Contract Number 235542

RACE networkRFID

FP7 Thematic Network

ICT-PSP: a European concerted effort on RFID

D8.4 – Network Sustainability Plan

Due date of deliverable: 29-10-2010 (M20)

Actual submission date: TBA

Start date of project: March 1st, 2009   Duration: 36 months

                                                          Version: 0.1

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Project co-funded by the European Commission within the Seventh Framework Programme (2007-2013)		
Dissemination Level		
PU	Public	
PP	Restricted to other programme participants (including the Commission Services)	
RE	Restricted to a group specified by the consortium (including the Commission Services)	
CO	Confidential, only for members of the consortium (including the Commission Services)	**CO**

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1. Introduction

"RFID in Euorpe" – RACE networkRFID has from the outset of the project an M20 deliverable to define a sustainability plan. This is a timely deliverable as "RFID in Europe" prepares for a busy programme of events in 2011 which requires the strong support and commitment of both its Management Board and Members.

This document is not developed to answer the D8.4 - M20 deliverable (see paragraph below) but to feed the process of completing this action.

"D8.4 will define a five year sustainability plan and will consider relevant approaches to ensure the preservation of the network beyond the contracual end of the contract. It will also perform a risk analysis of its five year sustainability plan to define a precise strategy to support the self-sustainability of the RACE networkRFID community (and tools) on the long term"

A final sustainability plan is expected from the network at M36.

2. Discussion

There is consensus agreement that the RACE networkRFID thematic network should progress in the direction of developing a sustainable European platform under the title "RFID in Europe" for the advancement of RFID and with a particular focus upon SMEs. In order to financially support increased activities during the remainder of the RACE networkRFID poject and to continue this after the end of this project it is proposed that "RFID in Europe" establishes sources of revenue at the earliest possible opportunity.

Established RACE networkRFID funding is clearly defined and limited both in the investment amount and, its duration. In order to meet the expectations of an expanding "RFID in Europe" membership and to continue to add valued content it is necessary to identify the resources necessary and beyond those afforded by EC funding or existing voluntary contributions.

Why should we consider sustainability now?

Aside from the M20 deliverable to define a sustainability plan, "RFID in Europe" has established concrete plans to generate revenues during 2011. In order to motivate Management Board and Members to fully back the "RFID in Europe" 2011 initiatives and discourage the "wait and see" if it works approach it is proposed to address the sustainability issues as soon as possible. Through this action the organization will be prepared providing visibility as to the mechanisms and responsibilities associated with revenue generating activities.

Why should "RFID in Europe" continue?

RACE networkRFID has established a functioning and robust European Thematic Network over the past 22months. The demonstrated cooperation between members of RACE networkRFID Management Board and, the active support of Members in achieving many of the contracted deliverables are testament to the willingness to have a platform for European RFID cooperation. The relationships

which have been formed through the RACE networkRFID project provide a valued opportunity to establish a pan-European organization to encourage European RFID deployment and development. Specifically "RFID in Europe" has an opportunity to address the following key focus areas:

- *Raising RFID awareness throughout Europe*

- *Provide guidance and education to SMEs to facilitate:*

  - *Wider successful RFID deployments by SMEs*

  - *Encourage SMEs oriented toward RFID related R&D*

  - *Through:*

    - *End user industry sector targeted initiatives*

    - *Promotion of RFID technology and application options*

    - *Explaining how best to comply with existing European policy*

    - *+*

- *Provide a European voice in dialogue with EU and Member State government organizations in order to provide input to policy*

- *Provide a platform for a wide variety of European RFID interest groups and stakeholders to exchange ideas and, best practices and, cooperate in RFID commercial and non-commercial RFID related initiatives*

Who is "RFID in Europe" for?

RACE networkRFID differentiates itself from other RFID organizations in being a platform for:

- *Europeans*

- *SMEs*

- *National Associations and non government organizations*

- *Government representatives*

- *End users*

- *Technology providers*

What can "RFID in Europe" offer?

RACE networkRFID differentiates itself from other RFID organizations in being a platform for:

- *Dissemination and awareness raising supporting:*

  - *SMEs*

  - *End users*

o *Technology and solution providers*

o *European national RFID organizations*

- *Training and education*

- *Forum for policy execution and a voice of a broad cross section of European RFID stakeholders in order to influence policy*

- +

How can "RFID in Europe" operate?

It is important that evolution of the organization of RACE networkRFID is incorporated into the point-of-departure of "RFID in Europe" in order to divert scarce resources into trying to reinvent the wheel. It is proposed that the establish constitution of RACE networkRFID remains in place and serves "RFID in Europe" until:

- *The end of the RACE networkRFID project*

- *An earlier date decided by consensus of the Management Board*

"RFID in Europe" is setting out to generate revenue and in doing so it may incur costs, financial risks and, be subject to the legal fiscal obligations of an enterprise. It is therefore proposed that prior to "RFID in Europe" generating revenues or costs there are clear provisions to address all responsibilities. It is therefore suggested that "RFID in Europe" assumes a legal status of a not-for-profit organization in a European country e.g. Belgium or, Luxembourg. A not-for-profit statute is proposed to:

- *Encourage that "RFID in Europe" generated revenues exceeding costs are reinvested in "RFID in Europe" and, provides sponsorship of MB agreed value adding "RFID in Europe" activities and initiatives*

- *Provide access to the most advantageous of fiscal status*

It is proposed that Management Board members are provided the opportunity to assume legal responsibility for the legal entity "RFID in Europe".

3. Proposed Actions & Planning

The proposed actions are that:

- The Management Board review and provide comment/feedback upon this proposal by the 17th January 2011

- The proposal is updated and distributed to the Management Board by the 24th January 2011

- The Management Board discuss and agree the updated document at the MB meeting in Spain on the 3rd /4th February 2011

Following the MB Barcelona meeting, the RACE consortium is now discussing the following points in order to define the outline of the network's sustainability plan:

TARGET CUSTOMERS OF RFID in EUROPE
- Which customers should RFID in Europe target?
- How many of this type of customer exists in Europe or ROW?
- Who will pay?
- How much will they pay?
- How many customers should RFID in Europe target to acquire years 1 to 5?
- What competition is there for what RFID in Europe would provide these target customers?

RFID in EUROPE ACTIVITIES TO SERVE THE TARGET FUTURE CUSTOMERS
- What will the target customers expect from RFID in Europe?
- What will RFID in Europe need to do to meet customer expectations?
- How will RFID in Europe achieve these objectives?

FUTURE ORGANIZATION OF RFID in EUROPE
- Management Board or not?
- Who will manage operations i.e. deliverables fulfilling customer expectations?

FUTURE LEGAL STATUS OF RFID in EUROPE
- What legal status will the organization have?
- Where should it be registered?

FINANCIAL ASPECTS
- Estimated minimum revenue to sustain RFID in Europe?
- How should expenditure be approved?
- What should happen to assets if the organization fails?
- What should happen to ownership of RACE deliverables e.g. Web sites, databases, etc..?