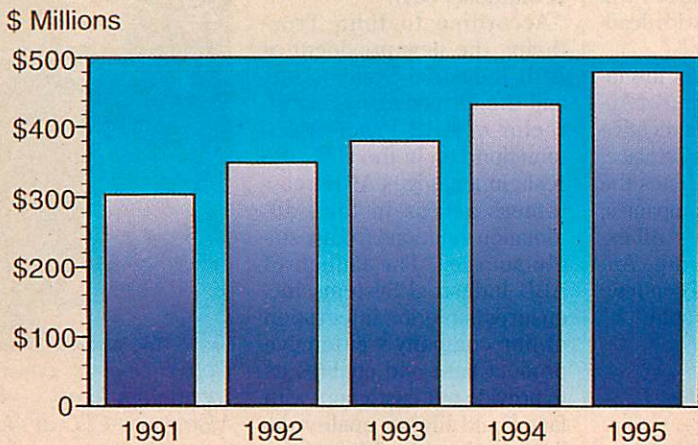


## Five-Year Estimated Size of Worldwide NC Software and Related Services Market



The NC software market is expected to hit almost \$500 million by 1995.

### Competition Is the Fuel That Drives NC Software Market Growth

BY MARTY WEIL

ANN ARBOR, MI—The worldwide numerical control (NC) software market enjoyed solid growth in 1993, according to a recent study by market research and technical consulting firm CIMdata Inc. (Ann Arbor, MI). The author of the report and vice president of CIMdata, Alan Christman, says the upswing in NC software sales is being driven by increasingly intense competition—both worldwide and local—which is forcing all manufacturers to produce quality products in the shortest possible time with minimum costs.

In 1993, the NC software market experienced a 10% increase to reach a level of \$375 million. This represents an increased growth rate over that experienced in 1991 and 1992, and CIMdata forecasts even stronger growth in 1994.

"Manufacturing has become equal with design in importance," says Christman. "To meet these increasingly demanding requirements, manufacturers require the best possible tools, and as a result, are purchasing NC programming systems at a more rapid rate."

According to Christman, other factors accounting for NC software growth include concurrent engineering's move into the mainstream and the increased emphasis on complex part designs, which are forcing manufacturers to adopt off-line NC programming.

The results of the study suggest a growing tendency amongst companies that sell NC software to do so through VARs

and OEMs—with market leaders focusing solely on NC software products. The 1993 NC software sales leaders (in terms of overall sales volume), as proffered by Christman, were Computervision (Bedford, MA), EDS Unigraphics (Cypress, CA), IBM/Dassault Systemes (Paris, France), Hitachi (Boston, MA), and Cisi-graph (Vitrollies, France).

"The overall market penetration of NC software is still very low," says Christman. "Of the current machine tool population, only 9% are driven by NC software." However, he notes that today a much larger percentage of new machine tools are being purchased with NC software as part of the package. Christman anticipates growth in the NC software market to continue, therefore, as manufacturers buy new machine tools and upgrade existing equipment.

### Acuity Imaging Takes Aim At Machine Vision Market

BY JAMES F. MANJI

NASHUA, NH—The merging of Automatix Inc. (BillERICA, MA) and Itran Corp. (Manchester, NH) to create Acuity Imaging Inc. (Nashua, NH) is widely regarded as a consolidation in a highly fragmented machine vision marketplace.

Through the merger, Acuity has become one of the largest companies supplying machine vision systems that help assure product quality. These systems measure, determine presence and absence, detect flaws, read and verify characters, determine product location to control motion,



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and inspect products for imperfections that might otherwise escape detection during the manufacturing process.

"The merger was a response to the industry need for a leader," says John Pemble, chief executive officer of Acuity Imaging. "Historically, the machine vision industry has been highly fragmented, with about 200 companies serving a machine vision market that totals about \$700 million in sales. Both Itran and Automatix served the factory-floor vision market, but in many cases, they were solving different application problems for the same customers. The blending of the two companies doubles Acuity's sales force and engineering staff, which will allow us to build more new products to solve more problems for our customers."

Acuity, which intends to become the largest company serving the factory-floor machine vision marketplace, holds about 15% of this niche market, which is estimated at \$130 million, according to Ofer Gneezy, president of Acuity. "Our combined product lines provide a breadth of solutions

scarcely offered by other vision suppliers," says Gneezy. "At four times the size of the average vision company, Acuity's combined resources will provide customers with leading-edge technology."

The consolidation in the industry and the merging of Automatix and Itran is indicative of a fast-growing marketplace. Acuity Imaging combines the best assets of both companies, according to Pemble. "All existing products from Automatix and Itran will continue to be supported and sold."

## Competitive Factors Drive ABB Realignment

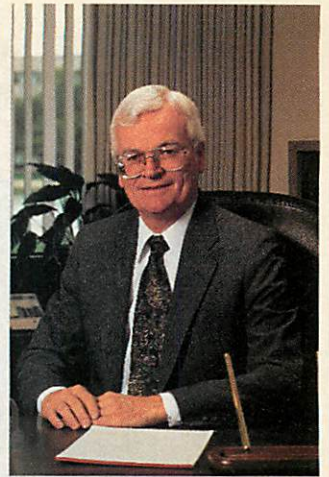
BY MARTY WEIL

COLUMBUS, OH—In the U.S. market, ABB has instituted changes to be more cost efficient and to more closely align itself with customer requirements. The operations of ABB Process Automation Inc., ABB Drives,

and ABB Metallurgy have been combined into a single new company called ABB Industrial Systems Inc. (Columbus, OH).

According to John Trostheim, the new president of ABB Industrial Systems Inc. and the former managing director of ABB Process Automation Ltd. in the U.K., the realignment gives ABB's customers access to total automation solutions from a single source. "The launch of ABB Industrial Systems Inc. ensures superior integration of our company's extensive product base and enables us to provide our customers with faster and higher-quality delivery and service," he said.

Trostheim says the reorganization will create no changes in the company's existing channels or arrangements for new product, systems, and service for U.S. customers. Although no plants or offices will be closed as a result of the reorganization, Trostheim did indicate that the realignment will trim costs as redundant administrative personnel will be eliminated. "By combining a number of the administra-



Ron Stieger is president of technology and, with Lee Murray, co-CEO at Altium.

tive functions, we will be more cost efficient," he says.

The U.S. realignment announcement comes on the heels of recent changes in the company's worldwide organization. ABB's Industrial Systems business accounts for \$400 million of Asea Brown Boveri Ltd.'s \$3 billion in sales. According to ABB, the newly realigned ABB Industrial Systems company will employ more than 1,800 people.

## Altium Enhances CAD Product Line

BY LAWRENCE GOULD

CHARLOTTE, NC—"Altium is more than a CAD vendor now," states Lee Murray, co-chief executive officer and president of worldwide sales and marketing for Altium (Charlotte, NC), a wholly owned subsidiary of IBM Corp. Murray was referring to the recent transfer of a broad range of industrial engineering, design, manufacturing, and distribution products and services from the Application Solutions Div. of IBM Corp. to Altium. "Altium is a solutions company primarily, but not exclusively, in the industrial sector, and we intend to provide the classic installation services that go with any product solution," Murray adds.



Operators discuss work in progress on an ABB 610 Advent Station 5000 Series Workstation. The company's realignment should make it more responsive to customer needs.