



# **Legal Aspects of RFID**

## Comments on the recommendations for the regulatory framework

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## Cisco Systems

- Innovation leader in network technologies
- Vision of enormous potential of ICT for increased productivity and social welfare
- Platinum Partner of METRO Future Store Initiative



CISCO



## Transactional Efficiency

- Self-checkout
- Digital signage
- Web-based services and channel integration
- Self-service kiosks
- Product sensing
- Electronic shelf labeling





## Consumer Perspective

- 5 years Deputy Executive Director of German Consumer Federation:
  - RFID key area of focus
  - Negotiations on code of conduct
  - EU-Presidency conference and co-author of RFID-Outlook Paper



## Issues in Regulatory Framework Chapter

- **Privacy**
- Health and Environmental Effects
- Radio Spectrum
- Intellectual Property Rights
- RFID Governance



## **Privacy Recommendations of RFID Roadmap**

- Existing laws are adequate for RFID technology applications
- Enforcement of current laws is fundamental
- Public information on RFID is crucial
- Protection of personal data should be ensured without imposing unreasonable burdens upon RFID users
- Technical measures should be used to ensure personal data security
- Self-regulation and guidelines enacted by industry should be welcomed



## **Major Point of Discussion for RFID Use in Retail: Deactivation of Tags at the Cashpoint**

### Options:

- Standard deactivation of tags unless consumer explicitly gives consent for tags to remain active (opt-in)
- Deactivation of tags only upon request of consumer (opt-out)
- Differentiated approach



## Arguments Against Opt-in Approach

- High technical and costly burdens on retailers (possibly preventing or suspending the introduction of item-level tagging)
- Competitive disadvantages for SME retailers
- Difficulty in developing after-sales use cases for food safety purposes and other consumer services
- Business models and technology solutions for cashpoint check-out not yet clear



## Arguments in Favour of Opt-in Approach

- Consumers would feel more in control
- Consumers need to be convinced of advantages to leave tags active
- No additional steps needed for deactivation
- Consumers don't forget to opt-out because they are lazy, have little time or don't recognize possible privacy risks



## **Possible Solutions / Compromises**

- Use of Privacy Enhancing Technologies
- EPC Global standardization project on tag design for consumer use
- Quick and easy deactivation for consumers
- Differentiated approach according to type of product and level of privacy risk



**Thank you for your attention**



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