



For Immediate Release

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Saks Incorporated Begins Conversion of its Distribution Centers to Kiva Systems Automation

Robotic Order Fulfillment System will be the cornerstone of Saks' multichannel, multibrand strategy

Woburn, Mass. – January 26, 2010 – Kiva Systems (www.kivasystems.com), a developer of game-changing mobile-robotic solutions that automate order fulfillment and warehousing operations, today announced that Saks Incorporated has purchased a Kiva system for its Aberdeen, Maryland distribution center. This purchase kicks-off a 30-month Saks initiative to convert its fulfillment center from manual to automated operations, based on the [Kiva Mobile-robotic Fulfillment System](#).

“Given the growth of our Saks Direct business, and our need to support critical store initiatives, this the right time for us to invest in automation,” said Michael Rodgers, executive vice president of service operations and CIO at Saks Incorporated. “The Kiva solution is a terrific option that can more than double productivity of our operations while also offering the flexibility we need to support our multichannel, multibrand fulfillment strategy well into the future.”

Kiva’s innovative approach to order fulfillment uses hundreds of mobile robotic drive units that bring inventory directly to workers, allowing easy and efficient access to all inventory items at all times. Elimination of operator walking and waiting enables worker productivity that is two to four times higher than with other automated systems. What’s more, because all the system components are mobile and modular, a Kiva-equipped distribution center has unprecedented flexibility when adding new products or expanding throughput—without disrupting ongoing operations.

Saks Incorporated operates 53 Saks Fifth Avenue stores, 55 Saks Fifth Avenue OFF 5TH stores and saks.com, its direct-to-consumer website. The company offers the finest designer collections for men and women, as well as accessories, cosmetics and gifts, all supported by highly personalized customer relationships.

“As a premium brand recognized around the world, Saks is a leader in style,” said Mick Mountz, founder and CEO of Kiva Systems. “By making Kiva a cornerstone of its move into automated fulfillment, Saks is demonstrating that premium thinking includes timely, accurate customer service as well as operational excellence. Kiva’s unique approach enables Saks to reduce the cost of seasonal reslotting, simplify and accelerate processes and defer capital expenditures with a truly flexible automation solution.”

About Kiva Systems

Kiva Systems, Inc. offers game-changing automation solutions for distribution centers that help companies simplify operations and reduce costs while increasing strategic flexibility. Using hundreds of autonomous mobile robots and sophisticated control software, the Kiva Mobile Fulfillment System enables extremely fast cycle times with reduced labor requirements, from receiving to picking to shipping—all without conveyor. The result is a building that is quick and low-cost to set up, inexpensive to operate, and easy to change. For more information on Kiva Systems and its solutions, please visit www.kivasystems.com.

About Saks Incorporated

Saks Incorporated operates 53 Saks Fifth Avenue stores, 55 Saks Fifth Avenue OFF 5TH stores, and saks.com. Saks Fifth Avenue licensed stores are located in Riyadh and Jeddah, Saudi Arabia; Dubai, U.A.E.; Mexico City, Mexico; and Manama, Bahrain. Saks Fifth Avenue is renowned as an arbiter of modern style. From the day its doors opened in 1924, the purpose of this retail legend has always been the same: to be the first and only choice for the most discerning consumers, the ones with the highest expectations. Saks offers the finest designer collections for men and women, as well as accessories, cosmetics and gifts, all supported by highly personalized customer relationships. Great Saks Fifth Avenue style can also be found by visiting www.saks.com.