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Auchan optimizes logistics with RFID-based tracking solution from Orange Business Services

<u>Orange Business Services</u> is providing <u>Auchan Group</u>, the 12th largest food retail group in the world, a real-time tracking solution to monitor the complete routing of plastic crates carrying fruits and vegetables in its French hypermarkets and supermarkets. Headquartered in France, Auchan has more than 1,300 hypermarkets and supermarkets in 12 countries.

effective real-time management of plastic crates

Using plastic crates with RFID chips, Auchan will track its produce throughout the distribution chain – from the truck farm to the logistics platform, in the stores and through the washing station. The platform application developed by Orange Business Services enables 24-hour-a-day access in a cloud mode (Software as a Service) through an ergonomic and secure Web interface. Using this application, both the Auchan produce distribution chain manager and the plastic crate renter can see in real time the entire route of the containers and can anticipate their immobilization or loss.

The application from Orange Business Services retrieves RFID data detected by the chipreading systems supplied by partner <u>IER</u>, which are portals for bulk reading in warehouses or PDAs for producers. This closed-loop supply chain means that the distribution cycle repeats once the crates are cleaned after use.

In addition to optimizing the logistics chain by increasing container rotation and monitoring the crates, this solution enables Auchan to reap additional business benefits:

- greater security for the warehouse employees by reducing accident risk connected with handling wooden crates;
- reduction in crate loss thanks to geolocalization;
- quick win in sustainable development by saving more than 150 tons of waste by reusing plastic RFID containers, representing a 30 percent decrease in carbon emissions;
- more consistent presentation of the products in stores leading to better success with consumers;
- solution is fully compliant with European regulations for fresh produce food hygiene.

"Thanks to this trackability solution, we now have the possibility of ensuring real-time supervision of the entire produce distribution chain," said François Laveissière, Director of IT Innovation for the Hypermarkets Division, Auchan. "Our improved logistics chain allows us to simultaneously achieve savings and protect the environment, which is a strong focus in the group's policy."



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"We are proud, with our partners, to have provided a group like Auchan with the means of optimizing their logistics flow in an area as sensitive as the produce distribution chain," said Géraud de Chantérac, Director of Large Accounts for Trade, Transportation and Media, Orange Business Services. "This is one of the first concrete applications of the potential of RFID technology in the area of volume distribution, and the cloud solution that we have developed can be replicated for other distribution chains and even in other sectors or industries."

About Auchan Group

Set up in 1961, the Auchan Group is today the 12th largest food retail group in the world. Operating in 12 countries with 1,317 stores on Feb. 28, 2011, it employs 262,000 people.

It is organized into four core business activities: hypermarkets, supermarkets, banking and commercial real estate, along with an e-commerce division and a sector grouping together the other activities (Alinéa, Little Extra and Chronodrive).

The Group is independent, its capital held by the Mulliez family association (87.8%) and its employees (11.8%). The pre-tax turnover of the Group in 2010 amounted to €42.5 billion. <u>www.groupe-auchan.com</u>

About Orange Business Services

Orange Business Services, the France Telecom-Orange branch dedicated to B2B services, is a leading global integrator of communications solutions for multinational corporations. With the world's largest, seamless network for voice and data, Orange Business Services reaches 220 countries and territories with local support in 166. Offering a comprehensive package of communication services covering cloud computing, enterprise mobility, M2M, security, unified communications, videoconferencing, and broadband, Orange Business Services delivers a best-in-class customer experience across a global landscape. Thousands of enterprise customers and 1.4 million mobile data users rely on an Orange Business Services international platform for communicating and conducting business. Orange Business Services is a four-time winner of Best Global Operator at the World Communication Awards. Learn more at www.orange-business.com

France Telecom-Orange is one of the world's leading telecommunications operators with 170,000 employees worldwide and sales of 22.6 billion euros in the first semester 2011. Orange is the Group's single brand for Internet, television and mobile services in the majority of countries where the company operates. France Telecom (NYSE:FTE) is listed on Euronext Paris (compartment A) and on the New York Stock Exchange.

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