



CC Containers with RFID – it's just 'business as usual'!

By 1 November 2010, all CC Containers will be equipped with RFID tags as the result of a five-year long joint project between VGB, FloraHolland, Landgard, GASA Group, and Container Centralen. The implementation of RFID has led to some critique and worries from some Dutch CC Container users who don't see the benefits.

To protect the pool of CC Containers against fraud, the pool operator, Container Centralen, labelled all containers with a unique identification label in 1988 for the first time. Since then, three other 'labelling operations' were carried out in 1996, 2000, and 2003, each time because the identification labels had been illegally copied.

'Parasites in the system bring in illegal low-quality containers. In this way they impose extra repair costs on the legal users without contributing financially to the common system', says Erwin Verbraeken, Region Manager of North & Western Europe. 'The labelling actions efficiently disclose and 'filter out' illegal containers from the CC Container pool. Therefore, the costs of all labelling actions are totally financed by the subsequent savings and increased number of 'paying containers' in the pool. This enables CC to keep the pool fee at a low level,' Verbraeken continues.



'Operation Chip It' is the fifth 'labelling operation' during which all CC Containers will get new unique identification labels. This is 'business as usual'. Nothing new under the sun. What is new, however, is the fact that this time the tags will have built-in RFID, which provides an even better protection of the pool. After 'Operation Chip It', the pool will be closed. This extremely efficient protection of the pool through RFID won't just cover the costs of 'Operation Chip It', but CC even expects to be able to reduce the pool fee in the long run. At the same time, the overall quality of the pool will increase as low-quality copies are kept out of the system, and users will spend less time on sorting the material – saving time and costs.

Apart from the improved pool protection, RFID is also an extra tool that all CC Container users can apply in their own businesses. As opposed to when PCs were introduced, RFID is a proven technology which is as simple to use as a mobile phone, even for the most low-tech user.

'Some Dutch CC Container users are worried about the costs of the RFID implementation, and they don't see the benefits,' says Erwin Verbraeken. 'However, with 'Operation Chip It' we simply do what we have always done to protect our pool to the benefit of all users in the system: we implement a new identification tag to retain the pool fee at a low level. This time we increase the security by adding RFID. As always, containers without a valid tag will be rejected in the system. Furthermore, we compensate the CC Container contract holders financially for the physical tagging,' Erwin Verbraeken says.

The RFID tagging of the CC Containers is welcomed and appreciated in e.g. the UK, as this is a more mature market when it comes to knowing and using the RFID technology. RFID is all around us even today as it is used in shops, at sports events, toll bridges, luggage control etc.



'In our markets, especially the transport companies have used RFID for years. They know that our RFID implementation will also have a positive impact on their businesses. Therefore they are eager to become first movers using RFID in horticultural logistics too, simply to get the largest share of the RFID pie,' says Phil Squance, Area Manager of UK and Ireland.

'It is important that our customers understand that we simply provide a *tool*, and it is up to the users at which level they want to apply it,' says Erwin Verbraeken. 'Therefore, it is also their choice if and how much they want to invest. The most important benefit for all CC Container users is the fact that they are not left behind – now and in the future. When they use CC Containers, their shipments are automatically RFID tagged, which is increasingly a requirement from retailers. Which other benefits the users will have, depends on whether they choose to use the RFID technology actively in their businesses. However, higher quality of the containers in the pool and lower costs for all users regardless of investment is a good start,' Erwin Verbraeken concludes.

The list of possibilities for using the RFID technology is long. Just a few examples are the possibility to set up 'Track & Trace', less administration and paperwork, and to avoid freeloaders in the system. Thus, RFID ensures a transparent and fair system.

More information can be found on the websites www.cc-rfid.com and www.operation-chip-it.com. Here you can also send in your comments or questions to Container Centralen regarding RFID and 'Operation Chip It'.