



LPP

LPP starts global RFID roll-out for its fashion brand “Reserved”

The challenge

In 2018 LPP decided to improve merchandise availability and operational efficiency across the supply chain servicing its ECommerce platform and over 1,700 outlets spanning 23 countries. The vast, new RFID @Source programme will enable items to arrive in-store, shelf-ready, reducing the time store employees spend checking deliveries and enhancing inventory accuracy. Introducing RFID technology is also expected to increase profitability through improved efficiencies, with early estimates indicating a 3% sales uplift.

How Checkpoint Systems responded

The full RFID implementation project for LPP’s Reserved brand consists of new hardware, an RFID source tagging programme, RFID tunnels at selected warehouses and readers for instore cycle counts, merchandise returns and transfers. Checkpoint already supplies Electronic Article Surveillance (EAS) technology to LPP. It demonstrates Checkpoint’s ability to offer both EAS and RFID technology simultaneously to meet the needs of the Polish retailer.

“RFID will allow us to offer our customers tailored and more accessible choices, and give us a great support in the product management on every stage starting from the factory, through the distribution centre, ending with a store chain.”

Jacek Kujawa vice-president LPP



About LPP

Industry: Apparel

Country: 11 European countries

Employees: 25.000

Website: www.lppsa.com

The implementation of RFID will also improve the identification of single items in the supply chain, while also transforming product visibility and availability in store. The technology also enables LPP to easily pin-point top-sellers and key trends in individual outlets, meaning it will be able to tailor its inventory to individual stores and their customer base more accurately.

Checkpoint will work with LPP’s suppliers to ensure Hard and Soft RFID tags are applied at source, meaning during garment manufacture. To further improve the supply chain process, the retailer has also placed RFID tunnels in its distribution centres located in Poland and Russia. These allow accurate checks on incoming and outgoing goods, with the latter ensuring the required merchandise is shipped to the correct store.

The flow of goods and reuse of Checkpoint’s RFID hardtags is also enabling LPP to achieve responsible production, as all of its tags can be repurposed within the supply chain. Recovered hard tags are returned to Checkpoint’s ‘Total Quality Management’ Refurbishment Centre before moving to LPP’s distribution centre or the retailer’s vendors to be tagged at source. Tagged merchandise can then be shipped to LPP stores for sale.

The results

The project will enable LPP to address any discrepancies between theoretical and real inventory – closing the current 28% gap by improving replenishment accuracy, optimising stock and capital expenditure. Ensuring all items are RFID protected at source will not only help to improve inventory management, but transform the customer experience. Out of stocks will be avoided and associates can find items easily in store, or the wider supply chain.

The Checkpoint program is delivering:

1. Inventory accuracy
2. Full RFID integration of warehouse, suppliers and stores
3. Sales uplift of 3% (early estimate)
4. Reduce lead time for the garments to arrive in store ready for sale