



The DATA CAPTURE Report

Since 1977, the premier management & marketing newsletter of automatic data capture: Bar Coding, RF and related technologies.

1572 Kuntz Road ■ Erie, PA 16509 ■ PH (814) 866-1146 ■ <http://www.scandcr.com>

October 31, 2008

Special SCAN: The DATA CAPTURE Report Reprint

Datalogic Mobile Says Just Keep Moving Forward

In troubled times, vendors must overcome discouragement and push forward with their business plans.

It's abundantly clear that the problems facing the U.S. economy, financial institutions, and the stock market are global and that almost every nation must deal with them. So, what's the proper strategy for surviving the crisis? Some might think it's a time to lie low, save money, and pray for better days. **Datalogic Mobile** execs believe they must keep pushing forward with their business plan if they want to survive and eventually prosper when we come out of the current slump.

To get some details behind this strategy, *SCAN/DCR* spoke with Datalogic Mobile (DLM) Worldwide CEO Gian Paolo Fedrigo, and Francesco Montanari, DLM VP and general manager. Following is a transcription of what the two leaders had to say about the Italy-based company's business philosophy.

SCAN: How is your business doing during what most people are calling troubled times?

GPF: All in all, our business hasn't been too bad, but the current investment crisis will undoubtedly affect the economy. Even if you offer proven ROIs, you can't make a sale if there is no money for technology investment. In a recent survey of 1,000 IT managers across North America and Europe, 25% said they are putting a hold on spending. Forty percent said they are reducing their spending. Also, exchange rates have had a negative effect on our top line numbers, but a positive effect on our bottom line.



Gian Paolo Fedrigo,
CEO, Datalogic
Mobile Worldwide.

If you look at our financials, we are actually doing well compared to most of our competitors. We are working hard, doing our homework, and continuing our research and development. We want to be ready to jump in when the cycle turns. We are focusing on where we are strong...where we can deliver more value. Our competitive edge is our closeness to our customers and our channel.

FM: Datalogic Group is third worldwide in

AIDC sales, and we are currently number four worldwide in the list of enterprise mobility vendors. We have been strongly growing our market share in the last few years.

SCAN: Can you tell us how and why you've been able to accomplish your growth?

FM: First, we are taking advantage of a wide range of products—a result of merging Datalogic's and **PSC's** product lines. Second, we keep evolving our product base. Third, we are working with strong software partners. And fourth, we offer state-of-the-art quality.

These are the starters, but keeping close to our channel and end users is extremely important. We are one of the most channel-centric vendors in the AIDC industry today. We try to capitalize on every opportunity to work with and for our partners, and we have established strong partnerships in hardware and software development.



Francesco Montanari, GM, Datalogic Mobile.

Service is also one of our best attributes and definitely contributes to our overall market success. The cost of keeping products working is very important to customers. We tell all our service reps to answer their customers with a smile, and we provide a very complete offering of services to satisfy our customers' needs.

GPF: We believe in looking at what the end user wants. Our channel helps us do this. The channel can identify new applications and add value. Distributors are an important piece of the puzzle as well, especially when it comes to money issues. Many VARs are having trouble funding their businesses. Distributors can often help them. The key to a successful channel is to have all players add value. Everyone has a job to do.

FM: There are really two groups: VARs are closer to the end users, and distributors are closer to the vendors. It is up to the VARs to determine their customers needs, design a solution, and add value to the package. Vendors and distributors help with pricing, delivery, funding, marketing advice, etc. We push our sales force to keep in touch with the channel and distributors, but also with VARs and end users. This enables us to design the right products for the market. We always want to be better at meeting customers' needs and increasing the customer intimacy is our target everyday.

Training for our partners is also a very important part of the vendor/channel relationship. It makes it easier for them to sell.

SCAN: Are some of the bigger distributors/Internet sellers becoming box movers and how do they affect channel sales?

SCAN The DATA CAPTURE Report

Since 1977, the premier management & marketing newsletter of automatic data capture, including:

- Bar coding, 1-D & 2-D symbologies
- Bar code printers, scanners, terminals, verification products and labels
- Wireless (RFDC & RFID)
- Magnetic stripe
- OCR products
- Voice recognition systems
- Vision systems, video scanners
- EDI
- Smart cards
- Biometrics
- Application software
- Peripherals or supplies for the above

Vol. 31, No. 20



Editor: Rick Morgan
PH (814) 866-1146
rickm@scandcr.com

Founding Editor:
George Goldberg

Publisher:
RMG Enterprises, Inc.
4003 Wood St.
Erie, PA 16509
PH (814) 866-1146
rickm@scandcr.com

SCAN/DCR is published 24 x per year, on the 2nd & 4th Fridays of the month, by:

RMG Enterprises, Inc.

4003 Wood St.

Erie, PA 16509

PH (814) 866-1146

Web Site <http://www.scandcr.com>

Copyright © 2008 by RMG Enterprises, Inc. Federal copyright law prohibits unauthorized reproduction by any means including photocopying or facsimile distribution of this copyrighted newsletter. Such copyright infringement is subject to fines of up to \$25,000.

Because subscriptions are our main source of income, newsletter publishers take copyright violations seriously. Some publishers have prosecuted and won enormous settlements for infringement. To encourage you to adhere to this law, we make multiple-copy subscriptions available at a substantially reduced price.

Subscriptions: \$597 per year for electronic copies.

GPF: Ingram has been buying up distributors across Europe, but leaving management in place. The models haven't changed much, so we don't see a big shift in model there yet. That said, VARs must offer valuable solutions. They can't compete with the real box movers.

SCAN: What is your overall philosophy concerning the worldwide economy?

GPF: We're just going to keep moving forward. Things will eventually turn around. We may even be able to increase our competitive edge during this lull.

FM: No one really knows just how bad of shape

we're in, much less when we'll be out of this crisis. In some ways, Datalogic is better prepared to survive during times like these. The company has never had an 'easy' life. We're always competing against bigger players. So, we've streamlined our operations and made them more efficient. We're ready to handle a crisis when it comes along.

For more information: **Datalogic Mobile**, Bologna, Italy, PH +39 051 3147011, FX +39 051 3147205, (In U.S.) Eugene, OR, PH (541) 743-4905, Email: Jose.Vega@datalogic.com. **SCAN**

Subscription Order Form for RMG Enterprises, Inc. Newsletters

4003 Wood St. • Erie, PA 16509 • Phone (814) 866-1146 • <http://www.scandcr.com>

Document Imaging Report

Business Trends on Converting Paper Documents to Electronic Format

1 year (24 issues)

- electronic copy @ \$597
- paper copy @ \$670

SCAN: The DATA CAPTURE Report

Premier Management & Marketing Newsletter of Automatic Data Capture

- electronic copy @ \$597
- paper copy @ \$670



Name _____ Title _____

Please enter / renew the following subscription.

Company _____

Street _____

City _____ State _____ Zip _____

Phone (____) _____ Fax (____) _____

E-Mail _____

Payment Enclosed (Remit to: RMG Enterprises, Inc., 4003 Wood St., Erie, PA 16509.)

Charge My Credit Card (Charge will appear as RMG Enterprises.)

___ AmEx ___ Visa ___ MC ___ Discover _____ card number _____ expire date

Bill My Organization (Purchase order # optional.) _____

October 31, 2008

SCAN: The DATA CAPTURE Report 3

Notice: No part of this publication may be reproduced or transmitted by any means, electronic or mechanical, without written permission of RMG Enterprises, Inc., Erie, PA, USA.