Checkpoint Systems Launches Broad Portfolio of Solutions for Large-Scale RFID Deployments in Apparel Retail

Includes High-Speed Bulk Tag Commissioning, Expanded RFID Service Bureaus, In-Plant Printing, New RFID Tags for Merchandise Visibility, Loss Prevention

PHILADELPHIA — Feb. 22, 2012 -- Checkpoint Systems, Inc. (NYSE:CKP), a leading global supplier of shrink management, merchandise visibility and apparel labeling solutions for the retail industry, today announced its expanded and new RFID encoding solutions and the expansion of its RFID tag portfolio for apparel brands and their retail partners, as well as closed-loop apparel retailers and department stores.

Checkpoint's growing RFID portfolio of hardware, software, tags, and service and support offerings provides further value for the increasing number of apparel retailers seeking to deploy RFID broadly throughout their operations to increase sales, reduce out-of-stocks, reduce working capital, as well as enhance loss prevention efforts and consumer experience.

"We developed these offerings specifically to meet the needs of retailers and vendors that are scaling their RFID initiatives," said Per Levin, Checkpoint Systems' worldwide president, Merchandise Visibility and Apparel Labeling Solutions. "As apparel retailers increasingly adopt RFID-based solutions, they are looking for scalable, deployable, operational solution sets, and we're particularly proud to announce this world-class capability to enable their success."

Expanded, New RFID Encoding Solutions

Checkpoint now offers suppliers and retailers three ways in which to uniquely encode tags:

- **High-Speed Bulk Encoding:** This solution enables the encoding at a distribution center (DC) of RFID tags applied onto multiple items in a single box at operational speed, significantly reducing the time needed to encode large quantities of merchandise. Upon reviewing the DC's existing operations, Checkpoint implements an RFID system that addresses the facility's unique needs. This solution ensures the fastest and most accurate encoding of Electronic Product Code (EPC) numbers without the need to open boxes and handle individual garments. It includes best-in-class hardware and software to ensure the highest levels of accuracy and encoding speed. High-speed bulk encoding is under implementation in multiple locations.

- **Expanded Service Bureaus**: Checkpoint now offers RFID service bureaus in Asia, Europe, Central America and North America for rapid encoding and printing. With this rapid turn-around approach, Checkpoint encodes unique EPC numbers, prints variable data on labels in the company's own print shops and ships the labels to suppliers' tagging locations world-wide.

- **In-Plant Printing**: In some cases, apparel brands and closed-loop retailers need to manage the tagging process from remote locations that may not have reliable Internet service, inhibiting their ability to obtain EPC numbers needed to print and encode RFID on demand. Checkpoint's new **In-Plant** services

enable companies to locally manage the complete process, including number serialization and tag printing from these sites.

All of these new products and services work in conjunction with Checkpoint's existing **Open EPC Number Management Solution,** an easy-to-deploy, cloud-based software application that provides complete global EPC number management.

"Brand owners are looking for the flexibility to decide when, where and how they manage their item-level tagging processes across their global supply chains," said Daniel Bowman, senior product line manager, Impinj. "We're impressed with Checkpoint's leadership in bringing new solutions to brand owners and pleased that it has chosen Impinj's unique source tagging platform with STP encoding technology for high-performance bulk commissioning."

RFID Finished Tag Offerings

Checkpoint now offers a complete line of fully integrated RFID tags offering the branding information, tactile benefits and loss prevention benefits of existing hard tags and apparel labels, with the addition of RFID for inventory management and loss prevention. The new line includes the **RFID Full-Color Graphic Tag,** a custom, finished tag featuring sophisticated, full-color graphics to meet the branding needs of apparel retailers. These are high-quality graphic tags retailers are accustomed to, integrated with RFID. In addition, Checkpoint's expanded range of **RFID Hard Tags** delivers inventory visibility and shelf availability while leveraging the same tag for deterrence and loss prevention.

Checkpoint's line of integrated tags is available in a variety of form factors, including swing tickets, woven labels, care labels, pocket tags and hard tags. It offers a comprehensive range of tag and label formats for applications such as Merchandise Visibility and RFID-based EAS, to work with Checkpoint's existing RFID Overhead EAS Solution and **RFID Pedestal EAS Solution**. With these tags, Checkpoint addresses the apparel market's growing desire for integrating RFID and branding onto one tag.

"We are leveraging Checkpoint's **RFID Hard Tag** together with the **RFID Overhead EAS Solution** to obtain all of the benefits of traditional EAS," said Frank Albany, director of Asset Protection, Under Armour. "We see this as a smart investment that will enable us to prepare for a broader implementation of RFID to obtain additional benefits beyond loss prevention, including better inventory visibility and enhanced shelf availability."

RFID Tag Inlays

Checkpoint now offers three new tags for apparel brands optimized for use on apparel merchandise: **High-Kick™, Whirl™** and **Triumph™**. With these tags, Checkpoint delivers a broad UHF portfolio for EPC-compliant tag solutions, addressing the needs of leading apparel retailers, as well as their suppliers that are seeking certified, standards-based tags for greater visibility into merchandise location and movement and loss prevention.

Checkpoint's new tags join the company's existing tag and label inlay products: the **Item-Level Tag**, **Case and Pallet Label**, **Champion Tag**, and anti-theft **RFID Hard Tags**, all of which are already in commercial use globally. Each RFID tag is available with its own unique size, shape and performance characteristics. In addition, each is optimized for use in certain categories of apparel products such as basics, denim, intimates and sporting goods.

"Total solutions are a key end-user requirement in RFID deployments," said Michael Liard, director of RFID at [VDC Research Group, Inc](). "Going forward, the availability of end-to-end systems comprised of best-of-breed offerings will play a critical role in helping the retail space transition to widespread deployment."

All of today's announced products and services are available immediately, with the exception of the **In-Plant Printing Solution**, which will be available in March 2012.

About Checkpoint Systems, Inc. (www.checkpointsystems.com)

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.

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