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OAT Announces RFID Pathway to ROI for Consumer Products Companies

*Comply for ROI™ is the First ROI-based Approach for RFID Compliance
ePOD is the First RFID-centric Application to Deliver ROI*

WALTHAM, Mass. – April 4, 2005 – OATSystems®, Inc., the recognized RFID framework leader, today announced a clearly defined RFID pathway to ROI for the consumer products industry. Based on work with industry pioneers, OAT has developed *Comply for ROI* and *ROI for CP*, a two-phase pathway with solutions built on the company's flagship OAT Foundation Suite and designed to accelerate the path to ROI for all consumer products companies.

Addressing the need for a clear course for their company to go from compliance to ROI, OAT has fundamentally changed the approach from cost-based compliance to ROI-based solutions. Instead of focusing exclusively on the lowest possible cost of a compliance solution, OAT analyzes a company's specific products and business operations to design a phased adoption that accelerates payback from their RFID investment.

"Consumer products companies are screaming out for a clear pathway to ROI from RFID," said Mark Fralick, founder, ROI Solutions LLC. "OAT continues to set the standard in RFID with a pathway to ROI for the consumer products industry. This is an important milestone for the industry and should be well-received."

Phase One: Comply for ROI

Built on the OAT Foundation Suite 4.5, *Comply for ROI* is a bundled solution of OAT software, certified hardware, and professional services that provides a direct path to ROI. Working backwards from the sources of value from RFID, the important first steps include:

- **Tag SKUs with highest ROI potential.** Cost-based compliance efforts focus on the easiest SKUs to tag and ship. *Comply for ROI* begins by identifying the specific SKUs that are likely to deliver the most value from RFID and tagging those first.
- **Create an EPC manifest.** Consumer products companies need to collect more than just tag yield data. *Comply for ROI* captures and filters RFID data from

readers and puts it into business context by creating an EPC manifest. The EPC manifest links case and pallet EPCs with shipments and is an important data element for RFID-centric applications.

- **Improve perfect order performance.** Consumer products companies can use the EPC manifest to improve fulfillment accuracy and the shipment of “perfect orders,” widely held as the fundamental supply chain performance metric.

As part of the turnkey solution, ADT’s Sensormatic® RFID hardware is the first to be certified under the *Comply for ROI* solution.

“OAT has reported delivering real ROI for its RFID customers and we are already seeing some companies switch from a slap and ship approach to the *Comply for ROI* solution,” said Randy Dunn, director of RFID for ADT. “Manufacturers see the potential value of RFID data from the retailer and they realize to use that data they must effectively integrate their own supply chain information.”

Phase Two: ROI for CP

For consumer products companies currently shipping tagged goods, *ROI for CP* provides the second phase of the pathway and delivers ROI solutions for business users by leveraging retailer RFID data to reduce deductions and improve shelf-level availability.

- **Reduce deductions with ePOD.** *OATepod* (electronic proof-of-delivery) is the industry’s first RFID-centric application that enables claims managers to automatically verify retailer deductions and collaborate with retailers to prevent claims from occurring. *OATepod* was developed in partnership with leading consumer products companies.
- **Improve promotions execution.** Visibility into near real-time movement of displays, shelf collateral and special packaging at the store- and DC-level enables efficient allocation of store coverage resources and makes it possible to tie trade funds payment to retailer performance.
- **Expand to new product introductions.** Visibility into near real-time movement of new products provides store-level availability by product launch date to coincide with advertising spending. Store coverage resources can be efficiently allocated to stores that have not moved new products to the shelves.

Pricing and Availability

Comply for ROI is priced competitively and offered on a fixed-quote basis that includes services, software and hardware. *OATaxiom 4.5* and *OATepod 4.5* are generally available in June, 2005.

To learn more, please visit OAT at Booth 511 at RFID Journal Live! in Chicago, April 10-12, 2005 or call (781) 907-6100.

About OAT

OATSystems, Inc. is the recognized RFID framework leader with software that empowers businesses to achieve competitive advantage from radio-frequency identification (RFID). As pioneers in the development of RFID technology, OAT has been setting the standard in RFID for over half a decade and is responsible for industry firsts that include the largest scale and largest scope of deployments, as well as the most innovative approaches to providing enterprise-wide RFID solutions. OAT's multinational client base, which includes companies such as Hewlett-Packard and Gillette, consists of over 50 customers in retail, CPG, consumer electronics, manufacturing, life sciences, aerospace and defense. Headquartered in Waltham, MA, OAT has offices in Chicago, London and Bangalore and is on the Web at www.oatsystems.com.

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