

Document Security Systems, Inc. Signs Licensing Agreement with Pharmaceutical Label Manufacturer

Released: 08/04/10 10:30 AM EDT

Contract with ATL, Inc. supports DSS' expansion of counterfeit protection for the Pharmaceutical Industry

ROCHESTER, N.Y., Aug. 4 /PRNewswire-FirstCall/ -- Document Security Systems, Inc. (NYSE Amex: DMC), announced today that it has signed a licensing agreement with Wisconsin-based ATL, Inc., a secure product label manufacturer. Document Security Systems is a leader in proven, patented optical deterrent technologies and products that protect against counterfeiting and brand fraud due to unauthorized copying, scanning and photo imaging.

As part of the two-year agreement, ATL will manufacture security labels for its pharmaceutical industry clients containing Document Security Systems, Inc.'s AuthentiGuard® suite of technologies. Document Security Systems' new Bar Code Protection technology called "AuthentiGuard – Bar Code Barricade" will be the main feature of the technology package licensed by ATL. This agreement is a non-exclusive US license and revenue is based on a percentage of sales. This highly scalable relationship provides Document Security Systems with an established sales partner for its enhanced solutions in the secure label market, as well as access to major pharmaceutical companies through ATL, an industry leader.

The brand protection market for anti-counterfeiting and authentication solutions is rapidly expanding as potential customers increasingly recognize the ongoing cost of forged documents, security breaches and brand theft. The global trade in bogus pharmaceuticals will be worth an estimated \$75 billion in 2010, according to the US-based Center for Medicine in the Public Interest (CMPPI), an industry-backed think tank.

"This is a significant agreement for us as it provides Document Security Systems with new 'feet on the street' and a commanding sales presence in the critical pharmaceutical label industry, which is focused like never before on issues of anti-counterfeiting and security," said Patrick White, CEO of Document Security Systems. "Our bar code protection technology has been deemed critical due to recent bar code copy crimes that have been occurring in the pharmaceutical and retail industries. Adding a quality secure label manufacturer like ATL to our in-house secure packaging and printing operations completes us as a full provider of technologically secure printed substrates."

Donald Dobert, President and COO of ATL, Inc., noted, "This license represents an opportunity for us to meet the growing demand for print security by working with the global leader of the anti-counterfeiting technology industry. We're excited at becoming DSS' label implementation arm as well as offering the company's technologies to our growing list of pharmaceutical clients. Our clients are some of the largest companies in the industry. DSS technologies can significantly enhance our security offerings to those clients."

Document Security Systems' AuthentiGuard® technologies are on the cutting edge of the counterfeit prevention, print security and authentication technologies markets today and are highly effective optical deterrent security technologies that work with current models of digital copiers, imaging systems and scanners.

About Document Security Systems, Inc.

Document Security Systems is a technology company in the security and protection services sector which develops and manufactures products and packaging containing patented and patent pending optical deterrent technologies that help prevent counterfeiting and brand fraud from the use of the most advanced scanners, copiers and imaging systems in the market. The company owns over 30 different patented and patent-pending technologies and products which protect valuable documents and printed products from counterfeiters and identity thieves. The company has 3 manufacturing facilities which produce secure printing, packaging and plastic ID cards. Document Security Systems' customers, which include international governments, major corporations and world financial institutions, use its covert and overt technologies to protect a number of applications including, but not limited to, currency, vital records, brand protection, ID Cards, Smart Cards internet commerce, passports, gift certificates and packaging. Document Security Systems' strategy is to become the world's leading producer of cutting-edge security technologies for paper, plastic and electronically generated printed assets.

More information about Document Security Systems, Inc. and its products and services can be found at www.documentsecurity.com, www.protectedpaper.com, www.premiercustompkg.com, and www.plasticprintingprofessionals.com and www.dpirochester.com

About ATL, Inc.

ATL (formerly Ad Tape & Label Co) has a modern manufacturing plant located in Menomonee Falls, Wisconsin. They specialize in anti-counterfeiting security labels, multi-panel booklet labels, custom die-cut components, disposable medical devices, direct mail,

and product labels. Their facility, Quality Management System (QMS), and personnel have successfully passed dozens of audits from top pharmaceutical companies, giving ATL a well-respected name in the tough arena of FDA cGMP Compliance. ATL's QMS is based on several standards: ISO 9000; QS-9000; ISO 13485; and 21 CFR 210, 211, and 820. For exports, ATL follows EN 46002. All production (standard labels, medical devices, and complex pharmaceutical multiple page booklets) follow these regulations. More information about ATL, Inc. can be found at its website www.atlco.com.

Safe Harbor Statement

This release contains forward-looking statements regarding expectations for future financial performance, which involve uncertainty and risk. It is possible the Company's future financial performance may differ from expectations due to a variety of factors including, but not limited to, changes in economic and business conditions in the world, increased competitive activity, achieving sales levels to fulfill revenue expectations, consolidation among its competitors and customers, technology advancements, unexpected costs and charges, adequate funding for plans, changes in interest and foreign exchange rates, regulatory and other approvals and failure to implement all plans, for whatever reason. It is not possible to foresee or identify all such factors. Any forward-looking statements in this report are based on current conditions; expected future developments and other factors it believes are appropriate in the circumstances. Prospective investors are cautioned that such statements are not a guarantee of future performance and actual results or developments may differ materially from those projected. The Company makes no commitment to update any forward-looking statement included herein, or disclose any facts, events or circumstances that may affect the accuracy of any forward-looking statement.

For more information, contact:

Document Security Systems, Inc.

Investor Relations

Contact: Jody Janson

Tel: (585) 232-5440

Email: ir@documentsecurity.com

Media Relations

Contact: Gil Nielsen

Synapse PR

Tel: (908) 859-0675

SOURCE Document Security Systems, Inc.