

**Supply Chains and RFID
(practically speaking....)**

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On the promise of RFID.....

.....and feeling the hype about it in the supply chain

“Hey, is this a great thing, *or what?*”
(and its cousin- “*Wow, it can do that?*”)

Hmmm....Wal-mart? DoD? Target?

“Well, we’ve got to do *something.....*”

and..... “*hold on just a second....*”

On the *RFID Czar* inside.....

.....Appointed from a range of functional roles:

- IT Managers (assigned, collecting intelligence, directing traffic)
- Supply Chain Improvement Team (actively looking for it)
- Logistics/Ops Managers (interested, see it coming, some ex-military)

.....and the *RFID Champion* (often a guy feeling some pain, a believer, motivated to drive the issue)

(Practically) addressing *the* Champion's Pain by RFID

- So can it fix *this*?
(examples: shrinkage, cargo damage, shipment invisibility – black holes, demurrage charges, excessive inventories, meaningless ETA/unacceptable customer service levels)
- Best case for everybody: attack a discreet (affordably, demonstrably) solvable problem (validated by the supply chain owner's existing metrics)

On legacy track and trace systems, 3PL's, etc.

*“we know where our stuff is, or our 3PL does- or should....
(50% of logistics is handled by 3PL's)*

In time the 3PL's customers will likely require RFID's data accuracy, and immediacy as part of the service.

**One final thought: the value (from RFID) arrives
with the *resulting change***

.....its not in the tags, or readers, or applications,
or even in the enhanced visibility....

.....as usual, the value is generated from well
reasoned, deliberate change in dependent
business processes.

Thanks.

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