

NYK Logistics Adds RFID to Va. Facility

The logistics company says WhereNet's real-time asset tracking system will help it service its largest client, Target.

By Mary Catherine O'Connor

July 19, 2005—Secaucus, N.J., logistics provider [NYK Logistics](#) says it is installing [WhereNet's](#) RFID-based yard management system at its transportation logistics facility in Norfolk, Va. NYK Logistics uses the facility, which opened in May, as a deconsolidation and redistribution center for shipments of goods entering the Port of Virginia. NYK opened the center mainly to serve its biggest retail client, Minneapolis-based [Target](#). The logistics company currently uses the WhereNet system to track containers, trucks and trailers at its facility in Long Beach, Calif., of which Target is also its largest client. (See [NYK Logistics Tracks Containers](#).)

"Target was very pleased with the services we have in Long Beach; they wanted us to duplicate what we have here, in Southern California, in the Norfolk, Va., facility," says John Amato, senior vice president of NYK Logistics' warehouse division. He adds that 70 percent of the cargo processed by NYK's Long Beach facility is headed for a Target distribution center or store.

NYK says its use of WhereNet at its Long Beach logistics yard helped the company earn Target's Deconsolidator of the Year award in 2004. As a deconsolidator, NYK receives shipments of goods arriving in the United States from the Far East and other regions, unloads the goods, reassembles them into shipments of mixed goods and transports them to Target distribution centers.

Amato says the use of the WhereNet system has greatly improved NYK's operations.

"The savings is upwards of a half a million dollars annually, in terms of labor costs, and the overall efficiency [of the logistics yard] has gone up 30 percent," he says.

Currently, NYK places WhereNet's active tags on all shipping containers it receives at its Long Beach facility. RFID transceivers located throughout the yard then track the containers to within 10 feet using WhereNet's real-time location system software. The WhereNet software is linked with NYK's database, which contains lists of shipments it is expecting and what cargo they carry, so yard workers are able to use the WhereNet system to get instructions on where to move the containers as they are received.

The WhereNet system NYK is installing in Norfolk will work the same way as the system in Long Beach, but because the Norfolk facility is about one-third the size of the one in Long Beach, it will require fewer tags and receivers. While 1,300 tags and 35 WhereNet readers (interrogators) were installed around the perimeter of the Long Beach yard, only 500 tags and 30 readers are being installed in Norfolk.

NYK Logistics' Norfolk facility spans 25 acres and, at its busiest times, processes more than 800 gate transactions per day. A gate transaction includes the receipt of a full shipment and the dispatch of an empty trailer to retrieve a new shipment. By comparison, the Long Beach facility processes more than 2,000 gate transactions per day.

