

Vegas Hotel-Casino Uses Tags to Keep Tabs on Liquor

At Treasure Island, RFID-enabled bottle spouts track the amount of liquor bartenders pour.

By Claire Swedberg

June 22, 2006—Treasure Island (TI), a Las Vegas hotel and casino, has installed a system utilizing RFID to track the amount and type of liquor its bartenders pour. The new system, the Beverage Tracker, was supplied by Capton, a San Francisco-based provider of liquor-monitoring technology. The system has been in operation at two of the hotel's bars for the past month and will soon be added to two more.

The Beverage Tracker consists of RFID-enabled liquor spouts, an RFID interrogator (reader) and software. The spouts, which TI employees attach to every liquor bottle, contain a battery-powered 418 MHz RFID tag and a measuring device. Whenever a bartender pours a drink, the tipping of the bottle turns on both the tag and the measuring device, allowing the spout to measure the volume of liquor poured (in ounces) before the employee tips the bottle back up. The tag then transmits that information to the interrogator's antenna, attached to the ceiling above the bar.

The spout's tag has a maximum read range of up to 100 feet from the antenna. It transmits not only the unique identification number of its microchip, but also the brand and size of liquor bottle to which it is attached, as well as the amount of liquor poured. All of this data is transmitted in real time to the receiver linked to the bar's existing computer network via a wireless Internet connection. The time of the pour is recorded by the time the data reaches the computer network, about one second after the liquor was poured.

Treasure Island tested one Beverage Tracker last autumn in a 30-day pilot. Based on the results of that trial, the establishment decided to install the tracking system at both bars.

"Typically, the return on investment is as short as six weeks," says Capton CEO Scott Martiny. Although prices range widely depending on the size of the bar, he says, the system generally runs between \$10,000 and \$20,000. The spouts can be cleaned when a bottle is emptied, and can be reused for up to three years, Martiny adds. Staff at Treasure Island had to be trained how to install and clean the spout.

Data such as the type and quantity of liquor contained in the bottle is entered when a bartender first attaches the spout to a bottle. The spout can then be reused on another bottle of the same size and liquor without having to re-enter the data. Martiny says TI expects a \$90,000 return on investment opportunity per year.

Liquor shrinkage amounts to a \$7 billion problem each year in the United States, Martiny explains, resulting from bartenders overpouring, undercharging or failing to charge for some drinks, as well as the disappearance of the bottles themselves. The Beverage Tracker not only allows bar managers to determine when a bartender is overpouring or undercharging, but it also can help with inventory management by displaying which bottles have been emptied and require replacement. Moreover, the system can facilitate the billing of banquets by documenting how much liquor was poured at a particular event. Capton says the Beverage Tracker has been

installed at about 100 different hotels, resorts, bars, stadiums and other locations worldwide.

Capton is not the only company to develop an RFID-based system for tracking liquor poured by bartenders. Nuvo Technologies markets a similar system called BarVision (see RFID on Tap).

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