

Piggly Wiggly Carolina Eyes RFID

With the aid of data synch firm GXS, the 113-store franchise of the Piggly Wiggly grocery chain is getting ready to accept RFID-tagged shipments.

By Mary Catherine O'Connor

Jan. 17, 2006—Rachel Bolt, assistant director of information systems for the Piggly Wiggly Carolina Co., has a message for those retailers that don't count themselves among such giants as Wal-Mart and Target: RFID is going to help you.

"Retail giants are demanding RFID, but smaller retailers aren't looking at it," Bolt explains. The irony of this? "The smaller [retailers] will benefit more because we're more resource-strapped [than large retailers]. If big retailers are getting value from it, then the smaller ones will, for sure," she says, referring to the use of RFID tags attached to shipments of goods to automate the receipt of goods and increase the accuracy of inventory records.

Bolt is speaking today at the 95th annual National Retail Federation conference in New York City. She says she will not announce an RFID mandate, or even request suppliers begin using the technology. Rather, she will discuss the steps being taking by Piggly Wiggly Carolina, a Piggly Wiggly franchise operating 113 stores in South Carolina and Georgia, to ready itself to utilize RFID technology fully in the future. Although the grocery chain has yet to perform any RFID pilot tests with its suppliers—and presently has none planned—Bolt has bullish views on RFID's benefits to retailers.

Bolt and her team worked with business data synch and integration services firm GXS to synchronize the product data Piggly Wiggly Carolina exchanges with its 600 suppliers and enable the grocer to use the advance shipment notices its suppliers provide to automate its receiving processes, and to reduce shipping errors. The goal of the synchronization work was to ensure that Piggly Wiggly Carolina's receiving department can read the electronic documents' listing of forthcoming shipments of goods, as well as carton identifications, content descriptions, transportation details and other critical information.

"[Getting] suppliers [set up to begin sending] ASNs is no minor task," says Bolt. "But you have to have ASNs before you can begin using RFID" because you need to know what Electronic Product Codes (EPCs) you'll be receiving in order to automate the receiving process. She says Piggly Wiggly Carolina started requiring its suppliers to begin using ASNs in June 2005. If—or, more likely, when—Piggly Wiggly Carolina begins requiring its suppliers to apply RFID tags to pallets and/or cases of goods sent to its distribution centers and stores, the suppliers will need to list the EPCs written to RFID tags on these ASNs.

Not all retailers that have enacted RFID mandates, however, are requiring suppliers to include EPCs in their ASNs. Wal-Mart, for instance, does not yet require its suppliers to include the EPCs of tagged shipments in the ASNs preceding them to distribution centers or stores.

By the end of the year, says Bolt, Piggly Wiggly Carolina also hopes to upgrade its warehouse management system, a platform provided by SSA Global. The grocer's goal is to be able to process EPCs by the end of the

year, so that it will be prepared to receive ASNs with EPCs—and also to check tagged inventory into its DCs via RFID.

In addition, GXS wants to help suppliers get ready for RFID. At the NRF conference, GXS announced a new platform designed to help manufacturers meet RFID mandates, while also synchronizing their product information with the Global Data Synchronization Network (GSDN). This distributed system was deployed by 1SYNCH (formerly the UCCnet) for manufacturers and retailers, enabling real-time product attribute harmonization. The offering, called RFID Accelerator, includes software by EPCsolutions that enables users to create and manage EPCs, manage RFID devices and filter collected RFID data.

Also part of the RFID Accelerator is the GXS platform Quick Connect, used to synchronize internal product data with the GSDN. "Other companies offer RFID compliance packages," says Larry Rushing, GXS director of product management, "but they haven't included [tools to help manufacturers establish] accurate and synchronized data. This is an important part of our product, because if you don't have [synchronized data], two trading partners might not be sharing the same information." Data synchronization is often cited as an important foundation and critical first step for companies to take advantage of RFID and other new technologies requiring participants to exchange information in a standardized format.

GXS says RFID Accelerator is available now. Pricing starts at just under \$5,000 for one site license. RFID hardware, such as RFID printers-encoders, tags, interrogators and antennas, is not included, nor are registration fees required to join the GXS GSDN-compliant data pool, a repository of product information. The GXS data pool supports all current GSDN standards and meets interoperability requirements with other data pools.

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