



NEWS RELEASE

New ADT technology breakthrough cuts retail RFID costs

Düsseldorf, Germany: ADT Security has radically improved the economics of in-store, item-level Radio Frequency Identification (RFID) deployments, reducing reader requirements by up to 90 percent and capital costs by up to 60 percent.

Using the EPCglobal Gen 2 standard, the new Sensormatic® iREAD™ platform reduces both the complexity and cost of deploying RFID technology to improve return on investment for retailers.

The Sensormatic® iREAD™ platform eliminates the separate power, control and data distribution infrastructures that have until now been needed for in-store, item-level RFID. By consolidating these into one network, it offers substantial cost savings and improves the ease of installation in a shop floor environment. This is expected to broaden the appeal of RFID to retailers considering the use of the technology to enhance their operations.

iREAD™ provides a flexible and scalable foundation for retailers to capitalise on the business benefits offered by RFID. It also reduces the relatively high number of readers, cables and antennas required by traditional RFID systems. The inherent modularity and simplicity of the platform means retailers can adapt its capabilities to almost any retail configuration – shelves, racks, tables and other display types.

In a typical medium sized retail store, an item-level RFID system would normally require around 100 readers to be installed and an initial hardware investment of around €300,000 (US \$435,000). With the iREAD™ platform, the system only requires around 10 readers to be installed – a 90 per cent reduction in reader hardware. The initial investment falls to around €100,000 (US \$145,000) – a reduction of more than 60 per cent – with further cost savings to be realised during ongoing operation. The benefits and cost savings can increase exponentially with the size and scale of the deployment.

ADT and its industry-leading Sensormatic® brand of Electronic Article Surveillance (EAS) anti-theft systems have a long history of large-scale, item-level tagging for inventory security. Karstadt Warenhaus GmbH, one of Germany's leading retailers and a user of Sensormatic® EAS to secure

its merchandise and reduce losses, has now deployed the iREAD™ platform as part of a major apparel implementation at one of its flagship stores.

Rainer Jilke, Karstadt's RFID Manager, said: "By incorporating the Sensormatic® iREAD™ platform, Karstadt can make substantial cost savings on item-level RFID deployment. In turn, those cost savings will help us realise a faster return on investment from better inventory and price management, an improved supply chain process and a reduction in shrinkage. In addition, the item-level visibility we gain will help us increase on-shelf availability, customer satisfaction and sales."

"Retailers will appreciate that we're not introducing a new protocol but using the EPCglobal Gen 2 industry standard in a new way," says Mark Norton, General Manager, ADT Security Australia.

"Put simply, we have created a unique application based on the existing standard to reduce the complexity and cost associated with item-level RFID implementations. It bridges our pioneering EAS and RFID expertise, offering major improvements in retail store operations and ultimately an enhanced customer experience. We anticipate that the Sensormatic® iREAD™ platform will result in a significant increase in RFID uptake in the retail sector."

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ABOUT ADT SECURITY

With more than a century's worth of experience and providing electronic security solutions to more than eight million residential, commercial and retail customers worldwide, ADT Security is the world's largest electronic security company. ADT Security's products include alarm systems and integrated security applications that link access control, CCTV, electronic article surveillance and source tagging systems. www.adtsecurity.com.au

ABOUT TYCO FIRE AND SECURITY

Tyco Fire & Security, a major business segment of Tyco International Ltd., provides electronic security and fire protection solutions in more than 100 countries. With \$11 billion in annual sales and 90,000 employees, its products and services are used to safeguard firefighters, prevent fires, deter thieves and protect people and property. In Australia and New Zealand, Tyco Fire & Security employs more than 5,000 people, supplying products and services to leading businesses and households under the well-known brands of Wormald and ADT. For further information about our products and services please visit us at www.tycofireandsecurity.com