

Nestlé UK, Safeway See RFID Gains

U.K. companies believe Britain and Europe are better prepared to deploy RFID but warn about a potential shortfall of RFID engineers.

By Jonathan Collins

March 8, 2004—Companies at the forefront of RFID deployment in the United Kingdom are confident that a mix of corporate attitudes and government initiatives has helped push the U.K. ahead of Europe and the United States in terms of RFID implementation. Nonetheless, the companies worry that a lack of RFID skilled engineers may stifle that jump-start.

Those beliefs were expressed at a recent industry roundtable held in London by [e.centre](#), the supply chain standards association charged with promoting the uptake of EPCglobal in the U.K. Attending the meeting were representatives from a number of companies involved in deploying EPC RFID networks in the U.K., including CPG manufacturer Nestlé UK, supermarket chain Safeway and RFID systems integrator and consultant IPI.

According to e.centre, the roundtable's participants concurred that the nation was in a privileged position to deploy RFID due to the government's sponsorship of numerous RFID projects and promotion of the technology.

In May 2000, for example, the U.K.'s Home Office initiated its "Chipping of Goods" initiative, providing 9 million euros (then US\$8.95 million, now US\$11.12 million) to support about a dozen field trials using radio frequency identification technology.

"The government backing of those open-loop projects brought not only the kinds of publicity that spurred interest and awareness in RFID but also required companies to work with each other in developing the technology," says David Weatherby, RFID program manager at e.centre, a London-based nonprofit organization affiliated with standards-developer EAN International. Both Safeway and IPI were involved in Chipping of Goods projects.

In addition, the roundtable agreed, European companies in general are better prepared to implement RFID than their U.S. counterparts. The reason, according to e.centre, is that having already deployed electronic data interchange (EDI) and other technologies that depend on intercompany cooperation, many European retailers have developed the kinds of partnerships in their supply chains that any open-loop RFID deployment requires.

As with RFID, one aim of EDI is to help retailers cut inventory held at stores and warehouses. E.centre maintains, however, that any efficiency already gained in European supply chains is unlikely to be a deterrent to deploying RFID.

"It has created a culture geared to squeezing out costs in the supply chain," says Weatherby.

However, the roundtable expressed concern that the adoption of RFID by U.K. retailers and suppliers could be impeded by the lack of a single global RFID standard and by the challenge of finding adequate staff capable

of rolling out RFID networks.

During the meeting, Martin Swerdlow, CEO of systems integrator IPI, warned that the U.K. faced a potential shortage of RF engineers familiar with the specific requirements of RFID networks. As RFID remains a nonstandard technology that requires understanding of how equipment works together and how RFID signals propagate, Swerdlow said, trained engineers will be needed to deploy networks. He urged that more should be done to ensure engineers to get such training.

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