Checkpoint Systems introduces innovative
Open EPC Number Management Solution for apparel retail industry

The only stand-alone number management solution available, frees retailers and suppliers to purchase RFID labels from any service bureau provider

THOROFARE, N.J—January 18, 2011- Checkpoint Systems, Inc. (NYSE:CKP), a leading global supplier of shrink management, merchandise visibility and apparel labeling solutions for the retail industry and its supply chain, today announced its Open EPC Number Management Solution for apparel retailers and their suppliers.

As the apparel retail industry increasingly adopts Radio Frequency Identification (RFID)-based solutions to improve inventory management, reduce out-of-stocks, reduce working capital and increase sales, the challenge to vendors and retailers lies in managing the unique tag numbers required for every single one of hundreds of millions of items.

"In an RFID-enabled retail environment, each item requires a unique EPC number consisting of the Global Trade Item Number (GTIN), which identifies the type of item, as well as serialization data, which uniquely defines it," notes Prasad Putta, Executive Vice President, Checkpoint Systems' Merchandise Visibility Solutions. "But due to many factors, including global distribution, multiple suppliers of merchandise, multiple service bureaus, and high volume of goods, vendors and retailers find it increasingly difficult to manage and ensure unique EPC numbers across their operations. However, this is critical to providing the data integrity needed to extract the full value of RFID."

Some service bureau providers are taking advantage of this problem by bundling EPC number management together with their print service bureau offerings, which locks retailers and their vendors into using them as a single-source provider of RFID labels. Even when customers want to do their own in-plant printing, these vendors are requiring the use of proprietary encoding software, printer versions, and label formats to work with their number management systems.

Putta continued, "We often hear from our customers that they want multiple service bureau suppliers and don't want to be forced into buying from only one vendor. Checkpoint's Open EPC Number Management solution frees apparel retailers and manufacturers from getting locked into one provider. It offers them flexibility to obtain service bureau services and consumables from multiple providers, while still ensuring unique number management."

Checkpoint's EPC Number Management Solution is an easy-to-deploy, cloud-based software application that provides complete global EPC number management.

"We are pleased to offer apparel retailers and their suppliers the only unbundled number management, labels, and tagging solution available," notes Per Levin, Checkpoint Systems' Worldwide President, Merchandise Visibility Solutions. "By giving retailers and suppliers maximum flexibility to work with the optimal RFID suppliers, we hope to help them to manage the complexity and logistics issues with a robust, yet simple, number management solution. This approach will allow retailers and suppliers to overcome a major hurdle in embracing RFID and harnessing its power."

Checkpoint's EPC Number Management System offers several key benefits, including:

- Leveraging a cloud-based solution for ease of implementation and management
- Providing flexibility in choice of label vendors by delivering an open standards-based solution
- Generating unique serialized EPC numbers adhering to EPCGlobal requirements
- Centrally managing and providing EPC numbers by SKU
- Distributing EPC numbers to consuming applications worldwide, such as service bureau providers and in-plant label printing applications
- Eliminating the risks of number duplication that can lead to inventory inaccuracy
- Providing a standard interface and guaranteed delivery of EPC numbers to external consuming applications

The Open EPC Number Management Solution is built on the OAT Foundation Suite, one of the most mature and robust software platforms in the industry today.

The Open EPC Number Management Solution is available immediately.

About Checkpoint Systems, Inc.
Checkpoint Systems is a global leader in shrink management, merchandise visibility and apparel labeling solutions. Checkpoint enables retailers and their suppliers to reduce shrink, improve shelf availability and leverage real-time data to achieve operational excellence. Checkpoint solutions are built upon 40 years of RF technology expertise, diverse shrink management offerings, a broad portfolio of apparel labeling solutions, market-leading RFID applications, innovative high-theft solutions and its Web-based Check-Net data management platform. As a result, Checkpoint customers enjoy increased sales and profits by improving supply-chain efficiencies, by facilitating on-demand label printing and by providing a secure open-merchandising environment enhancing the consumer's shopping experience. Listed on the NYSE (NYSE: CKP), Checkpoint operates in every major geographic market and employs 5,600 people worldwide. For more information, visit www.checkpointsystems.com.

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