

Starting in spring 2006, the U.K. retailer will tag all items in six of the stores' clothing departments.

By Jonathan Collins

Feb. 18, 2005—U.K. clothing, food and home-products retailer Marks & Spencer will expand its RFID trial to 53 stores starting in the spring of 2006. According to the retailer, the move is based on the success of its current yearlong RFID trial involving men's suits at nine of its stores. In addition to expanding the number of stores using RFID, the company will also extend tagging to five other clothing departments and ask its suppliers to add RFID tag their products before shipping them to the retailer.

M&S started its examination of RFID tagging apparel in April 2003, when it tagged all of its men's suits, shirts and ties at one its stores. A year later the company expanded its suit-tagging trial to nine of its approximately 400 stores but stopped tagging shirts and ties (see [Marks & Spencer Expands RFID Trial](#)). Now, the retailer says it is ready to enter the next stage of its RFID trials.



James Stafford

"We started with a technical trial on multiple items, then a business trial on one item, and now we are ready for an extended trial examining the logistics of tagging in new departments," says James Stafford, Marks & Spencer's head of RFID.

Marks & Spencer has focused its RFID apparel tagging on helping it keep track of in-store inventory and ensure that a full range of sizes of any product are always available to its customers. "For us RFID is about making improvements in the stores. Everyone gets frustrated when the right size isn't available, so our aim is 100 percent availability," Stafford says.

In the nine original trial stores, a specially designed mobile RFID reader—consisting of a PC and a reader mounted on a cart—is used to make inventory checks in the men's suit department. According to M&S, by automating the process using RFID, the retailer can more accurately measure what stock is available in the store and what items need to be replenished.

"The results we have seen have been significant enough so that it looks like there will be a payback for ourselves and our customers in using RFID to manage relatively high-value and size-complex products," Stafford says.

Beginning in spring 2006 at each of the 53 stores participating in the extended trial, M&S plans to have RFID tags attached to all items in its men's suit, jacket and formal-trousers departments and all items in its ladies' lingerie, suit-and-jacket, and formal-trousers-and-skirt departments. In the lingerie department, the company will start by tagging just bras, which, as each style comes in 48 different

sizes, provide the size-complex environment M&S believes is well suited to RFID deployment.

By using RFID to take an accurate reading of the items remaining in the store at the end of the day, M&S says it can ensure the right items are delivered the next day. In addition, using RFID provides the retailer with a more accurate accounting of in-store inventory and cuts the time required to collect that information. "Inventory checking is a rather boring task that can total eight hours a week [for each of the selected departments] in a big store. Using RFID cuts that down to one hour, and we can be more confident that we have the stock that our customers want," says Stafford.

To tag its clothing, M&S will continue to use what it calls "intelligent labels," which operate at 868 MHz, but the retailer will make some changes to the design of the labels for next year's trial extension. The company hopes to reduce the size of the 5-inch-long paper labels that have been developed by [Paxar](#), a White Plains, N.Y., a printing and retailing technology company. [IER](#), based in Suresnes, France, uses microchips from Swiss company [EM Microelectronic](#) to make the RFID inlays, which are passed to Paxar for insertion into the intelligent labels. The inlays are made to hold a single unique serial number that is encoded onto the chip by EM Microelectronic. M&S says the mobile reader and inlays it has been using provides a 100 percent successful read rate at a read range of around 0.7 meters.

Instead of the RFID inlay being embedded in a separate label, as it is for the current trial, the RFID inlay will be incorporated into a single product label that will also carry a bar code and some human-readable information, including a note advising consumers that the intelligent label is being used by M&S for stock-control purposes.

M&S has long been working with privacy groups and consumers to address any privacy implications or concerns regarding the use of RFID tags on items in its stores. The company says it will continue to use leaflets in its stores and notes on the tags themselves to explain the technology to its customers. It will also continue to offer its customers the opportunity to have the tags removed at the checkout or let them disposed of the tags themselves. So far, says Stafford, the great majority of customers opt to remove the tags later. Many have welcomed the beneficial consequences of the new technology.

"We have carried out surveys [in trial stores regarding our RFID use] and had a very good reaction from customers. They hardly notice the tags but have mentioned improvements in product availability," Stafford says.

As with the current RFID trial, M&S's garment suppliers will be responsible for adding the RFID labels to men's suits. For the extended trial, about 15 M&S suppliers with operations in approximately 20 countries will be charged with applying RFID labels to their clothing, but this won't represent a change in the suppliers' role.

"Our suppliers do not have to invest in any RFID hardware at all. They just have to attach the label to the garment as usual; it is just that we will give them a more sophisticated label," Stafford says.

Rather than differentiate between items going to the 53 stores and those going to the company's other stores, Stafford says its suppliers will RFID tag the majority of the product lines selected for the trial regardless of which store they are bound for.

As part of the expansion of its RFID tagging, M&S is turning to [BT Group](#), the U.K. telecommunications and IT services company based in London, as its main technology contractor. BT will provide ongoing deployment and maintenance of the mobile RFID readers at the stores. BT will also provide a managed service that will consist of developing and deploying a hosted database to manage the RFID system and integrate it with M&S's existing enterprise IT systems.

M&S's existing systems integrator, Manchester-based [Intelligent](#), will remain on the project and continue to develop mobile readers that M&S is using in a bid to make the equipment smaller.

Marks & Spencer chose spring 2006 for its launch date, it says, because it needs at least 14 months to work through all the details. It still has to calculate the numbers of tags that will be required and ensure delivery of those labels in time for late summer 2005, when the first items for M&S spring 2006 collections will be tagged. In addition, the supporting software and hardware has to be developed, tested and deployed.

"You can't just buy this stuff off the shelf. It has to be developed and put into place and tested," Stafford says.