Apparel and Other Retailers Have Been Seeking to Optimize Their Supply Chains and Increase Show Floor Efficiencies. Only with the Advent of RFID has their Finally Been a Technology that is a Fundamental Enabler of These Goals. Alien’s Advanced IC, Tag and Reader Performance is Playing a Significant Roll for Many Retailers Around the Globe in Achieving These Desires.

The Problem...

Apparel and other retailers have been struggling to optimize their systems to:
- Improve inventory accuracy and time to complete inventory
- Reduce shrinkage (internal and external)
- Reduce “out-of-stocks”
- Minimize sales loss due to incorrect merchandise on the sales-floor
- Optimizing garment size selection on the sales-floor
- Speed up correct garment and size re-ordering
- Brand protection
- Optimize promotional items
- Optimize product placement
- General efficiency cost savings

How Does Alien Technology Solves the Problem?

Alien Technology Class 1 Gen 2 UHF tags are optimized for use in retail, warehouse and supply chain applications. What is it about Alien Technology that addresses the problems above?

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<thead>
<tr>
<th>Alien Technology</th>
<th>Description</th>
<th>Benefit</th>
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<tbody>
<tr>
<td>IC and Tag Read and Write Sensitivity</td>
<td>Best industry cost performance combination. Higgs™4 IC provides industry top-tier read and write sensitivity at a cost point few can match.</td>
<td>Enables high accuracy and fast inventory at a cost point appealing to the retail customer.</td>
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<tr>
<td>Purpose Designed RFID Inlays in a Variety of Form-Factors</td>
<td>Enables retailers to tag a large variety of merchandise in a variety of environmental conditions.</td>
<td>Enables optimal tracking of objects through the complete supply chain and on the retail show floor.</td>
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<tr>
<td>Unique Non-Chipset based Fixed Reader Platform</td>
<td>ALR-9900+ is a “discrete” design using Alien intellectual property not shared with any other reader on the market.</td>
<td>Highest tier of performance, robustness and fast data read-rates.</td>
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<tr>
<td>Autonomous Reader Operation</td>
<td>Alien Readers can process more locally and burden the network and compute infrastructure around them less.</td>
<td>Meaningful data from the show floor can be quickly and inexpensively processed allowing optimal product placement and promotional item use.</td>
</tr>
<tr>
<td>Dynamic Authentication™</td>
<td>An anti-cloning and anti-counterfeit technology. An example of how the unique knowledge of both chip and reader can produce unique IP and value.</td>
<td>Brand protection. Reduced shrinkage.</td>
</tr>
<tr>
<td>BlastWrite™ and QuickWrite™</td>
<td>Technology for writing to large memory blocks to multiple tags simultaneously</td>
<td>Low tag setup cost for retailers.</td>
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What is the Financial Benefit of the Technology?
• Inventory accuracy improved from 68% to 95% at one US department store
• Another saw a 17% accuracy improvement
• A major clothing retailer saw 99% inventory accuracy and most importantly a 14% sales increase
• Others experienced a 96% reduction in time to perform inventory counts
• Shrinkage reduction of 30-50% common (US average is 1.5%). Includes:
  – Promotional items that don’t get to the floor
  – Misplaced items that are undetected in cycle counts and thus miss 1 or more markdown cycles and sold off too cheaply when finally found
• Prior to their RFID implementation, one retailer was missing 20-30 percent of the product SKUs from the show floor
• A European luxury goods retailer saw “a noticeable drop in the gray-market diversion of its goods”
• Reduces out of stocks
• Improves inventory utilization and the identification of inventory misplacement, theft, and over-stocks
• Improves ability to identify slow and fast moving items
• Improves mark down and promotion capability
• ROI’s in 6-12 months are common