The GS1 US EPC Item Level Readiness Program

**EPC-Enabled RFID Increases Inventory Visibility and Delivers the Seamless Omni-Channel Shopping Experience**

It's more important than ever to have the right product, in the right location, at the right time—and to implement new technology the right way. GS1 US® makes it possible.

Today's tech-savvy consumer doesn't distinguish between online and brick-and-mortar shopping; she values the seamless "always-on, always-open" shopping experience. Streamlining her digital path-to-purchase and delivering a smooth experience is no longer optional. Retailers and brands are looking for new ways to help them forecast trends more accurately, collaborate with global trading partners more efficiently, and improve inventory management. To help them accomplish these goals, many have turned to Electronic Product Code (EPC®)-enabled item level Radio Frequency Identification (RFID) technology.

The **GS1 US EPC Item Level Readiness Program** provides the education, training, tools, and community support that the apparel and general merchandise industries need to implement EPC-enabled item level RFID tagging in day-to-day operations. With **three levels of engagement**—from basic online educational resources, to premium readiness training, to tailored and customized support—our program can help your organization better serve your customers.

**RFID Usage and Adoption Tipping Point**

The retail industry is nearing an RFID inflection point and is expected to have greater traction in 2016 and beyond.

- IDTechEx² found that “in 2015 (in retail) RFID continues to be adopted for apparel tagging and that this application alone will demand 4.6 billion RFID labels in 2016.”
- The 2014 GS1 US Standards (RFID) Usage Survey² revealed that manufacturers and retailers are embracing RFID to enhance inventory visibility; and our 2015 survey results revealed a 300 percent growth in RFID awareness.
  - Fifty-seven (57.0) percent of retailers have deployed RFID and 19.3 percent have plans to roll out the technology within the next 12 months
  - Nearly half (48.2 percent) of manufacturers are currently implementing RFID, and another 21.1 percent have plans to implement it within the next 12 months
  - Additionally, a recent Frost & Sullivan Retail Study³ reported that the market for RFID in retail is expected to grow at a compound annual growth rate (CAGR) of 38.9 percent between 2013 and 2020
What’s Behind This Unprecedented Growth Rate?

For consumers, shopping needs to be flexible; they want to research and purchase products across all channels with ease and accuracy. Forrester Research\textsuperscript{5} reports, “shoppers have increased shopping expectations; 71 percent expect to view in-store inventory online, while 50 percent expect to buy online and pick up in-store. Consumers want to buy online but collect in-store, rather than arrange delivery at home; or they need to pause a purchase on mobile on the move and pick it up again later on another device. Choice and flexibility are essential.”

Retailers and brands are witnessing the transformation of today’s supply chain—and those who are taking an active role in the adoption and usage of standards-based technology in their everyday business practices are seeing a boost in sales and customer satisfaction. These companies are reducing their inventory, distribution, and labor costs, while growing sales and achieving visibility in their product inventory like never before. With a well-thought-out plan, you can do the same. When items are tagged at the point of manufacture or at the earliest point in their life cycle, companies see benefits throughout the supply chain. This saves untold labor hours, reduces overall costs, and allows for faster payment and optimized unit sales.

Relax… You’re Already Invested

Within the GS1 System of Standards, EPC-enabled item level RFID helps to deliver on the omni-channel promise by taking item identification a step further to connect the digital and physical worlds that consumers continue to straddle in their browsing and shopping experiences. It allows businesses to leverage their existing technology investments such as ERP, point of sale, inventory management, and other enterprise systems, which translates to more cost-effective deployment with less risk and a shorter return on investment.

Delivering Inventory Intelligence & Cost Savings for Suppliers

For brand owners, true inventory visibility starts at the factory, where RFID’s value is first achieved in the outbound audit process at the domestic point of receipt.

Supplier Benefits:

- Decreases inspection costs\textsuperscript{5}
- Reduces claims and returns\textsuperscript{5}
- Reinforces authenticity/anti-counterfeiting for luxury brands\textsuperscript{5}
- Enables electronic proof of delivery\textsuperscript{5}
- Raises receiving accuracy\textsuperscript{5}
- Enhances loss-prevention capabilities\textsuperscript{5}
- Helps improve supplier compliance
- Boosts margins
- Reduces obsolete inventory write-downs

Improves shipping/picking accuracy

Using item level tagging delivers an 80% improvement in shipping/picking accuracy and improves receiving time by 90%.\textsuperscript{5}

Driving Sales & Lifting Margins for Retailers

RFID is playing a critical role in helping retailers gain the visibility and efficiency they need to create a seamless customer experience and get more product into customer hands than ever before.

Retailer Benefits:

- Raises inventory accuracy

Using item level tagging enables 95% accuracy in the tracking of every piece of merchandise, in every retail stock location (raising inventory SKU accuracy from an average of 63% to 95%).\textsuperscript{5}

- Raises accuracy to 95%

- Improves inventory labor productivity by 96%\textsuperscript{5}
- Reduces cycle count time by 96%\textsuperscript{5}
- Cuts out-of-stocks at retail by up to 50%\textsuperscript{5}
- Increases item availability to boost sales from 2% to 20%\textsuperscript{5}
- Increases full-price sales

- Increases loss detection
- Enhances stock conversion reporting
- Expedites returns
Using the EPC platform, each product can be automatically and accurately identified and tracked in every retail stock location—helping businesses realize supply chain benefits, while protecting previous investments, minimizing integration requirements, and extending the value of their current enterprise systems. It enables your business to easily introduce RFID and quickly integrate it with your existing barcode and software systems, providing:

- Greater visibility and accuracy—more accurate pick-and-pack operations resulting in faster quality-assurance audits
- Quicker time to market—faster shipment verification processes and customs clearance
- A seamless and trusted omni-channel experience

By implementing RFID technology based on EPC, and taking advantage of existing systems that are set up to process GS1 Standards, like U.P.C. barcodes, companies can reduce their integration time by 25 percent.6

**A Program Designed for—and by—the Retail Industry**

The GS1 US EPC Item Level Readiness Program offers three levels of support:

**Basic Online Educational Resources**
From free on-demand and live webinars and workshops to market research and implementation success stories, you can peruse our informative tools, resources, and educational learnings at www.gs1us.org/ApparelGM.

**Premium Readiness Training**
The premium GS1 US EPC Item Level Readiness program includes education, user tools, and community forums. This self-directed online program supports the implementation of technology and GS1 Standards to improve business process challenges and overall supply chain efficiency.

- **Education:** web and teleconference-based sessions with topics ranging from understanding the value of EPC-enabled RFID to proper deployment of the technology for meeting the requirements of your trading partners.
- **User Tools:** access to an interactive, web-based adoption roadmap containing information about the tasks and tools you’ll need to successfully integrate EPC into your operations.
- **Use of the EPC Symbol:** show customers and trading partners your brand's adherence to consumer privacy guidelines and the responsible use of EPC-enabled RFID technology.

**Key Program Learnings Include:**

- Determining your RFID performance requirements
- Tagging best practices
- Moving from U.P.C. to EPC
- Managing serial number assignment
- Understanding serialization basics and EPC
- Utilizing an implementation checklist

**Customized Support**
GS1 US can also tailor an implementation program specific to your organization's deployment plan. With a special mix of technical and business expertise, we can provide customized services, such as on-site EPC readiness assessments, targeted pilot and implementation planning and support, and in-person training presentations for your staff and your trading partners.

**Strengthen your business relationships, forecast trends more accurately, collaborate with global trading partners more efficiently, improve inventory management, and leverage existing investments.**

The GS1 US EPC Item Level Readiness Program will help you roll out EPC-enabled RFID while protecting your investments in U.P.C.-compatible systems and helping you improve the efficiency, precision, and reliability of your whole supply chain.
Three Reasons to Get Involved Now

1. Optimizing for omni-channel operations is the key to future retail growth: RFID is the foundational technology for delivering a successful converged shopping strategy that delights your customers in every product category.

2. Maximizing sales while satisfying customers: trading partners who can match unique or single items in their inventory with what consumers want—regardless of where it is in their fulfillment network—will avoid unnecessary markdowns and be able to sell the unit at full price.

3. Don’t fall behind: a growing number of retailers are already using EPC-enabled RFID across several lines of business and are reporting great success.

GS1 Standards and the EPC platform help you pave the way to a faster, more cost-effective deployment with a shorter return on investment. The industry is ready to support your RFID implementation. We look forward to helping drive omni-channel success for you and our community.

Get Started

If you want to learn more about the GS1 US EPC Item Level Readiness Program or are interested in participating in one of our readiness program training tiers, contact us at ApparelGM@gs1us.org or at EPCReadinessProgram@gs1us.org

For More Information:

Email: ApparelGM@gs1us.org or EPCReadinessProgram@gs1us.org
Visit: www.gs1us.org/EPCItemLevelReadiness