

## Move Beyond RFID Slap-And-Ship

### Wal-Mart and Sam's Club Name Beaver Street Fisheries their 2006 Supplier of the Year!

A seafood distributor's RFID (radio frequency identification) investment leads to new multimillion-dollar business opportunities and internal cost savings.

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There are two approaches enterprises take regarding RFID adoption. The first approach is avoidance. This presents difficulties if you want to do business with companies like Wal-Mart or the DoD. The second approach to RFID is to accept the fact that it is a viable asset tracking technology and to begin investigating how it can help your business.

Fish and seafood distributor Beaver Street Fisheries is an example of a company in the latter category. The company imports more than 750 SKUs (stock keeping units) from more than 50 countries and provides frozen fish, meats, and prepared foods to retailers such as Wal-Mart and other retailers, restaurants, and institutions. Even though Beaver Street Fisheries sells more than 400,000 cases of food products to Wal-Mart per month, it isn't one of Wal-Mart's top 100 suppliers and was therefore exempt from Wal-Mart's original Jan. 1, 2005, mandate, which required the top 100 suppliers to have product pallets and cases outfitted with RFID labels. When Beaver Street Fisheries first heard about the mandate, however, it put itself on the same deadline as the top suppliers. **With the help of consultant and systems integrator The Danby Group, Beaver Street Fisheries set up a three-phased RFID pilot test using three of its best-selling SKUs. Three months before the Jan. 1, 2005, deadline — and one year and three months prior to Wal-Mart's deadline for non-top-100 suppliers, the manufacturer achieved compliance.** It could have been satisfied with affixing RFID labels to pallets and cases just before shipping them — a process known as slap-and-ship. Instead, it decided to investigate RFID further, and in the process, discovered several new business growth opportunities. According to Howard Stockdale, CFO of Beaver Street Fisheries, "We integrated our RFID applicator equipment with our WMS [warehouse management system] software using an integration program developed by Franwell called rfid> Genesis." **Both rfid>Genesis and the applicator equipment were supplied by The Danby Group.**

One of the smart choices the company made during the first pilot was anticipating a transition from EPCglobal Generation 1 (Gen 1) to Gen 2 equipment. As a result, it selected RFID label printer/encoders and readers that could be upgraded to the new standard via free firmware downloads, thus protecting its investment. **One of a select number of Zebra RFID Solutions Providers, The Danby Group recommended that Beaver Street Fisheries purchase Zebra R110Xi RFID label printer/encoders, Symbol XR400 and Alien Technologies 9800 readers**

The company also set up a portal near its receiving dock so that all tagged pallets and cases could be scanned automatically as forklift operators passed through. For pallets with no inner hidden cases, Beaver Street Fisheries receives 100% read rates. Pallets with smaller hidden cases located at the center (i.e. surrounded by other boxes) yield 90% read rates, however. "We're still researching RFID chips and chip placement strategies to achieve 100% read rates on all pallets," says Stockdale. "In the meantime, we've built a check into the system that alerts warehouse workers if the information on the pallet chip doesn't match the information captured from the cases."

#### USE RFID TO WIN DAMAGED PRODUCT DISPUTES

Beaver Street Fisheries is already experiencing benefits from its RFID system. One recent example was a request from a customer for a \$20,000 credit. The retailer claimed that a pallet of lobster tails it received from Beaver Street Fisheries was spoiled. "Because our system is integrated with their shipping and receiving software, we are able to track our shipments from the moment they arrive at their receiving docks to the moment an empty pallet/case is placed in a dumpster," says Stockdale. "Upon reviewing the data, we discovered that after the pallet of lobster tails arrived on their receiving dock, it was left out of the freezer for 7 hours, which is when it went bad." By reviewing the data with the customer, Beaver Street Fisheries avoided having to credit the retailer.

In 2006, Wal-Mart and Sam's Club named Beaver Street Fisheries supplier of the year, and within the past year it has picked up millions of dollars in new business.