

Alien Drops Tag Price to 12.9 Cents

The California tag-maker, which also announced new Gen 1 and Gen 2 Squiggle tags, claims the low price indicates its ability to break further price barriers down the line.

By Mary Catherine O'Connor

Sept. 15, 2005—Morgan Hill, Calif.-based RFID tag and reader manufacturer Alien Technology says it is selling its ALL-9338 Squiggle labels at 12.9 cents each in quantities of 1 million—a 44 percent decrease in the price over the past 12 months. The labels are ½ inch by 4 inches in size. For supply chain applications, ALL-9338 labels are generally placed on cases of goods containing larger shipping labels with printed bar codes and text.

Alien Technology CEO Stav Prodromou reported on Tuesday, at the EPCglobal Conference in Atlanta, that Alien's ability to offer tags at such a low price represents a significant step toward the company's projection of manufacturing a sub-10-cent RFID tag by 2008. That projected price pertains to a Gen 1 tag, rather than a Gen 2 tag, which contains a more complex—and, thus, more expensive—chip. Still, Prodromou says he expects many end users to keep using Gen 1 tags for many months to come, until Gen 2 tags become pervasive.

Alien attributes its ability to offer the low-cost tags to its Fluidic Self-Assembly process, which flushes a slurry of very small RFID chips over a template with indentations to catch the chips. The company also cites its high-speed system of attaching the chips to straps and antennas to form tags. These processes enable the manufacture of high tag volumes in less time than other tag-assembly methods.

Alien also reports that the increased manufacturing capacity attained through its new 47,000-square-foot facility in Fargo, N.D., is enabling it to produce up to 2 billion straps per year. In addition, at the EPCglobal US Conference, Alien announced three new 96-bit RFID tags: the ALL-9340, ALL-9440 and ALL-9338. Like the widely deployed ALL-9338 tag, the ALL-9340 is a Class 1 Gen 1 tag priced at 12.9 cents apiece in quantities of 1 million. It is the first in what Alien is calling the Squiggle 2 family of tags. Though closely resembling the ALL-9338 tag, the ALL-9340 tag's antenna and strap construction reportedly boosts the tag's readability when attached to packaging containing metallic or liquid goods that pose high RF interference.

The other two new Squiggle tags comply with the Gen 2 standard. The ALL-9440 is designed for readability near goods that are not RF-friendly. Alien describes the ALL-9440 as a "drop-in replacement" for its Gen 1 ALL-9338 and ALL-9340 tags for users who are migrating to Gen 2 systems.

The ALL-9460 Omni-Squiggle tag breaks from the configuration of Alien's other Squiggle tags, which have two-armed antennas. The ALL-9460 has a three-armed orientation-insensitive antenna design that Alien says is intended for use on pallets of goods presenting RF interference, or on pallets that must be read in an environment with significant RF noise.

The ALL-9340 is available now. Samples are currently available for the ALL-9440 and ALL-9460 tags, Alien says, but the firm has not yet released pricing.

