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Real-time display tracking

At RFID World 2007, OATSystems Inc., the recognized radio-frequency identification (RFID) solution leader, announced its Real-Time Promotion Execution Solution (RPE), which boosts the results of in-store promotions dramatically. RPE benefits both retailers and consumer packaged goods (CPG) companies by providing visibility where previously none existed. This enables both retailers and manufacturers to determine if promotional displays are reaching stores and the sales floor on time.

CPG firms typically invest significantly in in-store product promotions, using as a primary vehicle a manufactured display that features the promoted product. These displays are typically shipped from contracted manufacturers directly to retailers' stores. All too frequently, operational challenges prevent these displays from reaching the sales floor at the beginning of the promotional period. In fact, industry statistics show that between 15% to 40% of stores fail to move displays to the sales floor on time, missing critical promotional windows and the opportunity to increase sales.

RPE is the first promotion execution solution to use standard electronic product codes enabling CPG companies to manage and carry out RFID promotions at the facilities of contract manufacturers, distribution centers and multiple retailers. The new solution supports the entire promotion process, tracking displays from manufacturers to distribution centers to the store's sales floor.

Using OAT's RFID Mobile Tag solution, manufacturers apply tags to promotional displays. In-store RFID readers read the displays' tags to record when they reach the backroom of the store and again when the displays reach the sales floor. When a display's tag is read, data is sent to CPG firms and retailers showing whether the display has reached the sales floor on time. With this innovation, CPG companies and their retail customers can intervene promptly when displays fail to reach the sales floor on time. This benefits the CPG company, the retailer and the consumer by ensuring promoted products are where customers expect them to be.

"Consumer product companies spend billions of dollars each year on promotions, but until now, have had no visibility into how well they execute their promotions," says Paul Cataldo, vice president of Marketing, OATSystems. "Enabling real-time intervention to improve promotional execution is critical to maximizing the return on investment and increasing the bottom line results."

Before OAT introduced Mobile Tag, companies either had to deploy costly fixed, enterprise-connected RFID technology or take an unconnected approach that offered limited visibility, failed to ensure data quality and sapped the value of RFID data.

Kimberly-Clark Corporation has begun using the new RFID application as part of a pilot program with one of its retail customers to monitor in-store product promotions processes more efficiently and, thus, manage more closely. In addition, Kimberly-Clark has also licensed and rolled out OAT's just-announced mobile tagging solution to improve in-Store product promotions.

"We have been working closely with OAT and ADASA for several months to advance our RFID operational tagging capabilities through a portable edge concept that we developed," says Mike O'Shea, director, Auto-ID Sensing Technology, Kimberly-Clark. "OAT Mobile Tag is a cost-effective solution that allows us to focus our RFID tagging efforts where there is a clear value proposition for K-C and our customers."

The OAT Mobile Tag solution will also enable Kimberly-Clark to support RFID-enabled stores in new geographies, easily conduct RFID proof of concepts and explore other RFID applications to improve performance. With this new capability, Kimberly-

Clark will enrich its information flow substantially and thereby manage its promotions with greater precision to improve bottom-line results.

"OAT Mobile Tag is a practical, cost-effective approach to applying RFID tags centrally and verifying tags and shipments, all in a manner that can be easily moved when necessary," says Cataldo. "We are excited that Kimberly-Clark is once again taking the lead in demonstrating to the market the benefits of RFID solutions to improve operations and bottom-line results."

The OAT Mobile Tag solution includes software to manage the electronic product code number allocation and the business process, including coding, applying, verifying tags, verifying shipment and exchanging data between remote facilities and corporate headquarters. It also incorporates a Mobile Tagging Station from ADASA, a innovative technology company specializing in advanced mobile RFID systems and RFID recycling. ADASA's Mobile Tagging Station consists of ADASA's PAD3500 mobile RFID tag encoder, which can be worn on a belt and used to commission Gen 2 RFID tags; a laptop computer running OAT software; and a Motorola handheld interrogator able to read both RFID tags and bar-code labels. All these are within a hardened case that weighs less than 50 pounds and is small enough to travel as checked baggage on most airlines.

"The mobile tagging station with the PAD3500 provides a unique, bundled solution that can be quickly set up and within minutes begin tagging," says Clarke McAllister, president of ADASA Inc.

Kimberly-Clark has also signed an enterprise license agreement to purchase the OATSystems' OAT Foundation Suite as part of its global RFID initiatives. The OAT Foundation Suite is a complete RFID solution from encoding tags, managing tag readers and gathering and analyzing electronic product code data that Kimberly-Clark plans to use to increase efficiencies within its entire global supply chain. Specifically the company is looking at improving

promotion management and other critical business functions, including goods movement within distribution centers, proof of delivery and shipment reconciliations.