

Benetton Explains RFID Privacy Flap

Mauro Benetton clears up the confusion behind the Benetton Group's RFID announcement.

June 23, 2003 - Does Benetton plan to use RFID tags to track garments made under its Sisley brand? Why did one of its suppliers say it was and why did the company later refute that? These questions have been lingering since the flap over privacy erupted, and now they have been answered by Mauro Benetton, director of marketing for the Benetton Group, in an exclusive interview with *RFID Journal*. (For detailed excerpts of the interview, which covered much more than privacy, see [Benetton Talks about RFID Plans](#))

Before we get to his explanation of the controversy, a little background for those who haven't followed the story. Back on March 11, [Philips Semiconductors](#) revealed that Benetton planned to put RFID labels on all clothes produced under Benetton's core Sisley brand and track them through the supply chain to more than 5,000 stores globally. When privacy groups called for a boycott because they feared the chips could be used to track people wearing the clothes, Benetton seemed to back off. It issued a statement on April 4 saying that it "is currently analyzing RFID technology" and that "no feasibility studies have yet been undertaken with a view to the possible industrial introduction of this technology."

The statement went on to say that if the tests were successful, Benetton would consider deploying the technology. Philips released a statement saying only that the project was moving ahead as planned. And *RFID Journal* revealed that Mauro Benetton was, in fact, president of [Lab ID](#), the RFID systems integrator Benetton was using (see [Behind the Benetton Brouhaha](#)).

So what really happened?

"The confusion was probably caused by the fact that my name is Benetton," says Mauro Benetton. "[Lab ID is] testing RFID with Benetton and with a lot of different partners. But the fact that my name is Benetton made Philips think that the technology was being used by Benetton, but it wasn't."

Benetton points out that there were a number of factual errors in the Philips release. One was that Benetton was buying 15 million transponders this year. The retailer does produce 15 million garments under its Sisley brand, but it had no plans to tag them all this year, according to Mauro. The release also indicated that Benetton has 5,000 stores, when it has only around 1,800. And it failed to make clear that the plan was to test the technology first and roll it out to the entire line only if the tests showed there Benetton would get a return on its investment.

"Once the Benetton Group was satisfied with the test results, the second step would be to use the technology across one brand," says Mauro. "We are still far from there. We're still in the first stage, testing the technology."

Mauro says he saw leaving the tag in the clothes as a benefit because the tags could tell a smart washing machine how to wash the clothes automatically. The Italian appliance maker Merloni has already introduced such a machine (see [Merloni Unveils RFID Appliances](#)). He sees no reason for people to be concerned about their privacy because Benetton will happily remove the tags before customers leave the store, if that is what they want.

Will Benetton still consider tagging its clothes? Mauro says the company was caught unprepared for the flood of calls from journalists and privacy groups after the Philips announcement. But he says "we never stopped the test." He believes Benetton will go ahead with plans to tag the Sisley line if the tests are successful, albeit with more sensitivity to the need to educate consumers about the technology.

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