

## **BlueSky: leading the RFID-based innovation in the hospitality textile rental market in China.**

Alongside the economic growth of the whole region, even the Chinese textile care sector has recently strongly evolved and many technological innovations have been introduced to increase efficiency and streamline operations in the laundry process.

But in this scenario of progress and growth, not only innovations in automation, smart laundry and digitalisation are playing a fundamental role, even new business models such as linen rental, integrated textile rental and new laundry services have also been developed, projecting Chinese texcare care industry into a new era.

Renting textiles is a business that has been incredibly growing in the last years: for many big organizations, such as large hotel chains, is often more efficient to rent linen from textile services companies (who then collect and launder it) instead of owning and laundering textiles by their own. The outsourcing of textiles is in fact a cost-effective solution and it allows to benefit from a full service avoiding huge capital investments, hidden costs and risks associated with textile ownership.

The textile services sector is not just about providing clean linen but it is also about using expertise in logistics and innovative technologies to help organisations manage their textiles in the most efficient way. Textile services companies need in fact to have a vast expertise in logistics, laundry and textile care services. The textiles' lifecycle lies at the core of the sector's activities, with a specific aim to keep textiles in circulation for as long as possible, minimise textile losses and streamline operations to gain the maximum efficiency in delivering and collecting textiles while minimising the environmental impact. Companies in the hospitality industry live and die by the quality of their customer service to generate new and repeat business. Textile services plays a crucial role in enabling businesses to deliver the right customer experience.<sup>1</sup>

That's why process innovation and new technologies are becoming increasingly important in the textile services sector where the focus is on to improve the services provided to end users.

RFID is key in responding to the need to automate processes and provide a better service and customer experience, enabling all items to be tracked, reducing inventory loss and allows for sharing of meaningful information between textile rental companies and their customers.

The sector is still in the early adoption stage of this new technology and BlueSky is a good example of the successful RFID implementation in the textile rental and washing services sector in China.

BlueSky is a company active in the hotel service industry in China -with two subsidiaries, one in Beijing and one in Jiaxing- specialized in providing textile rental and washing services to hotels.

The company started operating in Beijing in March 2016 and now it's serving more than 250 hotels in the Greater Beijing area and in the Greater Shanghai Area, washing more than 50 tons of textiles daily.

Before implementing RFID, the company had to face several issues such as a time-consuming manual counting of textiles, frequent counting mistakes, inability to track lost textiles and to control inventory, heavy labour work load.

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To solve these problems and in order to track their washing quality, achieve efficiency in the order processes as well as in the warehousing and logistics, BlueSky decided to implement a UHF RFID system, chipping every piece of textiles (bed sheets, pillowcases, bath towels and all other items provided to its customers) with Datamars UHF LaundryChips™ (FT301-ST and in pouch) and installing a RFID reading cabinet to read them at both the entrance/exit stage.

Thanks to UHF RFID technology, when soiled textiles are delivered to BlueSky's premises to be washed, the trolleys containing them are driven into the UHF RFID Cabinet that quickly reads and recognizes all different kinds of textiles, displaying their quantity and details on the monitor screen for their record. After the washing, drying, ironing and folding process, all clean folded textiles, put on trolleys and ready to be delivered to the customer, are read by the RFID cabinet. In this way, transparency with the customer is improved and billing can be performed based on reliable data.

The RFID system let BlueSky get useful data to plan more easily the production, track items and their movements as well as the return rate and the number of washes, managing inventories efficiently and avoiding counting mistakes, reducing labour workload and reducing losses. In other words: save time and efforts with an outstanding gain of efficiency and performance.



*Fig. 1 – Linen chipped with Datamars UHF LaundryChip™ in custom pouch.*



*Fig. 2 – Trolley with clean textiles read by the RFID cabinet.*

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Thanks to the big success of the implementation of RFID in the Beijing factory, BlueSky exploited its business and gained new customers, building a new factory in Jiaying and replicating the same model.

*“Blue-Sky is currently using more than 2 million Datamars UHF tags, and this number is still growing. Thanks to the good quality and performance of Datamars UHF RFID Laundrychips™, we are able to make our RFID solution running successfully”* said Cai Xiao Song, Director at BlueSky.

BlueSky has developed the IOT-based software and hardware of the whole management system for the textile rental and washing service. Some other laundries have started to cooperate with BlueSky using this system in order to provide the rental service in other Chinese cities.

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<sup>1</sup> Contribution by TSA – Report on the textile rental sector by Regeneris Consulting.