



newsletter

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

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If the Health industry....

....comes even close to the schedule laid out by its designated committee for bar code implementation, it will indeed have accomplished the task in "record speed".

In a move to improve productivity, control inventory, and provide for more accurate data entry, the health care industry is in the process of developing a standard method to employ bar coding across all industry segments. Industry representatives met on June 28-29, 1983 (SCAN Jun 83) and appointed a 12-member Health Industry Bar Code (HIBC) Task Force chartered to return final recommendations by September 1. These recommendations were then to be widely circulated for 30 days and final standards adopted at a second industry meeting scheduled for October 4-5. The projected timetable calls for standards to be published by January 1, 1984 with industry-wide implementation by July 1, 1984.

Quoting from the personal evaluation report of Craig Harmon, chairman of the HIBC Task Force, the following underlying decisions have already been made:

1. To have only one uniform machine-readable bar code method of data acquisition;
2. The manufacturer's identification code will be unique and conform to the manufacturer's number issued by the Uniform Product Code Council (UPCC), if the UPCC agrees to the responsibility of assigning and controlling the issuance of the manufacturer's identification code;
3. The product code will be variable in length and will allow both alphabetic and numeric content;
4. The code is to include a unit of measure identifier;
5. The machine-readable symbology will, where possible, appear on all levels of packaging.

For some, these assumptions and decisions rule out all but codes 3/9, 128 and 93. Although a vocal minority group is still plugging for UPC, because so many products are already encoded for the retail market, the need for alpha-numerics and variable lengths would seem to preclude that choice.

In addition to code selection, the other major decision to be reached is whether the UPC Council or the Health Industry Manufacturers Association (HIMA) will be

*also
conferences*

selected and agreeable to administer the assignment and control of the manufacturer's identification codes to the health industry manufacturers.

A most important sidelight is the inclusion of the **blood banking systems** in the health industry considerations. The American Blood Commission adopted Codabar in 1977 when the alpha-numeric 3/9 code was still new and untested. If the entire health industry now goes to 3/9 (and also considering the fact that the French Blood Commission recently decided to adopt 3/9) the move may be irresistible. For the sake of system uniformity, and because 3/9 does have some advantages, the blood group may also adopt this bar code. If this happens, one of the major remaining codabar applications will disappear.

The task beyond symbol adoption is complex and important for the entire industry. At the first Plenary Session in June, there were 145 attendees with many turned away because of lack of space. The second Plenary Session of the General Assembly, scheduled for October 4-5, 1983, is open to everyone interested, and will be held in a larger facility. The projected benefits are enormous, as described by Harmon in his analysis of the potential reduction in errors and increases in efficiency. The HIBC has already adopted recommendations for the code format of primary and secondary labels, with as many as 24 characters included.

For further information, contact Craig Harmon at Q.E.D. Systems, Box 2524, Cedar Rapids, IA 52406; 319/377-2518. For those who wish to attend the HIBC Conference: American Hospital Association, HIBC Conference-8 West, 840 North Lake Shore Drive, Chicago, IL 60611; 312/280-6083.

Comment

We consider this another major industry breakthrough about to happen. The adoption of uniform standards by industry groups has previously provided the major opportunities for large defined markets ready for scanning. This pattern began with UPC/EAN for the retail trade; it has continued in such defined areas as periodicals and publications, liquor, automotive, government (LOGMARS), and now the health industry. The hospitals and other health care facilities are ripe for automation, leading to improved accuracy and cost reduction. It opens new fields for innovative concepts by the suppliers of bar code products and services. It behooves the scanning equipment suppliers to organize their marketing efforts and R & D facilities to be ready when this new industry opportunity breaks. Certainly the October meeting is a place to be for those who expect to be part of this very significant new market for bar coding products.

We couldn't be more enthusiastic -- even though we are a bit skeptical as to whether that brutal schedule will be met.

For those who normally wait....

....until the last minute to make decisions, it is now decision-time for **Scan-Tech 83**.

There are over 70 exhibitors already signed up -- considerably more than last year's total. Mailings have gone out to those expected to attend the seminar. Full registration for the two and one-half days seminar and exposition is \$375. Special fee arrangements (\$50) have been made for those wanting to visit the exhibits only.

The speaker roster, special presentations and exhibits will represent the largest array of bar code materials and talent ever assembled. (We are trying not to sound like P. T. Barnum.) With the boundaries fast disappearing between retail, industrial, commercial and government applications, anyone working with hardware, software, supplies or applications utilizing bar codes must be present either as an exhibitor or registrant at this event.

Contact: AIM/MHI, 1326 Freeport Road, Pittsburgh, PA 15238; 412/782-1624.

The 1983 edition of....

also literature
....the Bar Code Manufacturers and Services Directory has just been released. We particularly like the way publisher Laura Hanson prefaced the book: "The contents of this 1983 Directory have been expanded to include more than 140 companies, over twice as many as last year. The dramatic increase in company listings is a direct reflection of the incredibly rapid growth and popularity that bar code has experienced over the last year."

The companies listed in the book range in size from Jim & Jim's, a two-person software operation with sales of \$5,000 in 1982; to Xerox Corporation with its many thousands of employees and \$8 billion in sales, a tiny portion of which is directed to bar code products. The directory provides the best reference source available for products and services related to bar codes.

It is a much-needed document, and we commend Hanson and North American Technology. To obtain a copy, priced at \$29.95 (\$32.00 in Canada and \$38.00 elsewhere), contact North American Technology, 174 Concord Street, Peterborough, NH 03458; 603/924-7136.

There are now eight states....

....which have passed so-called bottle bills requiring a deposit to be paid by the consumer to the retailer on all purchases of carbonated beverages. The consumer gets back the nickel (sometimes a dime) when the bottle, can or plastic container is returned. States involved are Michigan, Iowa, Oregon, Maine, Vermont, Connecticut, Massachusetts and New York. The list may be growing.

So what's that got to do with bar code scanning?

Well, two things, actually. First of all, one of the headaches facing the supermarkets and other retailers is the problem of identifying the return as a container for a beverage that was purchased in that state. Some bottlers plan to identify the labels with the geographic location in which it was sold; some are assigning different UPC numbers for each state or group of states with this troublesome law. One proposed plan is to use a UPC supplementary code, similar to the two-digit symbols used on periodicals.

Which brings us to the second point. Starting in September 1983, a newly-developed reverse-vending machine will be installed in many supermarkets. These machines are being manufactured and marketed by Envipco, with the support of the Glass Packaging Institute and Owens-Illinois, a major producer of glass bottles. In some states which have had these bottle return laws in effect for a while, there has been a dramatic drop in the sale of soft drinks in glass bottles. The retailers just can't handle the problems involved with

glass returns. The Owens-Illinois support of Envipco was a defensive move by the company to protect their market.

As planned, there will be three Envipco machines installed in the front of each supermarket: one for glass bottles, one for metal cans, and one for plastic containers. The consumer places the container into the appropriate slot with the UPC symbol facing up. The laser scanner in the machine (supplied by Metrologic Instruments) scans the code to determine whether it is a legitimate return, and the consumer gets an immediate coin refund.

In the glass container unit the clear glass is separated from the colored glass after the glass bottle is crushed. The metal cans are flattened and the plastic containers are ground up. All of these residues are dropped into containers for later pickup by supermarket personnel. Some of it will have scrap value. All of this is intended to remove discarded beverage containers from the landscape.

One unforeseen problem (unforeseen, at least, by some of the smaller bottlers) is that the beverages sold must now be identified by their point of distribution. The supermarkets and bottlers are not anxious to refund the nickels and dimes to entrepreneurs who will round up bottles and cans in New Jersey and bring them over to New York for a deposit and clear profit. For the larger bottlers who tend to have clear geographic distribution boundaries, this does not present too much of a problem. For the smaller bottlers who may distribute over an area of 10 or 15 states from one bottling plant, that headache is going to be quite large.

If you want to know more about it, the coordinator for the glass industry is Tom Syperski who is with Owens-Illinois at 1 Seagate, Toledo, OH 43666; 419/247-1791.

The manufacturer of the equipment is Envipco Company, 6801 Poplar Place, McLean, VA 22101; 703/556-8460. Contact Bill Westhoff.

There are additional signs....

....of the regrouping of Photographic Sciences. The company announced the completion of a private placement of convertible notes for a total net proceeds of \$472,500. These funds are to be used for the market introduction of its new Graphic Recording Camera product line, completion of a new generation symbology bar code reading instrument, debt reduction and general working capital. The 9% subordinated notes are due July 1988 and convertible to common stock at \$1.75/share.

also mergers
In a second very significant step, P/S has sold its West Coast operation, which consisted of its major film master production facilities. The sale was to Symbology Systems, a newly-formed company owned by Douglas Campbell and associates. Campbell is an investment banker. Jack Abbott, who formerly managed the P/S West Coast operations, will continue to manage those operations for the new company. Since the new company will also take over the Photographic Sciences customer list, it is not clear as to just how P/S plans to continue in the film master business. The price for the sale was for Symbology Systems to "arrange for the immediate nonrecourse release of Photographic Sciences from \$400,000 of PSC's current bank indebtedness."

The company also announced the appointment of Thomas Morgan as Senior VP/Marketing, assuming responsibility for all marketing, sales, customer service and product managers. Morgan previously held positions with Bausch & Lomb.

If you have been waiting....

....for the opportunity to provide some additional input into the LOGMARS Military Standard 1189, now is your chance.

A revised specification, which governs the 3/9 code first adopted by the government in January 1982, is being circulated for comment. Our first quick reading (unfortunately the revisions are not highlighted for easy identification of the changes) indicates no major or substantive changes. There are a number of significant details which have been added or clarified that will be of particular interest to suppliers of preprinted labels and demand printers. Bar heights, spacings between symbols and components, and reflectivity and contrast should be examined carefully.

Copies are available from Stuart Crouse, DARCOM Packaging, Storage and Containerization Center, Attn: SDSTO-T (Crouse), Tobyhanna Army Depot, Tobyhanna, PA 18466; 717/894-7146. Comments should be sent to Crouse prior to September 2, 1983, which leaves little time for careful examination and submission.

Our recent article....

....about the new Visa International Electron card (SCAN June 83) prompted a call from the company that will be making these new cards for Visa. Malco Plastics claims to have a proprietary method for printing bar codes on plastic credit cards. From the samples we've seen, the quality of the printing is quite good, and the sharp resolution and line definition should provide excellent scannability.

Malco is looking for new applications for this technology. With the expanding bar code market moving into a wide variety of applications, they expect a broad-based need for a product of this kind. The company can print sequential or random bar codes, each card with a unique encodation. The machine-readable codes, including OCR-A and other man-readable copy, are printed directly on the plastic card and, according to the company, are tamper-proof.

Anyone with a new industry application or a need for this type of product should contact Doug Marcus, Malco Plastics, Plastics Park, Garrison, MD 21055; 301/363-1600.

Skon-A-Matic's new....

....bar code reader is modestly described by marketing director, David "Zap" Czaplicki, as their "latest and greatest new product". The Model D5 combines a bar code reader and CRT terminal in one small package, featuring an alpha numeric keyboard, two-line/80-character liquid crystal display, and two-way communications. The unit will decode interleaved 2/5, 3/9, Codabar, UPC-A & E, and EAN-8 & 13, without changing switch settings or software.

Bar code data may be entered by a code pen, by external fixed or moving beam scanners, or by an integral card slot scanner. The D5 is designed to add bar

code reading to existing data collection systems, or to replace CRT terminals for inventory management, production process tracking, employee productivity management and other shop floor situations. The single quantity price for the reader/terminal is \$1255; \$1705 with the slot reader. Skan-A-Matic, Elbridge, NY 13060; 315/689-3961.

The new Printronix....

....Model 4160 Printer/Plotter offers a dot matrix printer with smaller dot diameter and higher density, particularly suitable for printing bar codes. The dot diameter is .010" compared to previous Printronix units which had .020" dot size. With a 40% overlap, the result is dot density of 160 per inch.

The 3/9 bar code can be printed at 7.5 characters per inch and will meet DOD/LOGMARS specifications. Model 4160 costs \$5,380 and is available through the Printronix dealer network.

Intermec has introduced....

....two new lines of bar code printers.

The 8400 series is for UPC/EAN bar codes in a full variety of formats, plus a wide range of human-readable text fonts, and print speeds. The units may be operated on-line from a host computer, or in a stand-alone mode with a CRT terminal. Prices vary with speeds and other variables.

The model 8413 is designed for LOGMARS application printing of code 3/9 in high density (9.4 characters per inch) plus five human-readable text formats. The unit is compatible with almost all minicomputers, according to the company. This model is priced at \$7495. Intermec, 4405 Russell Road, Box C-N, Lynnwood, WA 98036-0694; 206/743-7036.

In an enlightening....

....seminar on the bar code industry, Eberstadt & Co. recently invited a representative group of companies to explain their position in the bar code industry, where they thought it was going, and where the individual companies fit into the scheme of things.

Eberstadt is a financial organization serving the institutional investors and has been following this industry for a number of years. The purpose of the seminar was to explain the bar code industry to their clients. The companies invited to make presentations included Intermec, Computer Identics, National Semiconductor, A.C. Nielsen, Harte Hanks, Information Resources, Spectra Physics and Symbol Technologies.

With a number of companies in the industry already public, plus a few contemplating the move, the informed interest of the institutional investors could involve an important segment of the financial community. James Dougherty, Eberstadt & Co., 61 Broadway, New York, NY 10006; 212/480-0800.