A great deal of activity....

....has taken place this past month within the various organizations representing the bar code scanning industry:

- AIM/US now has 55 member companies and has established a new category of membership for multi-national companies. Any company with a sales office in the US, manufacturing facilities elsewhere, and membership in one of the AIM international affiliates is eligible. Multi-national membership carries full rights and privileges.

- Also from AIM/US, the schedule of future SCAN-TECH meetings has been expanded. As you know, SCAN-TECH 85 will be in Baltimore this December; SCAN-TECH 86 will be in San Francisco in October of that year, and in 1987, Kansas City will be the site. Starting in 1988 the planning committee hopes to establish Chicago as the permanent location. For those who cannot get to the annual meetings, or who need an interim booster shot of this technology, a regional Spring meeting is planned in the future.

- AIM/International has been fully established and has elected officers. Ed Andersson (Swedot) is Chairman; Paul Berge (Symbol Technologies/International) is Vice-Chairman; Mark Marriott (Numeric Arts/UK) is Secretary/Treasurer; and Bill Hakanson (MHI) is Secretary General. Charter members are AIM/US, AIM/Europe and AIM/UK. Cobatech is in the process of applying for membership as AIM/France.

- FACT (Federation of Automated Coding Technologies) is now a fact. It has been organized as a "Bureau" of AIM/US, a new administrative category for that organization. AIM/US will underwrite the first year's administrative costs of the new Bureau, which plans to undertake educational activities as well as to sponsor product and symbol testing programs. FACT is not really a user's group in the traditional sense. It is primarily an organization of organizations coordinating the efforts of the user and vendor groups. Some non-affiliated companies are expected to join as individual members. The list of probable charter members includes AIM, Aluminum Ass'n, Uniform Code Council, Dept. of Defense and AIAG. There are 190 organizations and companies that have expressed interest in joining. "Sponsors" (FACT's euphemism for members) will pay $200 to join and $500 annual dues, and do not
have to be MHI members to join. A nominating committee is at work setting up a slate of officers. FACT is viewed as an organization whose sponsored activities are more important than its membership per se — although broad-based membership/sponsorship will certainly give it greater credibility.

FACT, 1326 Freeport Rd., Pittsburgh, PA 15238; 412/782-1624

• For Craig Harmon's Bar Code Users Group, the news is that it has been granted Interim Tax Exempt status by the IRS, and has started a newsletter called Newsletter. The immediate goal of the BCU Group is to raise $2.5 million for its first 2 years of operation to fund staffing and the purchase of testing equipment. To do this, Harmon is soliciting subscribers at $100,000 each to underwrite the start-up. After the initial period, it is hoped that the operating budget will be met through the sale of services and reports. In his June 21, 1985 solicitation letter to the industry, Harmon couldn't resist some negative comments about the AIM/US current plans to undertake similar testing programs — comments which will not endear him to those with whom he will have to work and cooperate if the BCU Group does get off the ground. For detailed information: BCU Group, Box 2524, Cedar Rapids, IOWA 52406-2524; 319/377-5781.

With the release....

....of its F/Y 85 financials, Telxon noted that "our growth in fiscal 85 enabled us to capture the leading market position, based on sales, volume and profit." President Ray Meyo continues, "We are committed to retaining our number one position." (MSI Data is obviously not yet convinced: they continue to state on their company announcements and literature that they are the "world's largest manufacturer of portable data collection systems.")

Telxon's 1985 performance includes increases of 54% in sales and 67% in profits, despite a lukewarm fourth quarter compared to last year. (Meyo explains that one of his objectives in F/Y 85 was to equalize quarterly sales and earnings compared to the previous year when the fourth quarter was disproportionately large.)

<table>
<thead>
<tr>
<th>TELXON</th>
<th>Fiscal Year Ended 3/31</th>
<th>3 Months Ended 3/31</th>
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<tbody>
<tr>
<td>Revenues ($000)</td>
<td>64,019</td>
<td>41,493</td>
</tr>
<tr>
<td>Net Income ($000)</td>
<td>4,984</td>
<td>2,980</td>
</tr>
<tr>
<td>Net Income/Share</td>
<td>1.00</td>
<td>.66</td>
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</tbody>
</table>

The company is predicting continued growth in sales and earnings for fiscal 1986 and expects to introduce more new products. A 3-for-2 stock split was declared effective June 21 for shareholders of record on May 20.

As the cliche goes....

...."When you're hot, you're hot!". Last month Symbol Technologies announced new contracts with IBM and with Intermec. This month the company signed a new agreement with K mart to supply that company with hand-held laser scanners for its retail...
stores. Symbol Tech now has multi-year contracts with OEM's and major end users totalling approximately $50 million.

Kmart is the second largest retailer in the U.S., and the contract is valued at $8 million over a 3 year period. Jerry Swartz (Chairman, S/T) commented, "This is the largest end-user contract in Symbol's history." According to Joseph Thomas, Executive VP of Kmart, "After extensive testing, we have concluded that using hand-held laser scanners at outlying cash registers and in the back room, will be a valuable supplement to existing slot scanners at the front-end of our stores."

The news....

....from Computer Identics covers a number of areas of interest:

- C/I signed an OEM contract for Weber Marking Systems to distribute C/I's Scanstar 500 portable bar code readers and PC Wedges. Weber will distribute these products nationally, along with its Legitronics labeling systems.

- C/I introduced the new System 128 manufacturing and control system which features Starnode. The system allows connection of up to 4,096 bar code readers, printers or data terminals. Available application software includes inventory control, shipping manifest, work in process, job routing, human resource planning and data base audit. System 128 was developed under a grant to C/I by Hutton/PRC Technology Partners (SCAN Jan 84).

- The company has opened a southern district sales office in Atlanta, GA and appointed Jeffrey Victor as District Sales Manager. Other new personnel include Michael Rogosin as National Sales Manager; and William Shultz as Director of Bar Code Applications. We have known Shultz for many years while he was at Schering (the pharmaceutical company). He has been very active and vocal in the promotion of bar coding systems to the health industry. Earlier this year he was appointed to a three year term on the Health Industry Bar Code Council.

Computer Identics, 5 Shawmut Road, Canton, MA 02021; 617/821-0830

In a move....

....to broaden its base of printing products, Imtec purchased the assets, inventories and manufacturing know-how of Santec Corp (Amherst, NH). Santec produces the Model S700 Versiflex printer, a multi-pass, high resolution impact dot matrix printer. The Santec printer is relatively slow (250 cps in draft quality; 32 cps in letter quality), but very versatile, according to Imtec President Jim Williams, with over 300 type styles available in many scientific character sets, languages and bar code symbologies.

Jim Williams would not specify the acquisition price, but indicated it was for cash on favorable terms and that "the S700 complements Imtec's bar code products -- we expect it to be a significant factor in Imtec's growth and diversification."

Imtec also announced its own new product -- the Model 2404 printer, designed specifically to print labels for printed circuit boards and the integrated circuit...
industry. The unit has the capability of printing up to 240 PCB labels per minute and up to 60 IC labels.

Imtec, Box 529, Chester, VT 05143; 802/875-2115.

In a new approach....

....to adding bar codes to plastic identification cards, Addressograph Farrington Inc. (AFI) is offering its FlatCard and Cardwriter. One goal of the system is to add a bar code to a plastic card while matching that code with the encoded data in the corresponding magnetic stripe.

The Cardwriter 1800 is a high speed plastic card encoding and imprinting system, which permanently imprints variable information on the front and/or back at speeds of up to 1800 per hour (2 per second). The unit accepts data from a computer, and can encode all three tracks on a magnetic stripe, and create bar codes, OCR numerals or logos. Soon, coupled to a camera, it will reproduce signatures; even fingerprints and photographs are possible. The system uses a patented thermal printing process with a unique high security foil which becomes a permanent part of the card.

AFI, Randolph Industrial Park, Randolph, MA 02368; 617/963-8500

A new software package....

....for the automatic generation of bar code labels on IBM Systems 34 and 36 has been introduced by Emblem Graphics Systems. The company is an electronic printing firm with a major printing/graphics production plant in Denver.

The package is called the Emblem Graphics Designer and, according to the company, "fills a critical gap for the firm that wants to maximize use of its IBM minicomputer for automatic bar coding." The package offers character type selection, size, orientation and enhancement features. This system complements the Emblem label/bar code capability currently offered for the IBM PC.

Emblem Graphics Systems, 501 Kansas Avenue, Kansas City, KS 66105; 913/321-9000

We were impressed....

....when we received our first notice of the 4th International Conference on Packaging. The theme is "Packaging: The World's Future". It will be held September 15-20, 1985 at Michigan State University, co-sponsored by MSU's School of Packaging and the International Association of Packaging Research Institutes.

The conference is held every four years or so and this is the first time in the US. The first three were held in London (1972), Munich (1976) and Stockholm (1979). There will be over 200 speakers from 25 countries participating in 40 separate symposiums and technical sessions. It will promote the exchange of information relating to the latest advances in packaging research and applied technology, and the program includes presentations from Europe, Asia and Latin America. Noted researchers, educators and industry representatives will address advances in packaging material, food packaging, distribution and transportation, packaging systems, testing and recycling.

SCAN/July 1985
What was missing from the preliminary program outline sent to us was any coverage of bar code scanning or automatic identification. In reply to our letter to the program chairman pointing out this oversight, we were invited to chair a seminar on bar code scanning (never volunteer for anything!) and were allocated a meager half-day in which to present this technology. We welcomed the opportunity and have assembled a panel of speakers from this industry: Rich Bravman (Symbol Tech); Ed Coe (Deloitte, Haskins); Ben Nelson (Markem); and Kathleen Parsons (RJS). The bar code scanning symposium is scheduled for Wednesday afternoon, September 18.

For the conference: Roger C. Griffin, Jr., MSU School of Packaging, East Lansing, MI 48824-1223; 517/355-9580

If you have been....

....reading past the front page of The New York Times, you may have noticed the code 39 symbol at the top of page two. It is a three character date code, designed to help the circulation department control distribution and returns.

The first use of bar code scanning by a daily newspaper (that we were aware of) was implemented by The New York Daily News in 1981 (SCAN July 81). At that time the News project group was very enthusiastic about the value of the system, and expected the relatively small investment in equipment to pay dividends very quickly.

The New York Times system also includes barcoding the front page of the Sunday magazine section because it's saleable by itself. Wholesalers and some direct retail accounts return only the tear strips of the front pages of the newspapers and Sunday magazines -- which insures that the paper is not resold and that returns are accounted for. Returns scanning is accomplished with six Intermec wands with special software added. The system can take up to 16 scanners when expanded.

Although no specific data is available evaluating the results of the system (considered proprietary information), the Returns Control Manager did indicate preliminary results were good enough to expand the system to all editions and distribution points.

The system would seem to be applicable to larger urban papers with primary distribution in street sales (not home delivery).

We are always on the lookout....

....for those little imaginative touches using bar codes:

- Like the news release sent out by Computype captioned with a code 39 bar code label that decodes to read, "NEWS RELEASE."

- And the bar code representing the certificate numbers on all the stock certificates issued by Bar Code Inc. when they recently went public (a first, they believe).

Computype's release was to announce Bar Code and Productivity, a concise 13 page document providing an overview of the advantages of bar coding, how it works and where it can be used. Free copies can be obtained from Computype, 2285 West County Road C., St. Paul, MN 55113.
Bar Code Inc. went public (4/11/85) after almost two years of the trials and tribulations of floating a public offering. The total funds raised were about $3.5 million. The company netted a little under $2.25 million after taking care of expenses connected with the offering and other obligations. President Jay Scribner says business is good and will get better now that they can concentrate on the business of doing business. The company's products include fixed and portable bar code readers as well as specialized software systems. Incorporated into the products are Welch-Allyn wands, Spectra Physics laser guns and Olivetti personal computers.

Bar Code Inc., 1237 Executive Drive East, Richardson, TX 75081; 214/231-2412.

A recent editorial....

....in Retail Automation magazine (UK) caused us to reflect on possible parallels in bar code scanning in Europe: "Never before has there been such a proliferation of conferences and exhibitions in the retail automation area. This situation cannot continue. All organizations find it difficult to select the best events to attend (as delegates)... The problem is more acute for the equipment suppliers. Companies have limited budgets for PR and exhibitions and must therefore select which exhibitions are going to yield the highest returns in terms of contracts and visibility."

A recent UK retail conference was reported to have had such poor attendance that over two-thirds of the seminars were cancelled at the last minute, and some exhibitors even demanded their money back. Companies are considering boycotting some shows altogether.

The retail automation situation affects many vendors in the bar coding industry who sell into the EAN market place and also require exposure at the conventions devoted to bar code scanning. Recent schedules in the UK point up the problem: AIM/UK '85 coincided with a one day ANA conference; it was preceded by two months by the Institute for International Research Bar Coding Conference; that same organization plans a two day workshop on July 16 & 17; in June, NCR and the British Computer Society held "Why Bar Code?" seminars in London and then in Leeds. Bar coding has also been featured in four other nationally promoted conferences or seminars.

COMMENT

How can the vendors predict the pulling power and the conflicting pressures of different events? How does a user-delegate assess the value to his organization? It will become counterproductive if the situation develops forcing competition to attract paying delegates to these overlapping events.

We are concerned that quality will be sacrificed in the material presented at these conferences. The market is still in its early stages of development in Europe -- and the concentration should be on the best presentations and exhibitions with the best possible timing and locations. Offering a dozen opportunities each year in one geographical area does not enlarge the market, may make the exhibitors and attendees wonder why the material seems tired and worn, and ultimately exhausts the pocketbooks of the vendors.

RMDP, the organizers....

....of the EPOS series on retail automation conventions and publishers of Retail Automation have been leading a campaign to tackle the proliferation of shows (see...
above). Two forthcoming conferences at opposite ends of the world have the support and cooperation of other organizations, and will tend to reduce the number of different expositions.

EPoS 85 is scheduled for September 17 - 20 at the Novotel Hotel, London, England. The program is in three streams and delegates can pick and mix the sessions they attend, some of which will be of interest to barcode users. One session in particular, The Wider Use of Article Numbering, has been organized in cooperation with the ANA (UK EAN affiliate) and speakers from the ANA will be sharing their experiences and indicating future developments.

At the other side of the world, EPoS 85 Sydney is being run with the support of the Australian Retailers' Association, the Retail Traders' Association of New South Wales and the APNA (Australia EAN affiliate). Dr. Robin Shaw (APNA) is a speaker and there will be a number of sessions devoted to front-end scanning.

Details for the London EPoS from RMDP 61-63 Ship Street, Brighton, Sussex BN1 1AE, England; and EPoS 85 Sydney from Dan Adolfson, RMDP, 1 St. Kilda Road, St. Kilda, Victoria 3182, Australia.

The Hugin Group....

.....purchase of Sweda International from Litton Industries (SCAN Mar 85) went through its final stages on June 26. At an extraordinary general meeting Hugin shareholders approved the purchase agreements, which puts the new enlarged company in the top league of EPoS and ECR equipment vendors in Europe. Completion of the deal took a little longer than expected because of the legal complexity of dealing with the subsidiaries in a dozen or so countries.

The price paid by Hugin to Litton for Sweda was $67 million, based on the net asset value of Sweda on June 21. Litton will receive payment in Hugin stock and cash. To raise the cash, Hugin sold 15 million new shares at 170 pence generating £25.5 million ($32.6 million). Hugin Group plc is backed by over 30 British financial institutions who had already given broad support for the acquisition and the new stock issue. For this issue, 10 new institutional investors took a position.

Sweda's sales for 1983/84 exceeded $160 million. Hugin's sales for 1984 were up 18% to £35.1 million ($44.9 million). The enlarged group will trade as Hugin Sweda, with headquarters in London.

Several management changes....

.....at Compu Inc (UK) Ltd. (Hull, England) were recently announced by Buck Roach, President of the parent company Computype Inc. (St. Paul, MN). Tim Lydell, from Computype (US), takes over as acting Managing Director. David Drinnan, with Markem Systems for the previous seven years, has been appointed European Sales & Marketing Manager. The previous MD and Sales Manager have left the company. Roach says, "This reflects a change in the way our UK plant fits into our overall business. We see a need to establish Compu Inc. as an operating division of Computype Inc., rather than as an independent business unit."

The European operation is likely to sharply re-focus its marketing efforts on the strengths that have been long established by Computype in the United States: close tolerance symbols, sequential bar code labels and printing on special materials using
special adhesives and coatings. It is difficult to say how much of a redirection of marketing effort will be required, but we suspect that one of David Drinnan's first tasks is to make European scanner suppliers and users more aware of the company's products and capabilities.

In a bid....

....for greater efficiency on its 744 miles of local bus routes, South Yorkshire Transport Executive is using bar coding for passenger surveys. Fifteen full-time data collectors board these UK buses to establish passenger load profile and other information. The researcher uses a pre-printed bar coded card unique to each route to enter service number, stage and vehicle identity. A menu card is used to enter passenger ticket type, origin and destination, together with the purpose of the passenger's journey.

The system has been installed for a year and already the benefits are being realized. Costs have been reduced and limited stop express services are being introduced between high traffic points. Eventually a data base will be compiled to help with the complex scheduling task.

The supplier of the equipment is G.R. Electronics Ltd., Fairoak House, Church Road, Newport, Gwent, UK NP9 7EJ; UK 'phone (0633) 214174; Telex 497939

The third issue....

....of ScanJournal (for the second quarter 1985) is out and the AIM/US publication is certainly maturing and realizing its potential. This issue focuses on Systems and addresses the subject from the vendor and user points of view, with articles on system structure, integration of the symbols and equipment, and examples of how systems were designed, developed and installed. The next issue will zero in on Printing and Verification.

We continue to support the publication of quality books and periodicals in this industry. ScanJournal is the only periodical devoted to the technology of automatic identification. It should be read and supported by all vendors and users.

ScanJournal, 1326 Freeport Road, Pittsburg, PA 15238; 412/782-1624.

Rexnord is featuring....

....the 60 degree angle and 54 inch reading range of its model 610 bar code laser scanner. According to the company, the 610 is ideal for applications requiring a long reading range, or close-up reading of long bar codes. The unit is compatible with many computer systems and controllers enabling quick and easy upgrading of automatic data collection. The price of the model 610 is $6,560 in end-user quantity of one.

InstaRead/Rexnord, 2400 Diversified Way, Orlando, FL 32804; 305/843-8975.