Boeing First Defense Contractor Using Latest Tracking Technology

Boeing [NYSE: BA] has become the first defense contractor to support a Department of Defense initiative to use Radio Frequency Identification (RFID) to better manage its receipt of goods from the defense industry.

A Boeing shipment of F-15 parts sent in late April was the first to transmit data electronically from a boxed shipment through the DoD's e-commerce system, Wide Area Workflow, using RFID technology.

The move to RFID facilitates more refined and smarter asset visibility, and efficient tracking capabilities for the DoD, which increases the speed and accuracy of deliveries of critical items to military troops across the globe.

"RFID is a transformational technology fundamentally enhancing the effectiveness of the Department of Defense supply chain," said Alan Estevez, assistant deputy under secretary of Defense. "We are delighted that our business partners are actively engaged in our efforts to provide the best possible asset visibility to the war fighter."

RFID is similar to bar-code technology in that information can be communicated between an object and a machine without human intervention. However, unlike bar-code technology, RFID does not require line-of-sight communication, and the data can be read through a human body, clothing and non-metallic materials. RFID uses a microchip with an antenna called a 'tag' placed on a product's external packaging. The tag receives radio waves from local antennas communicating in the same tag-frequency range. The tag receives the waves, encodes them with information and transmits back to the antenna. The data is instantly downloaded to the government's receiving system.

"While the use of this technology is not yet a contractual requirement, we firmly believe RFID will increase product value and tracking ability," said Steve Georgevitch, Boeing supply chain manager. "With that in mind, Boeing decided to move ahead with proving the technology and in support of the DoD's direction."

RFID technology is being used more extensively every day. For example, veterinarians and pet owners track their animals with ID tags, and motorists use RFID to instantly purchase fuel and toll passes with a small device on their vehicle that communicates with the gas pump or toll booth.

Boeing continues to partner with the Department of Defense to implement and refine RFID technology in an effort to increase the reliability of the supply chain and improve the efficiency of the inventory-management system. Eventually, this will result in reduced costs and quicker delivery, with total asset visibility the goal.

"Our goal is to work with the contractor so together we deliver a quality product to our service men and women rapidly and efficiently while maximizing the value of every taxpayer dollar," said Col. Eric Weber, Defense Contract Management Agency commander at Boeing-St. Louis.

A unit of The Boeing Company, Boeing Integrated Defense Systems is one of the world's largest space and defense businesses. Headquartered in St. Louis , Boeing Integrated Defense Systems is a $30.5 billion business. It provides network-centric system solutions to its global military, government, and commercial customers. It is a leading provider of intelligence, surveillance and reconnaissance systems; the world's largest military aircraft manufacturer; the world's largest satellite manufacturer and a leading provider of space-based communications; the primary systems integrator for U.S. missile defense; NASA's largest contractor; and a global leader in sustainment solutions and launch services.
###

For further information:
Steve Miller
Boeing Communications
office: 314-232-0442
steve.miller7@boeing.com