

# Companies tackle self-scan market Pan-Oston, Hitcents.com take on megabusinesses to stake claim on industry

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More consumers can look forward to life in the fast lane - the self-checkout lane that is - after two Bowling Green companies take on the leading manufacturers of popular self-scan technology with Utopia Self-Scan.

The \$1 million investment could mean an additional 200 jobs at Pan-Oston. Executives with parent company Houchens Industries, Pan-Oston and software designer Hit cents.com unveiled two lab units for Utopia on Thursday morning after 15 months of research and development.

The patent is filed for what will be the first convertible checkout unit, allowing a traditional cashier lane to be converted into a self-scan unit and vice versa in minutes. Utopia can be connected to existing checkout lanes in a store, and therefore doesn't impact a store's layout, according to Chris Mills, president of Hitcents.com.

Utopia has several features, one of which allows consumers to use biometrics, another first in the industry, Mills said.

Instead of scanning cards for loyalty programs common at most stores, a user can insert a thumb into the Utopia console that electronically reads the thumbprint.

"This is something you're going to see everywhere," Mills said. "We're going to hit the market (aggressively)."



Pan-Oston produces self-scan machines for retail giants Wal-Mart, Target, Michaels and others at its Louisville Road facility and will manufacture Utopia. Hitcents.com produced the software for Utopia, one of its many technological services.

In upcoming weeks, representatives with Hitcents.com and Pan-Oston will meet with some of the top 10 retailers in the United States that have expressed interest.

"The companies we choose to do business with are leaders in the industry," said Russell Strickland, self-scan project manager for Pan-Oston. "We're gonna make the self-checkout procedure easier. All in all, customers should be able to purchase a product in a less amount of time."

Production for Utopia begins at Pan-Oston once orders are taken, Mills said.

Pan-Oston President Jim Vance sees the product as a way for more consumers to take control of their time by not having to wait for a cashier.

"The consumer is driving the want for the ease of convenience, the ease of service, and giving someone the power to do what they want to do," Vance said.

Pan-Oston and Hitcents.com said Utopia hopes to bring at least 200 jobs to the region, mostly high-tech skilled positions, according to Mills.

Strickland said if Pan-Oston received only 10 percent of the current self-scan market, it would double the scope of its current production.

Pan-Oston and Hitcents.com face leading competitors Fujitsu Limited, IBM and NCR Corp., but plan to impact the market by offering Utopia at a price one-fourth of the average cost of self-scan machines, developers said.



Strickland said when he first started working with self-scan technology in the '90s, he thought only younger people would want to use it, but has found the technology appeals to all age groups.

Recent market data supports the idea consumers are open to integrating self-service technologies into their lives.

A 2005 market study on North American self-checkout systems found consumers spent \$82 billion on self-checkout transactions with retailers in 2004, an increase of 96 percent from 2003.

The study also found men use self-checkout 17 percent more often than women.

To Mark Binman, using self-scan checkout machines is all about avoiding lines and getting out of the store as soon as possible.

Binman used a self-scan to pay for watermelons at Wal-Mart on Thursday afternoon and was out of the store in less than five minutes.

"It was shorter and I can scan a few items," he said.