Volvo

## **Mobile RFID prototype**

#### Exploring business value of mobile RFID for logistics

Magnus.Holmqvist@volvo.com +46 31 32 22733

> Mats.Boll@volvo.com +46 31 666098



To explore innovations and manage expectations

#### Volva

## Mobile RFID prototype

Exploring business value of mobile RFID for logistics



Ready as 'all-in-one device' Opportunities for info access Increase productivity

Currently most set-ups are made with fixed installations. Mobile RFID evaluated feasibility for a mobile work force including; -RFID for short distance -GPRS for long distance -Web for glocal info access



#### Volvo

Mobile RFID prototype has been a successful collaboration between several stakeholders.





**Volvo Logistics** 

#### Business value Operational opportunities Technology features

Business Innovation Volvo IT Concept/Application development



Volvo Information Technology Tech Watch & Business Innovation, Jan 2005 Magnus.Holmqvist@volvo.com +46 31 32 22733



# **Protoype Set-Up**



### Focused area decided after process mapping;

- A complex cross-docking cargo flow to Brazil
  - High level of manual routines time consuming
  - Current annual cargo flow >6 000 cases
  - Large growth

### Design of client applications

- Arrival Inspection
- Loading

### Methods of Measurement

- Operational Reliability
- Usability
- Lead-Time Productivity



### **Example of Results**

#### Benefits

- Lead-Time Productivity
- RFID reliability of 99,96 %
- Low barriers of entry and usability

#### Challenges

- GPRS functionality
- Tag cost



More than 3000 measurements performed in the real operational context during a test month in prototype system environment



### Recommendations

- Focus process gains
  - High-light the intrinsic value of RFID

#### Mobile context design restrictions

- High value items or for mobile reading in closed loop set-up (due to tag cost)
- < 10 readings/minute</p>
- < 3 user inputs/reading</p>
- Limited data retrieval

#### Mobile context opportunities

- Durability (Rough conditions)
- Extended data detail (Item level)
- Mobility (RFID: short range, GPRS: long range, Web: glocal info access)
- Low barriers of entry (Infrastructure ...)

New use-cases in Volvo are: Rental equipment return, Volvo Action Service break down assistance vans, Specific dealer inventory item control...





# Backup

**Business Innovation** 

*Initiative from VIT to focus business value in new ways of working and/or technology* 

Close collaboration with customers to deliver prototypes that give on-going development a competitive edge through effective R&D



Volvo

# Mobile RFID prototype

#### Exploring business value of mobile RFID for logistics

#### Scope:

Idea of prototype collaboration effort, to facilitate practical set-up of a mobile RFID solution within supply chain operations (~10 mw)

#### <u>Why</u>

- To provide initial RFID hands-on experiences (=>improve supply chain productivity, Overall Business Case)
- To set better requirements for coming implementations (=>improve specifications/operations, Logistics Business Case)
- To gain skills for future application area (=>improving VIT competitiveness. RFID is a Top10 Gartner tech, VIT Business Case)
- Targeted customers: Volvo Logistics and SCM Stakeholders. Joint VIT R&D funding in progress

#### <u>What</u>

- Initial prototype set-up in connection to a logistics flow at the terminal (or equivalent)
- Support collaboration between Volvo BA/BUs, HW/SW vendors, IT-University and forwarders
- · Evaluate results with key stakeholders

**Deliverables** (Recommendations, Spec, Next step proposal)

- Indication of feasibility (IT, Operational and Business)
- Prototype (+Master Thesis)
- Established relations with HW/SW vendors
- Enhanced knowledge and potential rationalisation projects



