

PACKAGING STRATEGIES CONFERENCE “PULSE SURVEY” ON RFID
Atlanta, GA March 25, 2004
Sample size: 107 responses

DEMOGRAPHICS:

Regional Responsibility:

USA **90%**
 Canada **6%**
 Europe **10%**
 Central/South America **2%**
 Middle East/Africa **1%**
 Asia/Pacific **3%**

Company size:

Less than \$100 million **30%**
 \$101-500 million **13%**
 \$501-999 million **8%**
 \$1-5 billion **23%**
 \$5-10 billion **13%**
 More than \$10 billion **13%**

Title/Role:

President/CEO **13%**
 CFO/COO **6%**
 CIO/CTO **3%**
 Sales/Marketing **46%**
 Packaging **26%**
 Sourcing **6%**

INSIGHTS:

What is the most important potential benefit to consumers from rapid RFID adoption across consumer goods and other packaging-intensive industries in the next 24-36 months?

51% Improved product availability

19% Consumer savings stemming from reduced product costs
 17% Improved security of prescription drugs
 10% Faster, more reliable product recalls

What is the most important potential RFID-related benefit to retailers/distributors in the next 24-36 months?

39% Improved inventory turns

33% Reduced logistics costs/handling
 16% Reduced shrink (theft, loss, damage, etc.)
 10% Increase in targeted direct marketing
 5% Reduced store operations

What is the principal benefit to manufacturers of RFID adoption over the next 24-36 months?

34% Improved marketing data

27% Reduced logistics costs
 23% Improved inventory turns
 17% None, it's just a barcode

Which consideration of a potential RFID solution is the most worrisome for your organization?

46% Integration/installation

21% Tags

18% Software

12% Database-driven hardware

2% Readers

How would you characterize your organization's RFID strategy as it relates to packaging for 2004?

32% RFID isn't here yet, but we are getting a program and action plan together this year

30% RFID is coming, but not as fast as some are forecasting

19% RFID is already a major business driver, with pilot programs starting to address compliance with major supplier mandates

19% RFID is the furthest thing from my mind today because it is not "ready for prime time"

Which industry will be impacted the most from the first wave of RFID adoption by 2010?

58% Retail

31% Health/Pharmaceutical

5% Government

3% Automotive

3% High-Tech

Which business unit should have organizational control over RFID adoption and execution?

71% Supply Chain/Operations

12% Finance/Sales & Marketing

11% IT

6% Other

What is the long-term impact of the Wal-Mart 2005 supplier mandate on the evolution of RFID adoption in your industry?

54% Catalyst

19% Unknown

15% Overrated

8% Indirect, but positive, impact

2% No impact on my industry/business

Which of these 2004 business imperatives will have the biggest impact on the future of packaging strategies in your industry over the next 2-3 years?

50% Globalization and offshoring

20% M&A activity

16% Outsourced purchasing

14% Intellectual property rights issues