zoom.us/u/abscayLpz
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Thank you