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Teraoka/DIGI celebrating the 70th Anniversary in 2004



Innovation is the hallmark of Teraoka/DIGI's history and destiny since Teraoka Seiko Co. Ltd., was founded by Takeharu Teraoka in 1934. Teraoka Seiko was led by his strong ambition to contribute to the market and to serve customers through product development backed up with his words "We can do it and we will do it!" We have proudly carried on in the spirit of the founder and have continued to develop "world-first" products.

Teraoka/DIGI focuses on creating and developing products with the new concepts needed to solve ever-changing requirements to improve business for our customers. With this clear objective in mind, Teraoka/DIGI has created a comprehensive global operation, integrating research and development, production and marketing efforts around the world. Now, more than 2,700 people are strategically placed in key geographic areas to staff six R&D locations and five manufacturing locations. These people team together with sales and service locations in over 100 countries to support the DIGI brand around the world and the TERAOKA brand in Japan.

Taking the occasion of the anniversary, Teraoka Japan made the 70th Anniversary poster, in which over 3200 member's portraits worldwide are shown, together with the 70th Anniversary logo with the message "Together with Customers". The poster conveys our appreciation to all of Teraoka/DIGI staff members and the customers who have supported Teraoka/DIGI for 70 years.

Supported by the steady growth of expertise and success around the world, Teraoka/DIGI has indeed led the industry for 70 years. We have successfully delivered revolutionary solutions, established new values and defined industry standards on the firm foundation of steadfast commitment to the customers. In the coming decade, we will be "breaking the balance" of conventional thinking and establishing a broader base for leadership into the future.



On the Teraoka/DIGI 70th Anniversary Memorial Poster, a total of 3248 portraits of Teraoka/DIGI people from 39 nations are gathered. The purpose of the poster is to celebrate the 70th Anniversary all together with Teraoka/DIGI family members that have contributed to the successful presence of Teraoka/DIGI. Of course, the founder, the late Mr. Takeharu Teraoka is on the poster.



DIGI HALL OF FAME

Salvatore Barbera
Frank C. Smart

Following the first three gentlemen we inducted to the DIGI Hall of Fame, we are pleased to induct at this time Mr. Salvatore Barbera of the United States and Mr. Frank C. Smart of the Republic of South Africa.

Our relationship with Mr. Barbera goes back for 30 years. He is not only a good engineer but also an excellent business man. Until 2002, he successfully operated DIGI Matex Incorporation, a joint-venture company between Teraoka and Mr. Barbera, for over 17 years, always making decent profit. I personally remember what Mr. Barbera said to me when I met him for the first time, "Taka I believe everybody has a good thing, and I like to watch and respect it." Many years later when I talked about this he said, "Taka, I'm still looking for yours." So, he is also very honest and eligible for the DIGI Hall of Fame.

Mr. Smart did not show much interest in DIGI when we first contacted him, about 25 years ago. At that time, he agreed to meet us at the exhibition in Frankfurt, and assigned a booth of a meat machinery company for the meeting. When I went to that booth of the exhibition much earlier than the time appointed, I met a sales manager of a French scale manufacturer there. We naturally started to talk to each other and I realized that Frank was supposed to have a meeting with that French guy before me. However, Frank chose our company and has had enormous success in marketing DIGI and dominated the South African retail market within a short time. Nowadays, DIGI is enjoying a solid number one place in South Africa, capturing around 80% market share.

Salvatore Barbera

I'm very pleased to be asked to contribute my bio to the DIGI Hall of Fame. It's an honor to be included with such outstanding gentlemen as Louis Bonapace and Bill Wedderburn, whom I have known over the years.

In 1950 as a young man my only contact with scales was while working in a vegetable market. Hanging dial scales, they were a true challenge. There my ability to mentally calculate the price of one pound, three and a half ounces of grapes at 27 cents a pound was all that kept me from being fired. Realizing that wasn't the type of work I was best suited for, I decided after my military service to enter the engineering profession.

In 1969 after 12 years as a design engineer developing radar, guidance and display avionics for military applications I entered the weighing industry, to join in forming Metrodyne Corporation to develop a new scale system using a capacitive rubber mat sensor and also a unique portable truck scale. The scale industry then was a completely new experience for me, but at least when something didn't work, an airplane didn't crash! I first met Mr. Mitsunori Nakamura during the development of the mat scale, as he assisted us in our licensing efforts.

In 1974 I was developing a load cell sensor based counting scale but our resources were limited. I asked Mr. Nakamura if there were any counting scale products in Japan suitable for importing. He introduced



Salvatore Barbera, contributed to the development of DIGI industry products.

us to the Teraoka product line and in a short time I met with Mr. Kazuharu Teraoka where we formed a lasting relationship as we began to import the first of DIGI counting scales, the ADC series. Over the years it was a great pleasure to have worked with dedicated Teraoka engineers to develop a steady stream of new advanced models. Teraoka engineers always displayed a true commitment to producing the finest products possible. From that time on the DIGI series of DC and DCS counting scales always led the industry in function and capability.

In 1983 I dissolved my relationship with Metrodyne, acquiring the truck scale line, and with my wife Maria, formed an independent consulting and sales company. Her valued participation and insight into all aspects of business continued when in 1985 Teraoka and I formed DIGI Matex, Inc. as a joint venture company. The Teraoka organization always provided strong and continual support in all DIGI Matex endeavors. With a close personal working relationship through the years we introduced new innovative scales and systems, becoming well appreciated by the industry as the leading counting scale manufacturer with the most advanced functions, particularly in bar code printing and computer capability. DIGI Matex also developed coin counting scales, inventory management software and data collection systems.

In 1999 I retired from DIGI Matex, but continued as chairman until 2002 when the company was sold to Rice Lake Weighing Systems. Currently I'm very busy in retirement with friends and family plus and I now have an active interest in the study of history, politics and science, interests I did not have time for before. My retirement is truly pleasant and I recommend it to all.

Frank C. Smart

My first meeting with someone from Teraoka was with Taka Hattori who came into my office in South Africa carrying a DS-60 scale. I wasn't that interested but agreed to meet with him at the IFFA show in Germany a few months later.

We met and after talking with an enthusiastic Paul Biesta and after one of my staff weighing in at over 120 kilograms jumped on a DS-60 and afterwards it still worked perfectly - I was interested! From Germany I flew to America and met another enthusiastic man in Louis Bonapace. I was hooked, flew to Japan and tied up the Agency.

That was over 22 years ago and the rest is history. Teraoka South Africa (TSA) is now the market leader with around 80% share. TSA now employs close to 150 people and has 10 branches countrywide. It also has a small scale manufacturing unit, board repair centre, software division and two label factories.

Our relationship with Kazaharu Teraoka and his people has always been excellent. It is a rare thing to be able to truly say that your largest supplier is a partner and their staff your friends. This was further proven to me when after losing my arm to cancer in 1995 I worked with Kazaharu and Takashi Katayama in putting together a worldwide strategy document for Teraoka. Soon after I was asked to help at DEL and become a director and Chairman of that company. The people at DEL were friendly and supportive and I enjoyed my time there.

As to the future, my objective is to take more of a background part in TSA and in time have a strong committed team in place to take the company to even greater success! I would like to take this opportunity in thanking the team at TSA and Teraoka Seiko who have given so much support. At the last but not least, my special thanks to Taka Hattori.



Frank C. Smart, Chairman of Teraoka S.A. (Pty) Ltd.

New Executive Appointments at Teraoka/DIGI group companies

Kazuharu Teraoka, CEO of Teraoka/DIGI group companies announced the appointment of the executives for Teraoka/DIGI group companies, effective January 1, 2004.

Takashi Katayama, was appointed to head both the Food Processing Center System Business Unit and the Innovative Printing System Division (I.P.S.) of Teraoka Seiko Co., Ltd. (Teraoka Japan). Having achieved good success in running DIGI Europe Ltd. (DEL), Teraoka Weigh-System Pte Ltd. (Teraoka Singapore) and Global Business Development Division (GBD) of Teraoka Japan, Takashi's new challenge for Teraoka/DIGI is to strive to make remarkable progress in this market segment.



Takashi Katayama, Director of Teraoka Seiko Co., Ltd. and Teraoka Weigh-System Pte. Ltd., and recently appointed as Managing Director of DIGI Europe Ltd., effective on May 1st.

In conjunction with Takashi's new appointment, Akihiko Kuroiwa was newly appointed as Managing Director of Teraoka Weigh-System Pte Ltd in Singapore, and Hirotooshi Kato, was newly appointed as Executive Manager of GBD.

Akihiko Kuroiwa has been working with Takashi in Singapore for more than 7 years. Ever since he moved to TWS from Teraoka Japan, he has acquired the reputation not only with his engineering expertise but also with his management skills with an eye on profitable and sustainable growth of the company. His experience until now will be invaluable in helping to move TWS to the next level.



Hirotooshi Kato, nicknamed Harvey, is also Managing Director of DIGI Canada.

Hirotooshi Kato has assumed various executive management positions with different companies in Japan and the United States. As President of Ishida Corporation of America, he was successful selling a weighing and measuring device to DHL, Airport Express, FEDEX and UPS. Upon returning to Japan, he worked for Ishida as a Division Manager of the Overseas Department managing Ishida's overseas business except for the multi-head computer scales for 7 years. Right before joining Teraoka/DIGI, he had been working for a Japanese manufacturer of Printed Circuit Boards taking charge of merchandizing and also setting up the dealer network. We are sure that his expertise in various fields will expand DIGI global business even more.

Akihiko Kuroiwa, Managing Director of Teraoka Weigh-System Pte. Ltd sends his greeting message to DIGI family members.

"This is a new and exciting appointment for me. I understand the great responsibility of this appointment. I place

myself to give my fullest contribution to TWS, Teraoka/DIGI group companies and DIGI distributors.

"Before I came to TWS ten years ago, I spent 8 years as an Engineer of Teraoka Seiko Co., Ltd. These eighteen years of experience in Tokyo and Singapore have provided me with plenty of opportunities to understand business solutions. Furthermore I learned much from CEO Kazuharu Teraoka and Managing Director Takashi Katayama. I very much appreciate this and believe they will always be my source of wisdom.

"My business goal can be put forth as follows: To create value in our products for everyone to reap benefits, from Teraoka/DIGI, to suppliers, distributors and end users. This goal is a good challenge for us and it requires our joint co-operation. Once that is achieved, I believe Teraoka/DIGI will be a First Class Enterprise and Brand to contribute for DIGI distributors and customers."



Akihiko Kuroiwa, newly appointed as Managing Director of Teraoka Weigh-System Pte. Ltd.

Leon van Besauw, Managing Director of DIGI Belgium nv and DIGI Nederland B.V., telling his challenge and ambition to contribution beyond Benelux countries.

"In March 2003, the two Belgian Teraoka/DIGI group companies, industry and retail merged to become DIGI Belgium nv and have operated unified since then. Both the Sales and Service departments benefit from this merge as productivity and cost control have improved, which is highly appreciated by our customers, because the performance level automatically grades up.

"This result, a first hurdle that has been taken, appeals for further optimisation. This is needed in view of the ongoing centralisation of the European key account landscape beyond the European continent. The increasing number of reverse auctions are proof of this trend and the importance for the future of our Teraoka/DIGI group.

"With this goal and strategy it is a logical step to create synergy among Teraoka/DIGI European group companies and distributors. For me as Managing Director, it is even more logical to focus first on DIGI Belgium nv in Belgium and DIGI Nederland B.V. in Holland. It is a pleasant challenge and it is my ambition to contribute to the realisations of DIGI Benelux. The integration of a new server system will optimise communication lines and create uniformity in action and reporting. Per definition this aim is not limited to the Benelux countries. Also the sister companies in Germany and France will contribute to this determined goal.

"This integration strategy is a must for successful marketing and an opportunity for Teraoka/DIGI Group companies, as the number one key supplier at the service of key accounts in Europe and beyond."



Leon van Besauw



DIGI Sales Counter Scale Printer SM series welcomed in the worldwide market

Takashi Katayama, former Managing Director of Teraoka Weigh-System Pte. Ltd. (Teraoka Singapore) reports the sales record of DIGI's SM series in 2003.

"In 2003, over 40,000 units of the SM series were marketed worldwide. That figure is four times as large as those in 1992, ten years ago. DIGI SM series are now operated in retailers in 65 nations. I am very proud to say that SM is the brand acknowledged at sales counters worldwide, and on the five continents.

"DIGI's SM series were successfully marketed especially in Russia, Turkey, Ukraine, Korea, Ireland, Chile, Argentina, China and U.S.A. in 2003. Key points were:

- **A variety of SM series product line to fit the customer's operation needs**
- **DIGI distributors' high after sales service support acquiring the reliability from customers**
- **Capability to integrate with supermarket's system requirements through RF network**

- **Teraoka Singapore's high technical capability to develop the software application to meet the requirements of customers and the excellent coordinating work of DIGI distributors standing between Teraoka Singapore and customers**

"Taking this opportunity, I would like to show our sincere appreciation to DIGI family members for the marketing success on behalf of all of Teraoka Singapore staff members, including my successor Managing Director Akihiko Kuroiwa. The engineers under Mr. Kuroiwa, will continue to develop the new concept SM product line listening to DIGI family members and the feedback from customers. This is how Teraoka Japan has developed the SM product line in the past, SM-40, SM-60, SM-60A, SM-70, and Teraoka Singapore has continued with the development, SM-90, SM-80, SM-500, SM-300 and SM-700.

"We will work together for today and tomorrow. In 2004, the SM-800, a new concept PC Scale Printer will soon be released."

The SM-800, totally new with DIGI innovative technology, to be released soon



Ms. Lily Teo of Teraoka Weigh-System Pte. Ltd. introduces the new PC Scale Printer.

The SM-800 Series PC Based scale brings weighing technology to a higher level, unmatched by other scale makers.

Available in bench, pole, elevated and in the pipeline, hanging and self service versions, the SM-800 series is targeted at the higher end retail stores that demand a robust, multi-functional scale that ergonomically fit into their stores' up-market image.

Unique to its design is its spacious cassette design that provides fast and easy label access from the front. With 3 simple steps, the operator can change label rolls with ease within seconds. A larger label roll compartment that easily accommodates the label roll diameter of 120mm reduces the frequency of label roll change and effectively minimises downtime when changing labels.

A wide thermal head (72mm) and a fast printing speed (100mm/sec) cater to the increasing demands on today's retail labels which aims to provide faster customer service and more detailed label information.

The 8.4" touch panel operator display with adjustable angle is both attractive and user friendly. Eye-catching, high brightness colored LCD customer display provides an attractive alternative to the typical scale displays. Available in purple, red or blue,



SM-800B (Bench type)



SM-800EV (Elevated type)

attractive graphics can be used to create interesting promotional messages and provides a soothing ambience to the store.

The SM-800 comes with several useful factory options:

1. Thermal receipt printer (48mm, 90mm/sec speed) for receipt & nutritional facts printing
2. Built-In scanner (factory option) for POS and price verifier functions

Having been awarded the Good Design Award 2003 by The Japan Industrial Design Promotion Organisation (SM-800B / SM-4600), the SM800 is very well received by both customers and distributors worldwide.

5200 units of the SM-500 series sold to Top's and Albertson's, a result of DIGI/NBI's cooperative system developments


Report from John Baumann, President of NBI in the US



The SM-500EB's "Frequent Shopper Discount" feature fits Top's need.

NBI installed 1200 SM-500EB scales into Top's stores.  These scales were selected thanks to the "Frequent Shopper Discount" feature built into the SM-500EB. Top's has implemented a Frequent Shopper Discount program throughout the chain and wanted scales that could promote this program in their service departments. The SM-500EB fits Top's need. Without the FSD feature, DIGI would not have been considered for this order.

NBI also closed and installed 4000 units of the SM-500TEB scales into Albertson's stores. Albertson's is the 4th largest seller of gro-

cery products in the US, with sales over \$ 36.2 Billion per year. These scales were purchased to complete Albertson's total integration of all the scales in their 2540 stores into a centralized Ethernet scale management system. NBI and Teraoka Weigh-System Pte Ltd. developed "Plug & Weigh" software specifically to comply with the Albertson's network. This program allows full file maintenance of all scale programming over the Albertson's network. This includes maintenance of PLU, Label Formatting, Preset Key Layout, Scale Specifications and if required a total change of the scale operating program from one location. Albertson's can fully control all scale data in all 2540 stores operating in 40 states from the Salt Lake City computer center. This is, I believe the most extensive and complete scale control network in the world. I am very proud to say that DIGI is an integral part of this system. 

SM sales dynamically expanded in pace with the development of retail business in China

Report from Shi Guo Xing, Managing Director of Shanghai Teraoka Electronic Co., Ltd

The year 2003 is the sales record of the SM series products in China. Totally about 17,000 units of SM series were installed nationwide in China. The points why DIGI Counter Sales Scale Printers were selected,

- **A variety of SM series line-up and their attractive features**

- **Excellent after sales and service support by our people**
- **Strong dealer networks in China**

We established a high reputation for DIGI in the retail industry. For the Counter sales market, DIGI got 80% of International Key Accounts and National Key accounts, and also 70% of many smaller stores where they need SM.



Herbert Retail supplies the leading UK supermarket Tesco with over 3,000 DIGI SM-710 units



Tesco UK's visit to Teraoka Japan welcomed by Teraoka/DIGI, including President Teraoka and Takashi Katayama

Martin Brown, Managing Director of Herbert Retail Ltd., brought us DIGI historical news in 2004. The bulk single order of 3002 units came after 130 installations of SM-710's to their new American-style meat counters in 2003 and 945 units of SM-710's to bakery counters where installation is on going. This time, the 3002 units of SM-710's are planned to be operated in Tesco's high-fashionable Delicatessen, Fish and Hot Chicken sales counters.

The modularity of the SM-710 was a clear winner for those orders, together with PC based and big color LCD panel design.

Takashi Katayama, presently Director of Teraoka Japan, conducted the development of SM-710 and helped solidify the business with Tesco UK. He proudly says that Teraoka Singapore could develop the machine and system requested by the customer – the Top 7th Global Retailer, coordinated work with Herbert Retail Ltd. - DIGI UK distributor, and will contribute to their sales transaction on their fashionable sales counters.

Sales news from Ireland

Tesco, Spar Northern Ireland and Musgraves Ireland selecting DIGI's new SM series including SM-700 PC Scale Printer at Tesco



(left to right) Mark Kenny, Alan Dunne, Tesco Ireland and Con Kenny, Managing Director of DIGI Systems Ltd., looking at SM-700 PC Scale Printer at Tesco's Ballybrack Store

Mark Kenny, Sales Director of DIGI Systems Ltd. in Ireland, reports the sales of DIGI's innovative PC Scale Printer SM-700 series in the market with positive plans to develop the Industrial and printer markets.

"Tesco Ireland has completed the installation of 50 units of SM-700 PC Scales in 8 stores, with both of the modular and elevated models. Currently all the scales are Linux based with DIGI's software supporting PLU and file updates from their Head Office Systems.

"Throughout 2004, Tesco Ireland plan to open and revamp a further 10 Stores with DIGI SM-700 PC Scales and will further evaluate the SM-700 Bakery Printer type currently in daily oper-



Aidan O'Hare, Service Manager (right) training Garvin McGoldrick on SM-500 Scale Systems

ation. The installed Tesco Ireland retail scale base is 100% DIGI with the SM-60 and SM-25 Models still in daily use.

"Spar Northern Ireland (Spar NI) has purchased over 100 units of SM-300 and SM-500 for use on Deli and Meat counters.

The installations with multiple scales use Dignet Software for price changes and updates from their Head Office. DIGI Systems envisages Spar NI planning to continue a further roll out of DIGI Scales in 2004.

"Musgraves Ireland, whose franchise stores operate under the name of Super Valu and Centra, continues to install SM-500 Scale Systems. Musgraves use a DIGI Systems interface to change prices from their own Scanning Back Office Software.

"DIGI Systems Ireland supports and have increased their valued Customer Base with their established nation-wide service network providing seven-day a week support."

Sales news from Switzerland

MANOR installed DIGI Checkout Scale DS-770, to be built-in at their store front operation with EFT (Electronic Fund Transfer) functions

This is the first report from Switzerland since DIGI News Bulletin was issued in 1984. Jacques Muyal, Managing Director of IBC Retail System SA, brought us DIGI debut sales news.

"MANOR Supermarkets and Department stores in Switzerland have adopted for all their shops, DIGI Checkout Scale DS-770 – in all scale-cash registers application, connected to a Linux driven computer terminal.

"Today in Supermarkets' front end, a speedier and simple payment transaction is requested by customers. For this purpose, Direct Debit Chip Cards are now becoming popular to make EFT (Electronic Fund Transfer) possible. However, EFT functions are submitted to very diffi-



The DS-770B (bench type) used in scale-cash register application at the store front at MANOR

cult approvals by banks, preventing any price computing scales today to perform these functions in Switzerland. So the solution was found to use the approved Checkout Terminal of Manor and connect DIGI DS770 to perform weighing operations and EFT operation.

"Manor, having presently 37 Supermarkets and about 45 Department stores, is a very high quality standard chain, also recognized as the owner of famous textile brands as Lacoste and Aigle.

Manor is a major shareholder in Carrefour Switzerland."



Sales news from Germany

DIGI penetrating the front end operation of supermarkets

DIGI is established as a highly reliable brand name for back-room operations with over 1,600 units of prepacking equipment installed, such as AW series and FX series - integrated automatic weigh/wrap/label system, and also manual weigh labelers. DIGI has been recognized as the reliable supplier for the prepacking equipment by the major retailers including Metro, Rewe, Edeka, BBB&R, Famila groups.

Extra Future Store, METRO group chose DIGI

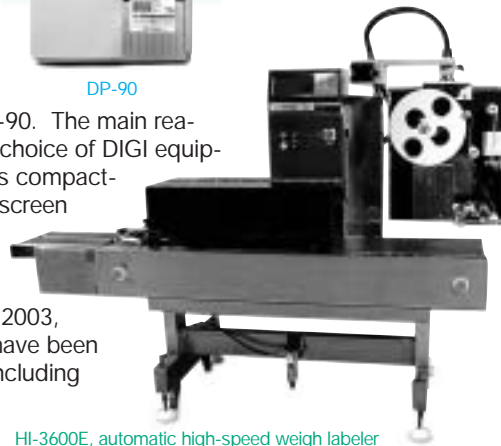
DIGI has recently expanded its business to the front end. Extra of METRO

group, chose the DIGI bakery printer DP-90 and price weigh-labeller DPS-90. The main reasons for the choice of DIGI equipment were its compactness, touch-screen operation, FTP communication,

and wireless communication capability. In 2003, more than 60 units of DP and DPS series have been installed at Extra shops across Germany, including Extra Future Store in Rheinberg.



DP-90



HI-3600E, automatic high-speed weigh labeler

Scale Printers such as SM-300, SM-500, and RM-40 are being sold to various kinds of retailers such as bakery shops, butchers, papa-mama shops, mini-market, and open markets.



SM-500 in operation

DIGI's high-speed weigh/label equipment installed in food factories

In addition, DIGI is expanding its business into food factories. DIGI weigh/wrap/labelling system such as AW/FX series and automatic high-speed weigh labellers HI series have been installed in the leading meat and cheese factories such as Block House, Komp and PG Kaas in German market.

DIGI is becoming more and more a total solution supplier of food industry in Germany.

Reported by Yujiro Sato, Managing Director of DIGI Deutschland GmbH.

Sales news from India

METRO India selects Essae-DIGI

Prabhu Chandran, Managing Director of Essae-Teraoka Ltd. brought another breakthrough news to us, consequent to the sales to GIANT Hypermarket and FoodWorld introduced on the former DIGI News Bulletin No. 48.

"I am very happy to inform you that we have received the order from METRO AG, both for their own store use as well as stocking for resale. We were able to get the subsequent orders due to our persistent follow-up with their senior personnel in Bangalore. We are proud to say that Essae-DIGI is the only brand of electronic scale they stock for resale and they have sold many machines to end customers. They continue to buy more retail scales from us due to increased market demand.

"Essae-DIGI products picked up are a wide range of Retail scales, Platform scales and Counter scales. These models are manufactured in India and are basically design derivatives of model DC-180, DS-650 and DS-450 developed by Teraoka Weigh-System Pte. Ltd. with significant software, hardware and mechanical design changes to suit the Indian market require-

ments.

"After stiff competition with big global brands, Essae-DIGI was selected and the points METRO India highly evaluated Essae-DIGI on are, a superior product range, joint venture with Teraoka, market leader in domestic market and good service support because of good branch network nationwide. METRO AG in India is headquartered in Bangalore. They have currently opened two stores both in Bangalore. Now, we at Essae-Teraoka feel more confident to work with global retailers as well as nationally leading big retailers."



METRO AG opened their new two Cash & Carry stores in Bangalore.



DIGI®

Searching for a New Balance Searching for



Sales news from Poland

Yakudo expanding DIGI in the French global retailers, Casino, Carrefour and E.Leclerc

Mariusz Jamro, Vice President of Yakudo Plus Sp. z o.o. is pleased to report the latest progress of DIGI in Poland.

Casino Polska brought another company record to Yakudo

"In December 2003, Yakudo secured the biggest single order in our 10-year history, from a French retail customer Casino-Geant Polska. It was the successful result of the first installa-



SM-500EB and AW-3600AT in operation at the Geant hyperstore



tions of DIGI scales and wrappers to the two new Geant hyperstores, opened in September and October 2003.

"Geant decided to replace the scales and wrappers equipment in 15 existing hyperstores. The order was placed for their first 5 shops with total 190 units of DIGI products: 110×SM-500EB, 20×SM-500H (all of the SM-500 with wireless version), 5×AW-3600CP AT, 10×DPS-3600, 15×DS-160, 15×DI-30SS, 15×SCS-1.5T and also hand wrap tables for DPS-3600. All shops were installed within the last two weeks of February, each one within one night, without closing the shop. Geant Polska uses Yakudo's own software BALANCE HQ, with access to each DIGI product from Headquarters in Warsaw.

"By the end of this year we expect the next order for replacement of the last 10 hyperstores and also newly opened ones."

Carrefour placed the first order of DIGI in Poland, with the SM-300.

"In November 2003, we hopefully secured our first order from Carrefour, consisting of 16 units of the SM-300 scales, our software BALANCE HQ and scale platforms for their new two hyperstores, opened before Christmas 2003. The main reasons that DIGI/Yakudo was selected were based on recommendations by Ahold Polska and Wincor Polska: Ahold was former owner of the hyperstores in which DIGI products are operated, and Wincor cooperates with Yakudo in other successful projects including Tesco.

"Carrefour decided to change their selection and continue to install DIGI products into these two new hyperstores. Those DIGI SM-300 met the high standards required by Carrefour at the hyperstores.

"We are now working for new projects of Carrefour Polska in 2004; the biggest hyperstore in Warsaw (scheduled to be opened by the end of the year) and Champion Superstores."

E.Leclerc selecting DIGI SM-300

"Between November 2003 and March, more than 30 units of SM-300 were installed at 3 superstores of E.Leclerc, a global retailer headquartered in France. So now DIGI is seen in 7 shops out of a total of 12 hyper and superstores in Poland. We hope the French global retailer will select DIGI for their new three superstores, opened this year."



SM-300 installed in E.Leclerc



Mr. Eduard Leclerc (in the center) - Founder of E.Lecrec, his son Michel Eduard Leclerc (first from left), and Mr. & Mrs. Jourdan. (right) - "owners" of the shop, located in Klodzko

Yakudo celebrating 10th Anniversary

Yakudo celebrated their 10 Year Anniversary in the middle of January. They held a party all together with Yakudo's staff members and their families and friends in the Polish Mountain area. They enjoyed the traditional folk group music and a sleigh ride in the snow. The special "anniversary" gifts were presented to 5 staff members who have worked for Yakudo for 10 years- since it was established in January 1993.



Mariusz Drazyk (left) nicknamed "Beetle", receiving a gift from Marek Kuryatto, Managing Director of Yakudo (right) and Mariusz Jamro (center), for his contribution to Yakudo's business expansion for 10 years.

Yakudo's ten-year company history is a successful one of DIGI in Poland. Taking this opportunity, Teraoka/DIGI group companies would like to show our appreciation to Yakudo who have contributed to DIGI's strength to the Polish market.

Congratulations to all of Yakudo's staff members.



Peter Charagionis, Managing Director of Chronografiki S.A. reports the recent progress and strength of DIGI in the Greek market

Successful sales of the RM-40 shortly after launch

“The RM-40, Service Scale Printer, has been launched with drastic speed in to the Greek market since October 2003. One of the key points is due to the feature, that is the usage of sticky liner-less label paper. Our customers evaluate this point as one more innovation from DIGI, the pioneering scale manufacturer. Their immediate acceptance was beyond our prospect, frankly speaking. In addition, the advantageous features such as simple paper roll loading system, the lack of backing paper and the ease of changing label formats without the need to change label sizes, were highly evaluated.

“We are now working for another application development to exceed customer needs, that is the RM-40 in connection use with an ECR. The RM-40 is installed currently at privately owned papa-mama stores with 1-2 scales per shop, in most cases stand-alone. We are sure that the new application will bring more benefit to their sales transactions at their shops.”



RM-40(Pole type)

Carrefour selected FX-3600XL and SM-500P

“A FX-3600XL is operated at their newest Hypermarket, in Piraeus, the harbor of Athens.

The reasons Carrefour preferred DIGI wrapper instead of their usual solution of the other big brands combination were, the FX-3600XL's space saving design and its high performance. As for the counter scale printer, the model SM-500P was



Peter Charagionis (front-right), together with Teraoka/DIGI executives during his recent visit to Teraoka Japan

chosen by the retail giant. The 33 units of SM-500P, were installed in January and the roll out was completed at the end of February. They are used in Ethernet communication the same as almost 100% of our sales of SM-300/500 scale is with Ethernet communication.

The other point that DIGI/Chronografiki was selected, we proudly say that we have done far better service and support to DIGI products installed at ‘Continent’ and the biggest Greek S/M, MARINOPOULOS, before both were acquired by Carrefour.”

Newly opened Hypermarket installed 48 units of SM-500 series in March

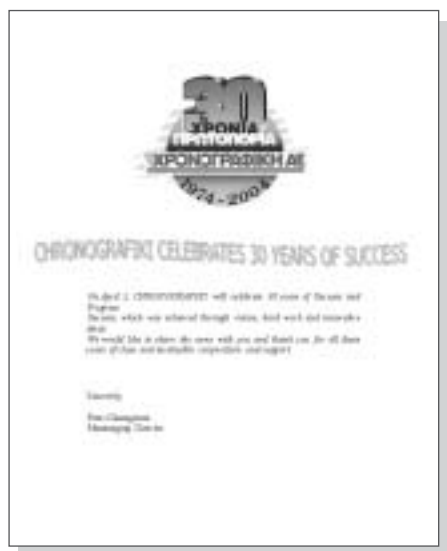
Teraoka Japan received one more sales news item from Peter Charagionis: the 48 units of SM-500 DP are operated in Ethernet at a new Hypermarket - the biggest in Greece - with 19000 m² of sales area. The new Hypermarket belongs to S/M Sklavenitis, a traditional DIGI customer.

Chronografiki celebrates 30 years of success

On April 1, CHRONOGRAFIKI celebrated 30 years of Success and Progress.

Success was achieved through vision, hard work and innovative ideas. We would like to share the news with you and thank you for all these years of close and invaluable cooperation and support.

Sincerely,
 Peter Charagionis
 Managing Director



Congratulations on your 30th Anniversary with success. Chronografiki has been very successful marketing DIGI in Greece with your passion, experience and practice. Taking this opportunity, Teraoka/DIGI would like to show our sincere appreciation to Chronografiki who has contributed to DIGI's presence and our best wishes that you continue to lead the industry in Greece.



Searching for a New Balance Searching for



Sales news from Australia

DIGI Indicator DI-80, its invaluable applications evaluated highly in the market

The Sydney Sales Team of W.W. Wedderburn Pty. Ltd. in Australia, report their good success with the DI-80 Indicator in a variety of applications.

"Injection molding companies use the DI-80 in counting mode with receipt printer, making double check of the count of PC boards manufactured from the molding machines.

"At manufacturing companies, their finished products are run over the roller conveyer with scale base built-in at the end of the production line. All of the products are given their own PLU in alpha-numeric, and the upper and lower limits of the product is set up for each PLU on the DI-80. A light will flash on the DI-80 Display to show if there are any missing parts.

"At a printing company, DI-80 is operated with various applications such as a receipt printer/counting/setpoint/relay box in counting mode to check filled boxes as they slide along a gravity conveyer onto a scale. If the product has the correct count which is set into the scale using setpoint 1 and 2, giving the

effect of check weighing HI and LOW, the scale will add the total onto the receipt printer and then release the valve via the setpoint relay box and the correct product box then continues down the conveyer. If the box is outside the limits, then the box will not move and nothing is recorded on the receipt printer.

"The DI-80 has features which we find invaluable. Some of our customers use the achievable 30,000 divisions (e.g. 30kg x 1g), helping us combat a big competitor's Triple Range. The Alpha Display helps us win sales."

Reported by Adam Hosford, Sales Supervisor-Sydney office of W.W. Wedderburn Pty. Ltd.



Model DI-80, operated with various applications, sometimes exceeding DIGI staff's expectations

Events & Exhibitions

Supermarket Trade Show at Tokyo, Showcase of Teraoka/DIGI, with the 70th Anniversary celebrated.

The Super Market Trade Show 2004 was held at Tokyo Big Sight on March 10-12 in 2004.

The show, one of the biggest ones for the retail industry, has been the most important event for Teraoka Domestic Sales Div. Teraoka presented new product innovations as well as highlighting Teraoka/DIGI's 70th anniversary. Prominently on display at the booth was the 70th Anniversary logo showing our appreciation, "Together with customers for 70 years". Our total store solution system and product line including POS ECR, Electronic shelf label and water purification system was presented with new products at the Teraoka booth.



The 70 year-history panorama was also presented on the big screen.



The Teraoka booth (1400 square meters) was packed with visitors from across the nation during the three-day show, with attendance up twenty percent from last year.



New wrappers lined up

DIGI World Meeting 2004 held in Singapore on September 30 and October 1, under the theme, "70 YEARS WEIGH TO SUCCESS"

Takashi Katayama, Director of Teraoka Seiko Co., Ltd., announced the holding of the meeting.

"This year 2004, Teraoka Seiko celebrates the 70th anniversary since founded by the Late Chairman, Mr. Takeharu Teraoka, in 1934.

"In conjunction with this celebration, we are pleased to inform you that we will hold the DIGI World Meeting on September 30 and October 1 in Singapore, with the theme, "70 YEARS WEIGH TO SUCCESS".

"With our constant search for new ideas and more innovation in the markets, we will introduce new prod-

ucts to meet the ever-changing business environment. Taking this opportunity, the DIGI delegates will study how we can continue to upgrade ourselves to lead the market."



DIGI Europe Sales Conference 2004 held for the food industry.



A number of DIGI new food industry products released at the DEL Conference



Takashi Katayama (right), newly Managing Director of DIGI Europe Ltd. showed his appreciation to Peter Balderston for his contribution to DEL as Managing Director for 8 years since 1996.

On April 22nd, DIGI Europe Ltd. (DEL) held its first sales conference of the New Millennium in Cambridge as well as at its manufacturing plant in Haverhill.

48 delegates attended from 25 countries, many were new countries and companies such as Russia and the Ukraine.

On the first session of the conference, a wide range of new products were presented by DEL and Teraoka Japan; the HI-700TF, WPS-700, PO-700, CW-3600TF from DEL, the AP-700 and LIS-DI from Teraoka Japan.

The HI-700TF is a PC based product for high-speed weigh/labelling operation, while the WPS-700 is a weigh price manual system using our PC based technology. The PO-700 can be used as a total printer on the HI-700TF. The CW-3600 has a new format using the latest hardware and frame design, but incorporating the very reliable 3600 electronics, together with improved rejection systems and sanitation levels.

The new AP-700 from Teraoka Japan is a PC based product offering top and bottom labelling, using Dr label, quick-change cassette system, and tubular frame design.

The second unit from Teraoka Japan was the LIS-DI, a line detection system using CCD camera technology for detecting

any errors in the label information or positioning using master label data, so that faulty labels are detected and rejected.

A special presentation was made to Peter Balderston who was retiring on April 30th. Both Peter Lydford and Takashi Katayama thanked Peter for his work within DIGI and wished him well in his retirement.

Klaus Pedersen of DIGI System A/S made a thank-you speech on behalf of all the delegates at the dinner party at the Kings College, Cambridge on the 22nd, "It is a proud occasion that the DIGI family assembles together. Everyone has the opportunity of discussing the products together and offering their opinions, it was also welcoming that so many countries are represented here at the conference, which shows the strength of DIGI in the World".

Reported by Lawrence Morrison, Senior Sales Executive DIGI Europe Ltd.



Delegates viewed the new equipment, taking the opportunity of trying for themselves the operation and functions of the new models at the DEL factory in Haverhill.



The dinner party was held on April 22nd at Kings College, Cambridge



DIGI Family News

Server Mark Ltd., strengthening DIGI in the Croatian market



Server Mark members at the meeting to launch the SM-700 and SM-800 into Croatian market. left to right: Ms. Ana Gorsa - sales and account, Igor Andreic - service engineering department (software and hardware for all DIGI products), Slaven Zoric - hardware specialist for DS and SM models, Ivan Pirsijin - hardware and software specialist for all DIGI products, Marin Crnkovic - hardware for DS and SM model, Stjepan Gorsa-Director of Server Mark d.o.o.

We are pleased to introduce a new DIGI distributor, Server Mark Ltd., who is located at Zagreb, a capital town in Croatia. Server Mark, a young company with seven staff led by Director Stjepan Gorsa, has established DIGI brand in a short time with their passion.

Stjepan Gorsa, Director of Server Mark, tells us about the latest DIGI progress in Croatia.

"In the retail industry, the SM-80 and the SM-300, both in Ethernet type are popular. They are linked to cash registers in small butcher shops and download all sales transactions through the ISDN router in the Head Office. This time we installed 40 units of SM-300P's in 6 different companies which had installed the SM-300P in different locations in Croatia and the SM-300P everyday

downloads all receipt data from the Receipt Buffer in the PC in the Head Office.

"Our Service Department writes the software for programming all DIGI products, and special software for the Ethernet connection through the ISDN router and downloading receipts from the SM Scale Printer.

"Getro dd, a local hypermarket presently operating 14 stores, now has about 200 units of DIGI products installed, including AW-3600CP, SM-90 Ethernet, SM-500 Ethernet, DPS-90, DI-90 DS-860 and platform scale. This year they plan to open 4 new stores where we will install about 80 units of DIGI products.

"Server Mark is marketing and servicing a variety of DIGI Product line since we started direct business with DIGI two years ago. We also supported customers in poultry companies such as Perutnina dd, Puris dd and Belje dd. DIGI Weigh-wrappers like AW-3600, FX-3600XL and W-3600, and food industry products MI-3600 are operated there.

"In the meat industry, Pivac d.o.o. is using a wide range of DIGI products, from food industry products to price computing scales; FX-3600, MI-3600, LA-3600, SM-80, 80xDS-688, 40xDS-160. The SM-300 made its debut in Pivac in Croatia. Pivac will have a schedule to replace DIGI DS-688 with 40 units of DIGI SM-300 in 2004."



DIGI booth at Autumn Zagreb Fair, the main exhibition in Croatia. Server Mark exhibited a wide range of DIGI products for food industry, retail market, and industry; MI-3600, AW-3600 CP, SM-700, RM-40, DC-300 and DS models.

G&P LIDÉN WEIGHING AB started their operation at a new location

G&P LIDÉN WEIGHING AB (LW) in Sweden was founded in the middle of 2000 by Peter Lidén, Managing Director and Gunnar Lidén, Chairman. Gunnar has a long business relation with DIGI since 1979. Peter has about a 10-year sales and service expertise.

The business is based on stocking and supporting functions to scale dealers, wholesalers, purchasing organisations, OEMs, machine builders and system houses, combined with quick delivery and cost efficiency.

Gunnar Lidén tells, "LW is very proud to have the DIGI brand of industrial scales in our product range, including the new counting systems such as model DC-300 and PC-indicators such as model DI-700."



Gunnar Lidén, Chairman of G&P LIDÉN WEIGHING AB



Peter Lidén, Managing Director of G&P LIDÉN WEIGHING AB



G&P LIDÉN WEIGHING AB's new office

On April 2004, LW moved to a new building with 430 m² that can expand as the business continues to grow.

New address:

G&P LIDÉN WEIGHING AB
BILGATAN 3, S - 442 40 KUNGALV, Sweden
TEL:+46-303-209450 FAX:+46-303-59400

A Visit of Partnership to Ukraine



SM-300 in operation at a Caravan Superstore

Sergey Chernyushok, Sales/Project Manager of Datecs Ukraine JSC, is pleased to report about President Teraoka's visit to Ukraine and business cooperation with DIGI.

"In continuation of the article of Datecs Ukraine JSC on DIGI News Bulletin No.48, it is our great pleasure to be introduced again on this issue. We were pleased to host President Kazuharu Teraoka and Mr. Hiroyuki Nakazato from Teraoka Seiko Co., Ltd. They visited our Datecs Ukraine as an acknowledgment of Datecs' success in marketing DIGI equipment. During their stay in Kiev, Mr. Teraoka and Mr. Nakazato had several meetings with Datecs Ukraine Boards of Directors and discussed their joint strategic efforts for strengthening DIGI positions in the Ukrainian market. This was the first meeting between the top management of Teraoka and Datecs, and it was a great opportunity for both companies to develop stronger bonds which will certainly contribute a lot to their successful cooperation in the future.

"In Kiev, Mr. Teraoka and Mr. Nakazato met me, Sergey Chernyushok - New Project Manager of Datecs for distribution of DIGI retail scales. It is a great pleasure for me to meet them, and implement all my knowledge and skills to promote DIGI equipment in our market. And all of DIGI family members I have met after assigned to new responsibility, are very friendly and supportive to work together with the team of professionals of Datecs Ukraine.

"During the meeting, Teraoka and Datecs discussed the



Visiting the Caravan Superstore from left to right: Sales/Project Manager – Sergey Chernyushok, President of Teraoka Seiko Co., Ltd. - Kazuharu Teraoka, Managing Director of Caravan – Denigenko Anatoliy Manager, Global Business Development Division - Hiroyuki Nakazato, Datecs Key Account Manager – Vitaly Moroz

expected growth of DIGI sales volume in Ukraine in 2004 and have agreed that the sales increase would constitute over 100%, as compared with the 2003-year sales results.

"Mr. Teraoka and Mr. Nakazato observed some successful installations of DIGI equipment in retail chainstores such as Caravan and Furshet. Also they visited the Mironovsky chicken farm, and also saw the installation of FX-3600XL wrapper at a Metro Cash&Carry Store in Kiev.

"President Kazuharu Teraoka and Mr. Hiroyuki Nakazato were basically very much encouraged to learn about the active and dynamic sales for DIGI products this year by Datecs."

Taka Hattori, earning great respect on his 60th birthday

On February 2nd, a surprise party was held to celebrate DIGI's own "God Father's" 60th birthday by Teraoka Japan's former International Dept. staff and other colleagues.

Taka Hattori, International Marketing Manager of Teraoka Japan, is well known as Taka – DIGI's "God Father" among DIGI family members worldwide.

Following the Japanese tradition that a guy who has reached 60 years old should wear a red jacket and hat for celebration, he wore red clothes presented by his colleagues. (It is a big pity not to show a color in this article. Please visit DIGI News Bulletin of DIGI Web and see his smile in color.)



February 2nd will be a memorable one in the year 2004

Taka, he frankly tells his surprise to John Baumann, in his reply to John's congratulation e-mail message.

"Thank you for your warm message on my birthday. Yes, it is the Japanese tradition that a guy who has reached 60 years old should wear a red jacket and hat for celebration. Yesterday at lunchtime, Emiko Kobayashi and Tomonari Koyanagi came to my desk and gave me a red hat and a red polo shirt as the birthday gifts from them and Hiro Nakazato who is now in UK. Emiko told me to wear them, so I did. Then, she said she wanted to take a picture of me in that red shirt and hat, and she invited me to the next room.

When I entered the next room, all the members of the former International Department were there and exploded crackers singing Happy Birthday to me. They kindly gave me flowers and some nice gifts as well. I was quite happy and cannot tell you how much I appreciated their thoughtfulness."



DIGI®

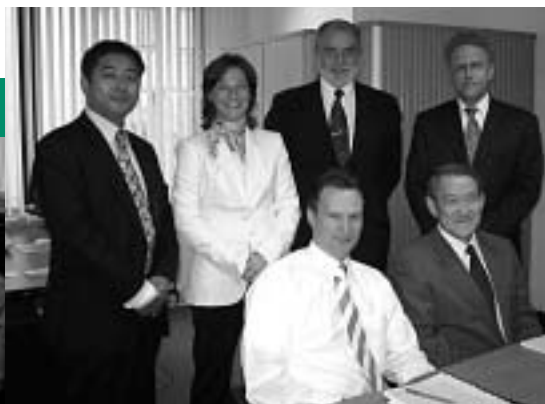
HOT NEWS JUST ARRIVED!

Ahold selected DIGI again as a primary supplier of electronic price computing scales to the Ahold operating companies around the world.

On 13th May 2004, we have officially signed a Global Electronic Service Scale Contract at the headquarters of Royal Ahold in Zaandam, The Netherlands. Ahold currently operates some 8,500 stores in nearly 20 different countries. DIGI has provided Ahold our products and service over 20 years, and Ahold is currently using over 15,000 DIGI scales worldwide. Over the years, this relationship has developed into a worldwide partnership that will open up new horizons and benefit both parties.



Rob Webbers, Vice President of None-Resalable of Ahold (left), and Taka Hattori, International Marketing Manager of Teraoka Japan



Sitting left to right: Rob Webbers and Taka Hattori. Standing left to right: Ayatoshi Goto of Teraoka Japan, Ms. Jacomien Duvekot, Program Manager of Ahold, Leon van Besauw of DIGI Belgium and Paul Wiggers of DIGI Nederland. Teraoka/DIGI staff members are pleased at the contract, together with Rob Webbers and Ms. Jacomien Duvekot.

Teraoka Japan welcomed the guests from China



The guests paying lots of attention to Self-Scanning POS Checkouts system and DIGI Weigh-Wrapper

On April 8th, the party consisting of Chinese Weighing Measurement Association and scale manufacturers visited Teraoka Japan HQ and Teraoka Japan Marketing HQ in Tokyo, with our invitation. At the Showroom, they paid much attention to Teraoka/DIGI product line including our latest technology POS ECR and Electronic Shelf Label as well as weigh-wrappers.

Shanghai Teraoka opened the new Marketing HQ office

Mr. Shi Guo Xing, Managing Director of Shanghai Teraoka Electronic Co., Ltd., announced the opening of the new Marketing HQ office.

“Due to the expansion of the R&D team to be ready for developing higher end machines and Technical Support team to support POS ECR business in China, we relocated the Marketing HQ office to a new address in Shanghai with larger space(730 M²), on April 19th.

With this move, we expect to have new growth of business at Shanghai Teraoka for the next three years.

New Address:

1st Floor of 2# Building, Jia Yuan Business Center, 51# Long Wu Road, Shanghai 200232 China
TEL: +86-21-64085151



Details about visiting the new office:

The new office is located at 1.2 km from Hua Ting Hotel, 1.0 km from Regal Shanghai East Asia Hotel and 2 km from Jian Guo Hotel. 2 minutes walking from Long Cao Rd. Station of M3 city train, and 35 to 40 minutes drive from PU Dong International Airport.

Editor's Note

Teraoka Seiko Co., Ltd. celebrates the 70th birthday this year since founded in 1934 by the Late Takeharu Teraoka. It is not easy for a company to survive and continue to grow. Teraoka Japan is a company that has continued to expand. The backbone that supports Teraoka/DIGI, is the message “We can do it and we will do it”, by Takeharu Teraoka. He also always showed his appreciation to the employees, dealers and distributors for their contribution as well as the customers.

In the next issue, the DIGI World Meeting 2004, and the 30-year long business relationships with NBI and W.W. Wedderburn Pty. Ltd will be some of the topics. Your contributions for the next publication will be most welcome. I am looking forward to receiving your news worldwide.

(Yoshiko)

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