

Chief Evasion Officers

If the CEO isn't backing RFID projects, then the board of directors shouldn't back the CEO.

By Mark Roberti

Sept. 29, 2003 - I went over to see my parents during the great blackout of 2003. My father was irate: "Damn politicians," he said. "They never do anything until there's a problem." I nodded in agreement, but it's not just politicians. The truth is, most of us don't deal with issues until we're forced to. That's why I keep harping on the same theme: Start learning about RFID now.

Most loyal readers of *RFID Journal* realize how important it is to start early, move slowly and build the business case every step of the way. But a lot of readers tell me that people higher up in their companies don't understand this. I'm continuously getting e-mail from frustrated readers who say their CFOs won't even consider investing in RFID system. Despite the fact that Wal-Mart and the United States military have committed to RFID technology, some CEOs don't want to acknowledge its importance. "My CEO can't even spell RFID," read one e-mail I received recently.

This week's feature story is a case study about how Boeing is using a UHF system to track airplane parts (see [Boeing Finds the Right Stuff](#)) at its sprawling Wichita facility. Terry Alderson, the head of advanced technology development in manufacturing research & development for Boeing Wichita and the author of the article, started investigating RFID's potential three years ago. He and his team began with a list of dozens of vendors, whittled it down to 12 and then ran six pilots.

There was a pretty steep learning curve for Alderson and his team as they went through all the issues related to RFID systems: standards, frequencies, protocols, active versus passive, interference, data integration and so on. When they sorted out these issues and started the pilots, Alderson's group discovered that some of the products couldn't do what the vendors said they could do. Some were shut down after a few weeks.

With the United States military now asking top suppliers such as Boeing to put RFID tags on shipments, I'm sure that there are some fairly senior people at Boeing who are glad that they had the foresight to fund the Boeing Wichita project three years ago. As a result, the company has accumulated a great deal of knowledge that will help it meet the Department of Defense's requirements.

A lot of other companies are doing their homework. Several Fortune 500 companies are each sending up to half a dozen people to [RFID Journal University](#) to shorten the learning curve. But a lot of other companies are still complacent. It's not surprising. The same phenomenon happened with the Internet.

As late as 1999, some CEOs were insisting that the Internet wasn't a medium for business, that people weren't going to come home from work and get on their computer to shop and so on. A year or two later, those same CEOs wasted millions of dollars because Wall Street and their own boards were pressuring them to develop an Internet strategy. They responded by funding ideas that weren't well thought out.

It doesn't take three years to launch every project. Tesco recently got one going in 12 weeks (see [Tesco](#)

Deploys Class 1 EPC Tags). But the British retail chain was able to do this because it has been involved in RFID work as a sponsor of the Auto-ID Center and had other trials going for months. As a result, Tesco knew what was required to deploy an RFID project, and the company chose to work with two experienced partners— IBM Global Services and IPI.

Bottom line: When politicians offer tax cuts or additional benefits to win votes and fail to allocate money to maintain critical infrastructure, such as the nation's power grid, they should be voted out of office. And when CEOs put their heads in the sand and fail to invest in new technologies critical to the long-term success of their companies, they deserve to suffer the same fate.

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