

The automaker's logistics affiliate will use EPC Gen 2 tags to track parts shipped to a factory in Montgomery, Ala.

By Beth Bacheldor

March 5, 2007—[Hyundai Motor Co.](#) is joining a growing list of automakers leveraging RFID to track auto parts as they traverse the supply chain. The implementation will include passive UHF Class 1 Gen 2 UHF tags from [UPM Raflatac](#), and will be overseen by the automaker's logistics services affiliate, [Glovis](#), headquartered in Seoul, Korea.

In the first phase of the project, Glovis will employ about 130,000 UPM Raflatac DogBone UHF RFID tags, affixed to corrugated cardboard boxes and packaging cases of automotive parts from five suppliers. Glovis will export the tagged boxes and cases to Hyundai's factory in Alabama. In the second phase, Glovis will use approximately 20 million UPM Raflatac RFID tags annually to track all boxes and containers of automotive parts moving through Hyundai Motor Co.'s supply chain, bound for factories around the world.

The RFID tags will help Glovis track the parts at various points in the supply chain, including delivery to the Glovis distribution center; repacking and outbound shipment at the DC; delivery to Glovis' distribution centers in Costa Mesa, Calif., and Montgomery, Ala.; and final delivery to the \$1.1 billion [Hyundai Motor Manufacturing Alabama](#) (HMMA) factory in Montgomery. Until now, Glovis has used bar-code labels to track parts in the supply chain.

Hyundai Motor Co. and Glovis officials have declined to provide further details. However, according to UPM Raflatac, the RFID tags will help the automaker collect real-time information about parts distribution—something the two companies are unable to do with the bar-code labels.

Technology market research firm [ABI Research](#) says automakers have much to gain from using RFID, particularly in tracking materials and assembly line processes (see [Study Looks at RFID's Growing Use in Auto Industry](#)). Several car manufacturers are already using the technology. For example, [Honda of the UK Manufacturing Ltd.](#) (HUM) is utilizing UHF RFID tags to track auto components moving from suppliers' facilities throughout Europe to HUM's manufacturing plant in Swindon, England (see [Honda UK to Track Components Through the Supply Chain](#)).

But Honda isn't stopping there. [Honda Italia Industriale](#), the Italian subsidiary of [Honda Motor Co.](#), is testing passive high-frequency (HF) tags affixed to motorcycle chassis and certain components, such as tachometers and engines. This will allow the company to collect information as the parts travel down the assembly line and are put together (see [RFID Revs Up Honda Italia's Motorcycle Production](#)).