

Introductory Questions

Why is Nordstrom introducing an RFID tagging requirement?

RFID technology greatly improves inventory accuracy and has been used with success by many other retailers including Target, Macy's, and Bloomingdales. More accurate inventory counts will help us make better decisions in purchasing and allocation, which will improve total sales and sell-through. We expect these associated benefits of RFID to flow to Nordstrom Suppliers.

Can you guarantee we will see sales lift from RFID ticketing?

Unfortunately, we cannot guarantee sales lift, based on the many factors that go into overall product performance. We believe this is a way to control what we can control in the area of inventory management, which will drive sales performance.

How do Nordstrom requirements compare to other retailers?

Our tagging requirements are comparable to Macy's, Bloomingdales, Target, Walmart. All retailers are going at their own pace with varied approaches, but all retailers share the same intent of driving sales and improving service through improved inventory accuracy.

Who is sponsoring this work at Nordstrom?

This is sponsored by Anne Bramman, our CFO and Teri Bariquit, our Chief Merchandise Officer.

How do I get started?

The Nordstrom RFID Supplier Summit walked through how to get started, please refer to our [Supplier Summit Video](#) to learn more.

Is it hard to do RFID tagging?

Introducing RFID tagging should be simple. The only difference between RFID tags and normal tags is the embedded inlay and EPC (vs. UPC). If you choose to order pre-printed and pre-encoded tickets the process for tagging should largely mirror your existing tagging processes. If you choose to encode or print tickets in-house the tagging process will now include more steps.

Who and where should I go to at Nordstrom if I have questions?

Please direct questions to the Floor Ready department at frm@nordstrom.com. You can also check out our FAQ or the [Supplier Summit Video](#).

Basics of RFID

What is RFID?

RFID stands for Radio Frequency Identification. RFID tags include an RFID inlay that has an antenna for communicating and an integrated circuit for storing data. RFID tags can be read quickly with a scanner that can scan multiple products at the same time. A key feature of RFID tags is serialized identification that uniquely identifies every individual product.

Where can I learn more about what RFID is and how it works?

The Nordstrom RFID Supplier Summit reviewed some basics on RFIDs, please refer to our [Supplier Summit Video](#) to learn more.

What is an EPC, and what is the EPC logo?

- The term “Electronic Product Code” (EPC) refers to the GS1 standards-compliant data encoded in the RFID tag.
- The EPC logo is the printed indicator that an RFID tag (specifically, a UHF frequency band tag) with GS1 standards-based encoding is present.
- Information regarding EPC symbol and usage guidelines may be found [here](#).

Where can I go for additional training?

The GS1 US RFID Implementation Program provides access to on-demand education and community support. Information on that program may be found [here](#).

Questions on Categories

How do I find out if my categories/brand are required to complete RFID tagging?

You can find category requirements on our tagging requirements on Nordstrom's [RFID & Non-RFID Ticket Standards](#).

My category currently is TBD on tagging requirements, when will I learn more?

Not all products work well with RFID tags. We want to determine the best way to tag these categories before introducing a requirement. No action is needed at this time for product you sell to Nordstrom or Nordstrom Rack in TBD categories. We expect to move forward with these categories in early 2023.

Are there specific requirements for categories like home goods and footwear?

Yes, there are category specific requirements. Please refer to Nordstrom's RFID & Non-RFID Ticket Standards for details. For tag placement we follow GS1 standards.

Is there a timeline for RFID requirements in beauty or jewelry?

We will communicate dates for Beauty and Jewelry shortly, but we expect it to be in the 2023 fiscal year.

Is there a timeline for hard home yet?

Hard home is included in the current launch for RFID, with the deadline of January 31st, 2023. Requirements for hard home are located in Nordstrom's RFID & Non-RFID [Ticket Standards](#).

We have a lot of metal in our products, has research been done on RFID viability with metal products? Many of our items are out of scope with other retailers.

We have excluded jewelry due to the high amount of metal. For other categories, we are confident in the performance of the ticket standards we have set.

Questions on Exemptions

Will there be any exceptions?

There are currently only [three](#) exceptions: 1) products in Jewelry and Cosmetics, 2) suppliers who sell 100% via dropship, and 3) products currently being ticketed in Nordstrom distribution centers. These are expected to be a fast follow in early 2023.

Will this apply to Canada, Rack, Nordstrom.com or NordstromRack.com?

Inventory accuracy is important both in stores and online. All product is subject to Nordstrom's RFID tagging requirements including Rack stores, Nordstrom Stores, Canada Stores, Nordstrom.com, and NordstromRack.com.

Are dropship-only suppliers required to comply?

100% dropship suppliers are not required to use RFID tickets at this time. For dropship suppliers that also sell wholesale product or alternate between wholesale and dropship, their products should be RFID tagged.

Are closeout orders required to have RFID tags?

Yes, all items tagged for Nordstrom should use RFID inlay, encoded ticket stock.

Do pop-in and small vendors need to comply with RFID tagging requirements?

Yes. Small vendors are great candidates for purchasing pre-encoded and pre-printed tickets from an RFID provider.

Is RFID required for unisex sizing, we use the same UPCs in different departments?

Yes, RFIDs are required for unisex products (note, there are a few cases today where Nordstrom is reticketing unisex at the DC. In these cases, this would be an exception). If you have more questions, please reach out to your buyer or frm@nordstrom.com.

What do we do with product that is already tagged and in the supply chain, are you expecting us to go back and tag it? What about product already in the store?

Product that is already in a Nordstrom store or within our Nordstrom Supply Chain will be tagged by Nordstrom. If you have product that has not shipped, we ask that you retag with RFID.

We cannot reticket in-house. Can we order RFID tags and ship them to Nordstrom Distribution Centers? If so, what would the reticketing cost be?

Nordstrom Distribution Centers do not have the capacity to handle reticketing. Our Distribution Centers will only be responsible for reticketing product that is currently in-stores or product that is currently being ticketed in our DCs. Please reach out directly to discuss this constraint.

Will exceptions be made for RP styles? New inbound goods for Q1 2023 will have RFID but inventory from 2022 being used for fulfillment will not.

Nordstrom will work with you and your buyer to determine quantities and determine the best approach to solve this. Please reach out to your buying team.

Questions on Timeline

Where can I find a timeline of key dates?

The most important date is January 31, 2023. This is when all products arriving at Nordstrom should be RFID tagged. To see more key dates please refer to our [Supplier Summit Video](#).

When is the deadline and when will chargebacks start happening?

January 31, 2023 is the deadline to have RFID tags on product arriving at Nordstrom stores. We will start chargebacks of \$250 per PO and \$0.90 per unit on April 30, 2023.

When will Nordstrom start tracking compliance?

We are already tracking progress on Supplier RFID ticketing and will continue to do so. We will begin issuing chargebacks for non-compliance after April 30, 2023 (end of Q1).

When is the compliance deadline for Rack, specifically for Rack shoes?

January 31, 2023 is the compliance deadline for Rack, Nordstrom, online, and Canada. Today, Rack Shoes are ticketed in our DCs, so as a category will not be included in our first phase of required RFID ticketing.

Is January 31st, 2023 the deadline to start tagging or is it the deadline to send tagged products?

January 31st, 2023 is the deadline to have RFID tags on product arriving at Nordstrom.

I will not meet the deadline on 1/31/23, what happens now?

Please send a note to your merchant and provide details. Our goal is to help remove roadblocks and ensure all suppliers can benefit from this new capability starting in Fiscal Year 2023.

Will Nordstrom extend the deadline or offer waivers/extensions?

Nordstrom will NOT be extending the deadline or offering any waivers/extensions.

My RFID provider has long lead times, I'm worried I'll miss the deadline.

If you experience any blockers to compliance, email your merchant and frm@nordstrom.com. Nordstrom will work with you to remove any blockers.

What is your roadmap for reducing/eliminating claims?

Claim reduction will be introduced as we expand the use of RFID to inbound receiving. This will help us more accurately and quickly assess what has or has not been received and submit claims in a timely manner. We are planning to roll out Inbound Receiving functionality to Nordstrom stores in 1H23 and to Rack in 2H23.

Questions on Sourcing Tags

Will Nordstrom be supplying RFID tags?

Nordstrom will NOT provide RFID tags. Suppliers should source RFID tickets through an RFID tag provider directly.

There are rumors of a RFID shortage, are there enough tags in the supply chain?

Nordstrom has already talked to several top RFID suppliers to try and mitigate supply concerns. We do not expect there to be any issues in getting tags. If you are experiencing issues in sourcing tags please reach out to your merchant and frm@nordstrom.com for support.

Is there a list of suppliers I can get RFID inlays/tickets from?

Nordstrom has provided a list of potential RFID providers in our RFID & Non-RFID [Ticket Standards](#). Suppliers are not required to use these providers and are welcome to find their own.

How do I decide which spec or inlay type to get?

RFID providers should be able to help you make an informed decision on which inlay to purchase. The only information you need to know is the Spec required. You can find out what spec required (by category) in Nordstrom's RFID & Non-RFID [Ticket Standards](#).

What data do I need to provide my RFID provider for them to provide RFID tags?

Your solution provider will need to know what the valid UPC/EAN barcode values are for your products. A valid UPC/EAN barcode is based on a licensed GS1 Company Prefix. This enables the Solution Provider to determine the GTIN-14 value, which is part of the EPC.

What serialization data should I receive from my solution provider?

If using a solution provider or service bureau to procure encoded RFID tags, it is recommended that you understand the serialization approach used by your provider in order to reserve number ranges for potential future use. An overview of serialization may be found [here](#).

If we want to order via Fineline, how do we get our Nordstrom POs in there to order from directly? Do we need to notify your team?

Vendors must activate an EDI connection with Nordstrom (which is a separate compliance requirement); once an EDI connection with the vendor has been established, POs transmitted to the vendor will split to FineLine and automatically be available to order in FastTrak. You must link your FastTrak account to your Nordstrom vendor number to see these orders. If you still can't see your POs, contact frm@nordstrom.com.

Questions on Cost

How much is it going to cost me to tag my products with RFID tickets or inlays?

There is a slightly higher cost to RFID inlay tickets. The amount can vary based on suppliers and options. We are confident that the investment will pay off for each supplier in terms of increased accuracy driving higher regular price sales.

Is Nordstrom going to help me cover the additional cost of RFID tags?

Nordstrom will not be covering costs associated with RFID. We are making significant investments in the technology and tools to enable RFID and expect increased inventory accuracy will drive sales to offset investment by us and our suppliers.

Spring 2023 timing has passed and there is no way to push RFID tagging to our factories. Product will need to be touched again in the Distribution Center; will Nordstrom pay for VAS (value-added-services)?

No, Nordstrom will not cover the cost of retagging product with RFID tags. Nordstrom expects suppliers to re-tag all product in the suppliers supply chain with RFID. Nordstrom will ONLY take responsibility for product in Nordstrom's supply chain.

Questions on Tagging Requirements

Where can I find tagging requirements?

You can find tagging requirements on Nordstrom's RFID & Non-RFID [Ticket Standards](#).

Do RFID tags need to have the Nordstrom logo on them?

RFID tags are not required to have Nordstrom logo on them.

Will shoes be tagged or just shoe boxes?

Current tagging requirements for Nordstrom and Nordstrom.com shoes can be found in our [RFID & Non-RFID Ticket Standards](#). Today we require the box to be tagged. For Nordstrom Rack, we will not be tagging shoes in phase 1.

What is your direction on Primary vs Secondary labeling for RFID?

Suppliers are welcome to use either Primary or Secondary labeling. Primary would involve a RFID tag or a sticker on your existing tag. Secondary would involve a RFID tag or sticker that you add on an additional tag.

Do we need to send RFID information on our EDI 856s and 810s? What about our UCC-128 labels?

No, at present Nordstrom is not requiring RFID information be tied to ASNs. RFIDs are only currently required for products.

Does RFID need to be on the product itself, not the carton it is packaged in?

If your product is kept inside of the carton for display and for sale then you can place a tag on your carton, otherwise tag should be on the product. If you are unsure, please reach out to frm@nordstrom.com for more information.

If my shoe box already has a label with UPC barcode, can I just print the UPC number on the RFID label, so the Distribution Center does the correct match?

Any of the RFID providers listed in our RFID & Non-RFID [Ticket Standards](#) can help you find a ticketing solution that meets both your business needs and Nordstrom's requirements.

Questions on Testing Requirements

Where can I find information about testing and tag approvals?

You can find testing requirements on Nordstrom's RFID & Non-RFID [Ticket Standards](#).

Will I need to test RFID tags every time I send Nordstrom product?

Testing is meant to be a one-time requirement. We will audit for tag compliance and accuracy on an ongoing basis. Brands that have consistent issues with RFID tag viability may be subject to additional testing.

If I order from FineLine do I still need to submit to lab?

All suppliers MUST submit a tag testing form <https://rfidlab.org/nordstrom/>. Suppliers will receive details on how to proceed with testing in one business day after submission. Email nordstrom@rfidlab.org if you have questions on testing or testing form.

I am sending RFID tags to Nordstrom; do I need to test my tags via Auburn?

All suppliers MUST submit information about their RFID tickets via the testing form <https://rfidlab.org/nordstrom/>. Auburn will advise if testing is required and how to proceed. Some brands may not be required to test based on a variety of business factors. Nordstrom anticipates that most brands will be asked to test. Assume you will be asked to test tickets and prepare samples accordingly.

Questions on In-house printing

What is the difference between encoding in-house vs purchasing pre-encoded?

Pre-encoded tickets have item level information stored in the inlay. In-house encoding would require you to encode item level information on your own. Pre-encoded tickets may have a slightly higher cost but are easier to use. Encoding in-house can save money but is more work and often more subject to error.

Do I need to invest in an in-house RFID system?

No, we recommend reaching out to your existing ticketing provider to understand if they offer pre-encoded RFID tags. Instead of ordering standard UPC tags, compliant RFID tags are available. Nordstrom has worked with major ticketing providers to ensure they are able to support the RFID requirement.

I want to encode in-house; how do I do that?

Nordstrom cannot advise on how to encode in-house. Please contact GS1, your current ticketing provider or an RFID tag provider for more information.

Other Questions

When will the PO process change so that I can easily EDI my ticketing provider?

We are actively working on changing the PO process to be more user friendly. We are aiming to make this improvement for our top ticketing partners by Q4 of this year.

We have sustainability goals; these tags do not meet our sustainability targets.

Many providers have sustainable tags available or in development, we suggest asking potential RFID providers about their sustainable tagging options.

What type of insights will the use of RFID be able to provide suppliers? What visibility will Nordstrom provide?

We are still developing our reporting and insights approach related to RFID and will work with the buying offices to share updates as we get further along.