

## Talking Technology

### The leader in RFID technology

By Steve Burns, Capital News contributor

Last week we looked at radio frequency identification (i.e. RFID), a technology innovation that is transforming how we track physical goods.

This week we go inside Identec Solutions ([www. identecsolutions.com](http://www.identecsolutions.com)), a Kelowna-based company which delivers active tag RFID solutions to companies around the world, for an interview with president John Kingsmill.



John Kingsmill, of Identec Solutions, with a radio frequency identification scanning device. Photo Gordon Bazzana

The race is on to capture market share in the rapidly growing RFID industry. A recent report published by Venture Development Corporation of Boston, Massachusetts, which specializes in the RFID industry, estimated that global shipments of RFID systems in 2002 reached about \$965 million US. Venture estimates that this market has a five-year compound growth rate of 22.6%, and will explode to \$2.7 billion US by 2007.

"The increased focus on the RFID marketplace as a result of Wal-Mart's announcement last month to require that its top 100 suppliers deliver RFID tagged products by 2005, will continue to fuel demand for both active and passive RFID technology", says John Kingsmill, President.

Identec has an interesting history. The company started in 1997 with seven founders and is now part of the Identec Solutions Group out of Europe, which is headquartered in Austria. The Company now has fifteen employees and John Kingsmill is the only founder still involved.

"Identec is focused on a particular niche in the RFID market, namely on intelligent asset management, which is delivered through our proprietary long-range active RFID system, named Intelligent Long Range" (ILR"). Our RFID solutions provide real time information on mobile assets by identifying, tracking and locating assets enabled by RFID hardware and by capturing and processing the data from the systems using our integration software."

Identec is one of those companies in the Okanagan's technology industry that portrays a common theme.

"We could be located anywhere in the world but we have chosen to make this work in Kelowna", says Kingsmill. In fact, I would go further. Based upon my research of the RFID industry, I would say that not only has Identec chosen to make it work here but that they have become the leader in the active RFID tag industry.

They are focused on a rapidly growing market niche, compete globally with some of the largest technology companies in the world and do so with a dynamic team of innovative professionals.

According to Kingsmill, Identec excels at three RFID applications “we provide outstanding asset tracking, process automation and security applications.”

For example, one of Identec’s asset tracking projects is with one of GE’s industrial divisions. GE manufactures turbines, which involves over 500 vendors supplying parts.

Identec’s RFID technology is being used by GE to tag all crates and parts, which are electronically checked out when shipped to the job site. When the parts are received at GE’s 75 acre job site they are checked in by an RFID reader. The coordination of such a massive project is a huge task and any delay in the project could cost GE millions of dollars in penalty payments.

The RFID technology allows GE to have parts shipped by suppliers to the job site just in time, locate and track all of the parts and to find the right part within the right time and in the right sequence.

An example of a process automation project is with Club Car, which is a manufacturer of custom golf carts.

Due to the customization of each golf cart, Club Car’s manufacturing facility is quite complex and involves 75 workstations and 35 cells.

To manage the complex manufacturing process, RFID is used to communicate what needs to be done at each stage of the production line to produce the custom golf cart. The RFID technology tells the operator at each workstation what needs to be done, tracks costs, manages inventory in real time, and generate invoices.

With the increased threat of terrorist attacks, companies like Exxon Mobile and the United States Postal Service are using Identec’s RFID technology to tag and track every vehicle and person on site. Security is built in to determine what trucks and people should be on site, where in the facility they are located and whether or not they should be entering or leaving the facility at that time. Although the process of determining the right combination of projects can be exhausting, Kingsmill is encouraged “we started the year with only two customers and now we have over 20 customers in different industries. We are finally being recognized as the world leader in this field. Instead of doing missionary sales trips, Fortune 500 companies are now seeking out our expertise.” The Identec team is a great example to all of us of sticking with your innovation. Their patience is finally paying off – world-wide recognition as the leading company in their field.

Quote of the Day

“I was just tinkering in my lab when I made the discovery.”

Eli Franklin Burton, a Canadian and Head Professor of the University of Toronto’s Department of Physics in 1938 after the creation of the world’s first Electron

Microscope. Scientists believe that the Electron Microscope may be the single most important discovery in the advance of scientific research and analysis, contributing to thousands of medical breakthroughs.

Steve Burns, CA, CMC, CFP, is the president and CEO of Burns Innovation Group Inc. ( [www.burnsinnovation.com](http://www.burnsinnovation.com)) and Steve Burns Inc. Chartered Accountant ([www.steveburns.ca](http://www.steveburns.ca)). You can reach Steve at 763-4716 or via e-mail at

[steve@burnsinnovation.com](mailto:steve@burnsinnovation.com) or [steve@steveburns.ca](mailto:steve@steveburns.ca).