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CSCMP, VICS, and University of Arkansas Release Findings of Latest Item-Level RFID Research

September 16, 2008—The Council of Supply Chain Management Professionals (CSCMP), in cooperation with Voluntary Interindustry Commerce Solutions (VICS) Association and the University of Arkansas released the findings of a major item-level radio frequency identification (RFID) research initiative held last week in Fayetteville, Arkansas.

Over 100 attendees heard Phase III results of the new research that was conducted at the University of Arkansas. The findings showed that the use of item-level RFID for electronic article surveillance (EAS) and managing price markdowns appears to be a promising practical application which could deliver substantial benefits. Inventory accuracy, reducing out of stocks, managing inventory more effectively, and moving information efficiently through the supply chain could be some of the benefits realized.

The use of industry standards developed by EPCglobal was presented and discussed. Utilizing industry standards and guidelines, including the use of electronic data interchange (EDI) and barcodes, have proved beneficial to retailers. This experience demonstrated that utilizing electronic product code (EPC) standards will facilitate the implementation of item-level RFID.

The completion of the research is set for year's end. This phase focuses on the ROI of item-level RFID, and is being supported by several pilot programs currently underway or in the planning stages.

Presenters included Dillard's and Sam's Club who discussed how data is generated in an RFID-enabled environment and used to create business value, the return on investment (ROI) of the technology in loss prevention, and privacy concerns. The conference also included a hands-on tour of the university's RFID lab in which various kinds of technology and applications were successfully demonstrated.



“The conference solidified our commitment to supporting the university’s RFID item-level research,” said Joseph Andraski, president and CEO of VICS. “All preliminary results are extremely encouraging, confirming that RFID will play a major role in reengineering supply chain management.”

About CSCMP

Founded in 1963, the Council of Supply Chain Management Professionals is the preeminent association for individuals involved in supply chain management. CSCMP provides global educational, career development, and networking opportunities to over 9,000 members.

About VICS

VICS has enabled companies in the retail and consumer-focused industries to eliminate billions of dollars of waste and delay. By creating voluntary guidelines often referred to as “standards,” the association has created new best practices that have ultimately lead to lower costs and better availability of products for consumers.

VICS’ volunteer members improve the flow of products and information throughout retailing and the consumer-focused industries that supply retail. The organization provides leadership and an environment in which executives can make a difference in their industries, their companies’ performance—and their personal commitments to making the world work a little bit better. VICS members help define the next best practices in industries and, thus, anticipate and optimize business processes and costs.

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