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Special SCAN: The DATA CAPTURE Report Reprint

Datalogic Founder/CEO Talks About Past 40 Years

As **Datalogic SpA** turns 40, we were fortunate enough to speak with the man who started it all: Dr. Romano Volta. Volta helped pioneer AIDC technology, invented a number of key technologies, and has built a global empire. Recently, upon the

departure of Mauro Sacchetto, Volta was drawn back into the position of CEO. In this article, we hear about Volta's life, his motivation, his ambition, and his vision of Datalogic's future.

SCAN/DCR: Dr. Volta, it is an honor to have the opportunity to write a story about your life. First, can you give us a little background on your life growing up as a child? What were your interests as a young man? What challenges did you face?



Dr. Romano Volta, founder/CEO, Datalogic SPA.

Volta: My personal trait of always and at all costs wanting to try my hand at something difficult and unusual, has always provided great impetus in what I do, and in some ways, I believe it is that which led me to become an entrepreneur. Also, from modest origins, with excellent academic results, my family had expectations of me that were much greater than the norm. I was expected to do something extraordinary

with my life, just as I had done in school and this brought with it pressure as well as challenges. The energy, then, was typical for the beginnings of a new business, with outlines and outcomes undefined. You know how it is when you are young, with nothing to lose; you are always ready to throw yourself fearlessly into things. And that is what I was encouraged to do and indeed did."

SCAN/DCR: Can you share with our readers how you got involved in automatic identification and data caption (AIDC)?

Volta: Bologna is at the heart of what is known as the 'packaging valley.' Here we have the greatest concentration of companies producing packaging machines: one product in three sold throughout the world—from food to pharmaceuticals, cosmetics to tobacco—is packaged by machines made in Bologna. In the early 1970s, the machines were not automated, but manufacturers soon realized that in order to improve their efficiency, speed and quality, it would be necessary to have electronic optical devices so they could verify, for example, the centering of brands on packaging, the positioning of print, the presence of a tablet in a blister pack and so on.

My chance came when some of these entrepreneurs asked Professor Giuseppe Evangelisti at the **University of Bologna**, to whom I was junior assistant at the time, to develop these electronic optical checks. Professor Evangelisti put me in charge of this task. So, in a small laboratory

and with the help of a technician, I began to develop a new device, the 'color mark reader,' which is still installed in all packaging machines today. We were still in the mechanical era and this ability of mine not only to provide the checking equipment, but also to connect it electronically with the machine to result in a total solution, quickly made me well known in the sector.

My vision for the future remains to grow and innovate in accordance with Datalogic's established traditions. More importantly, I know this vision is shared by our 2,400 employees across Datalogic. They are a global team of motivated, dedicated, creative, and determined people and my role is to keep this machine moving....

Dr. Romano Volta, founder/CEO, Datalogic.

As a result, **Datalogic Optic Electronics** was born, with a capacity to combine optics with electronic processing so as to provide machines with extraordinary precision and speed performance for that era. Some years later, with the introduction of the system of tagging all consumer products with bar codes, it seemed natural for me to begin the development of the special optical devices that became known as bar code readers—and hence the journey into Automatic Data Capture and Industrial Automation had begun for Datalogic."

SCAN/DCR: What was it like starting your own company? Did you have any help?

Volta: As mentioned I had support and interest from those local entrepreneurs who approached us at the University of Bologna to develop these electronic optical checks. Once I had reached the stage of development of bar code readers, I left the post of assistant at the University of Bologna once and for all, in order to dedicate myself totally to my business initiative. I also transferred operations from the original small laboratory to a proper factory, small though it still was, based in Lippo di Calderara near Bologna airport."

SCAN/DCR: What patents are you personally responsible for?

Volta: Indeed, we have an enviable portfolio of patents. In 2012 alone, Datalogic invested over 32 million Euros in Research and Development and we now hold a portfolio of over 1,000 patents across the world. I am probably responsible for some of these, but particularly proud of the patent that is Datalogic itself!

SCAN/DCR: You not only helped pioneer this industry, you have also pioneered the technology in Europe and all around the globe. Why did you feel this was so important?

2 SCAN: The DATA CAPTURE Report

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Volta: Internationalization, which today is considered indispensable for the survival of a business, was a necessity for Datalogic and was from the start the very reason for our growth. At the time, Italy did not have a significant industrial presence in the world of advanced technology. So, to find an outlet for Datalogic's products, I had to turn to foreign markets: first Germany, then Japan and the United States. What was at first merely essential for our survival, became, and still is, an extraordinary competitive advantage for Datalogic's success. I also believe this demonstrates the commonality our industry shares throughout the globe in terms of both vertical sector needs and applications.

From a purely technological viewpoint, I take this opportunity to recall that on April 3, 2013 the bar code celebrated 40 years of success, largely due to the pioneering efforts of companies like Datalogic. Indeed, the company has been the European leader for industrial applications since the 1980's. Besides creating the first industrial scanner in 1978, we also pioneered the creation of scanners for airports installing the first of these types of scanners at Milan's **Linate Airport** in 1984.

Ultimately, the acquisition of **PSC** in 2005 allowed us to affirm our status as a true pioneer in the field of bar code readers. It was on 26 June 1974, in fact, that for the very first time, the bar code on a pack of Wrigley's Juicy Fruit was read in the Marsh store in Troy, Ohio, using the world's first counter-top scanner, the Model A. The company that created the first characteristic sound recognized worldwide as a bar code reader 'beep' was **Spectra-Physics**, which was part of PSC at that point. It is this first 'beep' that confirms Datalogic as a pioneer in the Automatic Data Capture industry and as a market leader today.

In addition, Datalogic's international calling has manifested in a great number of projects, not least the significant 'World Class Operations' for supply chain management at the global level. An example of this is the development of a plant in Ho Chi Minh City, Vietnam, now employing 600 staff in the heart of the Asian market and destined to serve that immense territory, which presents peculiarities and characteristics different from those of the Western market. Today, the geographical distribution of Datalogic in all industrialized countries and the continual exchange of resources between these countries represent a real point of strength for our multiethnic, multicultural organization and indeed for the industry as a whole, which continues to face challenges on a global scale."

SCAN/DCR: Datalogic has expertise in so many

different technologies--laser, imaging, personal shopping, sortation, wireless mobile computing, vision systems etc. The company, today, has acquired many of the other industry pioneers--Spectra Physics, PSC. **Accu-Sort** just to mention some of the most prominent. Was it always your intent to diversify with respect to technologies? Also, how difficult has it been to bring these companies into Datalogic? You seem to have an unrivaled success rate when it comes to acquisitions.

Volta: The acquisition of PSC represented a fundamental change of direction for Datalogic. The innovative epicenter of bar code applications is in the United States. To have no direct presence in that country, with a complete organization of marketing, research, production, and sales, means to be outside the vital center, the pulse of innovation in our sector. Ultimately, it means running the risk of always being behind the times, and eventually being pushed out to the margins of the market. I pursued the possibility of acquiring PSC for years, with the tenacity and perseverance for which I am known. In this way, thanks also to a highly capable management team, we finally succeeded with the acquisition in 2005, positioning us as number one in the retail market. This event definitively knocked down the barriers, cultural and otherwise, between us here in Italy and the USA.

It opened a route for many Italians from Datalogic into the United States and vice versa, significantly facilitating that cultural integration between our head office and other countries that is typical of a true international reality. The success of this acquisition has highlighted the capacity, embedded in Datalogic's DNA, to pursue growth not only from within but also from external sources, as is also demonstrated by the latest acquisitions of Accu-Sort Systems and PPT Vision.

In fact, our acquisition of Accu-Sort Systems doubled our presence in the Industrial Automation market, escalating Datalogic to undisputed leadership in the Industrial Bar Code Scanners segment with a market share of 33%.

SCAN/DCR: Now that you are back in the CEO role, what are your plans? Is this an interim position? How do you envision handling this role?

Volta: My vision for the future remains to grow and innovate in accordance with Datalogic's established traditions. More importantly, I know this vision is shared by our 2,400 employees across Datalogic. They are a global team of motivated, dedicated, creative, and determined people and my role is to keep this machine moving. Having said that, this is an interim position that I have

taken up, and I will also concentrate my efforts on evaluating where we stand today in all respects in order to assess the right profile of a new CEO, to whom I can once again pass the reins.

The strategic emphasis is and will be given to ongoing innovation and technological advancements. Our focus is on innovative products and technology, which meet customer needs and, in particular, anticipate future needs with new products, R & D and the development of emerging markets.

As far as our customer base is concerned, our market position is up there with other players, such as **Motorola** and **Honeywell**, and I believe this provides a comfort zone for our customers—and indeed for us as we can be sure we are top of mind when they think of vendors. Our customers know that for more than 40 years, Datalogic has always been 'the bar code company'. In fact, the bar code is its identity.

Last but not least, our strategy for people engagement means we need to continue investing in human resources and ensure high levels of motivation are maintained. We will do this, as we always have, through careful management of professional performance and continued focus on professional development for all our employees."

SCAN/DCR: In a recent press release, the Datalogic board stated: "the termination of the collaboration between the Group and Mr. Mauro Sacchetto are due to different views regarding strategic priorities of the Group and how the Group should develop." Without having to elaborate on Mr. Sacchetto's vision, can you tell us what your views are of the company's strategic priorities are and how the Group should develop?

Volta: I have been here before, and I believe that to have transformed Datalogic from a family business into a company with a management team and an organized governance structure is an achievement in itself. I learned a great deal then and am well placed to lead again from the center. However, setting a company's strategic goals is not the work of just one person. The dedication and commitment of all those with whom we have worked over the years has proved invaluable and still continues to help us set our sights on the next horizon. In addition, the encouragement and constant support from our customers, partners, and suppliers, are crucial for setting goals on the one hand, but also important for in assessing where we have been and where we intend to go.

The priority is to align the company's strategies

towards product excellence, customer focus, and people engagement.

SCAN/DCR: How do you envision Datalogic 10 years from now?

Volta: I believe in what I do, and I do what I believe in, with the same enthusiasm and the same motivations as in the very beginning. During its first 40 years, celebrated in 2012, Datalogic has seen significant growth year-on-year. This has been achieved through the consolidation of existing markets, expansion in emerging ones, efficiency, product innovation and research and development.

We have the great advantage that we are specialized in serving both markets of Industrial Automation (IA) and Automatic Data Capture (ADC). This is one of our distinguishing features as we can offer the best of both worlds—as a technology specialist with an exceptionally broad offering.

In terms of predictions, in the ADC sector, for the next two years we see good growth potential in emerging markets. If we talk about five years from now, I see Industrial Automation growing bigger and bigger due to more opportunities and prospects for the future. This has the potential of reaching 45% penetration in the overall market and geographically, a penetration of 33% in North America, EMEA and Emerging Countries regions.

SCAN/DCR: Any final comments you'd like to make?

Volta: I would like to reiterate what I said to our worldwide employee base on the occasion of Datalogic's 40th anniversary. After four decades, I am immensely proud of what we have achieved. All of us—our staff, partners, suppliers and customers—are collectively major protagonists of a world in motion, which is constantly changing and evolving. I give my thanks and appreciation to all those associates past and present. This is our future and together, as we embark on another journey towards further innovation, research and technological developments, we will face new challenges - and reach new milestones, with the next 40 years equally, if not more, successful than the last.

Comment: Over the years, we have had the great honor to speak with many of the visionaries/pioneers who created and shaped our industry. Some of these include Dr. Jerome Swartz, **Symbol** co-founder, Al Wurz, Accu-Sort Systems founder, C. Harry Knowles, **Metrologic** founder, Mike Hone, former CEO of PSC, Ed Kaplan, **Zebra** founder, Frank Brick, former CEO of **Telxon** a host of others. You always know when you

are in the presence of greatness!

Dr. Romano Volta has long been a leader in the AIDC sector, and we were so glad to finally get to do a story that highlights the life of this man. Most of the people mentioned above have left the industry, some to pursue other scientific interests, some to share their knowledge and wealth with charitable organizations.

Volta is one of the last of his breed. But, he continues to show that his leadership days are not a thing of the past.

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