

For Immediate Release

**Sausalito, CA
March 20, 2008**

**Hilton Singer Island Sees Sustainable ROI Using
Capton's RFID Beverage Tracker Solution**

ABOUT CAPTON

Headquartered in Northern California, Capton is the leading developer of RFID-based business control solutions for hospitality.

Capton solutions are installed in hotels, restaurants, nightclubs, bars, resorts, casinos, cruise lines, sports stadiums and many other types of hospitality venues across the United States and around the world.

Capton products are marketed via a global sales and support network.

FOR MORE INFORMATION

Tricia James
Vice President, Marketing
415.332.6410
tjames@captoninc.com

Capton announced today that Hilton Singer Island Oceanfront Resort implemented Capton's RFID-based Beverage Tracker in the summer of 2007 and is reporting impressive ROI results for the second half of the year.

This spectacular hotel provides a breathtaking locale on a tranquil four-mile stretch of sandy beach in West Palm Beach, Florida. Their signature food and beverage outlet, Coconuts, encompasses both an inside fine dining and massive outdoor deck area, which is a favorite gathering spot for visitors and locals.

The Beverage Tracker system installed at Hilton Singer Island utilizes RFID-enabled liquor pour spouts, providing a clear picture of exactly how each drink is prepared, how the guest is served and how the transaction is handled in the point-of-sale (POS) system.

The project started with a proof of concept phase in February 2007. The goal being to prove that the system would work in the complex indoor/outdoor environment of a beachfront hotel venue, and to define the ROI opportunity. Following a successful proof of concept phase, the system was purchased and the effort to change bartender behavior began in August 2007.

"We had several behavior problems to solve," according to Hilton Singer Island's General Manager, Stan Turner. "Whether over pouring events were deliberate or otherwise, our guests weren't getting consistent serving sizes. In addition, we were pouring more drinks than we were selling in the POS. The result of inconsistency and POS ring up issues was a 40% difference in theoretical liquor costs versus actual. Those kinds of variances are common in bar operations given the entrepreneurial tendencies of bartenders, but I had never seen a tool like Capton that could be used to go after such problems."

In August 2007, Hilton bar staff were educated on service standards and made aware of the Capton system's capabilities to monitor pouring patterns and spot missing drinks. Bartenders practiced with a video game-like tool and were certified that they could free pour consistently within a target range of standards. In February 2008, a formal ROI analysis was completed to understand the effects of the system in the first six months.

"We saw an immediate five point drop in liquor costs in the months following installation," said Hilton Singer Island's Controller, Jeff Walker. "Furthermore, we saw a significant improvement in pouring consistency, which meant our guests were getting drinks which looked and tasted the same."

"During the course of the project we went through a management transition in the bar operation," added Turner. "In hospitality, managers are constantly changing positions which often creates impediments to success for any system. The Capton product and their continuing services program insured we never missed a beat during our transition. The numbers went down and stayed down. And we are by no means done. My team feels we can get even better in terms of further consistency improvement, liquor cost reduction and revenue assurance."