

Checkpoint Systems Announces Merchandise Visibility Implementation for Charles Vögele

International apparel retailer improves merchandise availability and increases revenue and margins with first standards-based, item-level RFID enablement of entire retail supply chain

LOS ANGELES -- June 15, 2009 – [Checkpoint Systems](#), Inc. (NYSE: CKP) the leading supplier of shrink management and merchandise visibility solutions, today announced here at the NRF Loss Prevention Conference & Expo the successful implementation of its Merchandise Visibility solution for the \$1.3-billion, 851-store Swiss-based international apparel retailer [Charles Vögele](#). This implementation provides a comprehensive, source-to-store solution across the retailer's entire supply chain – from point of manufacture to point of sale -- using standard EPC Gen 2 labels. It is the first standards-based solution to RFID-enable a retailer's entire supply chain.

Charles Vögele recently was presented with [the Best RFID Implementation Award](#) for this innovative approach by *RFID Journal*.

The solution implemented for Charles Vögele combines the strengths of Checkpoint's capabilities in shrink management and merchandise visibility including hardware, services, tags and Checkpoint's Check-Net global ticketing service. It enables retailers to streamline their supply chains by applying smart tags to apparel merchandise at point of manufacture, and reading the tags throughout the logistics operations and into the store. Once at the store, retailers can improve operations and increase shelf availability by tracking item-level merchandise throughout the facility into the back room, on the selling floor, in fitting rooms, and at point of sale. This visibility enables retailers to optimize their inventory replenishment, reducing out-of-stocks and on-hand inventory, while improving sales.

For Charles Vögele, this means the right merchandise will reach the right store shelves at the right time. With over 70 million garments sourced annually from more than 400 suppliers and distributed to 34 consolidation hubs throughout Asia and Europe, Charles Vögele's supply chain operations presents a logistical challenge for the retailer.

"Our adoption of RFID has transformed and improved our operations from source to store. We have begun streamlining our operations and supporting our sales in ways that simply were not possible before; in many ways this marks the beginning of a retail revolution," commented Thomas Beckmann, VP of Supply Chain, Charles Vögele Group.

Charles Vögele can now track and trace individual garments along its entire supply chain, gaining unprecedented real-time visibility. This capability enables retailers to reduce logistics errors automatically, eliminating exceptions such as packing errors and inaccurate shipments.

The benefits of the Merchandise Visibility extend throughout Charles Vögele's stores as well, enabling store associates to gain an accurate view of merchandise on the sales floor and in the back room, and re-stock faster and more efficiently than the previous manual process. Now, Charles Vögele can ensure that its most popular lines are always in stock and on display, available for customers to view, try on, and purchase.

“As economic uncertainty erodes consumer spending, retailers must have the right merchandise available when the consumer is ready to buy. RFID provides the visibility to ensure it is there,” said Rob van der Merwe, Chairman, President and CEO, Checkpoint Systems. “Retailers also face much higher capital costs and need to reduce inventory levels while maintaining shelf availability. RFID enables them to achieve both these objectives.”

“Charles Vögele recognizes the value of RFID and has moved aggressively to implement a solution that will improve its top- and bottom-line performance while enhancing the shopper’s in-store experience,” continued van der Merwe.

Charles Vögele’s Beckmann added, “Our adoption of RFID is transforming our business and ensuring that our customers find what they are looking for. In the fast-moving fashion industry, responding to the expectations of customers is the difference between success and failure.”

After successfully deploying the solution at its Slovenian stores, Charles Vögele is now planning to implement the solution more broadly across its global supply chain and stores throughout Europe.

About Charles Vögele

Charles Vögele Group is a major independent European fashion retailer with 851 branches in Switzerland, Germany, Austria, Belgium, the Netherlands, Slovenia, Hungary, Poland and the Czech Republic. In the 2008 financial year, the company employed a total of 7,888 people and generated net sales of CHF 1,369 million. Charles Vögele Holding AG’s shares are quoted on the SIX Swiss Exchange (ticker: VCH; Bloomberg VCH SW; Reuters VCHZ.S).

About Checkpoint Systems, Inc.

Checkpoint Systems, Inc. is the leading supplier of retail shrink management and merchandise visibility solutions. Checkpoint’s global team helps retailers —and their suppliers—reduce theft, increase inventory visibility and provide consumers with greater merchandise availability through the company’s rapidly evolving RF technology, expanding shrink management offerings and Check-Net labelling solutions. Listed on the NYSE (NYSE:CKP), Checkpoint operates in every major geographic market and employs 3,900 people worldwide. For more information, visit www.checkpointsystems.com

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