

Transport and Logistics Phase 3 Pilot Program

PRESS RELEASE



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GS1 EPCglobal launches the third phase of the Transportation and Logistics Pilot Program

***Global Transport and Logistics Pilot Program will show end-to-end visibility between
Japan and the Netherlands based upon GS1 EPCglobal standards***

BRUSSELS, Belgium - LAWRENCEVILLE, New Jersey – November 12, 2008 – EPCglobal Inc, a subsidiary of GS1, today announced plans for 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 will demonstrate 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 will have real-time access to information about products and shipments as they travel along the supply chain.

The TLS 3 Pilot Program focuses 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 will provide 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 a critical link to providing the supply chain visibility the Pilot Program is set to achieve. The GS1 GSIN will be used as the UCR in order to comply with customs identification requirements for shipments. The EPC tags will only be read by fixed readers. This will be 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 will also be 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. "Through the use of GS1 EPCglobal
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standards like UHF Class 1 Generation 2, Reader Protocol, Application Level Events (ALE) for Filtering and Collection and EPC Information Services (EPCIS), the transport and logistics companies, customs authorities and other interested parties that are authorized will be able to track events throughout the supply chain," explained Chris Adcock, President of EPCglobal Inc.

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 will include major logistics, shipping, hardware and software providers such as Allumis, Canon, Confidex, Marubeni/Mighty Card, Mitsubishi Electric in collaboration with Alien Technology and IBM Japan, Motorola EMb, NEC, Nippon Express, NTT, NYK Logistics, NXP, Oracle, SATO (UPM Raflatac), Secura Shield, Toppan Forms, Toppan Printing, Vue Technology. Additionally, active participants supporting the Transportation and Logistics 3 Pilot Program will be 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 are official observers of the Pilot Program.

"The key benefit of our Transportation and Logistics Pilot Program is that it fosters the global standards for the transport and logistics sector. Strong leadership is important but it is much better if companies, governments and organizations can quickly make a fair and collective decision based on real practice", explained Naotaka Ishizawa, Project Manager, Technical Strategy Group of MTI/NYK Line.

The first shipment of goods from Tokyo, Japan is scheduled to depart in the second week of December 2008. There will be 50 containers shipped to Amsterdam over a 4 week period of time.

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

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