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RFID eNEWS

Holiday Message from Bill Allen

As 2002 comes to a close, we would like to take this opportunity to thank all of our customers for choosing to do business with TI-RFid. In addition, we would like to send our warmest regards to all of our business associates, industry analysts and press personnel. And finally, we 'd like to say thanks to our prospective customers for their continued interest in TI-RFid, and we look forward to serving you in the future.

During 2002 at TI, we've launched a number of new and exciting initiatives, particularly in the areas of access control/security and wireless commerce. We've also launched new products in several other markets. It's been a good year for TI-RFid and for many of our customers who have brought to the market a host of new and novel applications for RFID. Interest in RFID is at an all-time high, and many businesses are seeing very positive results from their investment in RFID applications.

To our many thousands of eNews subscribers, we extend our best wishes for a happy and safe holiday season, no matter what part of the world you may reside. We also hope 2003 is a great year for you all, both professionally and personally.

We look forward to the New Year with great expectations. Thank you for your continued support.

Bill Allen
Marketing Communications Manager
TI-RFid Systems

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TI-RFid Systems Voted Top 10 Supply Chain Company by Frontline Solutions Magazine

TI-RFid Systems was selected as one of the Top Ten vendors of supply chain technology by *Frontline Solutions* magazine. TI-RFid Systems also received a Head of the Class honor for its RFID technology in Frontline's ranking of the top 100 supply chain companies.

The winners of this year's ranking, chosen for providing overall excellence and customer value to the supply chain, were selected from thousands of companies that provide products, software, and services for supply chain logistics. Winners were chosen by readers of *Frontline Solutions* and an expert panel comprised of judges from several major analyst groups including, AMR Research Inc., the ARC Advisory Group, and Venture Development Corporation.

"The reason RFID has been highlighted as a supply chain technology is its impact across the supply chain, from logistics and distribution to new inventory tracking from manufacturing all the way through the retail chain," said Mike Verespej, editor-in-chief, *Frontline Solutions*.

Companies were evaluated on product performance, post-sales support to customers, contract fulfillment, and delivering an outstanding return to customers on their supply chain investment.

"Companies like TI-RFid Systems continually push supply chain technology to new levels," said David Krebs, practice manager, Venture Development Corporation. "They continue to play a critical role in the development of RFID technology, standards, and solutions."

To view the complete list of *Frontline Solutions* Top 100 supply chain companies, please visit: http://www.frontlinetoday.com/frontline/article/articleDetail.jsp?id=35818.

TI Teams Up with TSSI and Third Millennium to Provide Biometric Access Control Solution

TI-RFid Systems is teaming up with access control reader manufacturer Third Millennium Ltd. and technology provider TSSI Ltd.to bring RFID and fingerprint biometric solutions to manufacturers and integrators of access control and user authentication systems.

Third Millennium's new integrated reader will offer an advanced level of security by combining TSSI's award-winning Verid+TM fingerprint verification technology with the latest generation of 13.56 MHz contactless ISO 15693 smart proximity cards from TI-RFid. Users simply present their contactless card or badge and then their finger to the reader. The card is automatically identified, the fingerprint verified, and entry granted, all within 1 second.

"After evaluating various biometric solutions, we chose to work with Third

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Millennium and TSSI as their products provide the most practical and cost-effective solution," said David Hyslop, UK sales manager for Texas Instruments RFid Systems.

Combining RFID with biometric technology has many advantages. Fingerprint information is held on the card and may be encrypted for security. It does not need to be stored in the reader or on a network, improving security and making systems less complex and easier to install. The readers provide industry-standard outputs for interfacing to a wide variety of access control equipment.

Peter Jones, managing director of Third Millennium, said, "We are delighted to be working with Texas Instruments to bring these new biometric access control products to the security market. TI's RFID cards provide both the capacity and the performance essential to an advanced biometric solution."

Timex Watch Offers Convenience of Speedpass Technology with the Wave of Your Wrist

The new Speedpass-enabled Timex watch, using RFID technology from Texas Instruments (TI), is now available online to consumers across the nation. The Speedpass Timex wristwatch is the fastest and easiest way to pay for everything from gas at the pump to burgers at McDonald's simply by waving your watch. The new watch looks and functions like a regular watch with the added benefit of a TI radio frequency transponder inside the timepiece.

Customers can instantly pay for purchases at more than 7,500 Exxon and Mobil stations nationwide and 440 participating McDonalds restaurants in Chicago and Northwest Indiana. Consumers can choose from the selected styles and place their order by visiting the Timex Web site at http://www.timex.com/speedpass/.

Today, more than 6 million Speedpass users pay with a miniature device that attaches to a key chain. The new Speedpass Timex watch gives customers a hands-free option that allows them to pay for purchases by simply waving their watch in front of an electronic reader located at the pump, the checkout counter, or the drive-thru.

Exxon Mobil recently released statistics on the growing success of Speedpass. More than 92 percent of Speedpass users report they are highly satisfied, and typically make one or two additional visits each month to Exxon Mobil service stations. Customers of Exxon and Mobil branded service stations increased their purchases of gasoline by 15 percent after they became Speedpass users and retail locations where Speedpass was implemented experienced a sales lift of four percent. Sales lift was measured as total gasoline gallons sold for the twelve months prior to implementing Speedpass compared with the twelve months after Speedpass was implemented at each location.

TI-RFid and SafeTzone Help Family and Friends Play it Safe at Amusement Parks

A day of fun with family and friends at the amusement park can turn frantic when a child gets separated from the group. SafeTzone Technologies Corporation of Laguna Hills, California, has developed a real-time location system for amusement parks that uses passive RFID technology from Texas Instruments RFid Systems combined with active RF tags. The company's Child Locating System can instantly locate any member of a group throughout the park at any time using SafeTzone Locator™ wristbands, RF readers, and interactive LocationStation™ kiosks. TI-RFid tags also enable the SafeTzone Locator to be used as a wireless wallet for cashless purchases throughout the park.

The SafeTzone Locator is a watch-like RF device that each group member wears on his or her wrist. The device communicates a person's location to RF readers situated throughout the park using an active RF tag. The technology operates from touch screen kiosks that allow groups to track the real-time location of their members, on a map of the park, at any time of day, in multiple languages, simply by scanning their Locators. When visitors approach the touch screen kiosks and scan their Locators, the passive RF tag automatically identifies them, linking them to information on the whereabouts of their group members. The SafeTzone locating systems are available to park guests visiting the following parks: Wet `n Wild - Orlando, Florida; Wet `n Wild – Las Vegas, Nevada; Wild Rivers – Irvine, California; and Dolly's Splash Country – Pigeon Forge, Tennessee.

Version 3 of the SafeTzone Child Locating System, launched in November 2002, includes three new software modules. The new cashless module acts as an "electronic wallet," enabling guests to make purchases at food, drink, and gift areas around the park without the need to carry wallets or cash. The line management module provides guests with the option to make reservations for their favorite rides. The new data analysis module allows amusement parks to record and study the buying habits and activity preferences of their guests so they can offer customer loyalty programs such as coupons and rewards to frequent visitors, or incentives for underutilized games or attractions. The new version of the SafeTzone Child Locating System also includes features such as amenity locator, route planner, park-to-guest messaging, guest-to-guest messaging, and commercial videos that run on location stations.

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Calendar of Events

TI-RFid Systems will participate in the following upcoming shows and conferences:

NRF 2003
January 12-15, 2003
New York, New York

Transponder Roadshow
January 21, 2003
Wiesbaden, Germany

February 18, 2003
Duesseldorf, Germany

March 25, 2003
Muenchen, Germany

ISC West 2003
March 26-28, 2003
Las Vegas, Nevada

Editor's Comments

eNEWS will be distributed via email on a monthly basis to keep you abreast of product and business highlights of Texas Instruments Radio Frequency Identification Systems.

I welcome your feedback. Send your email to: billallen@ti.com.

Regards,
Bill Allen
Editor

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