

**GS1 EPCglobal Transportation and Logistics
Phase 3 Pilot Program Completion
PRESS RELEASE**



APRIL 2009

PRESS RELEASE

Transportation and Logistics Phase 3 Pilot Program demonstrates that EPC/RFID Technology based upon GS1 EPCglobal Standards works in a Real Life Environment

BRUSSELS, Belgium - LAWRENCEVILLE, New Jersey – April 28, 2009 – EPCglobal Inc, a subsidiary of the global not-for-profit standards organization GS1, today announced the successful completion of the third phase of its Transportation and Logistics Services (TLS) Industry Action Group RFID (Radio Frequency Identification) Pilot Program. The Transportation and Logistics 3 Pilot Program demonstrated how organizations across a global supply chain can exchange real time event data and track shipments from the third party logistics provider in Japan to the distribution warehouse in the Netherlands. Supply chain partners and customs authorities had real-time access to information about products and shipments as they were travelling along the supply chain.

The TLS 3 Pilot Program focused on testing out the use of EPCIS to track the progress of physical products in cartons, containers and pallets across the supply chain using the trade lane from Tokyo to Amsterdam. EPCIS is the GS1 EPCglobal standard which provides a common set of data elements, a common language for communication, and a set of defined messages for trading partners to use for storing, accessing, and communicating data on objects moving in the supply chain. It is the critical link to providing the supply chain visibility the Pilot Program was set to achieve. The GS1 GSIN was successfully used as the UCR in order to comply with customs identification requirements for shipments. The EPC tags were only read by fixed readers which was more challenging than using handheld readers.

The use of active EPC/RFID (Extended Conveyance Asset Tag (XCAT)) and e-seal tags on sea containers as well as the application of active tags on pallet level were tested within the framework of the TLS 3 Pilot Program. These tests will serve to drive the development of standards for conveyance asset tags and passive e-seals. “As auto-ID and data exchange strategies continue to evolve, GS1 EPCglobal standards are a way to extract the most value

Press Release – Transportation and Logistics 3 Pilot Program_V11

from these technologies worldwide. The more we can “sense and respond” to changes in the supply chain, the better the transportation and logistics services industry and the members of the TLS IAG can serve retailers, manufacturers and distributors around the globe.” said Tony Hollis, Director Innovation & Technology Management at Exel.

The GS1 EPCglobal Transport and Logistics RFID Pilot Program was launched to review existing global standards against “real life” transportation and logistics services processes. A primary focus of this activity was to determine if the standards support business objectives as defined by multiple industry participants utilizing the Electronic Product Code (EPC) and Radio Frequency Identification (RFID) to create value through increased visibility across stakeholders, countries, and continents. The Transportation and Logistics 3 Pilot Program builds on the learnings of the successful completion of the first and second Transportation and Logistics Pilot Programs. The first phase validated the use of both passive and active UHF EPC tags for sea-shipment of cartons and containers between Hong Kong and Japan whereas the second phase demonstrated the impact of GS1 EPCglobal Standards on providing visibility of goods on a global level between source factories in China and distribution centers in the US, flowing through the ports of Shanghai and Los Angeles.

The partners participating in the Transportation and Logistics 3 Pilot Program includes major logistics, shipping, hardware and software providers such as Allumis, Canon, Marubeni/Mighty Card, Mitsubishi Electric in collaboration with Alien Technology and IBM Japan, Motorola, NEC, Nippon Express, NTT, NYK Logistics, NXP Semiconductors, Oracle, SATO (UPM Raflatac), Toppan Forms, Toppan Printing, Vue Technology. Additionally, active participants supporting the Transportation and Logistics 3 Pilot Program were the Ministry of Economy, Trade and Industry of Japan, Nomura Research Institute, Monohakobi Technology Institute, the port authorities of Amsterdam and Tokyo as well as the GS1 Member Organizations from Germany, Japan and the Netherlands. The customs of Japan and the Netherlands were official observers of the Pilot Program.

"The Transportation and Logistics Phase 3 Pilot Program has shown us that EPC/RFID technology based upon GS1 EPCglobal standards works in the real life. It is time to go ahead and to create a guideline to implement this concept between trading partners." explained Naotaka Ishizawa, Senior Technology Officer, Technical Strategy Group of MTI/NYK Line.

The successful completion of the Transportation and Logistics Phase 3 Pilot Program triggered the idea to launch the Transportation and Logistics Phase 4 Pilot Program which the members of the GS1 EPCglobal Transportation and Logistics Services Industry Action Group are currently preparing.

Media Contact:

Karl Van der Spiegel

Marketing Manager, GS1 EPCglobal

Phone Number: +32 2 788 78 16

E-Mail Address: karl.vanderspiegel@gs1.org

Notes to the Editor:

About GS1 EPCglobal Standards:

GS1 EPCglobal standards are a set of integrated industry-driven standards which have been developed to meet user's requirements enabling the identification of objects, data capture and sharing of information among partners throughout the supply chain. These standards are developed within the framework of EPCglobal Inc.

About EPCIS (EPC Information Services)

EPCIS is a standard used to track the progress of objects as they move through the supply chain. The data shared at each read point in the supply chain provides WHAT, WHEN, WHERE and WHY of each read. EPCIS provides the Information Services necessary for the storage, communication and dissemination of EPC data. It provides standards event capture and query interfaces for obtaining and sharing data about unique objects in the supply chain within and across organisations.

About EPCglobal Inc:

EPCglobal Inc is a subsidiary of the global not-for-profit standards organization GS1, and supports the global adoption of the Electronic Product Code as industry-driven standards to enable accurate, immediate and cost-effective visibility of information throughout the supply chain.

For more information about EPCglobal Inc, visit: www.epcglobalinc.org

About GS1:

GS1 is a neutral, not-for-profit organisation dedicated to the design and implementation of global standards and solutions to improve the efficiency and visibility in supply chains. GS1 is driven by more than a million companies, who execute more than five billion transactions a day with the GS1 System of Standards. This makes it the most widely used supply chain standards system in the world.

For more information about GS1, visit: www.gs1.org

About Extended Conveyance Asset Tag (XCAT):

The Transportation Working Group in the TLS IAG has focused on a technology standard for a single conveyance tag. Through the work of the group, a defined set of conveyance types was created, transportation specific use case scenarios were built, functional requirements were gathered, and a new tag name was produced: The Conveyance Asset Tag (CAT).

As the tag functionality flushed out, it quickly became apparent that one tag would not meet all use case scenarios. At the basic level, the CAT tag is a passive tag and the XCAT an active tag. One of the most significant reasons for this separation was the concept of permanent attachment to the conveyance vs. removable from the conveyance. It was determined that for reasons of maintenance, a permanently associated tag must last the life of the asset (conveyance) and it was determined that active tags, with batteries, would not meet that requirement.

It was also determined that functionality requirements of an active tag were incredibly diverse which moved the group in the direction of defining optional and mandatory requirements. It is now implicit in the base-line XCAT that it be extensible to incorporate the optional functionality based on user requirements.

About Passive E-Seal Tags:

E-seals combine C-TPAT, ISO 17712 mechanical bolt seals with UHF Gen 2 RFID tags that are read at points along the supply chain. If the e-seal is tampered with when doors of e-sealed freight containers are forcibly or improperly opened the RFID tag can no longer be read.

About GS1 GSIN:

The Global Shipment Identification Number enables the identification of grouped transport units travelling under one commercial order from origin to destination and perfectly suits to the needs of Customs Organizations which day after day process thousands of national and international transactions, most composed of multiple transport units containing a number of containers, pallets, and more, all travelling under one single purchase order.

About UCR:

The Unique Consignment Reference (UCR) was officialised by the World Customs Organization In 2004 in order to identify cross-border shipments. The goal of the UCR is to facilitate international trade and to provide Customs with a means for effective risk assessment. The UCR provides exporters, carriers, customs agencies, and importers with better predictability of information, enhanced security, reduced compliance costs and overall improved traceability in international supply chains

--END--