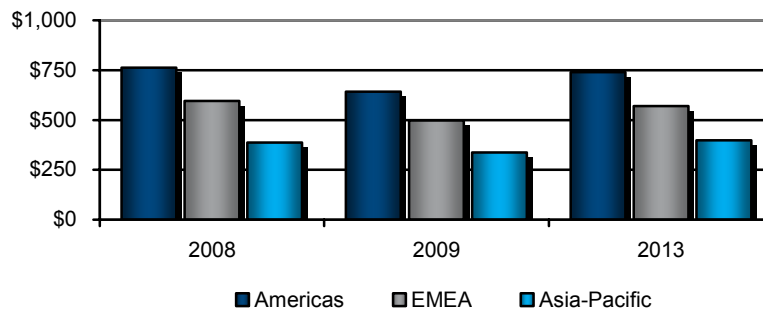


FOR IMMEDIATE RELEASE

Bar Code Scanners: Suppliers Strive to Grow the Market and Take Share During Recession

Natick, Massachusetts – August 4, 2009 – According to a recently published study by VDC Research Group, Inc; the total bar code scanner market (i.e., stationary and handheld scanners) exceeded \$1.7 billion in 2008 and is expected to decrease 0.4% annually through 2013. The research, part of VDC Research Group’s recently published [2009 AIDC Global Industry Business Planning Service](#) also indicates that the global stationary bar code scanner market is expected to contract by 11% in 2009, while the handheld bar code scanner market is expected to contract by more than 20%. This near-term softening in the barcode scanner market is attributed to a number of large scale deployments that have been postponed and a weakened appetite for IT investment across multiple vertical markets active in the global supply chain, where velocity is contracting and demand for automation systems is less acute.

Exhibit 1
Global Shipments of Bar Code Scanners
Segmented by Region
(Percent of Dollars)



*Bar code scanners include: Stationary and Handheld Scanners

“Despite this challenging near-term outlook, bar code scanners will remain a viable product segment as suppliers and their channel partners support a robust installed base while pursuing emerging applications for stationary and handheld scanning,” cited Tom Wimmer, Director of the Auto ID & Transaction Automation Practice at VDC Research Group. “We are also encouraged to see continued innovation in the product category that is providing incremental value to deploying enterprises, providing a source of competitive differentiation by lowering operating costs, improving efficiency, and empowering end-customers. We believe that these drivers will enable the scanner market to rebound to historic growth rates by 2013.”

VDC's scanner reports segment the handheld and stationary scanner markets narrowly, enabling VDC's clients to understand which segments are likely to expand, contract, and converge in the years ahead, based upon the proliferation of applications written to take advantage of market developments, supported by scanners with enhanced functionality. One relevant example highlighted in the report discusses the impact 2D barcodes appearing on drivers licenses and National ID cards are now driving a wide variety of applications ranging from age verification to fraudulent returns prevention to patient registration. Scanners with 2D decoding and image capture capabilities are reducing the time required to support these applications by automating manual processes. Deploying enterprises are increasingly taking advantage of these capabilities to improve customer satisfaction, lower operating expenses, and enhance their CRM systems.

Increased utilization of 2D symbologies, the role of imaging capabilities, and emerging requirements for scanners are but a few of the topics covered in VDC's supply-side analyses of handheld scanners and stationary scanners. These reports will be supplemented by a demand-side analysis in coming months, which will explore a number of themes currently under investigation with end-users and channel organizations deploying these devices.

ABOUT VDC RESEARCH GROUP

VDC Research Group (VDC) is a technology market research and strategy consulting firm that advises clients in a number of technology markets including: Automatic Identification and Data Collection, Embedded Hardware and Systems, Embedded Software and Tools, Industrial Automation and Control, Mobile and Wireless, and Power Conversion and Control. Using rigorous primary research and analysis techniques, the firm helps its clients identify, plan for, and capitalize on current and emerging market opportunities. We strive to deliver exceptional value to our clients by leveraging the considerable technical, operational, educational and professional experience of our research and consulting staff. During our nearly four decades of ongoing operation, we have had the pleasure of serving most of the world's leading technology companies, many high-profile start-ups, and numerous blue-chip early and later stage investors. Our products and services consist of research reports, annual research programs, and custom research and consulting services. Founded in 1971, the firm is located in the Boston area. Please visit our Web site at www.vdcresearch.com to learn more.

For further information regarding AIDC markets, please contact:

*Andrew Nathanson, Director of Research Operations, 508.653.9000 x148, andrewn@vdcresearch.com
Tom Wimmer, Director, Auto ID & Transaction Automation Practice, 630.279.7959,
twimmer@vdcresearch.com*

For pricing/purchasing information on AutoID reports, please contact:

*Charlie Cicalis, Account Executive, AutoID & Transaction Automation Practice, 508.653.9000 x139,
ccicalis@vdcresearch.com*

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