

Wal-Mart Specifies Gen 1 Sunset, Forklift Pilot

The retailer won't accept EPC Gen 1 tags after June 30, and will soon start testing RFID-enabled forklifts at Sam's Club locations.

By Mary Catherine O'Connor

Apr. 14, 2006—In January [Wal-Mart](#) announced that internal tests of EPC Class 1 Gen 2 tags and readers showed improved read rates of products in motion, and indicated it would phase out the use of Gen 1 tags by midyear. The retailer has now set a sunset date of June 30, after which it will no longer accept the use of Gen 1 tags on the cases and pallets it receives from its suppliers. Rollin Ford, Wal-Mart's new executive vice president and chief information officer, announced the deadline during a speech at a CIO summit, hosted by Wal-Mart in Bentonville, Ark., on Apr. 12, according to statement released by the retailer.

"Toward the end of last year, we polled our suppliers, to get an idea of when they thought they could switch to Gen 2 tags," says Simon Langford, Wal-Mart's manager of RFID strategies. Most of them indicated that by the second quarter of 2006, they would have enough Gen 2 tags and the infrastructure and middleware upgrades needed to support Gen 2 tagging, he explains.

Langford says that the RFID interrogators used at all RFID-enabled Wal-Mart and Sam's Club stores and distribution centers have been updated, via firmware, to read and process Gen 2 tags. In addition, the retailer's middleware platform, which is proprietary, has been upgraded to manage the readers and process data from Gen 2 tags.

During the CIO Summit, Ford told the audience that he plans to continue the work of his predecessor, Linda Dillman, in driving Wal-Mart's RFID strategy and technology deployment. Dillman is now the company's executive vice president of risk management and benefits administration. Ford was previously Wal-Mart's executive vice president of logistics and supply chain. He also noted the progress that tag makers have made in creating near-field UHF tags designed for item-level tagging, calling the new tag designs a "breakthrough."

Near-field tags have antennas designed for operation in the near-field, or magnetic energy field (see [Wal-Mart Seeks UHF for Item-Level](#)).

"I think a lot of the [tag] studies that have been done prior [to the introduction of near-field tags] are invalid, and they need to be done again," says Langford. "The whole [playing] field has been changed now."

He says that the retailer is about to embark on a pilot to test the effectiveness of RFID-enabled forklifts at six of its RFID-enabled Sam's Club locations. "We've been piloting some beta types of RFID-enabled forklifts in our lab, for a proof on concept test, for the past three months," he explains.

The forklifts, made by an undisclosed supplier, will be used to identify tagged cases and pallets of goods as they are transported in the back rooms, as well as to the sales floor, of the Sam's Club stores. Location tags embedded in the shelves holding the pallets will also be read by the interrogator on the forklift, and workers will use this data to determine the location of the tagged goods in the store.

