



# Major Defense Contractor Saves \$3 Million Annually by Using RFID

AB&R and Zebra Help Company Track and Locate High-Value Assets Automatically

A multinational Fortune 100 defense contractor and manufacturer of high-tech products was struggling with an asset and inventory tracking problem that cost the business \$3 million annually in lost assets. AB&R and Zebra teamed up to help eliminate these costs by creating a real-time locating system that identifies, tracks, and locates equipment automatically, reporting the last location of each item—right down to the room or workstation.

## Problem

To inspect parts it manufactured, a Fortune 100 defense manufacturer needed to use highly specialized inspection equipment worth up to \$100,000 per piece. And each piece of equipment needed to be routinely calibrated to ensure proper manufacturing. But the company was frequently losing these assets as they were moved and shared, and if they weren't available when inspectors visited the site, the equipment had to be purchased again.

The lack of an effective system for tracking and locating equipment created approximately \$3 million in annual asset replacement costs, and it cost the company additional labor and productivity spent on manual searches and on finding and moving assets.

To find a better way to track and locate its assets, the company reached out to AB&R, a technology provider specializing in radio frequency identification (RFID) and other solutions that enable companies to identify, track and manage their assets.



## QUICK SUMMARY

### COMPANY

Fortune 100 multi-national defense contractor and manufacturer

### PROBLEM

A lack of an effective asset tracking and locating system, which resulted in \$3 million in annual asset losses and fines

### SOLUTION

RFID-enabled real-time locating that identifies, tracks, and locates inspection equipment, providing reports of its last location with accuracy to the individual room or workstation

### RESULTS

- Multiple millions in savings on lost assets with projected full site roll out
- 91% reduction in manual asset and inventory tracking labor
- 73% less unallocated asset write-offs
- 57% improvement in asset movement updates
- Increased departmental productivity in operations, engineering, and inspection

## Solution

AB&R quickly worked with the company to understand and assess the problem and recommend a cost-effective solution. Partnering with Zebra Technologies, a leading manufacturer of RFID solutions, AB&R designed a real-time locating system that would address the company's issues. AB&R conducted a site survey and tested multiple RFID technologies and options in the company's operational environment. This ensured optimal read rates as well as the performance and results the business needed.

The result was a real-time locating system that reports the last known location of each asset or item the company needs to track, with accuracy down to the room or the workstation when applicable. The system was designed to not only save the company on asset costs but also eliminate unnecessary manual labor and overtime costs spent searching for lost assets. This solution would enable assets to be located quickly and consistently, moved more efficiently, and calibrated on schedule.

## Results

The company saw immediate results from its new real-time locating and tracking system, and it achieved a full ROI from the very first time that it found an inspection tool thanks to RFID. As the company continued to use the system, it eventually saved millions of dollars in lost asset replacement costs and numerous overtime hours of manual searching. In total, it measured a 91% reduction in manual asset and inventory tracking labor, a 73% reduction in unallocated asset write-offs, and a 57% improvement in asset movement efficiency.

All of this time and labor saving now allows its engineers and workers to stay productive and focused on other mission-critical and value-added tasks. And with the right RFID tracking technologies in place, the business also achieved 100% read-rate accuracy, ensuring that it always has reliable asset location data and status information available in an instant.

As Butch S., the Quality Assurance Lead at the company said, ***"The reduction of manual inventory and expensive labor searches, and the improvement of laboratory movement updates have already paid for this system. We cannot wait to deploy this to our other divisions."***

## Learn More About RFID and Automate Your Asset and Inventory Tracking

Contact AB&R to schedule a consultation and get recommendations for your business.



**AB&R®**  
identify.  
track.  
manage.

800-281-3056  
info@abr.com  
www.abr.com



Premier  
**Solution Partner**  
Advanced RFID Specialist