

Canada Gets Serious About RFID

Companies attending RFID Journal LIVE! Canada heard numerous success stories and took note.

By Mark Roberti

Nov. 13, 2006—Canadian companies have a tendency to be fast followers, rather than technology leaders. They often watch their counterparts in the United States, and when a technology is proven south of the border, Canadian companies jump on board and leverage it, sometimes better than the early adopters (data synchronization is a good example). Judging by the buzz last week at [Journal LIVE! Canada](#), which RFID Journal produced in partnership with [EPCglobal Canada](#), it seems companies across Canada are starting to get serious about radio frequency identification.

Our first event in Canada exceeded our expectations in terms of attendance. We had been expecting 200 to 250 people, which would have made it by far the largest RFID event ever held in Canada. We wound up with more than 350 people. But numbers only tell part of the story. Attendees were highly engaged. They listened and asked smart questions about where the speakers were finding benefits. They spent a good deal of time in the exhibit hall, probing vendors about what their solutions could and could not do.

The event featured speakers from Canada who had run successful pilots and in some cases successful implementations. There was an excellent presentation about the pilot run by [Staples Business Depot \(Canada\)](#) and another by [Loblaws Co.](#), the largest retailer in Canada. Both provided specific metrics, and while neither company said they planned to roll out RFID Canada-wide, they did indicate they were extremely encouraged and were continuing their work with RFID.

I sat in on a presentation by Daniel Rosetti, director of operations for Can. U.S. Inc., a transportation company. Can. U.S. has been tagging goods on behalf of customers required to meet retail RFID mandates. The company has linked RFID to a GPS system to give customers visibility into the location of their shipments in real time.

Can. U.S. drivers have been given a Pocket PC with a GPS transmitter. The Pocket PC is linked to an RFID interrogator (reader), so the Pocket PC can identify the goods in the truck, and the GPS provides the coordinates of the truck in real time. Can. U.S. has achieved a 3 percent increase in revenue from this value-added service, but there are other benefits as well.

Rosetti said theft has been reduced by more than 95 percent because the company can track what's been put on each truck and what is removed when the truck arrives at a location. The system also has reduced losses from perishables going bad in transit, and it's reduced the amount of time people spend tracking shipments. What's more, it has cut by 75 percent the amount of time Can. U.S. employees spend on the phone explaining where shipments are, as customers have access to that information through a secure Web portal. "We put the system in at the beginning of 2005," Rosetti said, "and it paid for itself by mid-2006."

Our closing keynote address was delivered by Carolyn Walton, vice president of information systems for [Wal-Mart](#). She shared some of the benefits Wal-Mart has seen in the United States. One interesting slide

showed the reduction in out-of-stocks attributable to RFID for different types of products. For products that sell seven to 15 units per day, out-of-stocks went down 62 percent. That's a phenomenal achievement.

We're starting to see a shift in attitudes toward RFID. I saw it in Europe, and I saw it again in Canada. There are still naysayers who think RFID will never achieve a return on investment, but clearly the findings early adopters are sharing have raised awareness and interest among big companies, as well as some midsize and small companies around the world. These companies are now eager to explore how and where RFID might help them improve the way they do business, increase their top-line growth and reduce their costs.

Not every company attending RFID Journal LIVE! Canada is going to decide they can deploy RFID right now, but the technology is maturing rapidly. All attendees left the event with a better idea of what RFID can and can't do. The smart ones—and based on my discussions with attendees, that is the majority of them—will go back to their companies and spend the time and effort to develop a firm grasp of where RFID technology can deliver value to their businesses. When they've addressed all the technical and business issues associated with an RFID application, they will roll it out and reap the rewards.

Mark Roberti is the founder and editor of RFID Journal. If you would like to comment on this article, click on the link below.

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