

Gruninger Uses RFID Sprinter to Meet Metro's Mandate

The German sausage maker is deploying a packaged solution put together by a 10-company consortium of vendors, and expects an ROI within two years.

By Rhea Wessel

June 18, 2007—Last month, at a meeting in Düsseldorf, Metro assembled about 600 of its suppliers to discuss RFID compliance issues, to explain requirement that those suppliers tag pallets shipped to 180 locations as of Oct. 1 (see Metro Pushes Pallet Tagging). Gruninger, a sausage maker based in the Black Forest city of Freiburg im Breisgau, wants to be among the first to comply with Metro's mandate.

To attain its goal, the sausage maker is using a packaged solution called RFID Sprinter, from RFID Konsortium. Founded by 10 companies that banded together to help suppliers comply with retailers' RFID requirements, the consortium is composed of hardware and software vendors, process experts, systems integrators and consultants active in the RFID market. The group has focused its offering on producers of meat, sausage, fish, baked goods, fruit, vegetables, dairy products and other fresh foods.

By becoming one of the first suppliers to comply with Metro's mandate, Gruninger hopes to build a stronger relationship with the retailer, according to Dieter Kuechler, RFID Konsortium's head of sales and consulting. It also wants to improve the efficiency of its own operations by using the RFID application. Speaking at the Düsseldorf supplier meeting, Kuechler told the crowd that the RFID Konsortium offers the only standard hardware and software product available to make midsize companies compliant with retailers' demands. Metro offers suppliers information on multiple RFID hardware and software vendors, without endorsing any particular vendor.

The RFID Konsortium was founded in October 2006 as an initiative of IT industry association VDEB. Members include food-industry software developer Sys Pro and UBCS, an IT consultancy for which Kuechler also works. The consortium's goal is to help suppliers comply with RFID mandates from Metro and Rewe, as well as an upcoming mandate from Edeka, a retailer with 10,000 stores across Germany. Rewe is requiring suppliers to tag pallets, and eventually cases, starting in fall 2007, Kuechler says, while Edeka is preparing its own mandate.

Using UHF passive tags complying with the EPC Class 1 Gen 2 standard (required by Metro), Gruninger will RFID-tag cardboard boxes of vacuum-packed sausages. Each box can hold up to 100 sausages. Kuechler says a vendor for the RFID inlays has not yet been confirmed, though UPM Raflatac will likely be the choice. Gruninger will use 5,000 to 10,000 tags a day.

Gruninger workers will employ an RFID label printer-encoder from SATO, another consortium member, to encode each label's tag with an EPC containing a Serial Shipping Container Code (SSCC). Known in Germany as a *Nummer der Versandeinheit* (NVE), this 18-digit number is used to identify logistics units. The label will also be printed with a bar-code representation of that same SSCC. The workers will apply the labels

to empty cases by machine or by hand, depending on the production line.

Boxes filled with sausages will be loaded onto pallets also carrying an RFID tag. When shipping the goods from its factory, Gruninger will use a portal reader from consortium member deMan Industrie Automation to read the pallet and case tags to document the outgoing goods.

The application will enable Gruninger to meet Metro's RFID requirements, while also benefiting the company by providing a better overview of which cases and pallets were shipped to the retailer. Eventually, Gruninger may RFID-tag pallets and cases for customers that have no RFID mandates, to obtain a better overview for itself of which goods were shipped to which customers.

RELATED_ARTICLES The Gruninger project began in January, with hardware and software slated for testing in August. The company expects the system to be operational by September.

"This will work very well," Kuechler says. "We have all the know-how we need in the consortium." He adds that by using RFID to record when pallets and containers were shipped to which customers, Gruninger calculates it will reduce the time needed to track outgoing goods by 30 percent, and thus reach a return on its investment within two years.

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