

Radio Frequency Identification

How To Collect, Store And Utilize Item Level Inventory Information To Provide Immediate And Tangible Supply Chain Benefits

Inventory accuracy of 98%+

90% decrease in daily inventory count time

Reduced man hours required for restocking

Increased man hours available for customer interaction

Increased in-stock position and shelf level accuracy

More efficient back room replenishment

Radio Frequency Identification

Americas
Information and Brand Management Division
7 Bishop Street
Framingham, MA 01702-8366
USA
Toll Free USA 800 545 9559
International Telephone +1 818 735 5000
Fax +1 818 735 6000

Asia
Information and Brand Management Division
32/F, Skyline Tower
39 Wang Kwong Road
Kowloon Bay, Kowloon,
Hong Kong
Telephone +852 2400 4000
Fax +852 2785 1255

Europe, Middle East, Africa & S. Asia
Information and Brand Management Division
Building 9, Hatters Lane
Croxley Green Business Park
Watford, Hertfordshire WD18 8PD
UK
Telephone +44 (0) 1923 691000
Fax +44 (0) 1923 236967

www.averydennison.com



12001TR/ENG/01.05/BLT





RFID—The Future Of Supply Chain Productivity Is Now

Squeezing another bit of efficiency out of your operation can seem like an impossible task when you have already trimmed, tweaked and tinkered with every single piece of the puzzle to maximize supply chain productivity. Still, there is one thing you can do that is proven to uncover process improvements normally hidden.

Implement RFID.

What Is RFID?

Radio frequency identification (RFID) is a system that transmits small bits of electronic information wirelessly between a tag and a reader. While barcodes have been able to wirelessly capture data for years, RFID readers are able to capture data on tags and transmit it to a computer system without having a line of sight to the label. This means that regardless of tag orientation, and without having to visually locate the RFID label, tags can be read automatically and without human intervention, saving significant amounts of time and effort.

Unlike barcode technologies, which may use the same barcode for multiple items, RFID technology assigns each and every item a unique serial number. When each item on a shelf or garment rack has a unique serial number that can be read without line of sight, taking a daily inventory of hundreds or even thousands of items takes minutes instead of hours.

How Can RFID Benefit Your Bottom Line?

There are many ways to utilize RFID to improve your bottom line. In fact, RFID can offer benefits starting at the manufacturing facility and continuing all the way to the point of sale. So the real question is, where can you implement an RFID program to get the largest and quickest return on your RFID investment?

At Avery Dennison, We Believe Item Level Tagging Is The Answer. Here's Why We Recommend It As The Best First Step

- You can implement it on a small scale. You don't need to roll out RFID on a chain wide, storewide or even department-wide basis. Pick a manageable product category with a higher-than-normal opportunity to decrease shrinkage or increase in-stock levels and target that as a way to validate the effectiveness of RFID
- You can control all the components. If your target category is a private label brand you can easily implement item level tagging at the point of production with very little impact on your existing processes
- You can get help from Avery Dennison. We'll map out the entire process for you and coordinate its implementation, making sure you are informed and updated all along the way. At Avery Dennison, we can handle everything from designing and producing the RFID tags, to bringing in our partners for the necessary hardware and software implementation



What Are Some Of The Benefits You Can Expect From Implementing Item Level RFID?

With decades of experience in a wide variety of RFID applications, Avery Dennison can demonstrate the following benefits:

Increased Inventory Accuracy

- Traditional inventory tracking methods yields location accuracy rate of only 60–85%
- Common RFID implementation improves this metric to 98%+
- Improving inventory availability by 3% results in a 1% sales increase (To learn more, ask us about our real world success stories.)

More Time To Interact With Customers And Enhance Sales

- With item level RFID, out-of-stock reductions of 20–30% increase clerk sales time with customers
- Daily inventory count time is reduced by 90%
- Reductions in man-hours dedicated to receiving and restocking inventory adds customer face time

Increased Sales

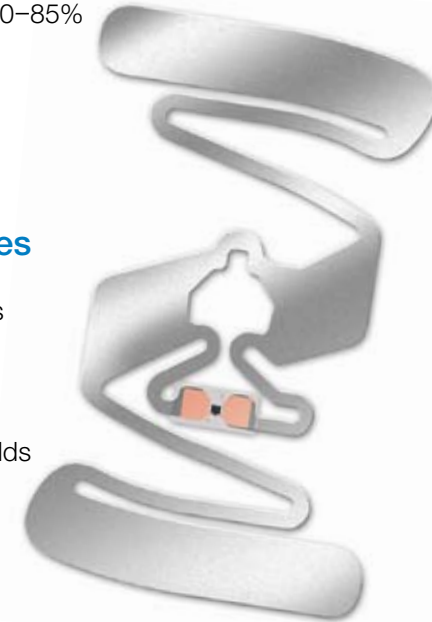
- Greater stock accuracy and higher in-stock rates convert shoppers to customers
- More efficient back room replenishment gets critical inventory onto the sales floor and into the customers' hands faster

How Do You Get Started With RFID Implementation?

Call Avery Dennison and put our experience to work for you. We have spearheaded pilot programs and full program implementations with some of the world's leading retailers. In fact, we can help you develop a pilot program that will clearly demonstrate RFID ROI within your organization with minimal risk and disruption to your daily business.

More RFID Solutions From Us Mean More RFID Options For You

RFID can offer benefits from the manufacturing facility all the way through to the point of sale. While we recommend item level tagging as the best first step in RFID implementation, Avery Dennison has proven RFID solutions for every link in your supply chain. For example:



- **Printer and applicator encoders for in-plant RFID production**—Avery Dennison offers RFID printers/encoders, high-speed print-and-apply RFID labeling systems, and a high-speed, apply-only RFID labeling system. External RFID readers are also available
- **Tags and labels in unlimited configurations**—Decades of experience in a wide variety of RFID applications means Avery Dennison has a tag or label configuration to meet virtually any retail application. In fact, we can provide you with pallet, carton and item level tags with the clearest possible signal. Tags you can count on to be interference-free
- **Global service bureau for pre-programmed RFID labels**—Our Ticket Express™ global service bureau already produces hundreds of millions of non-RFID tags and labels annually. Now with our RFID Ticket Express™, we can receive variable customer data, program RFID labels with the Electronic Product Code (EPC), verify the RFID data on the chip, pre-print the RFID labels as required with human-readable data, bar codes and symbols, and expedite them to factories. It's a super simple option for companies with pilot programs or a low to medium need for RFID labels
- **Contractor data management**—With every individual item being assigned a unique serial number, it's critical that number assignments be coordinated across multiple manufacturing locations. We can manage this on a global basis using our Ticket Express™ service bureau network and/or our InfoChain Express™ (ICE) online supply chain management service. It's a data management service that also allows customers to easily track shipments via ICE-generated ASN's (advance ship notices)
- **Custom RFID inlays**—Different products and applications often require unique RFID inlays (RFID chip, antenna, and a pressure sensitive carrier assembly). As a world-class leader and innovator in RFID inlay and tag development, Avery Dennison is uniquely positioned to develop the correct inlay for your particular application
- **Retailer RFID analysis consultation**—Let our RFID experts provide you with a no-obligation evaluation of your operation to determine how RFID could benefit your operation
- **Readers for fixed, portable in-store and POS applications**—Avery Dennison will develop specifications and coordinate implementation of the most appropriate and accurate RFID readers for your application with our wide selection of partners. Applications can include fixed systems for receiving bay doors, portable units for inventory scanning of a specific area within a retail store, and POS scanning at the checkout
- **System analysis and integration**—We will analyze your existing data management systems and tailor a solution with proven software partners to seamlessly integrate the data collected. You may then leverage this information to improve your supply chain processes from beginning to end

Stop Tweaking And Start Speaking—To Avery Dennison

The increase in supply chain efficiency that you're looking for is difficult to achieve by tweaking existing processes. Many improvement opportunities are often hidden in existing business processes. RFID is the one technology that can help you achieve results dramatically and quickly, so act now to put it to work for you. Contact your Avery Dennison sales representative to develop an item level pilot program that generates real ROI with RFID.

