

Researcher to Reveal EPC's Further Impact at Wal-Mart

Bill Hardgrave, director of the University of Arkansas RFID Research Center, will unveil more results of a study into how EPC technology is reducing out-of-stocks at Wal-Mart.

March 27, 2006—At [RFID Journal LIVE! 2006](#), which will be held in Las Vegas from May 1 to May 3, Bill Hardgrave, director of the [University of Arkansas's RFID Research Center](#) and executive director of the [Information Technology Research Institute \(ITRI\)](#), will unveil additional results of a 29-week study into the impact Electronic Product Code (EPC) technologies have had on out-of-stocks at RFID-enabled [Wal-Mart](#) stores.

“We will be releasing some new information regarding the effect of RFID on out-of-stocks for various departments—for example, health and beauty aids—throughout a Wal-Mart store,” says Hardgrave, who will be a featured speaker at the conference and exhibition's [Retail/Consumer Goods](#) track. “We will show the impact of RFID on out-of-stocks by the velocity of sales for a particular product. That is, does RFID make a difference for faster-moving items, compared with slower-moving items? Overall, we will be releasing a finer-grained analysis of the out-of-stocks study.”

According to Hardgrave, the detailed findings show that RFID's impact on out-of-stocks varies by product category. “These results will add additional insight into the potential benefits of RFID in improving the in-stock position of items for the consumer,” he says.

The University of Arkansas opened the RFID Research Center last June (see [University Opens RFID Research Center](#)). The center, considered one of the most sophisticated RFID labs in the United States, has explored how RFID can improve operations within the retail supply chain.

Last fall, researchers from the center studied the out-of-stock rate on nearly 4,000 stock-keeping units (SKUs) at 12 pilot stores equipped with RFID technology, as well as at 12 control stores without the technology. All Wal-Mart formats—Supercenters, Discount Stores and Neighborhood Markets—were included in the study (see [EPC Reduces Out-of-Stocks at Wal-Mart](#)).

This study is the first to compare the impact of EPCs on merchandise availability in functioning stores. Researchers chose specific SKUs that had been outfitted with tags at the case and pallet level by Wal-Mart's top suppliers, then analyzed the effect of tagging on these products. Overall, the study revealed, EPCs reduced out-of-stocks by 16 percent on the tagged items, versus those that were not tagged.

The Retail/Consumer Goods track at RFID Journal LIVE! will also include Jamshed Dubash, director of EPC technology at [Procter & Gamble](#), who will speak about how EPC technology can be used to improve promotions management and new product introductions.

Jean-Pierre Emond, codirector of the [IFAS Center for Food Distribution and Retailing at the University of Florida](#), will discuss how supermarket chain [Publix](#) is using RFID and networking technologies to track fresh

produce and reduce spoilage (see [Publix to Test RFID for Produce](#)). Other speakers will explain how companies can benefit from RFID internally while meeting retail mandates, how to link EPC and product data to achieve global data synchronization and how to achieve an ROI from using RFID in new ways.

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