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A man in a dark suit and light blue shirt is sitting inside a futuristic, arched vending machine. He is smiling and holding a small product box. The machine has a screen at the top showing a woman's face. The shelves inside the machine are filled with various products. The machine is set against a light blue background.

IS THIS THE STORE OF THE FUTURE?

Apple has Siri. Amazon has Alexa. **Tom Murn** has Vicki, which he is hoping will transform the way New Yorkers shop **PAGE 13**



TOM MURN and his smart machines

HE'S A VENDING MACHINE

BY MATTHEW FLAMM

Apple has Siri. Amazon has Alexa. This summer Tom Murn will have Vicki, a vending machine endowed with artificial intelligence that will be popping up in college cafeterias, drugstores, hospital waiting rooms and offices around town, and could change the way New Yorkers shop. Shaped like an iPhone but as big as a refrigerator, the device will neither take coins or cash nor drop a bag of potato chips into a slot. Users will instead open its glass door by way of an iris scan, a fingerprint impression or a phone or a credit card swipe and take a product off a shelf. The price will immediately appear on a screen above the door—and disappear if the product is put back down.

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BUCK ENNIS

Apple has Siri. Amazon has Alexa. This summer Tom Murn will have Vicki, a vending machine endowed with artificial intelligence that will be popping up in college cafeterias, drugstores, hospital waiting rooms and offices around town, and could change the way New Yorkers shop. Shaped like an iPhone but as big as a refrigerator, the device will neither take coins or cash nor drop a bag of potato chips into a slot. Users will instead open its glass door by way of an iris scan, a fingerprint impression or a phone or a credit card swipe and take a product off a shelf. The price will immediately appear on a screen above the door—and disappear if the product is put back down.

An ad for the item also might appear on the screen. If shoppers have questions, Vicki will provide answers—as they try on sunglasses, wonder if a cookie is gluten-free or consider buying a high-tech toy they don't know how to work. Vicki will even make hard-to-refuse offers, like suggesting a bottle of water—at half price—to go with a sandwich. Shutting the door completes the sale, with the customer being charged for the item(s).

"This is so much more than a vending machine," said Murn, 51. "You can pick up [a product] and put it back. [The machine] can pull information from Facebook and say, 'Happy birthday.' It can do rewards. You can't do any of that with a vending machine."

Vicki is arriving at a pivotal time for retailers. Brick-and-mortar sales are struggling as online businesses thrive. Macy's, Sears, Target, Walmart and other chains are closing stores and reconsidering their strategies. That is creating opportunity for technology that can reduce labor and real estate costs and increase revenue. Amazon, for example, is working on a convenience store, Amazon Go, that will

use technology similar to Murn's to create a "checkout-free" experience.

"Retailers are figuring out they have to reinvent their models," said Neil Stern, an analyst with retail consulting firm McMillan Doolittle. He believes brick-and-mortar's future will include more "experiential" stores, such as the 5-story Nike SoHo location, as well as more cheap-to-run automated outlets. "If you can increase access, that's good," he said. "You can increase it by location and by hours. And the more access you can give, the more consumers are going to spend."



Already popular

Early demand shows that Vicki's makers may be on to something. Murn, the CEO of parent company, The Answer Group, said he already has 5,000 orders for his new machine and is gearing up to produce 1,000 per week starting in August. The first orders will go to corporate offices and employee lounges at Citigroup, MediaMath, Morgan Stanley, Northwell Health and Victoria's Secret, among others. Once companies get used to his technology, he said, they will use it to create mini stores selling products to the public. Food-service giant Aramark is planning to use Vicki to sell food, gifts and novelty items in cafeterias, hospital waiting areas, college dorms and student centers.

A prototype, Lisa, is already in use in the lobby of Citigroup's headquarters on Greenwich Street. Lisa can't answer questions or take iris scans, but poking through its packaged salads and sandwiches feels more like browsing in a tiny food shop than buying from a vending machine.

Lisa is also versatile. On Valentine's Day, Murn stocked it with flowers—difficult to do in a traditional vending machine, he pointed out—along with Godiva chocolates. They sold out. Citigroup has ordered 50 of the new Vicki model, he said.

Lisa also has been selling juices, Red Bull and bottled Stumptown cold-brew coffee in the employee lounge of the Apple store on Fifth Avenue. Toy drones, Apple TV attachments and convenience items are available from the Lisas at Marriott hotels in New Orleans and Tempe, Ariz. "You truly get to shop with this machine," said Marvin Segel, chief operating officer of Times Square-based StarShop, which produces ads for some of the products Vicki will carry. "That is the differentiator."

Murn has been aided by an almost

uncanny knack for good timing and meeting the right people. He got his start 26 years ago with two snack machines in a Brooklyn apartment building then owned by Fred Trump. In 1991 Murn was working at his father's Astoria-based Pepsi distributorship, which also filled vending machines, when a friend suggested he install snack machines at the high-rise building, which is on Ocean Parkway. When a building attendant tried to stop them, they directed him to the landlord. It helped that his friend's father knew Trump.

Good fortune also landed Murn in a seat next to Frank Bisignano, then co-chief operating officer at JPMorgan, at a corporate dinner about five years ago. The two began an acquaintance that came in handy after Bisignano took the reins at payment-processing giant First Data and Murn needed help with mobile payments for the vending machine he was developing.

Today The Answer Group does about \$50 million in sales from vending machines and office-building coffee stands. In 2010 Murn spun out ViaTouch Media for development and has since spent about \$2 million of the company's money to fund his innovations. "I knew what my customers wanted," he said. "They wanted faster service. They wanted more information at the point of sale."

The timing may be right for Murn to look for outside investment to help him ramp up production. Global venture capital in retail tech totaled \$752 million last year, up 93% since 2013, according to CB Insights.

"I see 10 to 12 ideas a week," said Bisignano, who has emphasized retail tech in his tenure as chief executive. "These guys have brought something to vending machines that is very creative."

A prototype for the future

Murn sees a wealth of uses for the machines: sports stadiums stocking them with souvenirs, direct-to-consumer merchandisers filling them on a consignment basis, convenience store owners relying on them for the night shift and craftspeople using them in place of Etsy pages.

Artificial intelligence and hands-free payment are not the only features that set Vicki apart. Its product tracking system, which relies on radio-frequency

ID sensors, beacons and ultrasound, discourages inventory theft. Each item is automatically counted as an attendant stocks the shelves, and it's difficult for a shopper to walk away without paying, because Vicki has the shopper's credit card information. Murn envisions Walgreens and other chains using the machine for theft-prone items, like batteries.

He has been talking to Century 21 about installing a similar configuration of sensors and beacons to create a security system that would track clothes as they're moved from their racks. "We want to be a business solution, not just [offer] a machine," he said.

Analysts warn, however, that cool new tech is not guaranteed to win over consumers. "At first it's exciting. But what happens, particularly for Americans, is people normalize things," said Dave Marcotte, a senior vice president at Kantar Retail. "Will these increase sales? Maybe."

"The moment you go high-tech, you cannot dismiss the need for it to pay for itself," said Brendan Witcher, a retail analyst with Forrester Research. "The digital store has transformed very slowly. I keep hearing, 'I need proof of ROI.'"

Murn has evidence that his devices outperform other vending machines.

Before committing to the prototype, Citigroup placed Lisa in a spot in the lobby that had been held by a competitor, Crane Merchant Media. During a two-month pilot period, Lisa increased sales over its rival by 140%, he said. Recently, a financial firm that prepared materials for Murn's investor meetings projected revenue of more than \$500 million by the third year after Vicki's rollout, with profits of more than \$150 million and a company valuation of \$4 billion.

If Vicki meets those high expectations, it will be because of its variety of revenue streams. ViaTouch can sell data to marketers that show who picked up their product and then bought a competitor's. Merchandisers could pay for video promotions and for Vicki's artificial intelligence-enabled answers to questions about products. And the machines can be the pickup point for promotional gifts that companies dole out in exchange for a user downloading an app.

"I didn't expect it to be in such high demand," Murn said, allowing that he hasn't seen any other vending machines that can answer questions. "I came up with it and found out we could do it. Sometimes [it's] the simplest thing people never did."

Technology advances cashless vending machines



The store of the future may not be a store at all: High-tech vending machines could potentially change the future of shopping.

You don't need to have cash on hand to make a purchase at ViaTouch's new smart vending machines, called VICKI, and if you have questions the machines' artificial intelligence can answer them for you.

ViaTouch Media CEO Tom Murn told the FOX Business Network's Maria Bartiromo, "You can use any payment

you would like Maria, credit card, Apple Pay, or biometrics. So, you can sign up your thumb online, or your eye, and once you're registered you just put your thumb on it, the door opens, you would pick up an item."

According to Murn if you walk away with the item you'll automatically get charged for the item. "If you put it back, you didn't pay for it, close the door, you leave." Murn then responded to questions about where the company is currently marketing the vending machines.

"We're testing this in a lot of places. Believe it or not Citibank right here in the city was one of the first people to test it with us. First Data, who's involved with us on the payment side, we're testing with them. Marriott, Microsoft, a whole bunch of people."

The FOX Business Networks' Dagen McDowell asked, "In the corporate cafeteria, things like that?" "Corporate and Marriott right in the hotel to the public," Murn said on "Mornings with Maria."

According to Murn there is no health risk with the eye scan and it is actually one of the safest forms of





payment in terms of cybersecurity.” The eye, we did a partnership with EyeLock. The eye is like, you have DNA, then you have the eye, the iris, for recognition. So it’s probably the safest thing. And the light that hits your eye, you don’t see it so it doesn’t damage your retina at all.”

Murn says the eye scan is more secure than facial recognition.

“It works a little better because the iris moves so it looks for a lot of points and with facial recognition MIT kids beat it once in a while, they put like pictures on a manikin and beat it. You can’t beat an iris recognition.”

A Vending Machine Veteran Believes His Prototypes Can Beat Amazon Go At Grab-And-Go Shopping



Thomas Murn nearly went bust in 1991, his first year in the vending machine business, when he had to move his Pepsi machines from the lobby to the laundry room of a New York City housing complex. Since then, Murn, now 51, has expanded beyond sodas and snacks into hard goods like umbrellas and phone chargers. He's also opened dozens of self-serve employee cafés and micro-markets at companies like Citibank and J.P. Morgan. In 2012, he was almost wiped out a second time, when Super Storm Sandy flooded his cafés and equipment and decimated sales. But he rebuilt,

and his company, The Answer Group, logged revenue of \$40 million in 2016. Four years ago he started developing a new concept and a new company, ViaTouch Media, which started selling a prototype of a new vending machine six months ago. Equipped to sell food, drinks and hard goods, it has video monitors that describe products, sensors to prevent employee theft, and a credit card mechanism that levies charges when items are removed. In May, Murn plans to introduce two inventory tracking systems, Intelli-Wall and Intelli-Shelf. When shoppers pluck items from the store wall or shelf, the items register in a digital wallet on shoppers' phones, allowing them to pay without a cashier. In this interview, which has been edited and condensed, Murn describes how he built his companies and explains why he thinks ViaTouch Media can be a \$1 billion business that competes with Amazon Go.

Susan Adams: How did you get your start in the vending machine business?

Thomas Murn: My father owned a bunch of private Pepsi distributorship franchises in the New York area, serving most of Queens. I did sales and distribution for him.

Adams: What made you want to start your own business?

Murn: We had vending machines at LaGuardia airport 27 years ago and I saw the profits they made. At 23 years old, my business plan was, put out 100 machines and I'll be rich.

Adams: How did you get your company off the ground?

Murn: Back then, Pepsi would loan you a machine, you would find a location to place it, you would buy product from them and keep the profits from the retail sales.

Adams: How much startup capital did you need?

Murn: About \$3,000. I borrowed it from my father.

Adams: How was your first year?

Murn: Horrible. I went from my own apartment back to my parents' house.

Adams: What went wrong?

Murn: I rented a big office in Long Island City because I thought I had a big contract to put my machines in the lobby of the beautiful Starrett City apartments. Then the lawyers stepped in and said, we don't want the machines in the lobby, we want them in the laundry room. I was going to make \$3,000 a week. Instead I made \$80 a week. But I didn't want to quit.

Adams: How did the next year go?

Murn: A lot better. I finally got 100 machines out.

Adams: What were some of the challenges you faced?

Murn: Public opinion changed and people were looking for healthier options. I sketched out a refrigerated glass-front machine where you could get a yogurt or juice in the same machine as a cookie. That was 18 years ago. I went to a company called Automated Products and said I'd buy 100 of them if they would build them. That was my first lesson in not giving an idea away. The machine did so well they started selling them all over the country. My competitors used the machines and I'd paid for the prototype.

Adams: Did those machines at least boost your business?

Murn: We landed a lot of large clients, including Citibank, Morgan Stanley, Home Depot, Costco.

Adams: What was your next turning point?

Murn: Credit card readers. Ten years ago we were one of the first to add them to our machines. The public didn't trust them at first. We had to become technology experts and go to a lot of meetings with companies to explain how their data was going to be secure. We grew 26% in same-store sales over five years and credit card transactions have grown to 40% of our sales.

Adams: What was your first step beyond selling food?

Murn: We do all the YMCAs in Manhattan, and they asked me to start selling locks and swim caps. That was eight years ago.

Adams: How challenging was it to sell items besides food?

Murn: We had to adapt the machines. But we were making more money. If a bag of chips sells for \$1.00, I make 20 cents. If I sell one lock, I might make \$2. That was back in 2009. Our revenue was around \$20 million.

Adams: Where did you go from there?

Murn: We ran a contest in our company. We offered \$100 to

the employee who could come up with the best idea for products to sell in our machines. That's how we decided to sell headphones. We also sold phone chargers and umbrellas. On rainy days our vending machine sales went up by 20%. We introduced video screens in 2009.

Adams: Who wants to see a video on a vending machine?

Murn: Our video about headphones drove up sales by 40% in one year.

Adams: How much did it cost to produce the videos and add them to the machines?

Murn: A few thousand dollars to create each video and the hardware initially cost us \$1,000 per machine. We've gotten those costs down significantly.

Adams: What was your next turning point?

Murn: In 2011 I put in what I called a gourmet-to-go café at 111 Wall Street. I bought the best pastries, sandwiches and cupcakes, and coffee from Starbucks. It was doing incredible. We were heading toward \$300,000 in sales in the first year.

Adams: Did sales keep going up?

Murn: It was open four months when Super Storm Sandy hit and suddenly it was under three feet of water. It almost put me out of business. We lost millions on equipment. I discovered my flood insurance covered rain but not rising river water. We dropped \$400,000 in sales overnight.

Adams: How did you rebuild?

Murn: We borrowed \$700,000 from the Small Business Administration. I didn't fire anybody. It took a year and a half to come back.

Adams: Are your cafés more or less profitable than your vending machine business?

Murn: Way more profitable. There's a lot of money in coffee. The gross margin on a cup of coffee is 65% versus 20% on a bag of chips. We put bar codes on our coffee cups. You pick up the cup, you scan it, and you get Starbucks coffee from a big urn. We brew fresh every hour.

Adams: How did you decide to move beyond vending machines and self-serve cafés?

Murn: The self-serve market has grown from nothing to a few

billion dollars in sales in the last few years. But at stores like CVS with self-check-out, people can easily steal. They'll scan three cheap items and then throw an expensive one in the bag. At our self-serve cafés we were losing 2% to 3% of sales and employees loading our vending machines were stealing too. Two years ago that came to \$700,000 a year.

Adams: How could you capitalize on the public's desire for self-serve retail while policing theft?

Murn: My vision was a cool-looking mini-store that tracks and controls employee productivity with sensors, collects data, and delivers media in a fun, interactive way. Through a friend in Manhattan I met an industrial designer in Italy. They had a good design concept but I had to come back to the U.S. to get engineers to make it work. One of our patented technologies shows you a shopping cart. You open the door, you take out the item and a screen tells you the price. At that point you've authorized your credit card. If you close the door, it charges you.

Adams: How tough was it to develop the machine?

Murn: It took four years of 80-hour work weeks. I was trying to run my core company at the same time.

Adams: Where does that machine stand now?

Murn: We showed our first prototype in June 2016 and we're already in the employee lounges in the Apple stores in Manhattan and we're at Citibank selling drinks and food. Marriott just chose us for its Moxy properties. We're getting orders from all over the country and from Singapore.

Adams: How much did you invest in building the machines?

Murn: About \$3 million. A year ago I took on an investor who put in \$300,000.

Adams: How are sales so far?

Murn: We did \$250,000 in six months just in prototypes. We're going into industrial production in April and we'll be putting out 2,000 machines a month. Citibank headquarters gave us a \$150,000 order. You're going to see L'Oreal products selling in our machines. The demand is kind of scary. We're a direct competitor to Amazon Go and we think we can sell the machines to stores like Walmart and CVS. We expect to be a \$1 billion company.

Adams: In what sense are you a direct competitor to Amazon Go? Can your machine compete with a full store?

Murn: We've also designed an inventory tracking solution we call Intelli-Wall and Intelli-Shelf. It enables a store to track whatever is on the shelf once it's picked up. When you go to an Amazon Go store you register as a member. If you sign up with us, you use your phone's unique signature. We track it through Bluetooth or Wi-Fi. When you pick up an item from our wall or shelf, it goes into your digital wallet. If you put it back on the shelf, it comes off your digital wallet. Our advantage over Amazon Go is we can also put expensive items like a \$30 wine bottle behind a closed door and you'll have to be pre-authorized with a credit card to buy it. Amazon Go has only released full stores. We can do one section of a store at a time. It will cost \$3,000 for every six feet of shelf space. It could cost \$60,000 for a small store. We're releasing in May.

Tom Murn's Smart-Shelf 'Lisa' Vending Machine Enters Production In April

NEW YORK CITY – Tom Murn's eagerly awaited Lisa vending machine reportedly will hit the market in April, and the technology behind it is poised make a splash that he says will give Amazon Go a run for its money. Murn anticipates turning out 2,000 machines a month, once they begin rolling off the production line.

Murn, owner of metropolitan New York vending giant Answer Group (Farmingdale, NY), made headlines in Forbes magazine today in a Q&A about his cutting-edge advances in automated retailing. After four years of development and a \$3 million investment, Murn launched a new company, ViaTouch Media, that began selling a prototype of the Lisa machine six months ago.

Patrons open the Lisa machine's door by authorizing payment using thumbprint biometrics, their smartphones or credit cards. The high-tech vender is equipped with smart shelves that "know" which products customers take, and also if they put anything back. The items they retrieve appear on the screen's display, along with the corresponding price. Customers are charged for the products they took once they close the door.

The futuristic unit has a sleek back and modern design that allow versatile placement options, unlike traditional machines that are usually positioned against walls. It features a video display for product information, advertising and promotions. It also has sensors to prevent thefts.

Lisa can sell anything from food and beverages to cosmetics and electronics. It rewards customers for loyalty with giveaways and promotions. It's already in the employee lounges at Apple Stores and Citibank in Manhattan, and the orders keep rolling



in, including a recent deal Murn said he entered into with Marriott.

In May, ViaTouch Media will take the Lisa vending concept outside the box with the rollout of its Intelli-Wall and Intelli-Shelf inventory-tracking systems. These technologies allow shoppers to take items from the smart store wall or shelf and pay for them with their digital wallets. If they put an item back on a shelf, its cost comes off their balance.

Murn says the Lisa vending concept will go head to head with Amazon Go, which allows shoppers to use an app to enter and shop at Amazon's brick-and-mortar stores.

Murn told Forbes that he envisions placing Intelli-Wall and Intelli-Shelf in stores like CVS and Walmart, one section at a time. He estimates the cost will be \$3,000 for every 6 feet of shelf space, which comes out to about \$60,000 for a small store. This capability gives the concept a competitive advantage over Amazon Go, which only has fully automated stores.



Comhear Embeds Directed Audio Into ViaTouch's 'VICKI' Vending Machine

SAN DIEGO – Tom Comhear Inc. said it will integrate its MyBeam directed audio technology into ViaTouch Media's "Vicki" vending machine.

Slated to begin shipping in early 2018, Vicki (ViaTouch Intellishelf Cognitive Kinetic Interactions) is a high-tech vending machine that enables personal engagement through artificial intelligence. The platform incorporates some of the tech industry's most advanced technologies, including a patented shelf load sensor system and iris-scanning authentication capabilities.

In June 2016, New York City-based ViaTouch Media launched the high-tech, smart-shelf Lisa vending machine. It was designed to customize interaction between consumers and technology to drive better consumer engagement. From Lisa, Vicki was born, leveraging artificial intelligence to bring the consumer experience more in line with today's smartphones.

Vicki recognizes and authenticates each consumer, learns their preferences and then acts upon them, serving as a virtual clerk. Much like Apple's Siri and Amazon's Alexa, the machine engages with consumers by talking to them.

San Diego-based Comhear specializes in providing next-generation audio solutions for consumer, enterprise and professional applications. The embedded, directed audio solution incorporated in Vicki is based on the Comhear's patented MyBeam technology and its custom speaker array designs.

"Comhear was with my team step by step, delivering the voice and specialized audio for our product with the most incredible sound technology we have heard," said ViaTouch Media chief executive Tom Murn. "Their ability to create 3D sound and directed audio is truly groundbreaking."

ViaTouch plans to start shipping the first Vicki machines in the first quarter of 2018.

LI companies enter brave new world of smart vending machines



Forget the image of feeding your cash into a machine and pulling out chips, cookies, pretzels or gummy bears.

Two Long Island companies that manufacture vending machines have created high-tech models that can remember your name, ask you questions or invite you to play video games for prizes — and, in the process, collect and analyze data about how you shop.

One of the new models features a touch-screen display, videos and games. The other has shelves equipped with sensors that detect if items are picked up or put back, thumbprint and eye-scan technology, and the ability to talk and listen to consumers.

Neither accepts cash; credit or debit cards and Apple Pay work.

Vengo Labs, headquartered in Bethpage, and ViaTouch Media, based in Farmingdale, are using the machines to enter the “Big Data” ecosystem, following the paths of billion-dollar companies like Facebook and Google that collect and sell user

data to help advertisers better target potential customers.

Brothers Tom and John Murn, of ViaTouch Media, who have been in the vending business for 25 years, developed the VICKI (an acronym for the tongue-tying ViaTouch Intelishelf Cognitive Kinetic Interactions) machine. The machine will launch in August, and the company is accepting preorders.

VICKI can sell a large variety of goods including food and beverages, cosmetics, over-the-counter medicines or movie memorabilia; its shelves sense when products and goods are picked up or returned, and consumers are billed electronically. Meanwhile, interactions

with the products turn into valuable information for retailers.

John Murn, who is also president of the New York State Automatic Vending Association, a trade group with headquarters in upstate Johnson City, doesn't view the modernized models as “just new vending machines to replace traditional vending machines.”

“This is a whole new revenue market,” he said, with the revenue coming from selling consumer data.

That the humble vending machine has become a high-tech tool for gathering consumers' information shows how deeply the business of data has revolutionized commerce.

Armed with data about consumer behavior and past purchases, retailers are learning where to spend promotional dollars, said Jeff Orr, research director at ABI Research, a technology market intelligence company based in Oyster Bay. “Retail continues to evolve into a more personalized sales channel,” he said.



The Artificial Intelligence Machine, "VICKI" inside the VIATouch office in East Farmingdale, Tuesday, April 4, 2017. Photo Credit: Steve Pfost

machine unlocks and the consumer can select an item to buy. The person's bank or credit card information, which was entered when the login was created, is billed when sensors on the shelves detect which item is picked up. The price of the item appears on VICKI's screen.

If the item is put back on the shelf, the consumer will not be charged.

"When you pick up an item and put it back, VICKI can ask you, 'Did you not like it?' and you may reply 'Yes, I did, but it costs more than I'm willing to pay for a bottle of water or a lipstick or whatever item it may be,'" said Tom Murn, president of ViaTouch.

"Or the customer may just say 'No, I don't like it' or 'It has too many calories' or 'I changed my mind.' It's a real-time interaction that we'll turn into text and record automatically. We can then take that data and share it with retailers and brands."

What if a consumer doesn't want to interact with VICKI?

"She'll first try to persuade them," Murn said. "For instance, she may say, 'Bob, if you answer one question, I'll give you 20 percent off any product.' It's a smart device, it's going to gather information, ask you a question, make you an offer. And if you want, you can say 'VICKI, leave me alone,' and she'll say 'OK,' and she will."

Companies that want access to data gathered by VICKI must pay a separate fee, which can range between \$50 for one machine at one location to "hundreds of thousands" of dollars for a group of about 10,000 machines located on college campuses or in hospital systems, he said.

"It also depends on the complexity of the information required."

The brothers also own a traditional vending company and a vending machine manufacturer that had combined revenue of more than \$50 million in 2016.

Sales at their new ViaTouch business have reached \$30 million so far in 2017, they said; 6,000 VICKI machines have been preordered.

For all the excitement about this new business, however, experts warn that consumers' concerns about sharing their data — and rules about privacy — could pose obstacles.

Thomas W. Shinick, an entrepreneurship and marketing expert and adjunct professor at Adelphi University's Robert B. Willumstad School of Business, said most consumers are wary of how their information will be used.

"What if I'm buying Tylenol from a vending machine three times a week, and the vending machine company is recording my purchases. If the business sells that data to, let's say, a health insurance company, for example, will I now be profiled by the insurance company? Will the information they obtain about me affect my insurance policy?" Shinick said.

VICKI — the voice of automated retail

VICKI, which has a video screen, can tell consumers information about the products that they pick up from its shelves. It can even answer common questions such as, "How many pills should I take of this painkiller?"

Once a consumer has created a login, the machine can identify that person through thumbprint or eye-scan technology.

When a person is identified by VICKI, the door of the vending



Tom Murn, left, and his brother John, of ViaTouch, a full service vending machine company, explain their newest product, the Artificial Intelligence Machine, "VICKI" inside their office in East Farmingdale, Tuesday, April 4, 2017. Photo Credit: Steve Pfost

Tom Murn projected that 60 percent of ViaTouch's revenue will come from the new data gathering and reporting features.

"We can take a look at the data and say, 'This product is moving and this one is not' and provide brands with detailed reports about their merchandise. For instance, we can tell them, 'This item was in 100 machines and sold in 82 of them,' including the locations where they sold," he said.

Retailers and brands receive this information instantaneously through mobile apps.

"And if the consumer is in our ViaTouch network, meaning they've created a login, we can provide our clients with data that is even more detailed about the individual making those purchases," he said. VICKI's camera also produces "anonymous analytics" such as that a purchaser is a female "between the ages of 25 and 30 years old," he said.

There are legal restrictions on collecting consumer data, said Orr of ABI Research.

Companies are prohibited from collecting information from minors in the United States, for instance. Some countries don't allow the tracking of individuals on their mobile devices, and other markets may restrict the type of personally identifiable data that can be collected, he said.

ViaTouch's Tom Murn said that his target market isn't minors, and that he doesn't think privacy concerns will resonate with millennials.

"Consumers who don't want their data tracked can opt out, and retailers can choose to turn VICKI's camera feature on or off," he said. "But you can't get loyalty or rewards if a brand doesn't know who you are."

It remains to be seen how much information consumers will want to share, said Orr from ABI Research: "What companies have to ask themselves is how much personal information people are willing to give up in exchange for a free item or reward?"

Still, he said, "Digital technology has started to change the face of human engagement in a retail setting."

ViaTouch's Murn on Challenging Retail With Grab-And-Go Vending

Bloomberg Markets AM with Pimm Fox and Lisa Abramowicz.

GUEST: Tom Murn, CEO of ViaTouch Media, on his "Lisa" vending machine, challenging Amazon in grab-and-go shopping, and changing the culture and operations of traditional retailing.

[Click to hear audio](#)

Are you ready for the next generation of vending machines?

NEW YORK (FOX5NY) - The next generation in vending machines is here. They open with a swipe, tap or touch. You can open the door to technology unlike ever before.

After three years of development, Tom Murn, who has 20 years of vending experience, introduced "Lisa", his high tech retail machine. It's called auto-retail and could be a competitor to Amazon's retail-concept stores.

"With biometrics and artificial intelligence, we kind of take the internet and bring it to shopping," Murn says.

Inside Lisa's glass door, the products are customized depending on the retailer. From shaving kits, to watches, to a simple bag of chocolate, the user-friendly design allows customers to pick up or put down any item, and then simply walk away. The technology tracks the transaction photo

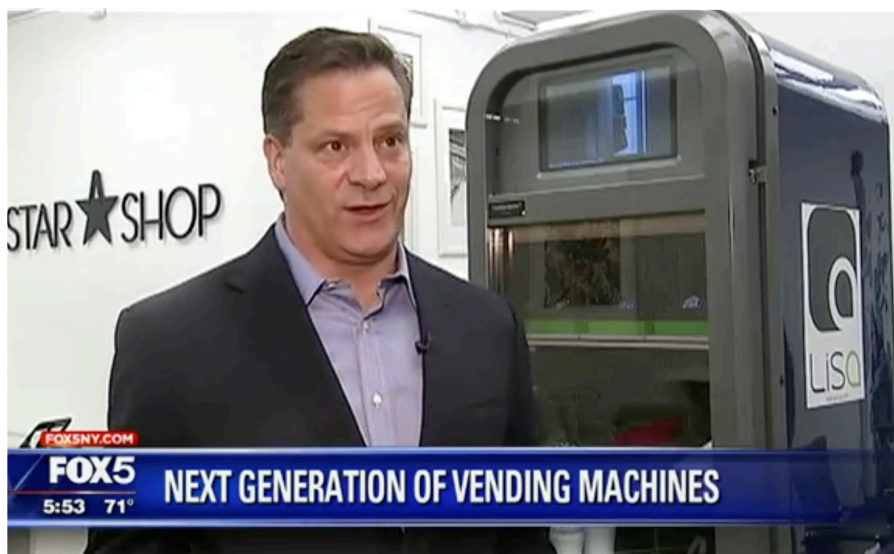
"As soon as you pick up an item, a video will play about it to give you some information and give you the price. Too expensive? You can put it back on the shelf and pay nothing," Murn says.

The machines will start being installed this summer in New York area waiting rooms, colleges and office buildings. The company says it already has 5,000 pre-orders.

The machines will accept hands-free payment or biometric scans.

It's designed to be a full auto-retail experience and soon its going to get even better.

Lisa's smarter sister Vicki is coming soon. Vicki will have some big changes. The music on ads, for instance, will only be audible for those standing in front of her. She can also scan your eye to open the door, and she can answer your questions.



"You can pick up a medication and say, 'Hey, I have a cold, is this good for cold?' Vicki will say 'No, you should get this' and also it will highlight which item you should've got," Murn says.

And for those skeptic about the artificial intelligence, he claims the system will only be as personal as you make it. You can scan in and build loyalty points which will lead to gifts, or stay anonymous with any swipe.

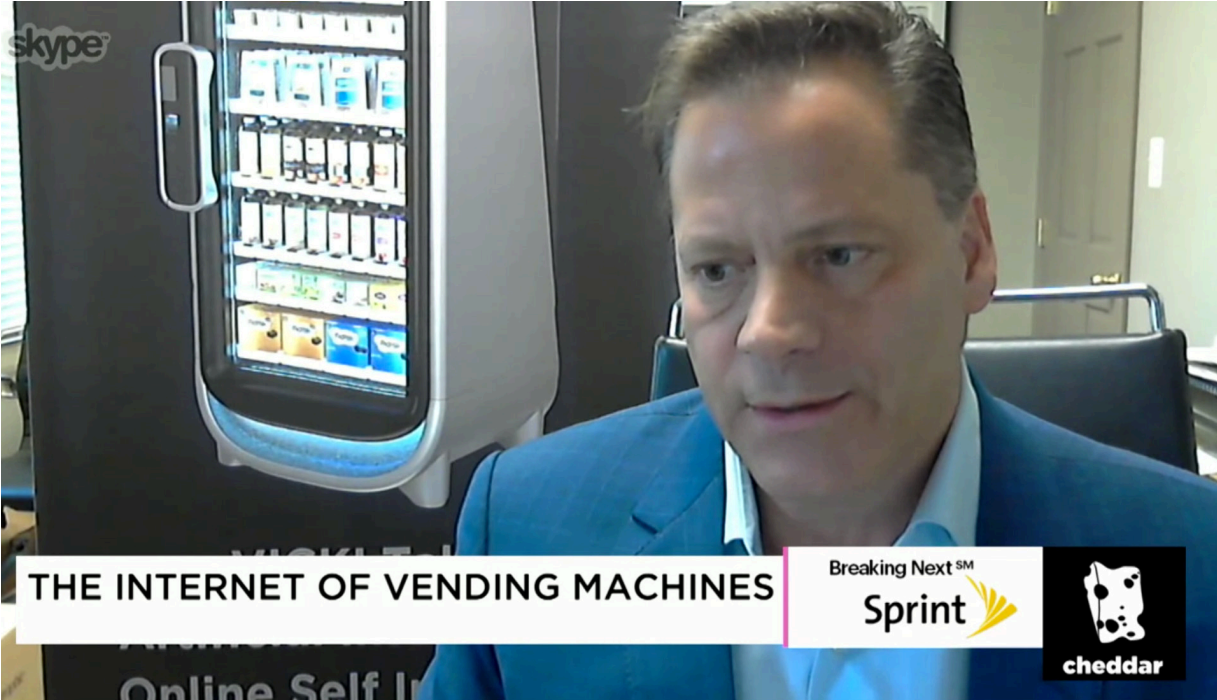




cheddar

<http://bit.ly/2IHkYon>

Can This Smart Vending Machine Save the Retail Industry?



Welcome to the internet of vending machines. Vicki is an A.I.-powered smart vending machine from ViaTouch Media. CEO Tom Murn joins us with everything you need to know about the company's new product. Vicki is equipped with auto-checkout capabilities, using biometric and digital-payment technology to streamline the retail process.

Murn tells us all about the features made possible by Vicki's IoT connectivity. The tech dramatically expands the customization potential, allowing the machine to tailor its available products to the customer using it. He points to pharmacies as an example, explaining how the vending machine can tweak its inventory based on what symptoms the customer presents.

Murn tells us about Vicki's benefits to the retail industry. He says by eliminating the need to wait on line, Vicki allows retailers to give customers more opportunities to make purchases. He also tells us how Vicki will allow stores to make over-the-counter goods more readily accessible for consumers.

MEET VICKI

- IOT SELF-CHECKOUT SOLUTION
- MOBILE ORDER AND PICKUP
- CUSTOMIZED ADVERTISING
- REAL-TIME INVENTORY MONITORING
- A.I. VOICE ASSISTANT

THE INTERNET OF VENDING MACHINES
VICKI IS A SMART-SHELF A.I.-POWERED RETAIL SOLUTION

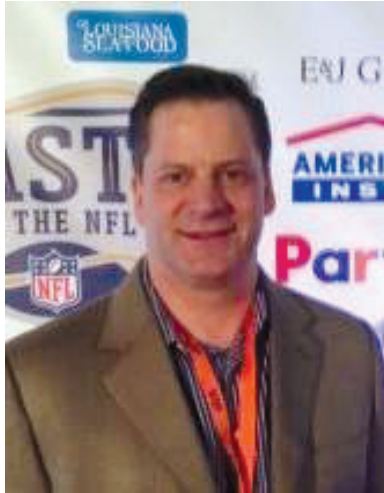
Breaking Next SM

Sprint



Vending Operator/Technology Pioneer Tom Murn To Introduce 'ViaTouch' At NAMA OneShow

<http://bit.ly/2AneowS>



Vending technology continues to evolve. Artificial intelligence (AI), robotics and Internet of Things (IoT) technology are finding application in vending and creating more efficient machines that improve customer satisfaction.

Tom Murn, owner of the Answer Group, a Farmingdale, New York based vending, micro market and refreshment services provider, has launched a “next generation” vending technology that he believes has the potential to disrupt consumer goods distribution. His new company, ViaTouch Inc., has developed an engine “turbocharged with its own payment, and back-end enterprise server with super administrative features and customized customer portals,” according to a company statement.

ViaTouch plans to introduce its technology at the upcoming National Automatic Merchandising OneShow in Las Vegas.

A Technology Pioneer

Murn has been active in developing vending technology for many years. In the mid 1990s, he was involved in a company called Remote Vend Data Inc., one of the first remote machine monitoring systems. The Answer Group was also among the first vending companies to deploy cashless vending and guaranteed product delivery on a large scale.

ViaTouch machines feature “Intelliwall” technology. The Intelliwall software is a “multi-sensor checkout” technology.

The machine invites customers to select a form of payment – credit, thumb print or mobile. They can then open the door of the machine and remove their products. Once the product is removed from the shelf, sensors inside the machine authorize payment to the customer’s credit or stored value account. Customers can also sign up for a loyalty app that stores their payment history.

The machine does not accept cash.

The software includes a back-end enterprise server with administrative features and customer portals.

Tested Units Deliver Benefits

Murn has tested the ViaTouch machines in a variety of accounts and claims they have delivered a 60 percent sales lift without merchandising. With merchandising, sales have been significantly higher.

The sales lift can be attributed to improved ease of use and more creative marketing, Murn said, but he did not wish to reveal all of the factors at the time of this report. He said additional features will be introduced during the NAMA OneShow in Las Vegas.

The software can be integrated with existing vending management and micro market software.

“Packed with a multiple of technology based patents and pending patents, the ViaTouch system will be unmatched and outperform every system currently deployed,” the company noted in a prepared statement.

The ViaTouch team is based in Corona, Calif. and is led by James Winsor, a 20-year self-service industry veteran. Team members also include Milan Alvarado and Robert Hurtado.

The company shares production space with Murn’s brother John Murn’s company, Accelerated Retail Technologies. Vending Technology News reported on Accelerated Retail Technologies on Nov. 15, 2017.

For more information visit: <https://www.viatouchmedia.com/>, 800-310-9334



EyeLock and ViaTouch Media Form Strategic Partnership to Bring to Market, the First Auto-Retail Vending Solution Enabled by Artificial Intelligence Embedding Iris Authentication Technology

EyeLock LLC, a leader of iris-based identity authentication solutions and a majority-owned subsidiary of VOXX International Corporation (VOXX), and ViaTouch Media today announced the integration of EyeLock's embedded iris recognition technology into ViaTouch's ground-breaking Auto-Retail solution that is designed to change the landscape of consumer purchasing in the most secure manner possible.

"This new partnership with ViaTouch is a major breakthrough for EyeLock," said Jim Demitrius, CEO of EyeLock. "For years, we have been investing in our IP portfolio, working with industry leaders in technology and across a diverse set of industries to introduce a portfolio of embedded products. This win is indicative of the many potential commercialized applications for iris authentication. The ViaTouch partnership underscores an innovative approach to protecting consumer identity and transaction security."

ViaTouch Media was formed four years ago with a goal of creating innovative business solutions utilizing artificial intelligence and other contemporary technologies to improve the consumer goods shopping experience. After rigorous R&D initiatives, the Company launched LISA™, dubbed a high-tech vending machine but so much more. LISA, which stands for Luxury Interactive Smart Shelves was first introduced in June 2016 at Hightech with First Data. This real-time, interactive media solution was designed to customize interaction between consumers and technology to drive a better consumer engagement.

From LISA, Vicki™ (ViaTouch Intellishelf Cognitive Kinetic Interactions) was born utilizing artificial intelligence to bring the consumer experience more in line with today's smartphone! Vicki recognizes and authenticates a consumer, gets to know their preferences and then acts upon them, serving as a virtual clerk. Vicki engages with consumers, talks to them and delivers loyalty programs, discounts and other incentives all through real-time, interactive media and artificial intelligence technology. Vicki is equipped with smart shelves that know what products consumers look at, what they take/put back and view on display, and communicates with consumers via directional speakers so conversations are only between the machine and consumer.

Now, through this strategic partnership with EyeLock, Vicki will provide consumers with the easiest and safest authentica-

tion process, as EyeLock's iris authentication technology will be embedded into the machine itself. Furthermore, with EyeLock's embedded technology, consumers and businesses will have an easy-to-use and fast experience, and will rest easy knowing their transactions will be secure as the embedded technology will be integrated and operable with First Data online payment networks. Machines utilizing EyeLock's innovative solutions will be available in early Q2 of 2018. "ViaTouch is proud to innovate with EyeLock and First Data to create the most secure AI iris authentication self-checkout payment solution in the world," said Tom Murn, CEO of ViaTouch Media.

EyeLock's technology provides an unprecedented level of convenience and security with unmatched biometric accuracy, making it the most proven way to authenticate identity aside from DNA. EyeLock's proprietary iris authentication technology looks at more than 240 unique iris characteristics and provides a fast, user-friendly experience. EyeLock is one of the only companies in the world to utilize dual-eye authentication. The company's approach provides maximum flexibility by offering designs that have either, on-board or host-based processing and illumination. Algorithm performance capabilities for speed and accuracy have been validated by Novetta, a leader in advanced analytics technology and independent biometric testing, as unmatched in the market. EyeLock's reference designs have working distances of up to 60 cm with a false accept rate of 1 in 1.5 million for single eye authentication and a false reject rate of less than 1%.

Vicki will be available in January 2018. The initial group of machines will be strategically placed in select Universities, Apple Stores (for employee use), Hotels, Hospitals and a few select retail partners to be announced at a later date. ViaTouch will be unveiling Vicki this Thursday evening, November 16, at The Freedom Tower in New York City to a group of customers, partners and potential investors.

Vicki will also be showcased by EyeLock in the VOXX International Corporation booth at the 2018 International Consumer Electronics Show, held in Las Vegas, NV on January 9-12, 2018.

Thank You!

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