

NCR Acquires IDVelocity

NCR will continue to serve the RFID middleware provider's existing customer base, while most of its 30-person staff will relocate to Atlanta.

By Mary Catherine O'Connor

Apr. 10, 2006—NCR, a provider of RFID integration and data warehousing services, as well as customer relationship management and payments systems for the retail industry, has acquired the assets of IDVelocity, an RFID middleware firm based in Greensboro, N.C. NCR, a publicly owned company in Dayton, Ohio, employs 28,200 people worldwide and reported revenue of about \$6 billion for 2005. The acquisition of the privately held IDVelocity is complete, though terms of the deal have not been disclosed.

According to Ken Hamlin, IDVelocity's founder and former chief executive officer, NCR now owns all of IDVelocity's existing customer contracts, product support agreements and intellectual property portfolio. NCR will continue to support IDVelocity's existing maintenance, upgrade and support contracts for its products.

"As part of our due diligence," says Hamlin, "we contacted most of our customers prior to the acquisition, and they are all excited about the change. NCR brings a strong brand and global presence, which our customers appreciate."

"We're thrilled with the opportunity to marry the [RFID and other auto-ID] subject-matter expertise that IDVelocity offers with our in-depth knowledge of the retail industry and data analytics," says Jeff Snow, operations director of NCR's global RFID solutions division.

Hamlin says most of IDVelocity's 30 employees will be retained and have agreed to relocate to NCR's Atlanta offices. Hamlin will work for NCR as well, out of the Atlanta office, leading the company's middleware offerings and development team.

Around 25 percent of IDVelocity's customers, says Snow, also use NCR products or services. "It was a mutual courting," he states. According to Hamlin, IDVelocity encouraged its acquisition by NCR. "We had been looking for a partner with a strong brand," he says.

The two companies developed a partnership in the fall of 2005, when NCR announced IDVelocity would begin selling IDVelocity ADC middleware as an original equipment manufacturer. NCR began offering the platform in February as part of its TransitionWorks RFID software suite, which it announced in February (see NCR Announces RFID Software Suite). IDVelocity's ADC middleware is used for RFID and other auto-ID processes, and as a device management and integration tool for RFID, bar code and other sensor data. IDVelocity customers currently use the ADC platform for inventory management, asset tracking, shipping, receiving and other RFID applications.

Teradata, an NCR business unit that provides enterprise data warehousing and related analytical services, pulls RFID data from the IDVelocity middleware into its data warehouse services, then uses that data to generate sales analysis and reports for end users, such as demand forecasts.

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