*December 20, 2002*

### KOFAX INTRODUCES VRS FOR KODAK i200

**Kofax** has announced a software-only version of its VRS image processing technology for **Kodak's** i200 scanner series. The i200 was announced this summer [*see DIR 6/21/02*] and began shipping in October. It is rated at 50 ppm in color, grayscale, and bi-tonal modes. It comes equipped with Kodak's Perfect Page image processing technology, but according to Tim Vaughan, U.S. director of marketing for Kodak Commercial Imaging's capture products, customer demand drove the integration with VRS.

"Kofax has been working with us throughout the development of the i200 series," Vaughan told *DIR*. "We view VRS as a horizontal technology applicable across markets."

According to J.D. Moons, director of product management for Kofax's image processing unit, the software-only implementation was made possible because of the bandwidth of the FireWire connection featured on the i200. "The FireWire connection enables VRS to process grayscale images at rated speeds," explained Moons. "With a very fast computer, we can even approach rated speeds with color."

Moons said that VRS provides advantages over Perfect Page in three areas: "It enables users to work with a broader range of documents, it enables them to do some additional types of cropping, and VRS can be set to automatically stop the scanning process if a document can't be handled correctly."

VRS for the i200 will be available in the first quarter of 2003. Pricing hasn't been announced, but Moons estimated it would be around $1,500. Kofax is developing a new VRS pricing model based on scanner speeds.

# Fines Touch Off Avalanche Of Demand For E-Mail Archiving

The e-mail archiving avalanche has begun. The recent announcement of $8.25 million in fines levied by the **SEC** against five well-known brokerage firms has started the market rolling. Some vendors are predicting the momentum will not subside until this $50 million niche grows to at least 10 times its current size.

This spring, we ran an article which questioned the compliance of many Wall Street broker/dealer firms with the SEC's regulation 17a-4. This rule requires firms archive their customer e-mail correspondence for three years [*see DIR 5/3/02*]. Apparently, the SEC had some of the same questions we did. Earlier this month, it announced it was fining five firms $1.65 million each for not preserving their e-mail correspondence. The firms also had to agree to review and report on their e-mail archiving procedures.

The result has been an avalanche of business for e-mail archiving vendors. "Since we talked in the spring, our business has more than doubled," said Charlie Weeden, president of **17a-4,** a systems integrator focused on e-mail archiving. When we last spoke, Weeden counted 12 of the nation's more than 7,000 broker/dealers among his customers. "For us, the most interesting fallout from the recent SEC fines has been the interest at the very high end of the marketplace and the urgency with which some of these larger firms want to act."

**Legato**, which develops the archiving software that Weeden installs, said it has seen interest in its e-mail archiving solutions increase five-fold in the past month and a half. "Internally, we are looking at 600%-700% growth in that segment of our company," Greg Clock, VP of Legato's e-mail business unit, told *DIR*. "E-mail archiving technology was one of the foremost reasons we acquired **OTG** [*see DIR 3/1/02*]."

Legato competitors **KVS** and **Zantaz** acknowledged that they've seen increased activity in the past six months as broker/dealers became aware SEC investigations were ongoing. "No one wants to pick up the *Wall Street Journal*

and see a story on the front page about their firm being fined by the SEC," Lydia Bennett, KVS's director of marketing for North America, told *DIR*. "Investors don't want their money being used to pay enormous fines, and they want to be able to trust the ethics of a firm they are giving money to. [As we have seen in the case of **Arthur Andersen** and the fallout from the **Enron** hearings,] market pressure itself can shut down a firm."

According to a **Reuters** story, "Securities regulators complained the firms did a haphazard job of keeping e-mails, organizing them poorly and sometimes erasing computer hard drives preserving communications after employees left.... Backup tapes or other formats to keep e-mails were discarded or recycled—often a year or less after backup occurred."

> **"I would say the majority of brokerage/dealer firms have something in place to address e-mail archiving. However, I would estimate that less than half are compliant with the SEC regulations."**
>
> **Charlie Weeden, 17a-4**

"I would say the majority of brokerage/dealer firms have something in place to address e-mail archiving," Weeden told *DIR*. "However, I would estimate that less than half are compliant with the SEC regulations. One of the firms that was recently fined had a policy that instructed employees to save e-mails on their PC hard drives. Obviously, that wasn't good enough to avoid a fine. We represent that our systems have passed reviews by the SEC and the **NYSE**."

In addition to calling for e-mail to be archived in an unalterable format, Rule 17a-4 states that the archive must include a searchable index. This enables regulators to retrieve correspondence during investigations of questionable trading practices. It was during such investigations that the e-mail archiving shortcomings were uncovered. Additional fines of over $1 billion are expected to be levied when these investigations are complete.

One of the e-mail archiving vendors we talked with said it had been working with one of the fined firms for a long time. This led us to question whether or not some of these firms had leveraged search technology to conveniently misplace questionable e-mails. While everyone we interviewed treated that question like a hot potato, several vendors did discuss how their software enables businesses to be proactive in e-mail management. "Instead of waiting for a regulatory body to bring questionable correspondence to your attention, by monitoring your e-mail, you can discover it yourself," was the gist of the commentary we received. New SEC Chairman

William H. Donaldson clearly has his work cut out for him.

While broker/dealer houses are admittedly the initial and current focus of the vendors we spoke with, there is tremendous potential in other regulated markets as well. These include other financial services businesses, as well as government, health care, and life sciences organizations. "There is no rule regarding e-mail archiving that is more technically challenging than 17a-4," said Weeden. "Currently, other industries have regulations that are much easier to comply with. That said, we expect the technical requirements of 17a-4 to be adopted by more bodies in the future."

Added KVS's Bennett, "Broker/dealers were the low hanging fruit. The recent fines have helped clear up some of the confusion and misconceptions about what constitutes an acceptable e-mail archiving implementation. Many firms thought they could get away with backup and recovery systems. As it has become clear this won't do, our business is really picking up."

With regard to the potential of other industries, Bennett said KVS received 20 phone calls and did five installations in 48 hours when energy firms were being subpoenaed for e-mails regarding their relationships with Enron. "We think that analyst estimates of e-mail archiving as a $58 million market in 2002 are going to prove low," she told *DIR*. "As we expand into other markets and other types of correspondence, such as instant messaging, we think predictions of a $573 million market in 2006 are also going to be low."

Because of this explosive growth potential, we find it curious that, up until now, most enterprise content management vendors have virtually ignored the e-mail management space. Aside from Legato, none of the major players in this space sells ECM solutions. Isn't e-mail one of the most rapidly growing forms of enterprise content? And isn't document archiving one of the specialties of most imaging system vendors? Rule 17a-4 even calls for the use of optical storage technology, another specialty of imaging vendors.

Kudos to Legato (and retrospectively OTG) for getting a jump on the rest of the market. We expect to see other ECM vendors follow suit through a combination of partnerships, mergers, acquisitions, and development within the next few months. Unlike many of the markets these vendors have been chasing after so far, this one has some

---

## EMC PUSHES ALTERNATIVE TO OPTICAL ARCHIVING

Although Rule 17a-4 specifically mentions optical technology, most of the software vendors we talked with said they were storage agnostic. "If the customer has a storage format they prefer, we will work with it," said Charlie Weeden president of the integration firm **17a-4**.

Specifically, Rule 17a-4 states, "If employing any electronic storage media other than optical disk technology (such as CD-ROM), the member must notify its designated examining authority at least 90 days prior to employing such storage media." According to Roy Sanford, **EMC's** VP of markets and alliances for content addressed storage, there have been some misperceptions in the marketplace regarding the use of other forms of storage for e-mail archiving. Earlier this year, EMC launched its Centera magnetic archiving solution with broker/dealers as one of its target markets.

"We have multiple customers who have already installed Centera for e-mail archiving, including some in the broker/dealer space," Sanford told *DIR*. (Like most vendors we talked with, EMC said their customers in this space were not ready or willing to speak to the press.) "Some of them view it as a competitive advantage, and others are still in the early stages of implementation."

Because Centera does not include its own file system, it cannot be installed without an application. For e-mail archiving, EMC has partnerships with **KVS**, **Legato**, **IXOS**, and **EDUCOM TS**. We spoke with a representative from one integrator who said he was meeting with one of the recently fined firms about an EMC/KVS system. "Magneto optical (MO) has always been a trusty platform for archiving applications, but it's getting to the end of its life cycle," Keith Norbie, business solutions manager for

storage at **Nexus Information Systems**, told *DIR*. "We are finding magnetic solutions cheaper and more sophisticated. The cost of MO technology, as well as the cost of managing it, is inappropriate when compared to magnetic options."

Sanford boasts that one of the advantages of Centera over optical is that drive space can be made non-erasable for a period of time, and then when the retention period for a document is up, the space can be reused. "You can't do this with optical," he said. "Being able to do this on an object level also ensures there aren't any potential smoking guns sitting around past their retention period as users wait for the rest of the documents on a piece of media to expire."

For more information: **EMC**, Hopkinton, MA, PH (508) 435-1000; **Nexus**, Plymouth, MN, PH (763) 548-8307.

---

immediate impacting revenue opportunity.

For more information: **17a-4**, New York, NY, PH (212) 949-1724; **Legato,** Mountain View, CA, PH (650) 210-7000; **KVS**, U.S. headquarters, Arlington, TX, PH (817) 635-1800; **Zantaz**, Pleasanton, CA, PH (925) 598-3000. ▣

# Canon, eCopy Brace For Market Explosion

*Scanning vendor receives $15.8 million in funding from digital copier market leader.*

**eCopy** has ensured it will continue to be one of North America's fastest growing companies. The developer of image capture and distribution software for digital copiers recently secured an investment of $15.8 million from business partner **Canon U.S.A**. "Our market is expanding rapidly and this funding will allow us to more aggressively add resources to meet the demand," explained Ed Schmid, president and CEO of eCopy.

In the past year, eCopy was named to fastest growing company lists by both *Inc.* and **Deloitte and Touche**. According to Schmid, the company posted revenue of $11.7 million for its fiscal 2001, which ended June 30, 2001. Since then, Schmid said eCopy has been enjoying an annual growth rate of 50%, which would put its fiscal 2002 revenue at $17.6 million. Most of this revenue has come as the result of a partnership with Canon U.S.A., which markets eCopy's software as the platform of choice for scanning with its ImageRunner line of digital copiers.

Neither company would say what percentage of eCopy Canon acquired for its investment, except to comment that it is a minority stake. "While it is a decent-sized minority stake, it does not provide Canon with any effective control, or input on how eCopy is managed on a day-to-day basis," said Dennis Amorosano, director and assistant GM of copier and networked office systems for Canon U.S.A. "We wanted to be careful about that, because eCopy's operating as an entrepreneurial company has been very relevant to the success we've had so far. Historically, eCopy has been very responsive to changes in market requirements. "

Amorosano added that Canon did not want to acquire eCopy and roll it into "the Canon way of doing things." "Not that we are not a forward thinking company," he said, "but we certainly don't operate in the same manner as a small software company. We want to make sure eCopy's culture stays in place."

The Canon/eCopy relationship goes back to 1996, when the companies first began pitching the value of digital copiers as document scanners. "From 1996 through 2000, a lot of our effort was evangelical," said Amorosano. "Today, we are at a different stage. Instead of explaining how scanning works, we are telling customers how they can most effectively implement it. We think the market is going to take off, and we want to be in a position to support it."



*Ed Schmid, president and CEO, eCopy.*

According to Amorosano, approximately 10% of ImageRunners sold today by Canon U.S.A. are installed with eCopy's software. Based on **IDC's** figure of 205,000 ImageRunners sold by Canon U.S.A. in 2001, this means eCopy had approximately 20,000 installations last year. In 2000, IDC reported that Canon U.S.A. sold 140,000 ImageRunners. "So far in 2002, Canon has continued its growth and is on top again in the segments where the ImageRunner competes," Keith Kmetz, IDC's director, hard copy peripherals, solutions, and services, told *DIR*.

"Our relationship with Canon is mutually beneficial," Schmid told *DIR* when we asked if eCopy's arrangement with Canon was exclusive. "We don't see the need to divert our resources to other platforms as long as Canon continues to drive business for us at the rate it is today."

This rate could increase as Canon targets a 20% adoption rate of scanning for the ImageRunner line in the next couple of years. "Awareness has been the number one inhibitor to growth in our market," Schmid told *DIR*. "As awareness builds, we see the potential for explosive growth. Whenever we have reached the demo stage, virtually every customer has said, 'I don't know why I would ever send a fax when I could use this.'"

Replacing faxing with scan-to-e-mail solutions has been the number one driver behind eCopy installations, which retail for $6,900 per ImageRunner machine. eCopy also offers integration to document management software and recently announced a connection module specific for **Lotus** *Domino.doc* repositories. eCopy will use some of the funding from Canon to develop similar connectors to other document management systems. This includes Canon's own *Imageware* document management repository. Amorosano indicated that future versions of eCopy's software will be developed to support color ImageRunner products.

In addition to using the funding for R&D, eCopy will expand its marketing and support efforts. Canon U.S.A. currently has some 7,000 direct and indirect sales people certified to sell ImageRunners. eCopy's support team for that group is 20. "That's 350 Canon salespeople per support person," said Schmid. "Obviously, we need to get that number down. Also, as you get into larger deals involving the deployment of lots of units across an organization, there are security and networking concerns that require our direct support."

Schmid indicated eCopy will increase its support for Canon worldwide, and that Canon Europe has already signed a deal to distribute eCopy's software. eCopy currently has 85 employees, a figure Schmid expects to rise to 115 by the middle of next year.

*Dennis Amorosano, director and assistant GM of copier and networked office systems, Canon U.S.A.*

So, will the $15.8 million investment by Canon U.S.A. prove money well spent? IDC's Kmetz provides this insight: "Scanning is clearly an avenue of differentiation for digital copier vendors. Historically, it has been, by far, the fourth most important function in a digital copier, behind copying, faxing, and printing. However, we've got those three down pretty well, and there is not much new and exciting in regards to them."

It's Kmetz's view that scanning functionality will be leveraged mainly on new machines and not as an add-on to already installed ones. This makes scanning an important factor in what Kmetz views as a "replacement market." "Copier vendors are trying very hard to protect the market share and install base they already have," he told *DIR*.

What better way to guard against your competitors than getting your customers on board with your scanning interface? While copying, printing, and faxing interfaces may be similar from vendor to vendor, scanning tends to be more intricate. The operational learning curve doesn't even account for the integration work required to connect to back-end document management systems. Once an eCopy application is installed, it's one more obstacle for other vendors that seek to unseat Canon.

For more information: **eCopy**, Nashua, NH, PH (603) 881-4450, **Canon U.S.A.**, Lake Success, NY, e-mail: damorosano@cusa.canon.com; **IDC,** Framingham, MA, e-mail: kkmetz@idc.com. ▪

# Taking A Chance On ASP

Bradley Olah knows all about gambling. In the early 1990s, Olah made his fortune as a vendor of slot machines. Now, Olah is on the other side of the table, so to speak. He is making a bet that, after a false start, the market is finally ready to embrace hosted document management applications.

Yes, we've seen our share of failed and struggling hosted applications businesses in our industry. Two years ago, ASP, or application service provider, was one of the hottest buzzwords around [*see DIR 5/19/00*]. Now, unless you're talking about active server pages, it's treated as a dirty word.

But, under the guise of the term "hosted solutions," the model trudges forward. And as CEO of **ActiveIQ**, Olah has embarked on a plan to release a series of vertically specific hosted applications based on **Stellent's** content management software. *Smart Cabinet for Commercial Real Estate* is the first of these, and ActiveIQ has plans in the works for *Smart Cabinet* solutions aimed at the restaurant and retail markets.

"I believe the days of selling heady software solutions are ending," Olah told *DIR*. "I recently visited a customer that spent $5.5 million on a CRM installation, which has taken 14 months to install and is only at 10% utilization.

"I like to draw a parallel between our business and the gambling business. When I went into a gambling establishment with a slot machine, we were asking to take up a valuable piece of real estate. They'd simply throw out our games if I couldn't prove our machine could out-earn what was already in place. Now I am trying to prove that ActiveIQ's services can provide value on a monthly basis. Otherwise, the customer should be able to throw them out."

According to Olah, a *Smart Cabinet* system runs between $5,000 and $25,000 to set up, with monthly fees to current customers ranging between $1,500 and $25,000, depending on the number of users and amount of storage a business is using. *Smart Cabinet for Commercial Real Estate* is installed at a handful of businesses, each of which falls among the top 1,000 commercial real estate owners and operators in the United States—ActiveIQ's target market.

Olah gave an example of the ROI of *Smart Cabinet for Real Estate*: "When a commercial real estate business wants to divest itself of an underperforming property, it puts together a package of related documents. This includes documents on tenants,

leases, the history of the building, etc. Typically, these documents are shipped to potential buyers in a 50-pound FedEx box.

"*SmartCabinet for Real Estate* enables the seller to put these documents online and give the prospective buyer an 'electronic key' for accessing them. Our customers have told us this can reduce the average sale time for a property from the industry average of 180 days, to 90 days. That provides a huge ROI."

According to Jack Johnson, an outsourcing industry veteran who recently joined ActiveIQ as COO, the real estate solution lends itself perfectly to a hosted environment. "It will be a while before businesses outsource mission critical, back-office applications like ERP and financial systems," he surmised. "However, our real estate application involves documents that aren't critical to day-to-day operations. On top of that, they need to be accessed by outside parties. Isn't it more secure for outside parties to access documents through applications hosted by third parties, than through in-house systems that also host mission critical apps?"

Johnson agreed with Olah that many companies have been burnt in the past couple years by software purchases. "Often times, their software installations require so much support, they feel like they have entered the IT business," he said. "As businesses realize IT is not their core competency, they are looking for ways to outsource it."

ActiveIQ's vertical expertise is designed to make the transition to outsourcing as smooth as possible. "We don't want to deal with the IT department, except to get a check-off regarding security," Olah said. "We want to sit down with a CFO or CEO and quantify how our solution will improve their business."

To gain vertical expertise, Olah is leveraging connections from his gaming days. These include the heads of a couple of restaurant chains, as well as the head of one of North America's largest open air mall developers. "We are working to determine how our solution can help their businesses, similar to the way it helps commercial real estate operators," he said. "For example, we're looking at helping restaurant chains better manage documents like leases, liquor licenses, and franchise contracts related to their various locations."

The company's real estate expertise came through a deal with Stellent, which in April sold ActiveIQ

*Jack Johnson, COO, ActiveIQ.*

some of the assets of the former **RESoft**. Before being acquired by Stellent in 2001, RESoft had a business hosting content management applications for the real estate industry. "Stellent was receiving monthly checks from RESoft's legacy customers but really wasn't doing anything to promote the business," said Olah. "I asked [Stellent CEO] Vern [Hanzlik] to give us a chance to work with it."

Olah, who lives in the Minneapolis, MN-area where Stellent is headquartered, had established relationships with Stellent executives prior to joining ActiveIQ. One of the first moves he made as CEO was to sign a contract establishing ActiveIQ as the exclusive provider of hosted Stellent solutions. "The deal gives Stellent 20% of our top-line revenue," he said. "So, they have a vested interest in our success."

According to Olah, this interest comes in handy when customers question the financial stability of ActiveIQ. From Oct. 2001 through Sept. 2002, ActiveIQ rolled up $10 million in net losses on revenue of approximately $5 million. And 90% of that revenue was from a legacy accounting systems software business that is being sold. "When you are hosting other people's data, it's helpful to either have a pile of cash or be profitable," said Olah. "We have/are neither. We have had occasions where Stellent has stepped in and guaranteed our contracts should something happen to us."

Yes, ActiveIQ would appear to be in a situation only a gambler could love. But, the hosted solutions model is not without merit. No, it's not going to replace all desktop applications, like some pundits were predicting a few years back. But, just as expectations were set unrealistically high then, maybe they are unrealistically low now. This is just the type of opportunity successful gamblers look for.

For more information: **ActiveIQ Technologies**, Minneapolis, MN, PH (952) 345-6600. ▨

## BancTec Vet Joins Computhink

**Computhink** continues its efforts to move upstream. The Lombard, IL-based document imaging software vendor recently named former **Plexus/BancTec** executive John Torkelsonas its CEO. Torkelson was formerly VP of BancTec's North American Software Systems unit. He also spent time as the general manager of BancTec's Plexus workflow software division.

"Computhink's *ViewWise* software is a very modern

product that scales well," Torkelson told *DIR*. "It does not have the burdens of imaging products developed in the 1990s. I sold those products, and they require a great deal of labor and customization to work in a given environment. *ViewWise* is designed to be dropped-in and ready to go. A three-day training course is about all the integration we typically need to do."

According to Computhink's President, Joe Wharram, there are approximately 100 installations of *ViewWise*, a product that was introduced in 2000. (Computhink was founded in 1994 as a vendor of desktop document imaging software and has approximately 4,000 legacy installations of its *Paperless Office* application.) The company's marquee *ViewWise* installation is a 600-seat application with the **Croation Institute of Civil Engineering**. That installation was recently recognized by *Advanced Imaging Magazine* as its Business and Commercial Solution of the Year.

"We've had some early success in the government market, especially on the local and state level," said Torkelson. "We also have some installations in the education, legal, and financial services markets. Currently, we are looking to expand our vertical reach by building a channel. We've already had some channel success overseas and are now establishing partnerships with North American integrators, VARs, and OEMs. I am leading that initiative."

Computhink already enjoys significant success through an existing partnership with **Novell**. Wharram estimated that 30% of *ViewWise* sales are generated from the product's integration with Novell's *GroupWise* collaboration platform. Computhink also has formal arrangements to image-enable **ReadSoft** forms processing and **Metastorm** workflow applications. "We have generic APIs that we can quickly integrate into any third-party environment," added Wharram.

Also on the partner front, Computhink has entered into an agreement with **LizardTech** to integrate the DjVu image compression technology with *ViewWise*. "We looked closely at the Internet and intranet environments our software is being deployed in," said Wharram. "We realized we needed to improve the way users share documents when they are using less than high-speed connections. DjVu can reduce the size of file that might be 3.5 MB as a TIFF, to about 300 KB. Leveraging DjVu, we're building a whole new set of Web options for *ViewWise*."

For more information: **Computhink**, Lombard, IL, PH (630) 705-9050. ▣

# Mitek Introduces Image Repository

**Mitek** has expanded its image repository business and is now offering a full document imaging system to banks. The system, known as *CaptureQuest,* features document capture, forms processing, document management, COLD, and workflow modules. It is complementary to the *CheckQuest* check imaging system Mitek began offering in 2000.

"We offer a check imaging repository with *CheckQuest*," Russ Hertzberg, Mitek's director of marketing, told *DIR*. "Because we had quite a bit of document imaging technology already within the company, it made sense to launch *CaptureQuest* to the same market."

Previous to its release of *CheckQuest*, Mitek was primarily known for its ICR technology, which is embedded in several applications. The company also offers a forms processing application, as well as tools for processing unstructured documents. "We don't want to give the message that we are becoming an application-only vendor," Hertzberg stressed. "We have a very open systems approach and will continue to work heavily with partners."

According to Hertzberg, *CheckQuest* has been installed at 45 sites. "Some of our *CheckQuest* customers have expressed an interest in imaging their documents," he said. "*CaptureQuest* can also stand on its own. The advantage of offering both, of course, is that once we earn the trust of a customer with one imaging application, it's natural for them to trust us with another."

Similar to the model for *CheckQuest*, modules of *CaptureQuest* are available on an à la carte basis. "The price for two *CaptureQuest* modules starts at $25,000," said Hertzberg. "Like the capture components of *CheckQuest*, the imaging components of *CaptureQuest* will integrate into legacy imaging repositories."

Hertzberg expects recently passed Patriot Act regulations to help drive adoption of document imaging at community banks. "The Patriot Act calls for banks to keep an electronic copy of any identification used to open an account," he said. "While this may account for only a small number of documents, it could be the final push behind a document imaging installation. I think there is a great opportunity for the installation of image-based intranets in the banking market right now."

For more information: **Mitek**, Poway, CA, PH (858) 513-4600. ▣

# Quest Adds HTML-Based Report Distribution

**Quest Software** has introduced a Web-enabled version of its *Vista Plus* report archiving and distribution suite. According to Ken Barrette, the product manager for *Vista Plus*, the new features are targeted at corporations that distribute reports to remote locations. "We've received strong demand for a Web-based client from the retail industry, for instance," Barrette told *DIR*. "Previously, if *Vista Plus* users wanted to distribute reports to locations across the country or internationally, they'd typically print and then fax or mail them. They could have installed our Windows client at more important stores, but being able to access reports through an intranet is a better solution."

Quest boasts some 800 installations of *Vista Plus*, including 600 at Fortune 1000 companies. "Most of our customers are in older industries and have mainframe-based applications," said Doug Daniels, product marketing manager for *Vista Plus*. "We introduced a Java-based Web client a few years ago. However, as people's attitudes toward applets has changed, we've redesigned our application to create pure HTML-based files." The latest version of *Vista Plus* also offers PDF and *Excel* output.

Daniels added that Quest is instituting an aggressive new pricing model that targets customers with remote users. "Historically, our product has been deployed to manage thousand-page reports accessed only by internal users," he said. "While *Vista Plus* always could manage smaller documents like statements that might be distributed to partners or consumers, the Windows-only client made that impractical. Having a Web-based client has already enabled us to look at new applications, such as distributing report cards to students. Obviously, a client for a student to access *Vista Plus* a couple times per year should not be priced the same as a client for an accountant that uses the system every day for analysis."

*Vista Plus* is one of several software applications offered by Quest. The $250-million vendor also offers database and application management solutions. Barrette views *Vista Plus* as a combination document archiving and output solution. "According to a **Gartner** report, the archiving and output industries are merging, and *Vista Plus* provides both types of functionality," he told *DIR*. "Down the road, we are looking at packaging certain functions of *Vista Quest* in industry-specific regulatory solutions."

Daniels added that one of the strengths of *Vista Plus* is its tight integration with leading applications from vendors like **PeopleSoft**, **SAP**, and **Oracle**. "These are the systems our customers are running on their mainframes and using to produce reports," he told *DIR*. "Sure, they could rip out these applications and put in brand new systems that produce Web-based reports on their own. But that's not going to happen. *Vista Plus* now offers a way to produce Web-based output from mainframe-based systems."

For more information: **Quest Software**, Irvine, CA, PH (949) 754-8000. [DIR]

---

The *Document Imaging Report* would like to wish you and your families a **Happy Holiday** season. Our next issue will be published the week of January 10. We'll see you then!