

RFID News Round-Up Nov. 16, 2009

Apple May Put Reader in iPhone; ABI Research doesn't See Much Core Supply Chain Use for RFID; Rhode Island RFID Bill Vetoed Again, More

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This week's RFID News Round-Up:

ABI Research Sees Current RFID Trends Continuing, Led by Asset Tracking, Apparel and Active Tags, but not Much Core Supply Chain

The analysts at ABI Research have released another RFID market analysis that projects earlier predictions about what areas of the RFID market will see the most growth will continue to hold – with only modest activity seen for the bulk of core supply chain applications.

Early this year, ABI Research identified three of the most promising RFID hot-spots as the retail apparel segment (item-level), asset management, and active RFID (in a number of verticals). ABI predicts those three areas will show a 12.7% combined compound annual growth rate through 2014, outpacing the overall RFID market growth.

The report notes that item-level apparel tracking is moving from pilot testing to full-scale deployment, asset tracking remains hot, and that active-tag applications, often used for asset tracking, also looks strong.

Active RFID-based solutions, including real-time location systems (RTLS), are expected to experience solid growth in a number of verticals, such as healthcare, manufacturing, aerospace and defense, transportation, and commercial services, in support of asset tagging, people tracking, and more.

There are supply chain related applications in each of these three areas, such as tracking of reusable

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logistics assets, transportation vehicle tracking, work-in-process tracking, and yard management. However, the news out of ABI does not much address growth prospects for more broad supply chain and inventory tracking applications outside of apparel.

Apple Rumored to Be Adding RFID Readers to iPhones, While Motorola will Add RFID to Wireless Terminals

Rumors abound that Apple will be adding an RFID reader to new iterations of its iPhone smart phones. An RFID reader would turn the iPhone into an e-wallet – allowing you to pay for everything, from a cup of coffee to a subway ride, without the need for a credit card. It could also turn the iPhone into an ID card, a security access system and an electronic ticketing device.

Some also believe that if true, it will also smooth the path for RFID adoption in other applications, as consumers become more comfortable with the technology.

Meanwhile, Motorola announced it was going to

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embed RFID tags in new versions of its popular MC3100 series of handheld wireless devices used in a variety of applications, including warehousing and manufacturing.

The idea in part is to improve management of terminal inventories and to help find misplaced devices. For example, it is not unheard of for employees to accidentally leave a terminal in a carton that is then sealed for shipment.

To locate a misplaced computer, a person would need to walk around a site while holding a handheld RFID interrogator. When the reader comes within read range of an MC3100 unit, it would read the ID number encoded in the terminal's tag.

Third Time Not the Charm, as Rhode Island Governor Again Vetoes Bill Limiting RFID Use

For the third time in three years, Rhode Island Governor Donald Carcieri has again vetoed a bill from the state legislature that would limit use of RFID and/or how RFID data can be used.

Unlike action in some other states, the Rhode Island bill was narrowly focused around potential RFID tracking of students in the state, and what

and how data could be used relative to the state's E-Pass toll system. For example, the bill would have required that personally identifiable information related to individuals' toll collections not be used for purposes other than toll collection (such as tracking a person's movements based on tolls paid), and would require a court order for use by law enforcement.

The legislature had passed previous bills, first developed by working with the ACLU, in 2006 and 2008. The governor had vetoed both those bills, saying they were too general. Legislators believed they had addressed those concerns in the latest bill, but Carcieri says he wants to leave student decisions up to local school boards; it is not clear if he objected to the E-Pass elements in the same legislation.

Some Rhode Island schools have piloted an application of giving each student an RFID tag that might go into a book bag, stemming in part from a snow storm that resulted in many students arriving at home hours late. Parents did not know if their kids had actually been picked up or not.

Still, state legislative action on RFID remains an interesting topic that we'll help you keep tabs on.

New Savi Technology Licensing Program Meant to Spur Adoption of Active Tag Technology

Savi Technology unveiled this week a new licensing program for its active RFID technology that can reduce costs for other RFID technology providers by as much as 90%.

The move relates to a variety of patents Savi holds related to 433 MHz active RFID tags and readers complying with the ISO 18000-7 standard. Savi technology has been used for many years in Department of Defense applications for container and asset tracking.

Savi had a previous licensing program that involved a hefty upfront fee in addition to and a percentage of each product sold. The total cost to other technology providers, greatly limiting their adoption and as a result market development of active tag technology.