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**WERENET WIRELESS LOCATING SYSTEM OPTIMIZES YARD OPERATIONS
FOR INNOVATIVE GROCERY DISTRIBUTOR**

*WhereNet Wireless System and Yard Management Application Provide New Revenue
Opportunities and Significant Savings for ES3*

SANTA CLARA, Calif.—July 17, 2002—WhereNetCorp., the worldwide leader of wireless location and communications solutions for managing mobile resources, today announced that grocery distributor ES3 has adopted WhereNet’s second-generation wireless real-time locating system (RTLS) technology to reduce costs and increase new revenue opportunities. WhereNet is helping ES3 automate its distribution center in York, Penn., enabling “just-in-time” delivery. WhereNet is providing ES3 with wireless, real-time applications for locating, tracking, and managing hundreds of assets at ES3’s state-of-the-art distribution center.

“By leveraging the WhereNet wireless system, together with our other systems, we are able to move product more efficiently than ever before – whether it’s a truck load of dog food or a pallet of soup – achieving cost reductions,” said Geoff Davis, executive vice president of ES3. “Through WhereNet’s yard management software and wireless location applications, we can optimize every yard move we make from the moment a trailer enters our distribution center.”

“Enterprises seeking supply chain performance improvements should look to supply chain visibility as one key enabling capability for new business processes. These technologies and business processes can improve supply chain throughput and operations efficiencies, giving enterprises in wholesale grocery distribution and other verticals a competitive edge,” said Jeff Woods, senior analyst for Gartner. “Emerging wireless location technologies are enabling grocery distributors to optimize their operations by having constant connectivity to all of their trailers — eliminating the black holes that currently exist in many distribution centers. While

manufacturers and stores will benefit from quicker deliveries, the ultimate winners will be consumers, who will enjoy fresher food on store shelves — and perhaps even lower prices.”

By reducing movement in the distribution center and enabling ES3 to know where its trailers are in real time, the WhereNet solution plays a key role for retail grocers seeking a unique competitive advantage with a completely automated supply chain that presents new revenue opportunities and significantly reduces costs.

Tagged for Success — WhereNet Enables Rapid Turnaround Time

WhereNet’s solution offers ES3 the next generation of wireless resource management tools for planning, scheduling, and optimizing its yard resources. Based on wireless radio frequency WhereTags and a local infrastructure of wireless WhereLAN™ locating access points, the WhereNet system provides real-time location and status information for every trailer at the ES3 distribution center. For inbound shipments, ES3 personnel temporarily attach a WhereTag to every trailer upon entering the distribution center. Through association of the WhereTag with the contents of the load, the trailer is automatically recognized as “full” or “empty.” This status information is then communicated through WhereNet’s Web-enabled yard management system (YMS).

Because of the delivery time promised to retailers, trailers need to be tightly scheduled so that there is no time wasted moving the right trailer to the right dock door at the right time. In conjunction with WhereNet’s YMS software, 802.11b technology is leveraged to communicate trailer move requests to “switchers” (drivers who move trailers around the yard) via ruggedized mobile devices mounted inside each switch tractor. Switchers are able to select and work requests, display the exact locations of requested trailers on a map, and perform trailer inspections through WhereNet software that runs through a browser on the mobile devices. When a new trailer move is required, the WhereNet system not only displays the location of the specific trailer to be moved, but also the location of the switcher who is closest to that particular trailer. This constant connectivity to and real-time visibility of mobile assets dramatically reduces search and switch time for ES3, amounting to daily savings, increased yard throughput, and improved customer satisfaction.

“WhereNet is pleased to expand our footprint in the grocery and retail distribution market. We are helping ES3 to realize its vision to transform the grocery distribution lifecycle and shave days off of the delivery process,” said Dan Doles, president and CEO for WhereNet Corp. “Companies such as ES3 are immediately realizing the benefits of our wireless applications that provide constant connectivity between mobile assets and the mobile workers and information systems that manage those assets. The ES3 deployment builds on WhereNet’s success with Associated Food Stores, a company that realized complete ROI on its WhereNet investment in less than 9 months.”

About ES3

ES3 has redesigned the consumer packaged goods supply chain from the ground up by fundamentally changing the way that products move from manufacturer to market. ES3 provides the industry with the scale, technology and expertise necessary to realize savings from a collaborative, just-in-time distribution solution. ES3’s state-of-the-art facility in York will deliver multi-manufacturer consolidated orders to customers throughout the Northeast and Mid-Atlantic regions within 24 hours by utilizing electronic information exchange (EDI, XML, or direct machine-to-machine communications) and automation. Manufacturers and their customers have real-time visibility to inventory and are able to monitor shipments from end-to-end through ES3’s Web-based reporting and proprietary supply chain systems. For more information on the company, visit ES3’s Web site at www.ES3.com.

About WhereNet Corp.

WhereNet is the first company to deliver a single wireless location and communication infrastructure that reliably and cost-effectively manages valuable mobile resources. Based on patented technology resulting from a collective 100+ years of development, WhereNet’s real-time solutions have reduced inventory, lowered operating costs, and improved operations, delivering a complete return on investment within 12 months for some the world’s leading companies, including Coca-Cola, Ford Motor Co. and Meijer. WhereNet’s strategic partners include Fortune 500 bellwethers General Electric, Unisys, Symbol, and FMC. The company has received the Henry Ford Technology Award; been named a Top 100 company by *Frontline Solutions*, *Inbound Logistics*, and *UPSIDE* magazines; and been recognized as a wireless innovator and industry leader by Forrester Research, *Computerworld ROI*, *Plant Engineering*, *Start*, and *Supply Chain Systems* magazines. Headquartered in Santa Clara,

Calif., with offices throughout the United States and Europe, WhereNet is funded by Crosspoint Venture Partners, Foundation Capital, Bay Partners, Crescendo Ventures, Ford Motor Co., and Sun Microsystems. For more information, visit the WhereNet Web site at www.wherenet.com, or call 408-845-8500 (in the U.S.) or + 32 15 28 48 00 (in Europe).

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