

# Tesco RFID Rollout Starts in April

Britain's largest retailer announces RFID rollout plans for its distribution centers, stores and suppliers.

Nov. 17, 2003—[Tesco](#), the largest retailer in the United Kingdom, says that beginning in April 2004, it will put RFID tags on cases of nonfood items at its distribution centers and track them through to stores. Some of its suppliers will put tags on cases of products deliver to Tesco distribution centers beginning in September. The company has not set a deadline for when all suppliers must tag their cases.

"We will work with our suppliers to educate them regarding RFID and to help them move to deployment at whatever speed they are comfortable with," says Greg Sage, a spokesman for the company. "We don't have an exact date for having all suppliers on board, but it is likely to be sometime in 2007."

Tesco runs more than 2,000 supermarkets, hypermarkets, and convenience stores in the U.K., Ireland, Central Europe and Asia, with 1,982 in the United Kingdom alone. In the fiscal year ended Feb. 28, 2003, the company had sales of more than US\$41 billion.

While Tesco says that its own distribution centers and stores will begin RFID deployment in April, no date has been set for that project's completion. Deployment will mean the extension of a trial started in September this year that fitted EPC Class 1 tags to cases containing goods being shipped from one of its distribution centers to two stores, in Peterborough and St Neots, U.K.

In that trial Tesco worked with [Alien Technology](#), [IBM Business Consulting Services](#), [Intel](#) and [IPI](#), a U.K. professional services company focused on new technologies, on an EPC pilot (see [Tesco Deploys Class 1 EPC Tags](#)). However, the company says it cannot confirm whether the same vendors will be used for its full deployment.

In the trial, when the distribution center receives an orders from a store for specific items, employees there collect the items from the shelf and put them in plastic totes and trays, which are shipped to the store. Tesco has installed Alien UHF readers at the receiving and shipping areas of the DC and put Class 1 EPC tags on the totes and trays. Suppliers put tags on cases. That way, Tesco can track cases coming into the DC and cases, trays and totes being shipped out.

Tesco has been among the most active retailers testing RFID technology based on the Auto-ID Center's Electronic Product Code (EPC). It was among the first retailers to develop smart shelf technology designed by Gillette, and it piloted an innovative low-cost antenna system developed by MeadWestvaco's Intelligent Systems (MWVIS) division to track CDs in one of its stores (see [Tesco Tests Low-Cost RFID System](#)).

The retailer will not say what standards its full deployment will use, but if it adopts the same EPC technology used by Wal-Mart and the United States Department of Defense, the U.K. retailer could help boost EPC adoption in Europe by retailers and suppliers. A number of European retailers have supported the development of EPC technology, but others, including Marks & Spencer and Benetton, have been using technology based on International Organization for Standardization protocols.

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