2004 DoD RFID Summit for Industry

Lessons Learned Panel

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Topics

- Tag & Reader performance

- Interoperability of tags and readers

- System Integration

- Services: education, application, installation

- Tag and reader cost trends

- Adoption outlook

- About Alien Technology

Performance

- Pilot testing in numerous customer facilities

- Wide variety of products tagged

- Reliable pallet and case reads demonstrated in defined use cases

- Read range and read speed meet user expectations

- Class 1 tags and readers available from multiple suppliers (22 at last count)

Interoperability

- No industry-sanctioned interoperability testing yet available from independent lab (in planning)

- Users relying on tag/reader vendor cooperation and system integrators to ensure acceptable operation in specific cases

- Agile readers are being developed, but little practical field experience yet

System Integration

- Middleware solutions available to tie tag data into enterprise information systems

- Hybrid barcode/RFID tags enable quickest and smoothest initial implementation

- RFID-enabled applications now being announced by major SW suppliers
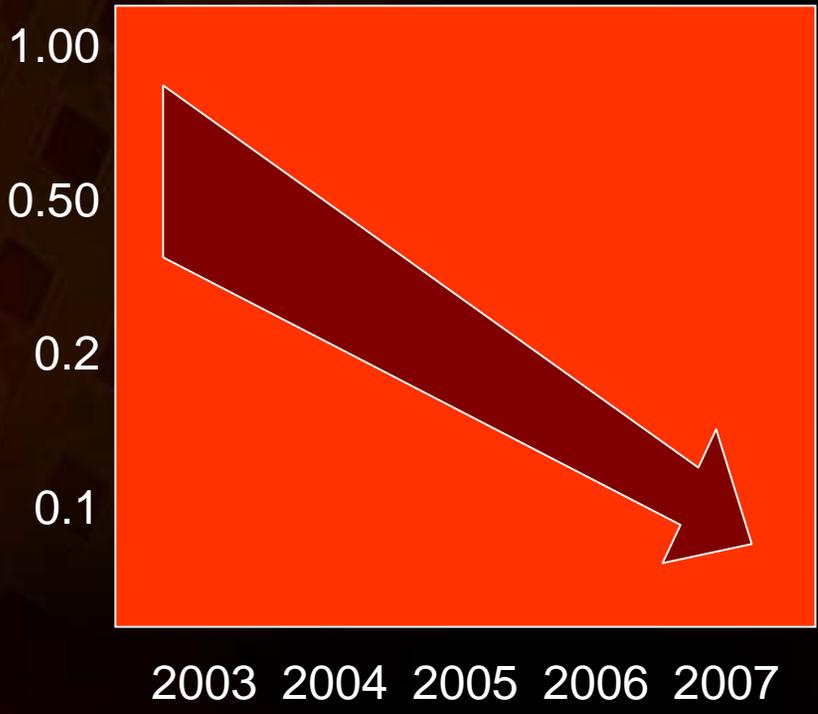
Services

- Education: hands-on boot camp approach very successful; leads to intelligent evaluation of options by users

- Pilot: site survey, installation & integration services

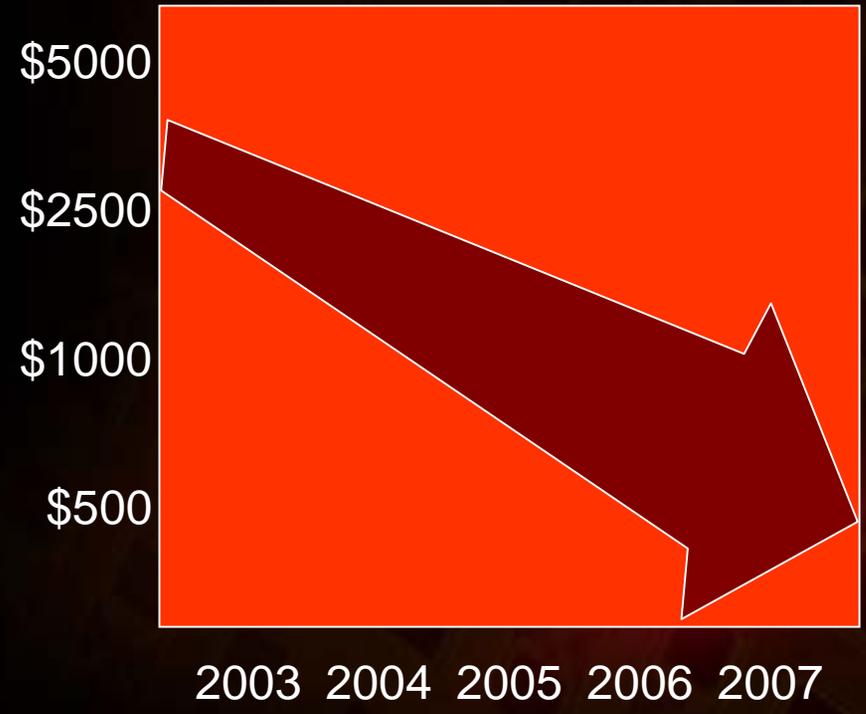- Adoption: tag evaluation to match tags to products for each class of SKU

Cost Trends

- Tag and reader costs coming down rapidly

Tag Costs in High Volumes

1.00	
0.50	
0.2	
0.1	

2003 2004 2005 2006 2007

Reader Costs

$5000	
$2500	
$1000	
$500	

2003 2004 2005 2006 2007

Outlook

- Technology is maturing rapidly with improvements in performance and reductions in cost at a rapid pace

- EPCglobal responding to user demands for universal next generation protocol; expected volume availability in 2006

- Users driving the process: Wal*Mart, DoD, …

- Backward compatibility required to protect investments of early adopters

About Alien Technology

- Low-cost RFID hardware products: tags and readers

- Patented Fluidic Self-Assembly process technology

- Single, open, global standard

- Morgan Hill, CA headquarters
  - Founded in 1995
  - 130+ employees

- Top-tier venture and strategic investors
  - NEA, CMEA, Sevin Rosen, Rho
  - Dow, Avery, Manhattan Associates