

# Shaw Rolls Out RFID Applications to Track Carpet

Shaw Industries plans to use the technology to meet Wal-Mart's compliance mandate, and to track the movement of its rug products across its own distribution centers.

By Claire Swedberg

Nov. 1, 2006—Carpet and rug supplier Shaw Industries Group is about to pilot an RFID system at its Calhoun, Ga., central distribution center, as part of its effort to meet Wal-Mart's RFID mandate for suppliers. Shaw is on the list of companies scheduled to be compliant with Wal-Mart's mandate by January 2007, which dovetails with the manufacturer's own plans for developing a closed-loop system to track the movement of its products between its central and regional distribution centers.

The company is deploying an ODIN Technologies RFID system to tag rugs bound for Wal-Mart, and to tag bills of lading for truck drivers transporting products to one of its regional distribution centers. ODIN is providing design, installation and software for Shaw's system, says Kevin MacDonald, ODIN's vice president of client architecture.

Wal-Mart notified Shaw late last year that it was on the list of the next 300 companies to reach RFID compliance. Even before learning of its status with the Wal-Mart mandate, the company had been investigating RFID and watching the marketplace to track its development, says Jim Nielsen, Shaw's manager of infrastructure planning.

For the past 15 years, Shaw had already been using RFID for in-house manufacturing purposes. The company applies passive RFID tags to the seams on uncolored carpets as they are processed, alerting automation systems during the dying stage about which color dye need to be applied to which specific piece of carpeting or rug.

ODIN was not involved in that in-house RFID application. However, Nielsen explains, Shaw met with several vendors and ultimately selected ODIN Technologies for the new projects because it judged the vendor to be the most knowledgeable.

Later this month, Shaw will begin applying Alien Technology Squiggle EPC Gen 2 RFID tags to containers destined for Wal-Mart that contain such products as 3-by-5-foot rugs and bath mats. The data from the tags, such as product type and destination, will be validated before the products are loaded onto trucks and sent to Wal-Mart through automated shipping notices.

For the second part of the implementation, Shaw will attach an Alien Squiggle tag in a plastic or paper sleeve to each bill of lading at its central distribution center in Dalton, Ga. The sleeve will have a bar-coded label attached to its back that matches the serial number encoded on the tag. The bill of lading's data and sleeve's serial number will be linked in the Shaw database. Upon leaving the DC, the driver will present the bill of lading sleeve at the guard shack, where there is an outdoor RFID reader and antenna. A light stack will

indicate if the tag was successfully read, after which the system will send the time and date of the shipment's departure to Shaw's database via a Java Message Service (JMS) connection using ODIN's Common Reader Interface (CRI), part of the ODIN software suite.

Upon reaching the regional distribution center in Kernersville, N.C., the driver will no longer need to wait for paperwork to be processed. Instead, he will simply place the bill of lading in a drop box, and a reader attached to the box will record the tag's ID number. That information will go directly into Shaw's database, providing the company with real-time information about the delivery.

"This will help us drive down hidden costs," Nielsen predicts. For instance, time spent waiting for paperwork to be processed delays both drivers and shipments. Shaw plans to have the RFID system installed at all of its more than 50 distribution centers, though Nielsen would not state when that would be completed. "Our overall goal is to see a dramatic increase in efficiency in the distribution of our products."

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