RFID: Keep On Tracking!

RFID nay-sayers may have unrealistic expectations for this technology

By Anna Wells, IMPO Editor

"The problem is that the RFID nay-sayers may have unrealistic expectations for this technology." **-Anna Wells**

The problem is that the RFID nay-sayers may have unrealistic expectations for this technology. When I drive through Chicago, my Illinois toll-booth pass deducts from an account as I pass underneath the receivers—but I don't also expect that this device will pump my gas, or give me a better route to avoid congestion on the Eisenhower Expressway. And I am certainly not complaining when an RFID tag saves my bags from the airport black hole of lost luggage.

When it comes to manufacturing, RFID has become a bit of a buzzword, but it's perhaps because some manufacturers have seen quite a bit of success with its implementation. And even though it can be pricey, the value of tracking for a large manufacturer is absolutely critical, and—arguably—worth the price.

In a large manufacturing environment, asset tracking can prove to be a huge cost center—not only because of the risk of equipment loss, but also in being able to identify where your product is at any point in the manufacturing process. Lean manufacturing is rooted deeply in the idea of inventory management—too much, or not enough, parts stocking means too much WIP. Too much WIP means product sitting on your shelves, or worse, on the manufacturing floor.

The fact of the matter is, tracking in manufacturing involves so much money, that visual management is no longer viable. Manufacturers are becoming more and more aware that every machine, component, and tool in their facility has a dollar sign on it, all of which add up incrementally when unused, misused, or misplaced.

Besides tracking within a manufacturer's facility walls, another benefit to RFID is for tracking after the point of sale. In the age of cut-throat competition and rampant counterfeiting, wouldn't you want a sure-fire way to distinguish your products from knock-offs?

As far as the argument that the entrenched use of RFID requires in-depth training—so be it. Technological advancements have demanded that training become more and more of a base curriculum in the manufacturing job environment. This is not necessary negative: leaders who shy away from training, or the technology which will require it, are shying away from advancements and potential future cost savings. As processes become highly automated and minutely managed, the marriage of technology and employee training will become more and more tightly knit.

At the end of the day, there certainly are applications which are more (or less) appropriate for a full-scale RFID tag implementation. The fact is, it is a major investment. The decision lies in whether company leaders see the true value in asset and inventory management—and this is more likely to apply to a larger operation. Regardless, just like your inventory, this is a technological option that bears tracking.

Comments? Email *IMPO* Editor, Anna Wells: anna.wells@advantagemedia.com. **[1]**

More on manufacturing:

RFID Isn't All It's Cracked Up To Be [2]
Cloning Data Needs A New Flavor *[3]*
A Different Take On Tracking [4]
Toy Makers Struggle To Offset Rising Costs [5]

Source URL (retrieved on *07/24/2014 - 1:42am*):
http://www.impomag.com/blogs/2008/02/rfid-keep-tracking?qt-digital_editions=0

Links:
[1] mailto:anna.wells@advantagemedia.com
[2] http://www.impomag.com/scripts/ShowPR~RID~9810.asp
[3] http://www.foodmanufacturing.com/scripts/ShowPR~RID~9631.asp
[4] http://www.impomag.com/scripts/ShowPR~RID~9798.asp
[5] http://www.manufacturing.net/News-Toy-Makers-Struggle-To-Offset-Costs.aspx