

Throttleman Adopts Item-Level Tagging

The Portuguese fashion retailer has its manufacturer apply RFID tags to every item it sells, automating the shipment and receiving processes.

By Claire Swedberg

Aug. 24, 2007—Portuguese fashion retailer Throttleman has reduced the time items spend in the supply chain by five to seven days with the use of an RFID system. The solution, provided by systems integrator Creativesystems, and including hardware from Tagsys and Avery Dennison's Paxar division, allows Throttleman to quickly identify items as they arrive from the manufacturer in India and ensure the right items are shipped to its stores throughout Portugal and Spain. Throttleman's manufacturer supplies 1.5 million men's and women's fashion items yearly.

Prior to installing the system in August, the distribution process was handled manually, says Didier Mattalia, Tagsys' regional sales manager for Europe, the Middle East and Asia (EMEA). When shipments from the manufacturer in India arrived at the retailer's distribution center, employees had to open each box and visually check to ensure the items listed on the advance shipping notice were in fact inside the box. When shipments were sent to the stores, the items were hand packed and manually recorded. "There were a lot of mistakes," Mattalia says.

With the new system, Throttleman's clothing manufacturer in India applies a Paxar EPC Gen 2 RFID label to each item. The manufacturer programs and verifies tags at the site before shipping the goods, and sends the retailer an advance shipping notice listing which items are being shipped. When the boxed garments arrive at Throttleman's DC, they are placed on a conveyor and sent through the Tagsys 3-D tunnel interrogator. The interrogator captures the tag ID numbers with an accuracy of 99.9 percent, and sends that data through a wired LAN connection to the retailer's Sybase software system, says Doug Karp, Tagsys vice president for industrial and logistics applications. The Sybase software then matches those numbers with the advance shipping notice, confirming that the correct items have been received. If it determines that ID numbers are incorrect or missing, the system illuminates a warning light on the warehouse floor alerting the employees to check the contents of the box.

Later, when items are repacked in boxes for shipment to stores, the tags are scanned in the same tunnel reader to compare the ID numbers against the pick list, before being loaded on trucks. Throttleman then sends an advance shipping notice to the stores.

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Currently, Karp says, Throttleman is using the system only to verify the accuracy of the shipments its distribution center receives from India and sends to its stores. However, the clothing seller intends to equip its nearly 100 stores in Portugal and Spain with RFID readers at the receiving docks during the next two years. At that time, stores will also verify the receipt of each shipment as it arrives from the DC, before moving the

items to the sales floor. Throttleman does not yet have plans to read the tags at the point of sale.

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