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UPM Raflatac, Seeonic™ and Alliance deploy first-of-its-kind RFID-enabled item-level inventory management system for retail promotions

(UPM Raflatac, Fletcher, April 22, 2009) – UPM Raflatac, Seeonic and Alliance, a RockTenn company, announce the deployment of a new generation of Alliance’s **MAXRPM™**, an inventory management system for retail promotional items that uses RFID technology to provide retailers and manufacturers with real-time business insights of retail promotion performance at the item level.

The solution, an industry first, pairs a free-standing, RFID-enabled **MAXRPM™** retail display, developed, built and sold by Alliance, with Seeonic’s SmartWatch™ service and UPM Raflatac UHF Gen2 DVD Spine tags, to create actionable intelligence that business users can use to optimize the manufacturing, distribution, management and marketing of high margin promotional inventory such as entertainment DVDs. The **MAXRPM™** system will make its debut at the UPM Raflatac booth (#1804) at *RFID Journal Live 2009*, April 27-29, in Orlando, Florida.

While retailers have long used retail promotional displays to market entertainment DVDs and other promotional items, these units have never provided business intelligence, forcing staff to count inventory manually and increasing human error and labor costs. As a consequence, retailers have lacked access to accurate, timely data that would help them ensure stock availability, fine-tune ordering strategies and drive consumer products merchandising sales by making changes to product packaging or marketing strategies. Meanwhile, manufacturers have lacked data that would enable them to match production to consumer demand, anticipate demand spikes and distribute inventory efficiently, while reducing production and logistics costs.

The new **MAXRPM™** inventory management system solves these challenges by providing real-time, web-accessible data and analytical and modeling tools retailers and manufacturers can use to optimize and evolve production and sales strategies on a continuous basis. In addition, the **MAXRPM™** system provides leap-ahead benefits over disposable promotional displays. A free-standing, battery-powered and semi-permanent unit with intelligent shelves, the **MAXRPM™** system functions autonomously, can be easily deployed in any retail environment and can be customized with new banners. As such, it provides retailers with a versatile, reusable and environmentally sustainable tool to showcase retail promotions, while measuring their success.

“RFID technology provides an unprecedented level of insight into consumer demand and behavior,” says **Jan Svoboda**, Sales and Marketing Director, Americas, RFID, UPM Raflatac. “The business intelligence provided by the **MAXRPM™** system improves the ability of manufacturers and retailers to collaborate on forecasting demand, maximizing product sales and per-store revenues.”

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The **MAXRPM™** system contains an embedded inventory management system that uses SightWare™, an electronic module with an UHF Gen2 RFID reader to read RFID-tagged merchandise stored on display shelves. This data is captured in real-time and communicated wirelessly to a secure, web-accessible business intelligence service and relational database, SmartWatch™, hosted by Seonic. SmartWatch™ provides powerful analytical and modeling tools, SmartPlan™, to help business users track and manage inventory and reduce out-of-stocks. The **MAXRPM™** system can also be paired with RFID-enabled loyalty cards to motivate consumer behavior, such as visiting stores at specific times to receive special offers or merchandise giveaways.

“The **MAXRPM™** system provides business users with resources that take the guesswork out of inventory management,” says **Harley Feldman**, President and CTO, Seonic. “The Seonic platform allows manufacturers and retailers to make informed decisions about production and ordering and adapt instantly to changing conditions.”

The **MAXRPM™** display system is currently installed at the Sam M. Walton College of Business RFID Research Center at the University of Arkansas as part of the global leading retail test center.

“Our research studies have demonstrated that retailers achieved a 16 percent reduction in product out-of-stocks with merchandise identified and tracked using RFID EPC technology,” says **Dr. Bill Hardgrave**, Director of the RFID Research Center and Executive Director of the Information Technology Research Institute. “In addition, RFID-enabled stores were 63 percent more effective in replenishing out-of-stock products than control stores not equipped with the technology. Essentially, this meant fewer total out-of-stock items and fewer occurrences of empty shelves when the merchandise was in the back room.”

“Manufacturers and retailers have long known that they have a short window of time to drive sales of new product releases before prices fall,” says **Jim Einstein**, Executive Vice President and General Manager, Alliance. “The **MAXRPM™** system enables them to make the most of this ‘golden hour,’ delivering a superior customer experience and optimizing the sales of these important, high margin products.”

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About UPM Raflatac

UPM Raflatac, part of UPM's Engineered Materials business group, is one of the world's leading suppliers of self-adhesive label materials and the world's number one producer of HF and UHF radio frequency identification (RFID) tags and inlays. UPM Raflatac has a global service network consisting of 14 factories on five continents and a broad network of sales offices and slitting and distribution terminals worldwide. UPM Raflatac employs 2,600 people and made sales of approximately USD 1.4 billion (EUR 1 billion) in 2008. Further information is available at www.upmraflatac.com.

About Seonic, Inc.

Seonic™ is a leading provider of in-store *Actionable Intelligence* systems delivering real-time information driving sophisticated, decisive and effective action in the management and replenishment of store inventory, resulting in reducing stock-outs and increased revenues for manufacturers and retailers. Manufacturers, distributors and retailers gain competitive advantages through our combined *SightWare™* and *SmartWatch™* business intelligence offering. Our intelligent data service features item-level accuracy and provides real-time visibility of your in-store inventory. Utilizing the data gathered, real-time alerts are generated and predictive modeling algorithms are applied to initiate replenishment action to increase your return on promotion and store investments. This web accessible data originates with our *SightWare* system in the retail display and transmits information to our *SmartWatch* data portal via a cellular uplink. To be flexible and economical, Seonic's system requires no upfront capital investment, no in-store IT infrastructure and is delivered on a monthly subscription basis.

Seonic is headquartered in Minneapolis, Minnesota

About Alliance

Alliance is a leading in-store marketing solutions provider that develops both promotional and permanent displays and packaging programs supported by innovative marketing services for major consumer packaged goods and services companies and retailers. Its parent, RockTenn Company is one of North America's leading manufacturers of paperboard, containerboard, consumer and corrugated packaging and merchandising displays, with annual net sales of approximately \$3 billion. The Company operates locations in the United States, Canada, Mexico, Chile and Argentina. Headquartered in Norcross, Georgia, RockTenn is listed on the New York Stock Exchange. The Company's common stock trades under the symbol RKT. Alliance can be reached on the web at www.alliancerocktenn.com.