



PRECISION RFID FOR THE LUXURY WATCH INDUSTRY

THE WATCH MANUFACTURING INDUSTRY:

Leading watch makers distinguish themselves for their extremely sophisticated, high precision and quality time pieces. Watches are made up of hundreds of tiny components, and a single watch may have as many as 350 individual working parts. This complex and intricate manufacturing and testing process can result in a long delivery schedule and many unforeseen delays.

Although it is currently Switzerland's number-three export, the watch making market has been expanding globally in recent years, and accounts for more than US\$ 10Billion revenue. Explosive worldwide growth has unfortunately led to a parallel increase in counterfeiting and copying that has negatively impacted branding, sales and maintenance services for legitimate manufacturers.

THE CHALLENGE:

As a result, established watch makers require a solution that will streamline the manufacturing process and effectively manage the supply chain through Point of Sale at the store level. For example, a single breakdown during the process, such as low inventories of essential components, can generate delivery delays, resulting in lost revenue and reduced customer satisfaction. Watch makers require a solution that will: .

- Eliminate bottle necks during the manufacturing process
- Decrease manufacturing and delivery schedule delays
- Enhance visibility throughout the supply chain
- Strengthen brand equity by implementing safeguards during manufacturing to combat part and product counterfeiting
- Deliver stock visibility in stores and resellers network



TAGSYS is the global leader in item-level RFID infrastructure. TAGSYS provides systems for end-to-end item-level tracking that automates labor-intensive processes, authenticates and safeguards goods, and enables real-time inventory and asset visibility.

With a proven track record of delivering Reliable, Accurate and Secure (RAS) RFID systems and tags, TAGSYS has deployed over 100 million tags and 60,000 reader systems to over 500 customers in more than 40 countries.

TAGSYS RFID solutions are currently being deployed in a range of highly specialized vertical markets that include pharmaceutical, fashion apparel, libraries, and textile rental. The company is headquartered in Cambridge, Massachusetts with offices and R&D Centers in France's Smart Valley, in Doylestown, Pennsylvania and in Hong Kong.

THE TAGSYS SYSTEMS APPROACH:

TAGSYS' end-to-end RFID solution (tags, readers, station, terminals) optimizes the watch industry's manufacturing and supply processes. This solution has been successfully integrated at several prestigious watchmakers to improve visibility throughout the manufacturing process, including spare part authentication for brand resellers. At the store level, TAGSYS RFID solutions provide real-time stock visibility and innovative marketing tools to improve retail sales. TAGSYS has also established partnerships with leading front/back office software providers to deliver a global end-to-end tracking solution for watchmakers.

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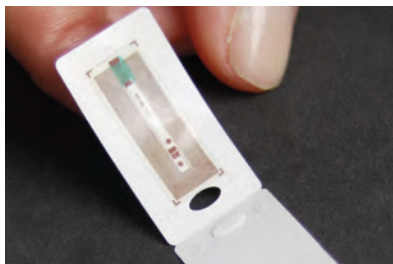
THE TAGSYS RFID SOLUTION:

At the Manufacturing Level: components and products are tracked throughout the entire production process.

- To manage inventory levels, tagged RFID components are automatically tracked when they are taken from stock.
- To provide accurate visibility during manufacturing, each assembly station is equipped with an RFID station that automatically tracks tagged components used at each stage.
- To authenticate parts used for maintenance, component containers are affixed with an RFID tag containing a unique ID number.

At the Store Level:

- To ensure delivery accuracy, a brand label that includes an RFID tag is affixed to each item before shipping.
- To manage receiving and to track store transfers, a check-in RFID station automatically scans inbound shipments.
- To improve stock visibility and avoid costly discrepancies, Wi-Fi handheld inventory readers are used to perform fast and convenient daily stock reads.



The use of RFID technology in stores also offers creative and innovative marketing opportunities for both manufacturers and retailers. The RFID-enabled mirror is a new product concept that integrates a PC screen within an RFID station. Customers trying on products equipped with RFID-tags (i.e. jewelry or clothing) approach a specially-designed mirror. The mirror reads the RFID tag and automatically triggers a visual marketing message, such as a video, that is tied into the product. In addition, the mirror's touch screen can be used to cross-sell like products or offer interactive communications with the customer.

THE RESULTS:

- Improved visibility into all facets of the supply chain that streamlines the overall manufacturing process.
- Accurate deliveries that eliminates costly mis-shipments and improves delivery times
- Item and product authentication to combat brand theft.
- Reliable and accurate in store stock counts to reduce shrinkage and effectively manage inventory.

CONCLUSION

TAGSYS has built its success on delivering high-quality RFID infrastructure solutions to enable the seamless tracking and tracing of valuable assets. TAGSYS RFID applications for watch makers provide customers with global visibility: from parts supplying through sales and maintenance. TAGSYS' RFID infrastructure guarantees the level of accuracy and reliability required for management of highly priced assets found in the watch making industry.