

MIELOO & ALEXANDER

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Project reference case

RFID/EPC™ in the EDC of Sony Europe

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Sony Logistics Europe B.V. (SLE) in Tilburg, The Netherlands is the European Distribution Centre (EDC) of Sony Europe. It stores all product ranges of Sony Electronics, which are shipped in by truck, sea and air freight from plants in Europe, Japan and Asia. SLE, which has a 'footprint' of about 80,000 m², distributes directly to dealers and to local Sony warehouses across Europe, Middle East and Africa. The consumer electronics industry is highly competitive, and Sony Supply Chain Management is constantly looking for ways to advance its operation and to move ahead of the competition, in support of Sony's strategy to be 'preferred supplier' to all its dealers. RFID technology is regarded as a promising means to enhance operations, reduce cost, improve quality and minimise risk. Of course, it also fits developments at major clients of Sony in Europe. Supported by Mieloo & Alexander Business Integrators (M&A) of Rotterdam, The Netherlands, SLE initiated an RFID test & pilot program in 2004. After extensive readability tests in 2004, Sony and M&A began in January 2005 with the preparations for an RFID/EPCTM UHF 868 outbound slip and ship pilot between the EDC in Tilburg and Birkart Logistics in Cologne. Birkart is the third party logistics provider that handles all Sony deliveries to Distribution Centres and stores for major customers in Germany.

RFID project objectives and scope

The objectives were to:

- Determine the impact of RFID technology on the outbound processes, and on the processes downstream of SLE
- Understand the data volumes and data handling issues
- Develop hands-on knowledge and expertise of RFID hard and software integration
- Determine the potential to implement RFID upstream in the supply chain

The scope of the pilot is case level tagging of outbound shipments of Sony Flat screen and CRT televisions from SLE to Birkart. The processes include: tag commissioning, case level scanning of pallets at the outbound

dock door, scan to trailer, ASN (Advance Shipment Notification), goods receipt check at inbound and reporting and analysis.

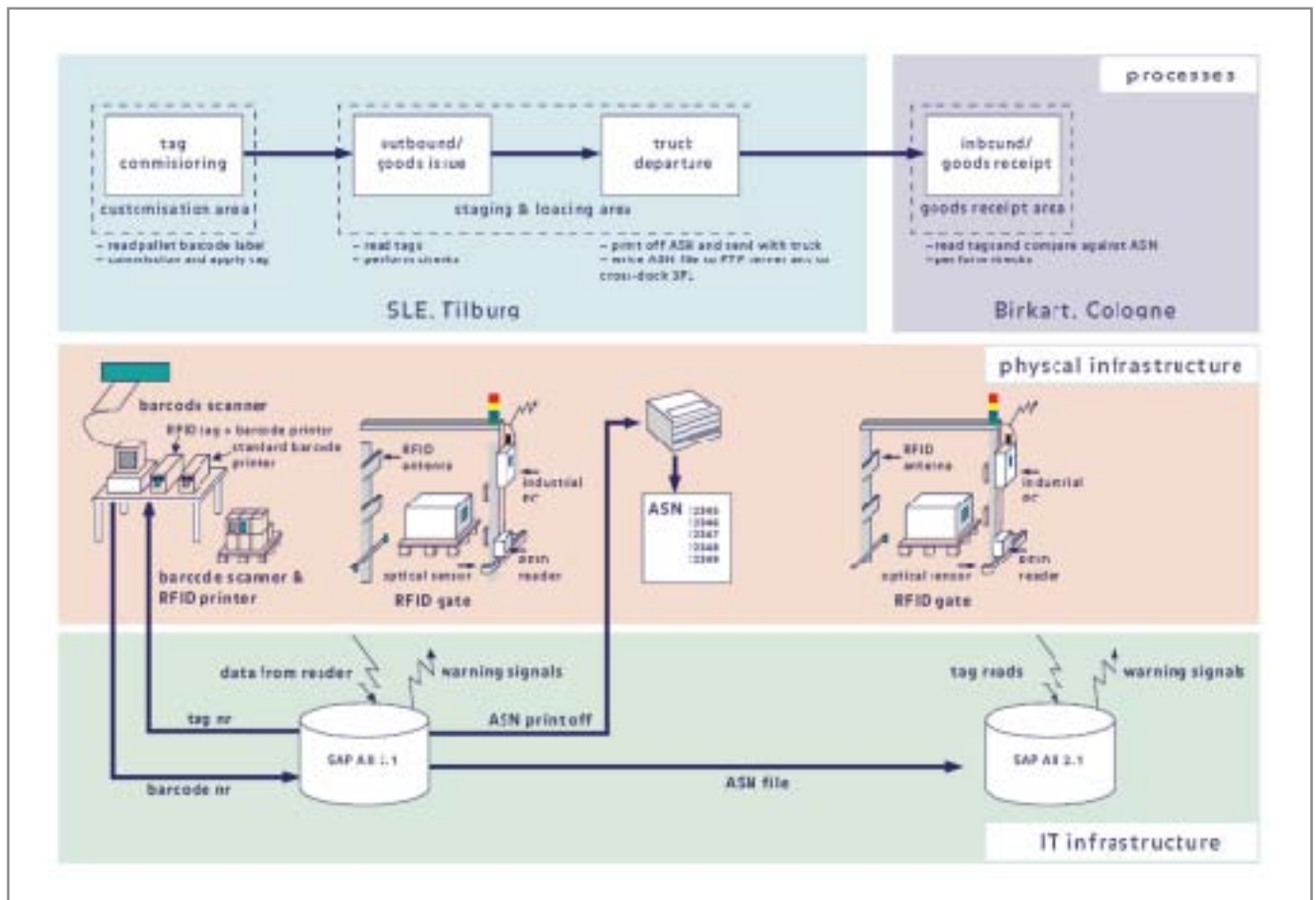
The RFID system scope includes:

- Alien Lepton 96 bit tags
- Zebra RM4plus tag commissioning printer
- Symbol AR-400 RFID reader and ANT- 400 antennae
- SAP Auto All version 2.1 middleware / RFID application software (SLE runs SAP R/3 and SAP WMS 4.7)
- SAP Netweaver and Business Warehouse

Partners



The chart below shows the process, physical and IT infrastructure of the pilot:



During the pilot stage of the project, no integration with the ERP/WMS system was realised.

Challenge

This is the first implementation in The Netherlands utilising direct integration between SAP AII 2.1, Zebra Technologies and Symbol RFID equipment. This complex integrated RFID system is based on state of the art components, requiring the partners to work closely together.

Results achieved

The Mieloo & Alexander project team, supported by the experts at SAP, Symbol and Zebra Technologies delivered the first operational, directly integrated RFID UHF 868 project in The Netherlands. Currently,

operators at SLE daily tag the individual cases of 10 to 20 pallets. The RFID systems at the dock doors of SLE and Birkart read the tags. On a daily basis the results are being analysed with SAP Business Warehouse. This leads to constant enhancements of the RFID installation. And it enables SAP, Zebra and Symbol to enhance future releases of their product, ensuring that new users will be able to benefit from the new technology at an even faster pace. Sony and Mieloo & Alexander have gained extensive knowledge and expertise of the process, organisational and technical impact the integration of RFID technology has on a logistics operation. The RFID pilot program for 2006 will most likely include

generation 2 tags and readers, integration with ERP/WMS systems, further warehouse internal pilots, and extension of the pilot up and or downstream in the supply chain.

About Mieloo & Alexander

Mieloo & Alexander Business Integrators is a consulting firm that specializes in technology enabled supply chain improvement, with a focus on supply chain management and visibility through the use of innovative information technology (RFID). The highly trained consultants design, plan and implement advanced supply chain solutions that focus on RFID Electronic Product Code (EPC) and real-time locating solutions (RTLS). Mieloo & Alexander has customers throughout Western Europe that include multinationals such as: Sony, Akzo Nobel, KPN, ASML, TNT and Hitachi. Mieloo & Alexander is headquartered in Hoofddorp in the Netherlands.

Our office

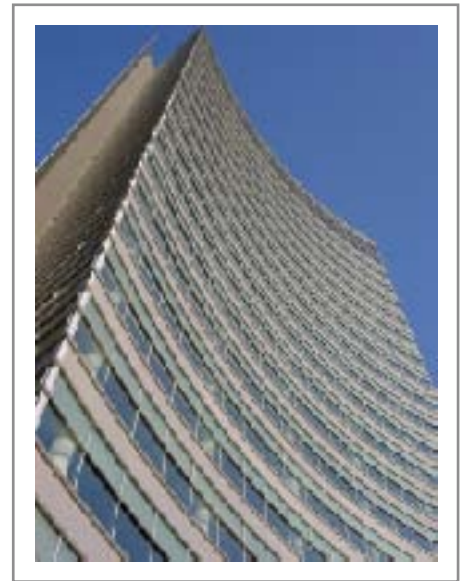
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