

FOR IMMEDIATE RELEASE

**Evolution Robotics Retail announces
LaneHawk deployed in over 1,000 US grocery stores
and just under 10,000 lanes**

PASADENA, Calif. – February 24, 2010 – More than 1,000 grocery stores and just under 10,000 lanes in the US are now using LaneHawk to increase profits, according to maker Evolution Robotics Retail. The LaneHawk loss-prevention system, built on Microsoft's Windows Server operating system, uses video analysis to identify and ring up articles in a shopping cart's bottom-of-basket ("BOB") to ensure they are not omitted from the order and accidentally given away.

LaneHawk uses patented algorithms to recognize BOB items from real-time video modules, and then sends the associated UPC numbers to the point-of-sale system for inclusion in the transaction. LaneHawk's high-speed vision technology, also used in sophisticated robotics applications, recognizes items without requiring special packaging, tags, transponders or shopping cart modifications.

BOB items are typically large and often expensive, such as full cases of beverages, produce and paper products; savings from preventing these losses pays for the LaneHawk system in as little as 6-9 months. The recent acceleration of expense from shrink has put a spotlight on BOB costs.

"Bottom-of-basket has become top-of-mind, and LaneHawk provides outstanding ROI," said Roy Simrell, president of Retailix USA. "Many of our StoreLine, ISS45 and ScanMaster POS customers will agree that LaneHawk is the right loss-prevention system at the right time."

"Our company has benefited from LaneHawk. The system has reduced our shrink and improved our operating income. As an owner/operator, we are very focused on deploying high ROI, fast payback technology solutions, like LaneHawk," said Douglas Winsor, President and COO Haug Enterprises, a SUPERVALU franchise operator.

"LaneHawk has been a proven success in the stores where we've tested it, and has helped to reduce bottom-of-basket loss. We look forward to rolling it out to select ShopRite stores in the future," said Alan Aront, Vice President, C.I.S.D., Wakefern Food Corp.

Dean Crotty, North Country Business Products President, comments, "LaneHawk's seamless integration with NCR's Advanced Checkout Solution provides a significant return-on-investment for our retailers and delivers the level of effective BOB loss reduction our customers have been asking for."

“With industry shrinkage costing U.S. retailers more than \$36 billion last year, retailers must tap into the next generation of store-level solutions to save critical dollars,” said David Gruehn, retail industry solutions director, Microsoft Corp. “Evolution Robotics Retail’s LaneHawk solution, using the Windows Server operating system, is a great example of how retailers can utilize innovative technology in their existing environment to deliver immediate results to the bottom line.”

“We are grateful to our customers and partners who have helped us grow use and adoption of the LaneHawk system,” said Alec Hudnut, CEO, Evolution Robotics Retail, “and we look forward to continuing to reduce shrink at retailers across the US.”

About Evolution Robotics Retail, Inc.

Evolution Robotics Retail, Inc. is based in Pasadena, CA, and develops intelligent products and solutions for the retail industry based on ViPR®, its visual pattern recognition technology. The company’s flagship product is LaneHawk®, a visual scanner for preventing Bottom-of-the-Basket (BOB) loss. ViPR® allows retailers to scan an item without having to see the barcode. Evolution Robotics Retail is an operating company of Idealab, a creator and operator of technology businesses. (www.evoretail.com)

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