

Search for:

- [Subscribe](#)
- [Search](#)

- [Subscribe](#)
- [Search](#)

- [News](#)
- [Insights](#)
 - [Editor's Notes](#)
 - [Expert View](#)
 - [Trends](#)
 - [White Papers](#)
 - [Ask The Experts](#)
- [Industries/Topics](#)
- [Events & Resources](#)
 - [Events](#)
 - [Event Recordings & Videos](#)
 - [Get Started](#)
 - [RFID Journal Glossary](#)
 - [RFID Journal Awards](#)
 - [Magazine Archive](#)
 - [FAQs](#)

Select Page

Moving Beyond Mandates

A couple of years ago, I was at a function hosted by my wife's church. I was sitting next to a gentleman who asked me what I do for a living. I told him I run *RFID Journal*. He knew about the technology and said, "We supply custom products for the U.S. Department of Defense (DOD), and we are required to put RFID tags on our shipments." I asked if they were using the technology within their operations. "No," he said. "We buy the

tags and put them on the boxes. That's it."

A few months ago at a church fund-raiser, I once again sat at a table with this gentleman. He introduced me to the operations manager at his company and said, "We have a problem in our warehouse. We have \$3 million worth of inventory and cannot manage it. Do you think RFID can help?" I smiled.



The attitude among many suppliers required to RFID-tag shipments to the DOD, as well as to aerospace companies, retailers and other firms, has been, "Oh, no. Additional cost!" That attitude is slowly beginning to change—due, in part, to technology improvements and a better understanding of the benefits RFID can deliver.

But as our cover story in this issue reveals, many suppliers need help from their supply-chain partners to develop and fund RFID projects. Killdeer Mountain Manufacturing (KMM), a small, family-owned company in North Dakota that makes aerospace components, is a good example. It deployed an RFID work-in-process application to track orders for Boeing. The system helped KMM improve its relationship with Boeing—and it helped the company reduce costs and streamline processes. The DOD funded the KMM project, and Boeing and several other partners helped develop the solution.

Companies are also beginning to recognize that, rather than mandating partners use RFID, it is more beneficial to collaborate on projects to achieve mutual benefits. Valtra, for example, wanted to ensure that its factory was always stocked to fulfill orders. The Finnish manufacturer of custom tractors worked with one of its suppliers, Metal Power, to

deploy an RFID system that tracks parts from the supplier's facilities to Valtra's warehouse. The solution automates and streamlines parts replenishment and parts inventory management processes for Valtra, and also benefits Metal Power by providing visibility into inventory levels and parts consumption at the factory.

Horticulture companies are benefiting from using RFID to track and manage returnable transport items, but they are also developing business cases for their customers (see Vertical Focus). And companies in the aerospace, oil and gas, and retail apparel sectors are working to create a common way of using RFID to maximize the potential benefits of the technology for all supply-chain partners (see Perspective).

It's exciting to see collaboration among business partners taking root, and suppliers realizing RFID is not just an additional cost. I'll be visiting my church friend's warehouse soon, and I hope to hook him up with a systems integrator that can solve his inventory-management problems.

Mark Roberti is the founder and editor of RFID Journal. If you would like to comment on this article, click on the link below. To read more of Mark's opinions, visit the RFID Journal Blog, the Editor's Note archive or RFID Connect.



- ABOUT
- ADVERTISE
- CONTACT

FOLLOW US ON

- Follow
- Follow
- Follow

▪ Follow



© 2024 Emerald X, LLC. All Rights Reserved

[ABOUT](#) [CAREERS](#) [AUTHORIZED SERVICE PROVIDERS](#) [Your Privacy Choices](#) [TERMS OF USE](#) [PRIVACY POLICY](#)