

RFID

Success across the board with SFR

Manufacturers, operators, logistics partners and distributors - for the first time, all the players in the supply chain have participated in RFID technology pilot tests, resulting in a very positive experience.

Having been a proactive logistics partner since 1997, it was only natural that Norbert Dentressangle should assist French mobile phone operator SFR with its pilot projects aimed at testing RFID technology. The objective was to optimise the distribution process. Therefore, from November to December 2008, the logistics teams at the Tigery warehouse (Paris region) got down to work with the electronic labelling of 2,000 mobile phones destined for an "Espace SFR" store in Seine-Saint-Denis (Paris region). For the store, the challenge was one of scale and how to save time when goods are received and inventories are produced, in order to focus on sales.

85% productivity gain upon receipt

"Without RFID technology, the store manager has to check the documents that arrive with each delivery, count the telephones and scan the barcodes for each mobile," explains Carine Chollet, project manager at the Engineering Department at Norbert Dentressangle's Logistics Division. *"With RFID, the manager only has to move the scanner along the pallet. The 400 packages are then automatically registered in the store's IT system."*

This enables more rapid, reliable and frequent stocktaking, so that stocks are managed perfectly, which leads to a productivity gain of 85% for the store.

"We consider the pilot to have been very positive and SFR is now studying the feasibility of using this technology more widely," comments Carine Chollet.

Radio identification technology (RFID for Radio Frequency Identification) makes it possible to save and recover data remotely by means of markers known as tags (or electronic labels).



Warehouse in Tigery (Paris region)

- Partner of SFR since 1997 and SFD since 2000 (SFD is the distribution network of SFR).
- National warehouse dedicated to SFR.
- Products for mobile telephony and ADSL.
- Manufacturing, picking and packing operations.
- Distribution throughout France to stores and for mail order.
- After-sales service (return distribution and individual customers).

INTERVIEW

SFR moves into the lead with RFID technology

Interview with Christian Boileau, SFR Director of Manufacturing and Logistics, and Véra Barbattini, RFID project manager at SFR.

What were the objectives of the RFID pilot projects launched by SFR?

Because SFR is at the cutting edge, we wanted to test RFID technology on our processes in order to be prepared, if necessary. We also wanted to anticipate the needs of our distribution network. We are constantly on the lookout for ways of optimising our supply chain processes in order to reduce our costs.

How did you go about doing this?

RFID technology must involve all partners in the supply chain, from the supplier to the distributor. The two experiments that we conducted involved the manufacturer Nokia, our logistics partner Norbert Dentressangle and technology supplier Psion Teklogix, as well as our distribution network.

For the second pilot, we asked the Norbert Dentressangle teams to tag 2,000 mobile phones destined for an "Espace SFR" store in the Paris region at a warehouse, while orders were prepared. At the other end of the chain, the store manager, who was responsible for receiving pallets of telephones, storage and stocktaking, was provided with a reader and

Workabout Pro C scanner, which can read and record the tags in the computer system.

What have you achieved?

First of all, we were able to check that the process worked properly on a technical level. We then saw that the distributors and sellers positively welcomed this technology and wished to continue with the experiment. We found that, the saving made throughout the supply chain is greater than the costs involved. Major productivity gains were recorded at store level: 100% fluid and reliable receipt of products; optimised in-store availability and stocktaking. We therefore plan to conduct other tests, but with costs distributed more fairly between all the players in the chain.



The RFID process: an overview



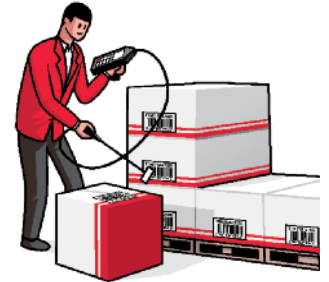
1 "Tagging" in the warehouse

Using a special printer, the Norbert Dentressangle logistics teams fix tags and barcode labels to all mobile phones packages.



2 Transport and delivery to stores

Norbert Dentressangle delivers the pallets to SFR outlets, most of which are located in town centres.



3 Chip reading in the store

Equipped with a reader and scanner, provided by the Psion Teklogix RFID integrator, the store manager "reads" the tag on each box.



4 The information contained in the tag

Reading the tag enables the manager to trace each phone with 100% accuracy: the tag contains the mobile phone model and its IMEI (identity card).



5 Recording data in the IS

The information stored in the tag is recorded directly in the store's IT system. As a result, stock levels and stocktaking are 100% reliable. This saves a considerable amount of time and the manager can concentrate exclusively on sales.

In-store productivity increased by 85%

Scanning time

In store

- Without RFID: 30 minutes to read 75 products
- With RFID: 4 minutes

Stocktaking

- Without RFID: 6.20 hours
- With RFID: 1.17 hours