



March 9, 2004

By [Dinesh C. Sharma](#)
Special to CNET News.com
<http://news.com.com/2100-1045-5171456.html>

The battle between Windows and Linux has extended to the cash register--literally.

The two operating systems, which are contenders in the server market and to a lesser degree on the desktop, are also vying for a place in point-of-sale systems, the computerized registers at store checkout lines. Systems using versions of Microsoft's Windows accounted for the bulk of shipments in North America in 2003, but Linux shipments grew slightly faster over the course of the year, according to research from [IHL Consulting Group](#).

Shipments of Windows 2000 or XP systems increased 13 percent in 2003 and now account for 54 percent of total shipments, IHL said Tuesday. Overall, Microsoft operating systems (excluding [DOS](#)-based machines) represent 70 percent of the market.

But the company's open-source rival made gains as well. Shipments of Linux-based point-of-sale units rose 19 percent year over year. The consulting firm said issues such as the availability of software drivers and the threat of SCO Group lawsuits held back additional growth.

[Microsoft](#) and other large [tech companies](#) have been stepping up their efforts in the retail segment with new products and services. Hewlett-Packard and Microsoft, for instance, are working together to entice stores to drop proprietary systems in favor of HP's point-of-sale hardware and Microsoft's [Smarter Retailing Initiative](#).

The overall market value for point-of-sale hardware, software, peripherals and maintenance in North America increased 6 percent to \$7.1 billion in 2003, IHL said. When Dell and HP entered the market, base unit hardware prices shrank, but prices for peripherals, software and maintenance did not see as significant a drop, the group said.

Shipments of point-of-sale technology rose 8 percent in 2003, after years of stagnation, and are likely to record growth of about 15 percent this year and then 12 percent in 2005, according to IHL.

"Although sometimes begrudgingly, retailer's budgets have been unlocked, and retailers want to use their dollars to update, upgrade and move to next-generation technologies," Greg Buzek, president of IHL, said in a statement.