Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

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THIS JUST IN!

NEW CEO KNOWS GROWTH

In the latest turn in what has proven to be a fairly wild ride for the capture industry over the past few months, the **Dicom Group** has named a new CEO. Rob Klatell, who spent more than 30 years as an executive at components distributor **Arrow Electronics,** has replaced Arnold von Büren. von Büren, who joined Dicom in 1994 and was named CEO in 2002, resigned to "pursue opportunities outside the group."

Rob Klatell, CEO, The Dicom Group

The CEO change comes less than a month after the $200 million-plus document imaging technology vendor and distributor announced a disappointing first quarter for its fiscal 2006 [*see DIR 10/20/05*]. A company spokesperson said the two events were unrelated. "The document capture space is going through a tremendous growth period," said Michael Troncale, press relations point man for Dicom subsidiary **Kofax**. "To efficiently manage that opportunity, the board was looking for someone with experience in a high-growth company. We needed someone to take the company to the next level. Rob Klatell is the right man to do that."

For the past two years, Klatell has worked as a consultant to Arrow, a Fortune 500 business with more than 11,000 employees and annual sales of $10.6 billion. He has also retained a seat on Arrow's board of directors. Klatell started with Arrow in 1976 and held positions such as general counsel, secretary, CFO, and executive VP before retiring from full-time employment in 2003. When Klatell announced his retirement, Arrow CEO William Mitchell said, "Rob was instrumental in the acquisition strategy that resulted in more than 50 successful mergers, joint ventures, and strategic partnerships…"

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ASP, aka SaaS, Making a Comeback

Success of CRM vendor rekindles interest in one-time boom technology

A few years ago, the term ASP (application service provider) was all the rage in the document imaging industry. Our 2000 index of articles indicates no less than a dozen references to the then-burgeoning new business model. Of course, 2000 was also the height of the tech boom, and a few things have changed since then. Much like the term "dotcom," "ASP" has almost become a dirty word.

Now-defunct companies like Cylex, PaperFly, and MyDocuments.com all grace the pages of our 2000 issues. Remember Ralph Koehrer at **Anacomp**? He was the CEO that decided to invest some $30 million in his company's docHarbor ASP initiative—a move which eventually drove Anacomp into bankruptcy.

Anacomp has since restructured, and docHarbor now accounts for close to 15% of its $180 million in annual revenue. So, Anacomp's ASP project has not been a total failure. This model seems to hold true throughout the industry: hosted document imaging services make a nice complement to existing document services. More evidence of the success of this approach appears in the story we ran last issue on **SourceCorp** and its FASTRIEVE repository. We've also done pieces on the success of ASP initiatives at service providers like **Lason** and **Iron Mountain**. The ASP model just hasn't proven it can sustain a business all by itself—or has it?

The Salesforce.com phenomena

Have you ever heard of **Salesforce.com**? Saleforce.com is the brainchild of former **Oracle** executive Marc Benioff. The CRM vendor has grown from a start-up in 2000 to a public company with annual revenue now approaching $300 million. Its entire business is based on an ASP

model—or should I say software as a service (SaaS). SaaS is currently the en vogue term for describing hosted applications.

Needless to say, Software.com's success has attracted attention, and the hosted software model has quickly returned to the technology picture. *DIR* recently caught up with Russ Hertzberg, a former **Mitek** marketing executive who is now working as the CEO of SaaS specialist **Grapevine Software**. Hertzberg sees a lot of similarities between the ECM market and the CRM space. He feels this makes ECM ripe for the success of SaaS.

"It's my opinion that capture has been the Achilles heel of our industry…. To use a phone industry analogy, I see capture as similar to long distance service. Eventually, people are going to start bundling it for free."

— H.K. Bain, Digitech

"When a business purchases an ECM system, it often gets into an extended, multi-year implementation cycle. While the customer is running up huge services bills, the pre-purchased software seats are sitting idle. One company I worked for [not Mitek], wrote off more than $20 million on a failed ERP implementation. The same thing is happening with ECM installations.

"The days of big software purchases and related services are coming to a close. We are transitioning to a world where CEOs and CFOs are increasingly reluctant to lay out big money for projects they are not going to see a return on for more than a year. I've seen ECM products priced as high as $10,000 per seat. The current ECM leaders are addicted to these big ticket sales, and that makes them very vulnerable to competition from SaaS players."

From cell phones to software

Grapevine has only recently launched its ECM line. We also spoke with H.K. Bain of **Digitech Systems**, a pioneer in delivering document imaging through an ASP model. Bain is the maverick former McCaw Cellular executive who joined Digitech in 2000. "The potential of software for rent is what attracted me to Digitech in the first place," Bain told *DIR*. "An ASP model offers a recurring revenue stream, similar to what you have in the cell phone industry. The software business is the cell phone industry all over again. It's just going to take some time to make the transition."

Like other imaging ASPs that have managed to stay in business, Digitech has a more traditional line of business to supplement its income. In fact, Bain acknowledges that traditional software sales still account for more than 85% of Digitech's current annual revenue of just over $7 million. The

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2. Image Processing
3. Forms Processing/OCR/ICR
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majority of the Digitech's software sales involve its *PaperFlow* document capture line, which has found a successful niche among service bureaus. (Digitech's roots go back to a service bureau business.)

The company also offers a full suite of document management products, including a repository and COLD and workflow modules. E-mail and records management modules are in the works. This traditional software suite is based on the same technology as Digitech's *ImageSilo* hosted offering. "We are not the first to market with any of this technology," said Bain. "So, we have to compete in areas like cost, ease-of-integration, and ease-of-use."

According to Bain, these are precisely the areas important to an SMB market that is only now embracing the concept of imaging and ECM. "In North America, ECM has not penetrated very much below the Fortune 1000," he told *DIR*. "Even though ECM is gaining visibility, it's never going to take off like wildfire until it is offered at a price businesses in the SMB space can afford and served up in a way they can manage.

"Eventually, I see ECM becoming as widespread as the use of the Internet. I mean, what business can't benefit from better management of digital documents? It saves both time and money. Why do you think giants like **Oracle** and **Microsoft** are moving further into this space? They see its potential. While we can't compete toe-to-toe with the big guns, we sure can benefit from their advertising and marketing dollars."

Bain added that current boutique ECM vendors have one advantage that Oracle and Microsoft will have a tough time competing with. "At the end of the day, customer service is very important to successful ECM implementations," he said. "That's where smaller companies like Digitech typically win."

SaaS priced for the SMB

Bain could not give us specific pricing for *ImageSilo*, as the company sells exclusively through a reseller channel—which controls end-user rates. "We basically charge resellers a per gigabyte price, with significant discounts for higher volumes," he said. "They are free to charge on a per document, or per click, basis if they wish. We currently have about 60 terabytes of data under management and 300 value-added reseller partners.

"Our partners are also free to market *ImageSilo* under their own brand names. We think of ourselves as following the 'Intel Inside' model."

Hertzberg estimated that Grapevine could provide a 20-user application for approximately $8,000 per year. "We plan to offer a 30-day trial that is either free or very inexpensive," he told *DIR*. "This will enable the customer to set up an extranet that they control access to, for both internal and external users. I will then engage them in a Web conference, explaining some of the features and options of our product. This hopefully will trigger a decision to activate and expand the system."

Capture still a sticking point

Both Bain and Hertzberg agree that image capture needs to be as unobtrusive as possible for a hosted ASP model to be successful. In light of this, they concurred that **EMC's** recently announced intent to acquire **Captiva** is the wave of the future. "Because of issues like bandwidth and security, we haven't offered capture as part of our ASP model yet," said Bain. "Currently, we accept images primarily from **Kofax** *Ascent,* as most of our resellers carry it."

"However, it's my opinion that capture has been the Achilles heel of our industry. It should not be a standalone item. To use a phone industry analogy, I see capture as similar to long distance service. Eventually, people are going to start bundling it for free."

Hertzberg views integration with portal and capture technology as key elements to rounding out Grapevine's ECM delivery. The company has begun working with the DotNetNuke open source portal to handle half of that proposition and is now looking for a capture partner. Because Grapevine is focused on collaborative applications, its capture needs are probably similar to those of **EMC/Documentum's** *eRoom* application, which were recently addressed through a partnership involving scanner vendor **Visioneer** and integration firm **Daybreak ICS** [*see DIR 11/4/05*].

VARs, Web services, keys to ASPs future

Of course, integration with not just capture, but all a customer's legacy applications, will prove key to the success of imaging ASPs in the future. "Simplicity is the key to integration," said Bain. "For any Windows-based application, we can perform a screen-scraping type of connection. We've also opened up all our APIs. It's important for users to be able to work with ECM through the same software interface they work with every day."

We agree wholeheartedly with Bain's views on integration being key for ECM's growth into the mainstream. And it appears that, as the software market evolves, Web services may be the method of choice for achieving this integration. For now, however, Digitech's API-based methods are probably good enough, especially as Digitech's products move through a channel that will take a

couple years to catch up with the cutting edge Web services trends.

After all, according to Bain, resellers are just now starting to understand how to sell the ASP model itself. "One of the reasons our ASP business has been slower to take-off than anticipated is that we decided early on to let resellers handle the sales," said Bain. "There's a certain amount of education that had to take place. However, it's VARs that address the mid-market, which we are primarily targeting, and they are now in the process of educating end users in that market. When end users realize that ECM processes they formerly would have outsourced are now as easy to implement as falling off a log, you are going to really see this market take off."

For more info: http://www.grapevinesoftware.com; http://www.digitechsystems.com

Scientigo Touts Advanced IDR Technology

In recent months, we've heard a lot about digital fingerprints being used to identify document images in digital mailroom-type applications. Intelligent document recognition (IDR) specialists like **SWT**, **ReadSoft**, and **Datacap** rely on this technique for document classification. It basically involves comparing the structure of newly captured images to a library of previously captured layouts.

However, if you go back to the days when the concept of the digital mailroom first came into being, it was envisioned as more than an imaging application. Because the digital mailroom was supposed to include electronic documents, such as e-mail, the original vision relied more heavily on text analysis than image comparison. In fact, **Mohomine**, which specialized in text analysis, was Captiva's original classification partner for the prototype of its *Digital Mailroom* application [*see DIR 4/4/03*]. However, after **Kofax** bought Mohomine [*see DIR 4/25/03*], Captiva went a different direction, and SWT emerged as its lead classification partner. According to Captiva, one of the drawbacks of using Mohomine's technology was that it required full-text OCR be applied to every image. As a result, digital fingerprinting techniques are ostensibly more efficient.

However, utilizing digital fingerprinting also means that if a user has data extraction requirements, it still needs to perform at least zonal OCR following the classification process. In addition, because digital fingerprinting is primarily targeted at document images, it narrows the focus of the digital mailroom—making it less strategic and more tactical. Classification by textual analysis better accounts for the ever growing use of electronic messages.

So, what if you could reduce the amount of time associated with analyzing text? Would that make the original digital mailroom concept more attractive? A company called **Scientigo** may have a method for doing just that. The Charlotte, NC-based software developer has four patents related to data modeling, storage, and transfer, that it is leveraging to accelerate document classification and data extraction.

"Our technology looks for information on a form the way a person would look for it," explained Paul Odom, Scientigo's senior VP of software applications and solutions. "It employs memory and artificial intelligence techniques. Information can be reused when processing forms with similar elements. We also have methodology that allows us to do comparisons against millions of dictionary words and items in a database, such as every first and last name in the world. Our patented technology enables us to do data comparisons in milliseconds."

Scientigo's U.S. patent numbers are 5,842,213; 6,370,534; 6,393,426; and 6,516,320. A synopsis of each can be found at the company's Web site: http://www.scientigo.com/innovation/. I am not a scientist, or even a computer programmer, but here is my rudimentary understanding of how Scientigo is leveraging its patented technology in an IDR solution: Scientigo's patents are built around the concept of self-descriptive data. The company also has some search and retrieval technology. I assume the company has put these two areas of expertise together to somehow speed up the data matching, verification, and correction processes that are so important to forms processing applications.

"We are basically atomizing the information stored in our system," said Odom. "Every piece of data has a tag that enables us to manage it individually. If you manage information sets the way we do and employ AI techniques, you can create a system an order of magnitude more efficient than other IDR systems available today."

According to Odom, Scientigo has had remarkable success capturing data from EOB (explanation of benefit) forms. EOBs are the documents sent by insurance companies to healthcare providers, such as hospitals, which detail payment information. They typically contain information on multiple patients and procedures. "On EOBs, we are consistently

capturing more than 90% of the fields automatically," said Odom. "Among other things, our system has the capacity to use its memory to reference how much a particular provider charges for certain procedures."

Odom added that Scientigo is currently working on its next-generation technology, which can be applied a step earlier in the recognition process and used to improve OCR/ICR results on hand-printed and cursive characters. "About the only time our system makes a mistake is when we get an erroneously recognized character," said Odom. "We're using our technology to bring OCR/ICR results up to the level of human recognition."

Partners wanted

DIR took notice of Scientigo when the company recently announced a licensing agreement with **Continental Data Graphics** (**CDG**), an El Segundo, CA-based service bureau owned by airplane manufacturer **Boeing**. We interviewed CDG earlier this year after it announced a reseller partnership with **Hyland Software**. So, we knew CDG was an established organization and wondered why it would take a chance with a software vendor we had never heard of—when there are several more established IDR technologies on the market.

"CDG was looking into doing some work for the **California Sheriff's Department**," explained Odom. "The opportunity involved investigations concerning the Michael Jackson case. With the methods available to CDG at the time, they estimated it would take more than six man-months to extract the data from very complex forms. Using our technology, CDG was able to extract it with one man-month of effort."

Added Doyal Bryant, CEO of Scientigo, "Even though CDG may not be the biggest service bureau in the industry, they were very cautious in testing our technology. We've actually been working with CDG since February, but they only recently permitted us to announce the relationship."

According to Bryant, CDG was familiar with Scientigo's technology through a relationship with Houston-based Pliant Technologies. Pliant was founded by Odom and developed the technology behind Scientigo's patents while doing some work in the utilities and energy market. In 2003, Pliant was acquired by Market Central, Inc., which has since evolved into Scientigo. "CDG walked away originally because Pliant did not have enough financing to make Boeing comfortable," said Bryant.

The acquisition by no means immediately solved Pliant's financial issues. "I joined Market Central halfway through 2004," explained Bryant. "At that time, the company had three operating units and was $11 million in debt. After deciding to place our bets on the Pliant technology, we sold off our call center business, which erased our debt. We now have $2 million in the bank and are ready to move forward. We have changed the name of the company, and one of our goals is to transition our public listing from the bulletin board to a major exchange by the first or second quarter." [*Scientigo currently trades under the symbol MKTE.OB*.]

In addition to CDG, Scientigo has licensed its technology to **Ribstone Systems**, which develops legal services software and has a partnership with **Canon USA**. "For the past six months, we've also had a relationship with one of the world's largest BPOs," said Bryant. "Overall, we probably have 22 different tests, pilots, and/or partnerships in place. You can expect to see several significant announcements from us in the upcoming months."

Scientigo is looking for additional ISVs and service bureau partners. "We are not trying to become the next **ABBYY** or **Kofax**," said Bryant. "We have some technology that might be a nice bolt-on to, or can fill in a missing piece of, an existing document capture solution."

Has Scientigo patented XML?

Scientigo had an additional ace up its sleeve that it recently unveiled to the technology world at large. "The XML standard has traveled down a path that appears to infringe on some of our patented technology," explained Odom.

To pursue this matter, Scientigo has contracted legal help. The company has also reportedly signed on a third-party IP enforcement firm to handle negotiations and has had conversations on the matter with more than 40 businesses, including tech heavyweights like **Microsoft** and **Oracle**. Bryant insists Scientigo is focused on doing business in the ECM market with its IDR technology, and that the XML patent issues are just something he felt it was his duty to pursue.

"We want to be a good citizen and try to monetize [the IP] without getting involved in the heated debate on patents and open-source," Bryant told *DIR*. "I do not like, or want, to be compared to **SCO** [*a Utah-based company that has claimed Linux code infringes on its IP*]. We had major and strong infringement analysis done by experts in the field. As an officer in a public company, if you are aware of an IP asset and do nothing about it, the shareholders can become very troubling. We just want to get on with our main business."

For more info: http://www.scientigo.com

Scantron Introduces Imaging Hardware

Scantron has taken another step in its transition from a test scoring specialist to a more broad-based vendor of forms processing solutions. After announcing its *Cognition* forms processing application this spring at **AIIM 2005**, Scantron has followed up with the introduction of its own image-based document scanner. The Clarity, which was revealed last month, is being marketed as a hybrid device—designed for both OMR-centric test scoring, as well as image capture and OCR/ICR-driven forms processing.

"We have taken imaging technology that has been developed over the past 10 years and used it to update our scanning platform," said Mark Espinola, president of Scantron's Data Collection Division. "With the Clarity, we have improved our mark recognition engine and also introduced state-of-the-art image capture."

Scantron has historically manufactured analog-based OMR scanners and re-sold **Panasonic** imaging scanners. The Clarity is being manufactured by Scantron and features the company's new Scantron Intelligent Mark Recognition (SIMR) technology. The scanner is rated at 60 ppm/120 ipm at 200 dpi in black-and-white and grayscale. It is priced competitively in the low-volume production segment of the market, with a list of $5,995 for an image-only machine and $8,490 for an SIMR-enabled device.

Espinola described SIMR as firmware that provides improved accuracy and throughput over analog OMR. "Traditional OMR systems bounce a light beam off an area on a page; if the light isn't reflected because the area has been filled in, it registers a mark," explained Espinola. "For this to work, you need paper to be fed very straight.

"By incorporating deskew technology in SIMR, we've increased the leeway in the paper feeding. Also, SIMR is able to do things like intelligently darken marks or eliminate marks that someone may have been trying to erase. SIMR can also recognize check marks and marks made in ink. OMR was essentially 20-year old technology that we've refreshed through imaging."

In its history, Scantron has shipped more than 100,000 OMR scanners. This install base represents one of the initial markets for the Clarity. "In many cases, we've given away OMR hardware to create more sales of paper test forms," said Espinola. "With the Clarity, we are changing our approach. When users are not leveraging our OMR scanners to process tests, they are basically sitting idle. The Clarity will enable our customers to leverage their scanners for OCR/ICR-based forms processing and other types of image capture."

Espinola stressed that ease-of-use was a high priority in the design of the Clarity. The Clarity incorporates a straight-paper path that is easy to access for clearing jams. Espinola compared it to an open track system, similar in design to a mini-**IBML** ImageTrac or **BancTec** DocuScan.

The Clarity represents Scantron's first imaging-based hardware offering. It features a straight paper path that is easy to access for clearing jams.

"With traditional OMR scanners, you pretty much load the paper, hit a button, and it goes," he added. "The Clarity can be set up to function just like an OMR system, or users can decide to take the next step and save images of their forms. We also have a staff of 185 field service technicians that can help our customers set up turnkey image and data capture solutions incorporating our *Cognition* software."

Scantron will also work with its channel of 200 ISV partners who leverage the company's OMR technology worldwide. "Many of these partners have software that targets the education market, but we also have partners in areas like medical records who use OMR forms to collect ambulance data, for example," said Espinola.

An alternative for squeezed VARs

Scantron has also begun cultivating a VAR channel and has hired former Cardiff executive Tim Dubes as its VP of commercial and government sales for Data Collection. Dubes sees VARs as currently being squeezed by the combination of discounted hardware available through e-tail Web sites and by capture software vendors feeling pressure to make numbers.

"This is an interesting time for the 'forgotten player' in the imaging and data capture market: the reseller," Dubes told *DIR*. "With the focus of many traditional capture vendors being diluted through acquisition, and many other vendors looking at market valuation instead of customer satisfaction, I think the time is ripe for VARs to flex their muscles and carve out partner relationships with select vendors."

Dubes feels Scantron's combination of hardware, software, and services, as well as a reseller-oriented distribution model, make it one of those select vendors. "One of the biggest complaints I've heard from resellers has to do with their hardware margins being cut by Internet sales," said Dubes. "Because Scantron is selling directly to resellers, we will be able to tightly control our channels and protect our resellers' margins."

For more info: http://www.scantron.com; Tim_Dubes@scantron.com

BBH Scanners Positions Itself For Growth

Böwe Bell & Howell (BBH) Scanners recently named Michael Scheller as its director of channel sales, in a move to help it keep pace with increasing sales. Scheller added the newly created title to his existing duties as director of engineering and operations. Scheller, who joined BBH Scanners in 1998, said there is an overlap among his three areas of responsibility.

"I was originally hired to lead the engineering efforts on the pre-curser to the Copiscan 8000 Plus series," said Scheller, who previously helped design jet engines for **GE**. "Specifically, I was brought in to help fix problems with the feeder. In 1999, I started working on our deal with **FedEx**. I went on some of the pre-sales trips and sat in on the conference calls. That led to my promotion to head of operations."

As head of operations and engineering, Scheller said he found himself in the same meetings with the channel management, discussing the same topics. "Matt Lombardi, our worldwide distribution manager, was running the logistics involved with our distribution channel. He was reporting to [National Sales Manager] Sophia Marchi and [International Director of Sales and Marketing] Tanya Cwiakata. We wanted to free up that team to focus even more on VAR support. We didn't want them to worry about orders, shipping, and fulfillment associated with our distributors."

In North America, BBH Scanners uses two-tier distribution and its scanners are sold to VARs through VADs **Cranel**, **New Wave**, and **Tech Data**. In Europe, BBH Scanners uses **Dicom** and **Headway**, with smaller distributors under contract in less developed markets, such as South and Latin America, India, and China.

Scheller credited Lombardi with mentoring him on his new responsibilities. BBH Scanners President Russell Hunt also participated in the transition. "Michael's promotion is consistent with our strategy of promoting from within," Hunt told *DIR*. "I came up through the sales and marketing ranks and worked as a project manager. That has proven to be valuable experience in my current position. We try to hire individuals that have long-term views and capabilities involving multiple disciplines."

Catalysts for growth

Scheller's promotion was one of four personnel moves BBH Scanners announced during the fourth quarter of what Hunt described as a very successful year for the company. "We grew both our revenue and unit sales over 2004," Hunt told *DIR*. "We also launched a pair of new products—the Spectrum XF and the Trûper. New products are always exciting and help rally the customer base. Finally, we worked hard to expand our sales in China. We opened an office in Beijing a couple years ago and are starting to see some results."

According to Hunt, BBH Scanners hired 12 new employees in 2004 and has plans to add 12 more in 2005. "In the past, we may have hired one or two people as we needed them," he said. "Now, we have a more structured plan for growth. We are bringing in house some of things we have historically used partners for. I think it's a great message that Böwe Bell & Howell corporate is continuing to invest in our business and expanding both our R&D and marketing resources."

The Spectrum XF, which began shipping in October, has now officially replaced the legacy Copiscan 8000 Spectrum line. List prices range from $18,995 to $47,245, which is pretty much along the same lines as the original Spectrum, with a slight increase in price and performance at the upper end.

Both the XF and the Trûper 3200 were introduced at AIIM 2005 [*see DIR 6/17/05*]. The Trûper, which began shipping this summer, represents a significant upgrade to BBH Scanners' low-volume production line. In 2004, the company introduced its first workgroup and departmental models—the Sidekick 1200 and 1400, respectively.

"A couple years ago, we laid out a marketing plan calling for a product offering that extended from the departmental level to the high-volume production segment," said Hunt. "We went out and partnered with **Panasonic** to create the Sidekick and Trûper models, and sales of our expanded line are going quite well. We will continue to invest heavily in a full roadmap, and we have some very exciting products in development."

BBH Scanners also continues to cultivate its relationship with its largest customer—FedEx. "We

have a wonderful partnership with FedEx and hope to continue to work with them long into the future," said Hunt. "We meet with them regularly, and they share some of their long-term plans and goals with us. We're keeping our fingers crossed on this, but we're currently working on another implementation with them. It won't be as large as our first project, but it will be of significant size."

For more info: http://www.bbhscanners.com

DICOM, FROM PAGE 1

The man Klatell is replacing at Dicom, von Büren, has also been instrumental in acquisitions that have helped Dicom grow from a small Swiss-based distributor to an internationally recognized vendor. The key acquisition, of course, was U.S.-based capture technology developer Kofax in 1999. Prior to being appointed CEO of Dicom, von Büren served as CEO of Kofax for two years, replacing founder David Silver. As head of Dicom, von Büren oversaw the acquisitions of vendors Mohomine, Neurascript, and Topcall, which have helped Dicom grow its own product sales to more than a quarter of the company's overall revenue.

There have been some questions, however, about how well these acquisitions, especially Topcall, have been integrated into the core business. Recently, several Kofax executives received promotions within Dicom in an effort to help the organization operate on a more unified basis worldwide. The new CEO appointment would seem to follow along those lines. "The board was looking for a CEO with experience leading a global company," said Troncale. "Rob Klatell has experience integrating different cultures and helping create a joint vision."

More acquisitions could be on the way as Dicom continues its evolution into a "global technology leader." Of course, acquisitions require funding, and Klatell's appointment could make the company more attractive to U.S.-based investors. Dicom, which is currently traded publicly on the London Exchange, was very careful to point out in the lead paragraph of its press release that Klatell is a U.S. citizen. von Büren and previous Dicom CEO Otto Schmid are both Swiss, and, with the exception of former Kofax CEO Rick Murphy, all Dicom's executive and non-executive board members are European. Certainly, **Captiva's** impressive run on the Nasdaq over the past three years proves U.S. investors have an appreciation for capture.

"Currently, Dicom's shareholders are largely U.K.-based institutions," said Troncale. "We only have a few shareholders in the United States. Eventually, we'd like to intensify our investor relations activity to reflect the major portion of our business that takes place in the U.S. We have been exploring that strategy for some time."

Klatell will be based in New York City. In addition to being a major hub for investment and trading activity, New York is located geographically between Dicom's European headquarters and Kofax's Irvine, CA offices. *DIR* has been promised an interview as soon as Klatell is available.

For more info: http://www.dicomgroup.com