

Metro to Tag Garments and Accessories

The German retailer believes using UHF RFID tags to track individual high-value items will deliver a significant return on its investment.

By Mary Catherine O'Connor

March 28, 2007—German retailer Metro Group has announced its intent to begin testing the use of UHF RFID technology for tracking high-value garments and accessories at the item level. It will partner with RFID chip and hardware provider Impinj on the initiative.

Impinj has been in discussions with Metro for more than a year to plan an item-level tracking project, says Impinj president Chris Diorio. Metro's goal, he says, is to use the tags to gain real-time visibility into its retail garment operations. Gerd Wolfram, managing director of MGI Metro Group Information, has issued a statement saying his company expects to see a significant return on investment from tagging and tracking high-value clothing and accessories.

"These are high-priced items, so the costs are high to Metro—and, because fashions change, they have a limited shelf life," says Diorio. "Because of these things, there is a demonstrable ROI for Metro." Diorio says Metro will use Impinj's Speedway UHF Gen 2 reader and Monza RFID chips, which will be converted into RFID tags that use antennas to exploit both near-field and far-field reading capabilities.

Impinj first introduced the near-field concept last year. Based on the use of antennas to exploit the magnetic portion of the UHF spectrum when read at close proximity, it uses the longer-range radio portion of the spectrum when being read from a distance (see Wal-Mart Seeks UHF for Item-Level).

Diorio could not say what companies will provide the finished RFID inlays and software that will be used in the item-level tracking application, nor when Metro plans to begin tagging and tracking the garments. However, Vue Technology, which provides item-level tracking solutions through the use of RFID-enabled shelving products and software infrastructure, announced on March 7 that it had joined the Metro Group Future Store Initiative, a cooperative effort between Metro Group and more than 60 other companies that are developing technologies, including RFID, for supply chain and retail applications.

RELATED_ARTICLES The use of UHF for item-level tagging is new. Until now, most companies have used HF tags. German retailer Galeria Kaufhof, a unit of the Metro Group, conducted an item-level tagging test using passive high-frequency tags in 2003 (see Retailer Tests RFID on Garments).

A number of companies, particularly in the pharmaceutical industry, are using HF tags for tracking individual items, and EPCglobal is currently developing a tag standard for HF technology. But Wolfram said, in the prepared statement, that Metro considers it important for it to continue deploying a single RFID standard as it moves to item-level tagging.

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