December 17, 2004

TOY GIANT CONSIDERS IMAGING

Fresh off a $2 million sale to a company who many view as the "real Santa Claus," it seems **Captiva** is hoping to ride its momentum all the way to the North Pole. Yes, in what could be the largest *Digital Mailroom* application ever, rumors are that St. Nick is considering automating his letter processing operation.

It's estimated that Nick's **Santa Claus, Inc**., receives a billion letters from children around the world each year. Most arrive and must be processed during the three weeks prior to the holidays. "It's really a nightmare for the elves," said one industry analyst who asked not to be identified for fear of breaking an NDA and receiving coal under his tree this year. "The handwriting on many of these letters looks like it was done by a five-year old—which I guess it often is."

It hasn't quite been determined whether a Christmas wish list represents a semi-structured or unstructured form. "Most of the letters contain similar elements," said the analyst. "However, the variety of languages, along with the individual creativity of the children, makes it hard to establish many patterns."

IBML is reported to be Captiva's scanner partner on its bid—although **Kodak**, **Scan-Optics**, **Böwe Bell & Howell**, and even **InoTec** have all reportedly made the trip north. **Kofax** is rumored to be promoting its Mohomine technology as a potential capture differentiator. "Santa needs to account for an expected rise in his volume of e-mails from increasingly digitally savvy children," said a Kofax spokesperson.

Once the capture application is completed, a workflow/BPM system will likely be considered.

For more information: Have a Happy Holiday Season from *DIR*. – RG ▣

Hyland Puts IPO On Hold

Decline in market valuation causes document imaging vendor to re-think its plans.

A declining perceived valuation has been cited as the main reason that document imaging and workflow specialist **Hyland Software** withdrew its IPO filing last month. The IPO had been planned to increase the Cleveland, OH-based developer's liquidity and fund future expansion. However, a downturn in the market over the past six months was cited by President and CEO A.J. Hyland as the impetus behind his decision to pull the filing, which was originally posted on May 19.

"Back in May, the market was going great, particularly for technology and software—and when you drill down even further, ECM [enterprise content management] stocks," Hyland told *DIR*. "Everyone was flying high, and their first quarter numbers were great. At that time, we felt we would receive a very fair valuation on the public market.

"In the second quarter reporting period, the misses started happening. In our space alone, we saw misses by the likes of **FileNET** and **Open Text**. When you add these to the misses in the technology market in general, investors seemed to be spooked by software companies and were very leery about their IPOs."

Indeed, during the month of July, the six ECM companies charted on page 3 lost more than a quarter of their combined market value. FileNET led the way. After announcing a second quarter shortfall, FileNET saw its stock value drop almost 40%. While FileNET's valuation has since bounced back more than halfway, Open Text's value has continued to erode. At the end of November, Open Text was trading for less than 60% of what it was six months earlier. (Smaller player like **Interwoven**, **Stellent**, and **Captiva** have all rebounded somewhat after suffering summer doldrums, while **Vignette** continues to suffer.)

"The market has been recovering slowly, but we're still not seeing the valuation we had hoped for," said

Hyland. "Internally, we've been hitting the goals we aimed for, but because we don't have a track record as a public company, for better or for worse, we are linked by investors to other ECM players. When we looked at the valuations of the companies investors were comparing us to, we didn't feel the IPO made sense any more."

Profitability, growth, not enough to separate from the pack

Most of the vendors we tracked started this month trading at between 2 and 3 times revenue, with only Interwoven trading slightly higher. FileNET was right at 3 times. Based on Hyland's projected revenue of $50 million for 2004, this should have put its market cap somewhere between $125-150 million.

> **"Because we don't have a track record as a public company, for better or for worse, we are linked by investors to other ECM players."**
>
> **-- A.J. Hyland, Hyland Software**

It's worth noting that Hyland's projected internal growth of 25% far exceeds the internal growth projections of any of the other ECM players we tracked (However, all except for FileNET have pulled off acquisitions in the past year and a half.) It's also worth noting that Hyland's 2004 six-month operating margins of close to 17% are far above the nine-month 2004 numbers posted by the other vendors—with only Captiva surpassing the 10% figure. "The IPO process has been a bit frustrating because we have a lot of significant differentiators we weren't getting credit for," said Hyland.

In an apparent attempt to draw attention to its profitability, Hyland had actually planned for its stock to be traded on the NYSE instead of the traditionally tech-heavy Nasdaq. "We felt the prestige of the big board was a valuable thing," said Hyland. "Because we've been profitable for the past five years, we had the option of trading on the NYSE. The Nasdaq and the NYSE have different systems. We visited both and were more comfortable with the NYSE."

Business as usual

In the original IPO filing, the ability to buy back a portion of the shares Hyland had sold to OEM partner **Recall** was listed as one of the reasons for going public [*see DIR 6/4/04*]. A.J. Hyland denied this was a major factor in the IPO consideration. "The main purpose was to raise some capital, so we could push down the pedal a bit further on some of our growth initiatives," he said. "These could include an acquisition if we feel it is necessary.

"As we continue to generate cash and build our reserves

[$7.1 million in cash and cash equivalents as of June 30], we feel we now have enough capital to fund our growth initiatives whether we are public or not. We are not currently looking to raise any additional private capital. However, I'm confident that if we wanted to do an acquisition, we could get the capital somewhere."

Hyland did not discount the idea of revisiting the IPO later, maybe as soon as next year. "We hope our valuation will come up again, and then we will reconsider," he told *DIR*. "The work we've done so far on the IPO has been a great learning experience. One problem with going public is the time it takes to get everything ready. When the conditions are right and the window opens, you can't just go. With all the work we've done over the past year, when that window opens again, we think we'll be in a better position from a documentation and process standpoint to move faster."

According to Hyland, the cost of preparing for the IPO was less than $1 million. "It's my opinion that it was worth every penny," he said. "We learned a great deal about the process and our internal controls. Although we run a tight ship anyway, it never hurts to know more."

Hyland concluded by saying the business will continue to function as usual, IPO or no IPO. "We will continue to be aggressive and deliver on the things we do well," he said. "This includes going after small- to medium- sized deals and bleeding up into the enterprise. We plan to continue to run profitably and to generate cash."
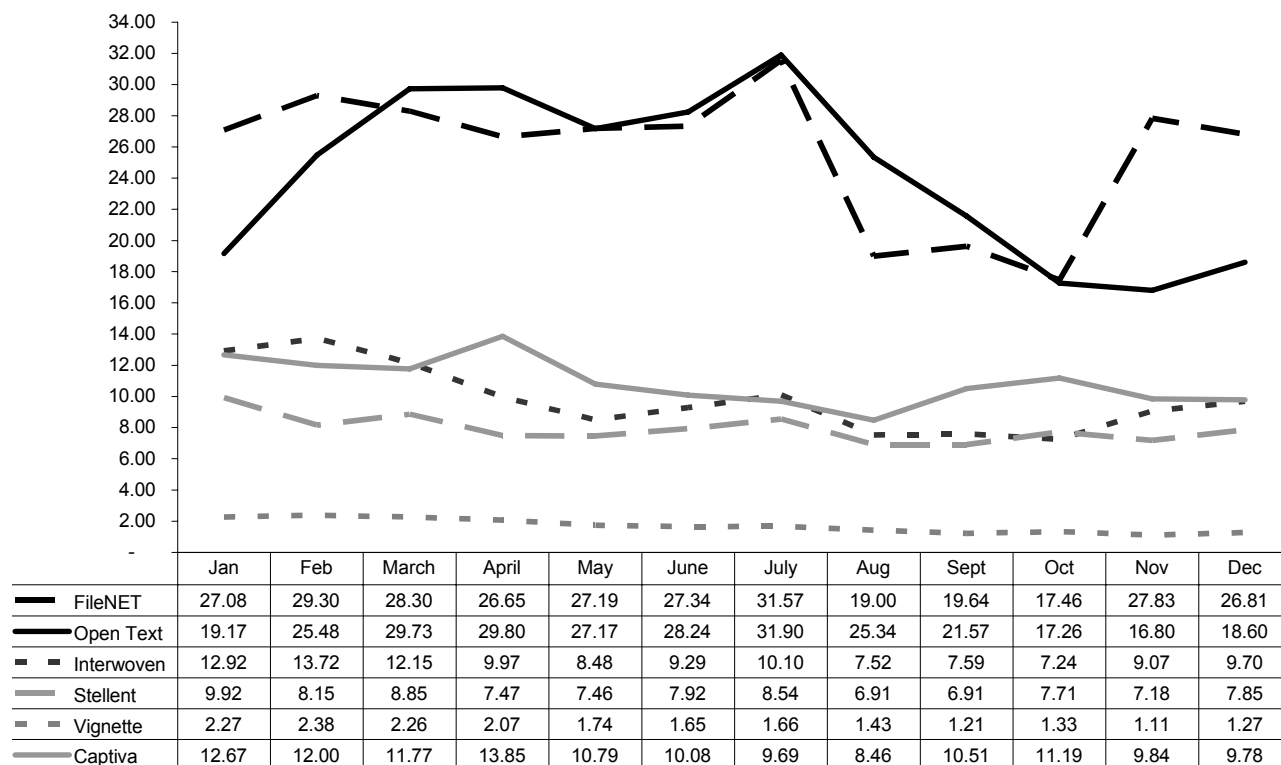
What's next?

Since its IPO plans have been scrapped, rumors have started that perhaps Hyland is up for sale. After all, some past ECM acquisition multiples indicate that may be the route to getting the valuation the company desires. Last fall, for example, **Documentum** received almost six times its revenue in an all stock acquisition by storage giant **EMC** [*see DIR 10/24/03*]. And **OTG**, a direct mid-market competitor to Hyland, received a similar valuation when it was acquired by **Legato** in a combination cash and stock deal in 2002 [*see DIR 3/22/02*]. [*Ironically, Legato was eventually acquired by EMC.*]

However, several recent ECM acquisitions, including those of **iManage**, **Optika**, **Tower**, **IXOS**, and **IMR** have all involved multiples of 1 1/2 to 3 times revenue—or close to what Hyland could likely have expected from its IPO. An acquisition by a

ECM Stock Values

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
FileNET	27.08	29.30	28.30	26.65	27.19	27.34	31.57	19.00	19.64	17.46	27.83	26.81
Open Text	19.17	25.48	29.73	29.80	27.17	28.24	31.90	25.34	21.57	17.26	16.80	18.60
Interwoven	12.92	13.72	12.15	9.97	8.48	9.29	10.10	7.52	7.59	7.24	9.07	9.70
Stellent	9.92	8.15	8.85	7.47	7.46	7.92	8.54	6.91	6.91	7.71	7.18	7.85
Vignette	2.27	2.38	2.26	2.07	1.74	1.65	1.66	1.43	1.21	1.33	1.11	1.27
Captiva	12.67	12.00	11.77	13.85	10.79	10.08	9.69	8.46	10.51	11.19	9.84	9.78

This chart represents the per share stock values over the past 12 months of six companies in the enterprise content management (ECM) space. The monthly numbers are based on the price each stock opened the month at. The July, second-quarter reporting period was a particularly rough time, from which the market has not yet fully recovered.

larger company would also seem to endanger one of Hyland's biggest assets—its impressive operating margins. Sure, $6.5 million in income from operations is impressive for a $40 million company, but how would it affect the bottom line of a $400 million company like Open Text or FileNET?

The high operating margins are related to another problem that would come with acquiring Hyland—the maintenance of its VAR channel. It has been our experience that VAR channels are very tricky to build and maintain. They are also a great asset in our industry, and Hyland has done a great job of cultivating its channel. Hyland's channel methodology is a big part of its unusually high margins. Any acquisitor with an established direct sales force would immediately be a threat to that channel.

Dicom, of course, has done a wonderful job maintaining the **Kofax** channel since acquiring Kofax back in 1999. However, before the acquisition, Dicom had almost no business in North America and has not drastically changed that model since—the recent **Topcall** acquisition potentially creates Dicom's first non-Kofax-related North American revenue. So, with the value of the Euro currently so strong against the U.S. Dollar, could we possibly see a European white knight step in and purchase Hyland? How about Dicom? [*I can just see Kofax executives cringing as they read this*.] After all, combining the two most powerful channel players in the imaging space would create quite a force, wouldn't it?

No, we do not expect to see Dicom acquire Hyland for fear of alienating its other ECM partners. And we are not aware of any other European ECM players with the resources to step in and acquire Hyland. [*If you're out there, please let us know*.] And, based on Hyland's continued aggressive hiring practices, (at last report the company had some 360 employees, up from 270 a year ago), the company does not appear to be "rightsizing" itself to facilitate being acquired.

We expect business will continue as usual at Hyland at least for the next couple years. Why mess with success at this point? It will be interesting to see if the company can maintain its growth rate as it gets larger. It will also be interesting to see if it has the discipline to retain its channel focus as bigger opportunities present themselves. It's our opinion that the mid-market is so hot for imaging sales right now, Hyland's model will hold up at least in the near future.

And if Hyland can reach $100 million or $150 million maintaining its current business model and profitability, maybe it will have enough mass to stand on its own merits in the eyes of investors and step out from the shadows of larger ECM players like Open Text and FileNET. At that point, the company may finally achieve the valuation it is seeking, and the time may then be right for that IPO.

For more information: http://www.onbase.com ■

Publishers Waking Up To MRC

Advanced color document image technology gaining attention as format for digital distribution.

Imagine being able to access 100 comic books on a single CD. Imagine flipping through pages that display in vivid color in less than a couple seconds. **Marvel** has made this vision a reality in what could prove to be the first killer app for mixed raster content (MRC) document imaging technology. It seems the entire publishing industry is expressing an interest in making colorful, graphic rich publications available in MRC-based formats.

"The **Audit Bureau of Circulation** recently changed its policy, so that electronically delivered copies of magazines can now be counted the same as paper copies," said Carlos Domingo, president and CEO of **LizardTech**. "This means that, unlike HTML versions, digital copies can be used to increase circulation numbers and the related advertising rates. This move by the ABC has increased publishers' interest in our technology, which began a couple years ago."

LizardTech, of course, is the proprietor of one of the oldest MRC technologies on the market. Its DjVu technology was first released by **AT&T Labs** in the late 1990s. AT&T sold the technology to Seattle-based compression specialist LizardTech in 2000 [*see DIR 4/28/00*].

MRC involves the separation of textual, linear, and graphical elements on an imaged page and the application of optimal compression technology to each area. MRC can be used to create significantly smaller files than traditional color imaging technologies, while maintaining graphical splendor and textual integrity. To date, LizardTech's limited success with DjVu has come mainly in archiving applications where it is used for historical documents. DjVu has also been used by some manufacturers to create digital product service manuals.

Domingo said publishers initially began looking at MRC as a way to improve the look and feel of their

digital publications. "When they first attempted to publish their titles in HTML, many publishers found that their fonts, layouts, and high quality imagery didn't come across very well," Domingo told *DIR*. "**Time Warner**, for example, doesn't publish any of its magazines digitally because of these concerns."

DjVu can be applied to publications in two ways. For current publications, it can be applied to the pre-press PDF or Postscript files. **IDG Australia** currently publishes a version of *Computerworld* in this manner. The DjVu version of *Computerworld* is approximately 2 MB, or four to five times smaller than IDG could achieve with PDF technology. "In prepress, PDF will do things like convert entire pages to images if they are graphically rich," Domingo told *DIR*. "When these pages are published digitally, unless the image is processed with layering and/or segmenting technology, it will be compressed entirely as an image. This can create larger files—especially if you want to maintain the integrity of the text."

Domingo acknowledged there are several alternatives to DjVu for compression and management of pre-press PDFs and Postscript files. "There are a handful of vendors that address digital publishing of current titles," he told *DIR*. "Where we think we have a clear advantage, however, is in dealing with back-issue conversion. None of the other vendors going after current titles has our experience applying MRC to scanned pages."

Marvelous Work

The Marvel application is a pseudo-example of this. What is unique about the Marvel images is they were created from images of CMYK film. These images were originally used to create print volumes of the comics. Jim Rile of **James Rile Associates** (http://www.planetdjvu.com) worked with Brooklyn-based **Graphic Imaging Technology** on the Marvel conversion.

"We actually had four sets of high-resolution (1200 dpi) images," Rile told *DIR*. "We took the K layer, sampled it down to 300 dpi, and used it as the foreground. We then merged the CMY layers and put them into the background. What's neat is that I was able to imitate the way comic books are printed. In that process, the black lines are drawn by the artist and the coloring is done in a separate step."

The first Marvel discs hit the market before Christmas 2003. They carry a list price of $29. According to Rile, after an initial order of 150,000, 100,000 more discs were printed. "That is easily the largest commercial application of DjVu technology," ventured Rile, who has worked with DjVu for

several years.

This year, Graphic Imaging created a second edition of imaged vintage Marvel comic books. Unfortunately, the CMYK images were not as readily available. "We could have created the images ourselves from the film, but because of various reasons, including rights involved with ownership, it would have cost us approximately $15 per page."

Graphic Imaging settled on scanning the comic books and creating JPEG files stored in a PDF wrapper. "We lost a lot of the wow! factor associated with the first edition," said Rile. "The quality is definitely not as good. We also had to use 11 CDs instead of one, but that wasn't such a big deal because the price and packaging remained the same."

Graphic Imaging considered scanning to DjVu but concerns about quality and LizardTech's Mac OS X plug-in caused them to shy away. "We had a lot of problems the previous year involving the LizardTech

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PROPRIETARY WAVELET COMPRESSION VIEWED AS ADVANTAGE

DjVu is of course not the only game in town when it comes to MRC. Recent updates in PDF have made it a format capable of handling MRC. In addition, an open, MRC-based standard, JPEG 2000, Part 6, was finalized a couple years ago [*see DIR 10/19/01*]. Vendors like **CVision** and **LuraTech** offer products that utilize these formats. [*In fact, at* **AIIM 2004**, *CVision demoed its technology on a scanned copy of Time Magazine.*]

LizardTech CEO Carlos Domingo feels his company has at least one differentiating characteristic. "Our wavelet compression for graphics is based on our *MrSID* wavelet compression technology," he told *DIR*. "As a result, we are much faster at rendering images than alternative formats which utilize JPEG 2000 wavelet compression."

Domingo feels the nature of publishing applications also negates what has long been considered one of the weaknesses of DjVu--the fact that users need a special viewer. "Readers of digital publications are not expecting to view images in standard applications," he said. "They realize that to improve their viewing experience they may need a plug-in. IDG handles this by enabling users to download the DjVu viewer as part of the process for signing up for their digital subscription." [*In the case of the* **Marvel** *comics, because we had to load the CD, we didn't find it intrusive to take a few seconds to load the DjVu browser plug-in.*]

For more information: http://www.luratech.com; http://www.cvisiontech.com

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plug-in," said Rile. "LizardTech finally released an updated version a couple months ago, but by then, we had already made a decision. We were also worried about using LizardTech's DjVu segmenter because of its tendency to drop text into the background layer sometimes. When this happens, the text gets compressed as a graphic element and shows up fuzzy. This wasn't acceptable in the Marvel application."

Not completely satisfied with this year's output, Rile has already begun working on ways to improve the quality of next year's Marvel edition. "I'm working with an alternative segmenter from LuraTech that seems to do a better job of keeping text in the foreground," he said. "If we get access to the film, I'm also working on a less expensive film-to-image conversion process that involves raster to vector conversion."

Despite DjVu's setback with Marvel, Domingo remains confident that LizardTech has a promising future in the publishing industry. "As long as publishers can work out rights and royalty issues involving editorial content, I think there is a lot of opportunity for back issue conversion," he said. "In fact, in March, we will announce a project with one of the biggest publishers in the world."

IMAGES OF A MILLION BOOKS BEING PUT ON-LINE

In addition to being applied to magazines and comic books, DjVu is being used in the non-profit **Internet Archive's** Million Book Project. The project represents collaboration among **Carnegie Mellon University**, the Internet Archive, and the governments of India and China to make the pages of 1 million books available on-line by the end of next year. **LizardTech** has donated its software for use in the application.

"The Million Book Project deals mainly with books that have been out of print for some time," said Domingo. "This means they are no longer subject to some of the copyright concerns surrounding more recent publications."

Over 50,000 books have already been captured at several scan stations around the world, including 14 in India. Books are processed and made available in DjVu, TIFF, and PDF formats, with DjVu consistently offering the smallest file. In conjunction with the Million Book Project, Internet Book Mobiles around the world are being used in rural areas to distribute on-demand printed and bound copies of the books stored in the Archive.

http://www.archive.org/texts/collection.php?collection=millionbooks

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Yes, in a society that is firmly entrenched in the digital age, there is still a harkening for the nostalgia and beauty of print publications. MRC technology like DjVu may be the answer to providing the best of both worlds.

For more information: http://www.lizardtech.com ▣

Fax Over IP Gaining Traction

The recent acquisitions of **Topcall** by **Dicom** and **IMR** by **Captaris** have pulled us into the fax server market. It seems faxes are part of the paper problem that businesses are finally realizing won't go away. Like most paper, however, they can be handled more efficiently through document imaging systems.

Fax servers, of course, leverage phone lines to transfer document images between parties. Well, you've all heard about the threat to traditional phone services being posed by the evolution of voice over IP technology. It seems that fax over IP might pose a similar threat to the fax server market. *DIR* recently spoke about this topic with Ralph Musgrove, VP of marketing at **Venali, Inc**., a Miami-based company that claims to be a pioneer in the area of enterprise IP fax.

"Most of our competitors in the fax over IP space have focused so far on consumer or small business type applications," said Musgrove. "We launched our company with the goal of going after the Fortune 1000. Only recently, through our integration with **Microsoft** *Office 2003*, have we begun marketing to the consumer space. Last year, we also launched a VAR program to help market our service to medium-sized businesses."

Some of Venali's early customers include **Dupont**, **Enterprise Rent-A-Car**, "the insurance firm whose advertising campaign involves a gecko lizard," and a Fortune 10 bank. "We have built our product with the reliability and redundancy required by these types of businesses," said Musgrove. "Our bank customer, for example, does trade confirmations by fax. They can't afford delays, to send doubles, or to not send at all. We've set up our infrastructure to account for these problems."

Unlike fax server applications, Venali's application is available only as a service. Users license fax numbers which are assigned to e-mail addresses. Faxes are received as PDF or TIFF attachments. Outgoing faxes are sent from the registered addresses by simply entering a fax number in the "to" line of a message and adding @venali.net to the end of it. The cover sheet can be typed right into the message area and any additional pages included as attachments. Users receive e-mail confirmations

that their outgoing faxes have been successfully completed. Apparently, the service is even easier to use if you have *Office 2003*.

Pricing models are based on volume of incoming faxes, plus individual charges for outgoing faxes. "We estimate that the charges for our service will be about the same as the phone charges businesses pay to run their fax server applications," said Musgrove. "The cost justification starts to show up in the amount they save on the hardware and software associated with fax server installations. Additional ROI is achieved through reduced maintenance costs.

"For example, one of our larger customers formerly had six dedicated people maintaining 26 fax servers. They were hugging them, kissing them, and doing whatever they needed to do to keep them running. They were using a good fax server product, but still they only achieved an uptime of 83%, which is awful. This is not the fault of the fax server software. It's typically the combination of boards and phone lines being brought in by the carrier that makes the thing die. Our research shows that you can only expect 80-87% uptime from a fax server.

"Our infrastructure has close to 40,000 fax lines, and our servers' uptime is not much better. However, we are able to provide our customers with 100% uptime because of the redundancy in our configuration. The customer I mentioned now has half a person responsible for its fax operations and has 100% uptime."

According to Musgrove, Venali is a 110-person operation with a network capable of handling 34 million faxes per day. "Our policy is to add to that network when we hit 70% capacity," he said.

Forms Technology Eliminates Junk Faxes

One of the interesting features of Venali's service is a Junk Fax Filter that uses a combination of forms recognition and OCR to detect and categorize the fax version of spam. "The way our application is deployed, typically everyone in an organization will get a fax number," said Musgrove. "This means C-level executives are having faxes delivered directly to their e-mail accounts. The executives at our initial customers began seeing a lot of faxes that had formerly been filtered by their secretaries. We had to account for this."

Venali originally built a database of examples by offering **Amazon** gift certificates to users who would submit 80 junk faxes they received. The company continues to improve the service by encouraging users to forward any junk faxes that

make it through the filter.

So, why are we telling you all this? We thought with the recent convergence of the fax server and document imaging markets, that Venali might make an interesting partner for document imaging vendors. "Because we deliver our images in PDF or TIFF, our service works out-of-the-box with pretty much any back-end system you can imagine," said Musgrove. "We've never gone so far as to build code specifically for integration with a document management application, but a fair amount of our customers are using document management in conjunction with our service."

For more information: http://www.venali.com; e-mail: Linda Rodriguez at lrodriguez@venali.com; or send *DIR* a fax at our new number (800) 507-8981 ▣

InfoPath Introducing Users To XML

Microsoft's *InfoPath* is a great way to get people used to working with XML. This is the opinion of Jack Danaher, director of database development for XML-centric content management software developer **Vasont Systems**. "One of the keys to driving the acceptance of XML is gaining a broader user base," Danaher told *DIR*. "*InfoPath* is a great way to do that through forms. However, it only works on simply structured documents. And initially, it's not very good at handling graphic elements."

Vasont's niche has been publishing technical manuals in multiple languages. Its current customers include the likes of **HP**, **Detroit Diesel**, **Lexmark**, **McGraw-Hill**, and **Merck**. "We also enable sharing of content across departments," Danaher told *DIR*.

According to Danaher, once a document is broken down into components and labeled with XML tags, the possibilities are staggering. "We offer more than 500 component processing options," he told *DIR*. "This includes features like automatic approvals and calculations. For example, if a chemical company creates a formula that they publish on an XML form, our software could be used to automatically calculate the weight and composition of the elements. And if no one looks at the formula for 20 years, and during that time the periodic table changes, and it affects the formula, it would be automatically updated."

In addition to *InfoPath*, Vasont also works with most XML editors and has the ability to convert files such as Word documents to XML.

For more information: http://www.vasont.com ▣

Captiva Improves *Invoices* App

As promised, **Captiva** has announced a line-item capable version of its *InputAccel for Invoices*. Version 1.1, which was announced last month, is being advertised as a template-less solution. It also features integration with **SAP's** ERP application.

"The basics of line item recognition are available in the [**Océ ODT**] *DOKuStar* engine that we've licensed for this product," said Daren Gardner, product manager for *Invoices*. "However, we've added some technology in the areas of validation and data matching that really gives our customers a bang for their buck when doing line item capture."

Initially, the product has been certified to perform these functions in conjunction with SAP's *R/3* application. "We built the functionality in a generic manner, so it will be able to work with other applications as well," said Gardner, who then explained some of the details. "We download vendor and PO data from the SAP system into *InputAccel*. This includes all current vendor information and any open purchase orders. Users would typically do this overnight. We've done some benchmarks, and the majority of customers should be able to complete the process in less than two hours.

"Then, when an invoice comes in, we validate our OCR data against the downloaded information. Invoices that check out can be uploaded straight into the ERP system without any human intervention. For invoices that don't match any PO, we have the ability to upload data into a general ledger file."

According to Gardner, the application has been designed so that no training by example is required. "It takes about two minutes to activate the line item capability," he told *DIR*. "Like any template-less application, you can tune it to improve accuracy. You can even set up templates for certain vendors. However, we feel it is important to focus on template-less capture for the following reason:

"Typically, the vendors a business sets up templates for are going to be the ones with the highest volume of invoices. Because of that volume, those are also the vendors most likely to convert to electronic payments in the future. There is a good chance the templates you set up one year are not going to be any good the next."

Since introducing *InputAccel for Invoices* this spring [*see DIR 3/5/04*], Captiva has sold one application—to the large retailer featured in our Nov. 19 issue. "The sales cycle for this type of product is six to nine months, so we're right on track with what we expected," said Gardner.

According to Gardner, the line item capabilities and SAP integration should help sales in Europe even more than in North America. "In the United States, approximately 30% of our prospective customers want to do line time capture, and in Europe it's close to 50%," he told *DIR*. "And while only 35% of our target market in the United States uses **SAP**, about 95% does in Europe."

For more information:
http://www.captivasoftware.com/products/ia4invoices.asp