



WAL*MART

RFID

**FTC RFID
Conference
June 21, 2004**



Leveraging RFID

The full potential
is across the
entire Supply
Chain

Collaborative Benefits

- Improved customer experience through out-of-stock reductions
- Increased potential for sales generation
- Improved inventory visibility points at the store/Club

Wal-Mart/SAM'S Benefits

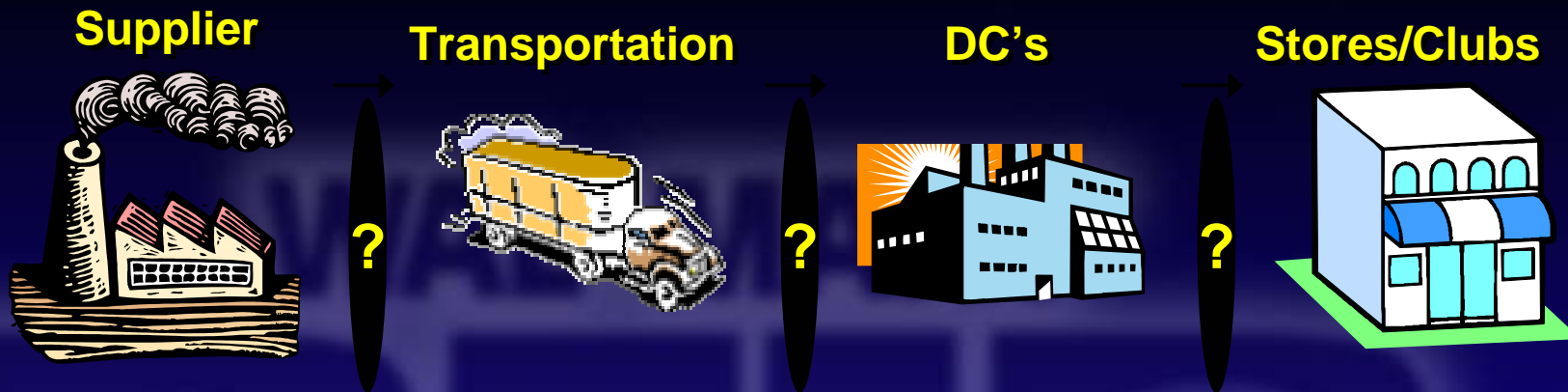
- Increased store and distribution operational efficiency
- Improved internal inventory management

Supplier Benefits

- Increased manufacturing and distribution operational efficiency
- Improved internal inventory management



Supply Chain Visibility



Current

- Limited information on when shipments/trailers leave supplier's facility/yard

- Limited visibility for LTL and parcel receipts
- Difficult and costly freight claims process

- Limited visibility to storage trailers at the Store/Club
- Inventory visibility exists only for the entire Store/Club

With RFID

- RFID will track trailer and merchandise shipments from suppliers

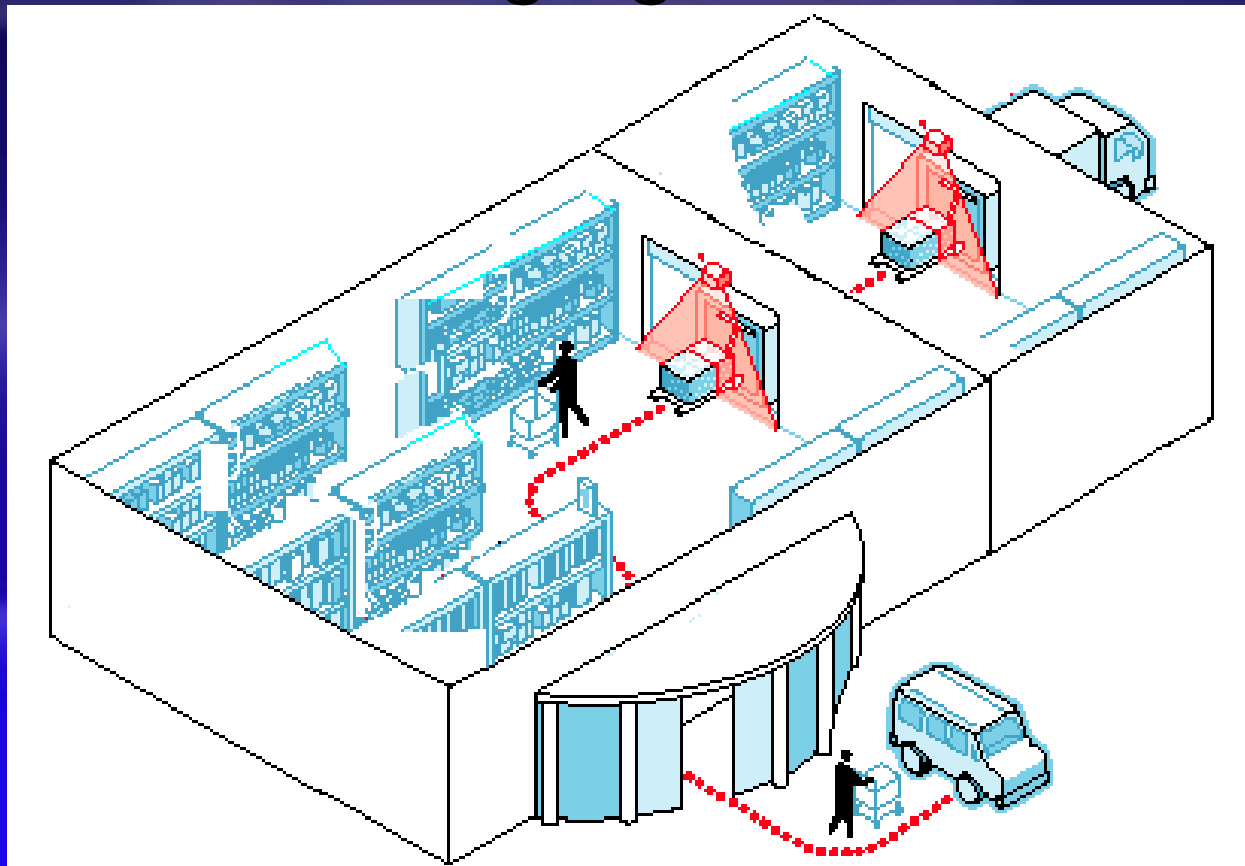
- RFID will track merchandise at carrier terminals
- RFID will streamline receiving/check-in process

- RFID will track trailers / associated merchandise
- RFID will provide visibility in the Store/Club



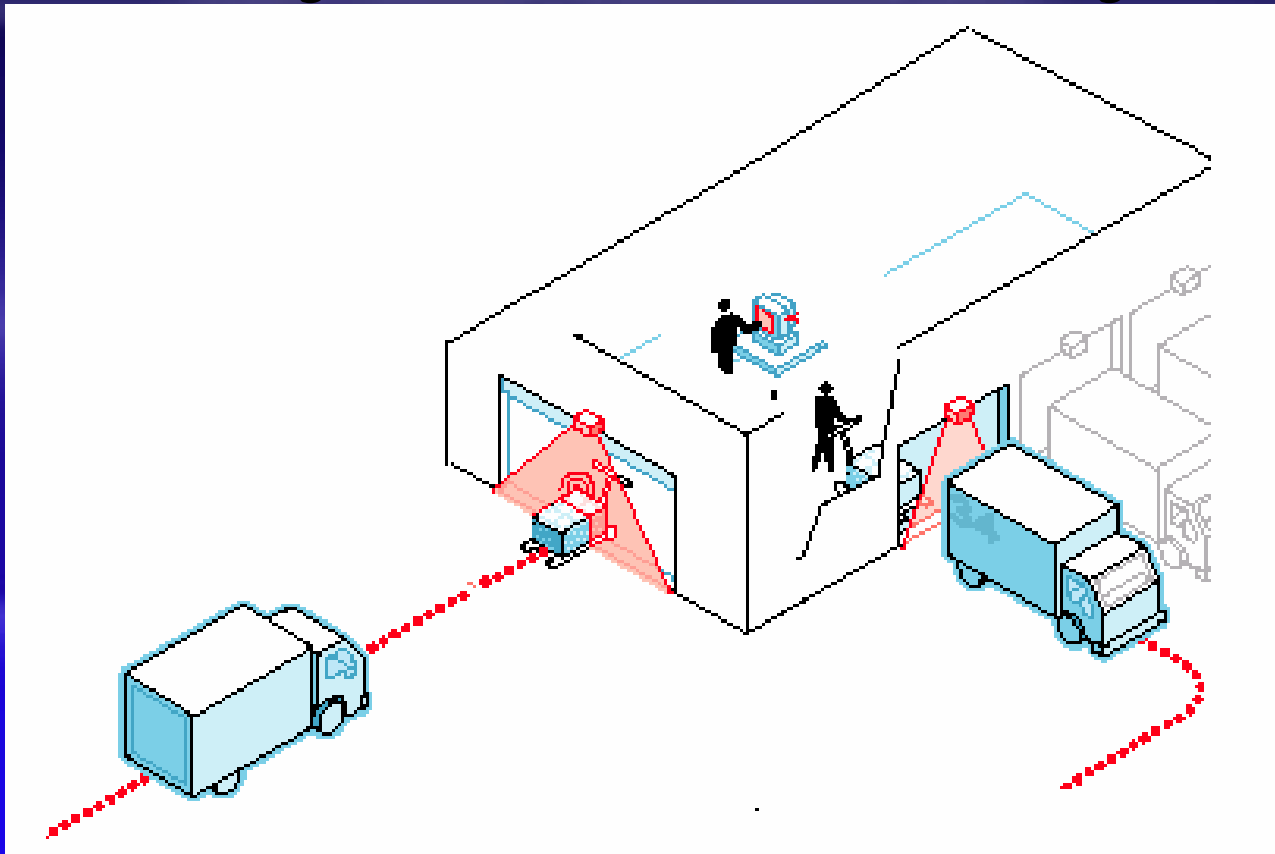
Store/Club Visibility

- Inventory visibility between the backroom/staging area and sales floor



DC Visibility

- Inventory visibility at receiving, shipping and conveyor within the facility



Consistent Focus

- Visibility
 - In-stock
 - Accuracy
 - Equipment
 - Cold Chain
 - Internal efficiencies
- (for both supplier and Wal-Mart)

Increased Sales

