



newsletter

The management Newsletter for all industries involved with bar-code scanning and related technologies.

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It was an outstanding conference....

....that will set the standard for future annual events in this industry.

SCAN-TECH 82 met every objective set down by its organizers, and SCAN Newsletter is proud to have been part of it. Our congratulations to AIM and to Ed Andersson, the conference chairman.

There were over 1,100 participants in this first bar code industry forum and exhibition: 650 conference registrants; 250 exhibitor personnel manning 61 booths; over 200 walk-ins to visit the exhibit areas only. The Amfac Hotel facilities, at the Dallas/Fort Worth airport, were as good as any we have ever seen, and the overall feeling of everyone we spoke with was euphoric.

The first day conference presentations were structured to provide a good working background of bar code scanning principles, equipment, symbology and techniques. The second day was devoted to actual applications. With good visuals included, and the material often delivered by the individuals directly involved in the system operations, the application presentations were particularly illuminating. There were descriptions of systems installed in an automobile plant, computer factory, electronic parts distribution warehouse, and a retail distribution center. Bar code management of information and document control in a medical facility and in library circulation systems were described. The workings of the government's LOGMARS program, and the history and progress of the Automotive Industry Action Group (AIAG) were also set forth for the audience.

The presentations were jam-packed with information, and the exhibit hall was jam-packed with people. The only complaint from the exhibiting companies was that there was not enough time. The quality and interest of the attendees was outstanding and almost every one of them seemed to represent an active potential application that was ready to go.

The exhibits included every known company directly or peripherally involved in bar code scanning. There was a great deal of emphasis on labels and label printers, stimulated in part by the requirement of government contractors to comply with the LOGMARS program, and the growing need for large quantities of sequential bar coded labels. But there were also wand and laser scanners of every type; software companies with special programs designed for scanning and labelling systems; total data collection systems for factories and warehouses; and special service organizations to help the users.

A newsletter is not the proper forum to describe each presentation or exhibit. We can only tell you that "everything you ever wanted to know about bar code scanning" was available in one form or another at SCAN-TECH 82. For those who

also conferences

also literature

could not attend, we suggest contacting the Automatic Identification Manufacturers for copies of the program and exhibitor directory. You can then contact the exhibitors directly for copies of their catalogues, prices and descriptive literature. The full proceedings of the conference have also been published by AIM (\$35/set). AIM, 1326 Freeport Road, Pittsburgh, PA 15238; 412/782-1624.

SCAN-TECH 83 is already in the planning stages and scheduled for the fall of next year. We can't wait!

In a major move....

also merged

....two of the leading companies in bar code scanning have joined forces to develop and market hand-held laser scanners. Intermec and Spectra Physics have signed an agreement for Spectra to design and manufacture these scanners for the industrial bar code data entry market. Under the agreement, Intermec will market the new product under its label.

Spectra Physics is the largest manufacturer of lasers and laser scanners in the world, and has produced over 35,000 supermarket scanners. The company characterizes its development as a "second generation hand-held laser scanner, expanding on optical and signal processing technologies developed for the 750F supermarket scanner." Intermec is the leading supplier of industrial bar code reading and printing equipment. Both companies are located on the west coast, and all these factors seem to have led to a natural attraction.

Intermec has been exploring the addition of laser scanners to its product line for some time, according to David Allais, President. The company's objective "is to supply a complete range of bar code equipment. We have determined it will be more cost effective for Intermec to purchase laser bar code products from Spectra Physics than to produce our own."

In selecting Spectra over other current laser scanning suppliers in the industry (e.g., Symbol Technologies, Metrologic, Control Laser) Allais told us that they "took into consideration the fact that Spectra Physics was a larger, more stable company, with a good track record with supermarket scanners." Intermec, he continued, "is interested in a special design incorporating some new ideas of our own." The contractual arrangements include some front-end payments and commitments by Intermec. It is a non-exclusive agreement, but Intermec expects to gain some market lead-time on the products developed.

As to the market for hand-held laser scanners, Allais characterizes its primary use as those applications requiring "intensive bar code scanning, as opposed to incidental use where wands will still be applicable." The company expects to have prototype units available by April-May, 1983; production demo units by June-July 1983; and shipments by the fall of 1983.

Intermec, Box N, Lynnwood, WA 98036; 206/743-7036. Spectra Physica, 959 Terry Street, Eugene, OR 97402; 503/683-5700.

Even considering....

....the adverse economic conditions this past year, the financial results of some of the public companies in the industry present a mixed bag: (all figures shown in the tables are in \$000, except for the per share figures):

- **Intermec**, (Lynnwood, WA) reported record sales of \$5 million for the three months ended September 30, 1982. The company indicates that its product mix has shifted in two years from 50% retail-related equipment, to the current 80% industrial sales. Much of this is attributed to the strong interest in Intermec printers and readers for **LOGMARS** applications. The company's common stock (NASDAQ) has moved dramatically from under \$10/share six months ago, to the current (12/1/82) price of over \$25/share.

	3 months ended 9/30		6 months ended 9/30	
	1982	1981	1982	1981
Revenues	5,019	3,535	9,135	7,496
Net Income	511	109	839	412
Net Income/share	.23	.05	.38	.19

- **Control Laser** (Orlando, FL) explains that its low level of sales for the the first nine months of 1982 reflects general economic conditions, and sales and earnings are not expected to improve for the remainder of the year. With sales backlog increasing, however, shipments are expected to increase in the first quarter of 1983. (Note that consolidated operations of the company actually reflect a pre-tax loss of \$17,000 for the three months and \$152,000 for the nine months ended September 30, 1982. The reported profitable level of net income shown below is a result of special tax adjustments and other factors.)

	3 months ended 9/30		9 months ended 9/30	
	1982	1981	1982	1981
Revenues	3,606	3,903	10,124	10,355
Net Income	118	475	67	1,166
Net Income/share	.04	.16	.02	.38

- **Scope** (Reston, VA) continues to show operating losses after disposing of the **National Controls** and **Repco** subsidiaries on June 30, 1982, but these losses have been cut sharply. The company is continuing its R & D activities for its laser bar code scanning products, and reports good response to its Model 8200 ScopeScan Reader.

	3 months ended 9/30		9 months ended 9/30	
	1982	1981	1982	1981
Revenues	2,767	3,399	8,483	9,105
(Loss) from continuing operations	(22)	(2,066)	(14)	(2,180)

- The unaudited first quarter fiscal year 1983 (ended September 30, 1982) results for **Photographic Sciences** (Webster, NY) show an increase of 101% in revenues to a total of \$1.6 million, compared to \$796,000 in fiscal year 1982. The increase is mostly attributable to the acquisition of **Harland Data Systems**. The net loss of the company increased to \$247,000 from \$188,000 last year. The deficit working capital position of the company increased to \$2.3 million from \$2.1 million in the 3 months since June 30, 1982.

- **Symbol Technologies** (Hauppauge, NY) has released preliminary estimates of its results for fiscal year 1982 (ended August 31). Sales were approximately \$3 million compared to \$3.2 million last year; the loss for FY '82 is estimated at \$1.7 million compared to a \$340,000 loss last year. President **Jerome Swartz** reports that the 1982 results include a non-recurring \$275,000 loss on the sale of its surplus office and manufacturing facility; and approximately \$1 million in operating expenses attributable to engineering, marketing and general and administrative expenses associated with the new **portable laser scanner** developed by the company.

You won't want to miss....

....the December 27, 1982 issue of **Fortune Magazine** which will feature an article on the bar code scanning industry. The emphasis of the article will be on non-retail scanning, the present status of the industry, and the outlook for future growth.

The author of the piece, Peter Nolte, was very much in evidence at **SCAN-TECH 82**. Nolte was able to meet with representatives from the leading supplier companies and obtain a good overview of what's happening in this fast changing technology. Look for your copy on the newsstands on/about December 15.

A one-day seminar....

....on **Automatic Data Capture and Scanning** will be held in Rochester, NY on December 16, 1982. The seminar will be presented by **Symscan, Inc.** (cost \$125), and the subjects and speakers will be: System Implementation (Arthur Chester/Itek) Software and Systems Design Considerations (Roger Hummel/Diversified Data Collection Systems); Future of Automatic Data Collection (George Goldberg/SCAN Newsletter); Typical Data Acquisition Opportunities in Manufacturing and Distribution Environment (Edward Shadd/Symscan); Application of Bar Codes to Business Documents (Dale Maddock/UARCO).

Symscan is an independent consulting company providing professional services dedicated to the introduction of automatic data capture in the plant and distribution environment. Symscan, Box 456, Fairport, NY 14450; 716/377-7213.

According to the....

....**Bar Coding Project Team** of the **Automotive Industry Action Group (AIAG):**

"The word is out that bar coding will be used throughout the industry. We don't even know all of the possible applications. They are only limited by one's imagination. The key idea is bar coding is a tool for acquiring data. We can now capture data we could not afford or justify capturing. Bar code data is read accurately or not read at all."

The advantages of bar code scanning could not be stated any better. For a more detailed explanation of the accomplishments of the AIAG, subscribe to the bi-monthly AIAG newsletter (\$35/year). AIAG, c/o Robert Nitzgorski, Douglas & Lomason Company, 24600 Hallwood Court, Farmington Hills, MI 48018.

also standards

A very current project of the bar coding team of AIAG is designing the Shipping/Parts Identification Label. The decision has been reached to include in bar code form: part number, quantity, supplier code and serial number. Since the part number alone is 24 digits and all information will also appear in bold-lettered, human-readable form, the committee is open for suggestions on how to get it all on to a 6" x 6" label. If you have anything to offer, contact the Label Subcommittee chairman: John Weslow, Firestone Industrial Products, 61166 Van Dyke Road, Washington, MI 48094; 313/755-7700.

A new engineering and management consulting firm....

....has been started by **Benny Tafoya**. Benny R. Tafoya & Associates will have its primary efforts directed to automated materials handling and robotics, including systems supplied with automatic identification products. Tafoya has been retained by **Metrologic** to market special engineering and applications projects. Tafoya left his position as executive VP and general manager of **AccuSort** Systems to start his own company. Benny Tafoya & Associates, 313 Dorset Court, Doylestown, PA 18901; 215/348-5138.

MSI has introduced....

....a portable data entry device combining a bar code scanner, memory and rechargeable batteries into a single, small, hand-held, pen-like unit. The unique **Datawand** measures 6.25" long by .850" in diameter. The entire package, including recharger module, is priced under \$300 in quantities of 100 or more. The module also serves as an interface which can be used to transfer data over phone lines, into the MSI hand-held computer, or into a host computer via an RS-232C-type connector.

According to **Donald Brosnan**, President, "The Datawand will bring bar code scanning to an entirely new market...to take computing into areas never before practical. This would help simple inventory procedures and speed the processing of information." MSI Data Corp., 340 Fischer Avenue, Costa Mesa, CA 92626; 714/549-6000.

Intermec introduced....

....a new printer and reader:

- **Model 8620** high density thermal bar code printer, with self-contained software, for printing all six major industrial bar codes. The unit is designed to work with Intermec supplied **Duratherm**, its industrial grade thermal label stock. The unit will print code 3/9 in a density of 8.6 characters per inch; interleaved 2/5 in 15.6 cpi. The price is \$1,995 for a single unit.
- **Model 9340 and 9341** bar code display readers, engineered for industrial environments to read codes 3/9, 93 and I 2/5, automatically discriminate between the codes. The 9341 comes with a 16 key keyboard and a 32 character display, and is priced at \$1,724 in single unit quantities.

Intermec, Box N, Lynwood, WA 98036; 206/743-7036.

Hewlett-Packard is now....

....hanging bar code readers onto their HP terminals as an alternative to keyboard data entry. The company expects this to be especially useful in such industrial applications as stock control, shipping control, item tracking, and material movement.

The HP 92911A bar code reader is designed to be plugged in, in series with the keyboard cables. It functions with various terminal models and with the HP 125 personal office computer. The unit receives its power supply directly from the terminal and applications software need not be modified. The readers are offered with medium and high resolution wands designed to read UPC/EAN, 3/9 and I 2/5. The HP 92911A reader is priced at \$650 with OEM discounts available. Contact your local Hewlett-Packard sales office.

A new label printer....

....has been introduced by KPG, Inc., to meet the LOGMARS bar code labelling requirements. The Series I, Model T, Alphanumeric Labelling System is priced under \$6,000. It is designed to print the National Stock Number and Contract Number in bar code and OCR-A format, along with the required human readable information. The system includes a micro computer with mini floppy diskette, CRT, keyboard printer, and all necessary software. The use is prompted through the entry of all variable data required. KPG, Inc., 6075 Barfield Road NE, Ste. 204, Atlanta, GA 30328; 404/252-7366.

Errata....

also conferences
....In our November 1982 issue we reported the incorrect phone number to obtain more information on the APICS Fall Seminars. The full and correct address and phone number is APICS 1982 Fall Seminars, Box 2228, Rockville, MD 20852; 301/985-8400.

Enclosed is the last....

...free issue of the INTERNATIONAL EDITION that is being sent to all of our subscribers. We want to be sure that everyone has the opportunity to read this new addition to our newsletter. You can then decide if you wish to receive the widest possible coverage of bar code scanning on a continuing basis.

For those wanting uninterrupted coverage, complete the enclosed subscription card and return it at once so we can be sure to enclose the INTERNATIONAL EDITION with your regular SCAN starting January 1983. Do not send payment now. We will bill you at the rate of \$3.00 per month to the end of your current subscription year.

Do it now -- so there will not be any gap in your coverage. Please send back the card only if you want to subscribe to the INTERNATIONAL EDITION. All regular subscriptions to SCAN will continue on an uninterrupted basis.

Our best wishes for a happy holiday season, and a healthy and prosperous 1983.