

# Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

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December 5, 2003

## THIS JUST IN!



*i-Vault!'s new interface enables viewing of multiple documents at once. This is especially useful in applications like lockbox, where users can now see invoices and related checks at the same time.*

## JPMORGAN UPGRADES I-VAULT! INTERFACE

**JPMorgan Chase** continues to develop its i-Vault! hosted document repository. The banking and financial services conglomerate recently launched i-Vault! 5.0, its fifth generation Web-interface for the storage and retrieval of documents within i-Vault!. An outgrowth of the bank's massive internal document repository, i-Vault! has been available to external customers for three years. JPMorgan boasts some 110 customers and 50,000 users of i-Vault.

"The majority of our customers are in the financial services market, but we are becoming more diversified," Bill Telkowski, CTO of JPMorgan I-Solutions, told *DIR*. "Our volume of transactions has averaged a 100% increase each year."

The new features in i-Vault! 5.0 were based on customer feedback. They include the ability to view several documents at once and a download-to-spreadsheet option for sorting document searches. GUI changes were also made to improve the accessibility of underused system features.

For more info: [www.jpmorgan.com/ivault](http://www.jpmorgan.com/ivault). **DIR**

## Documentum Establishing Strong Government Foothold

The Government Paperwork Elimination Act (GPEA) has long been viewed as a potential goldmine for document management vendors. If that's the case, **Documentum** may have recently hit a mother lode with its contract to act as the primary document management vendor for GPEA's eRulemaking Initiative. The eRulemaking Initiative involves some 170 government agencies, and it's possible Documentum could leverage its introduction to these agencies to sell several agency-wide content management systems.

A precedent for this type of expansion has already been set with the **EPA (Environmental Protection Agency)**. In a recently announced deal, the Documentum ECM platform has been selected as the backbone of the EPA's Electronic Records and Document Management System (ERDMS). ERDMS is being implemented as an outgrowth of the agency's successful EDOCKET application for collecting constituent commentary on EPA rules and regulations. The eRulemaking Initiative is based on EDOCKET.

In case we lost you, here's a synopsis in chronological order:

- Over three years ago, the EPA began looking for an application to simplify public commentary on its rules and regulations.
- The EPA reviewed 18 document management products before selecting Documentum.
- In May 2002, the EPA launched its EDOCKET Web-site, which facilitates on-line commentary. It is based on Documentum software and can be accessed at [http://cascade.epa.gov/RightSite/dk\\_public\\_home.htm](http://cascade.epa.gov/RightSite/dk_public_home.htm).
- Later in 2002, after doing a gap analysis on approximately 10 on-line commentary systems installed at various agencies, the Federal government selected EDOCKET to serve as the model for its eRulemaking Initiative, which will eventually encompass 170 agencies.
- In October 2003, the EPA selected Documentum as the platform for an enterprise-wide ERDMS installation.

Sometime in the future, it's likely Documentum will seek

to expand the commentary systems at those other 170 government agencies into systems similar to the EPA's ERDMS. "The commentary system will be a base application rolled out government-wide," explained Monte Wilson, VP of government operations for Documentum. "It's our view that each agency will also need its own core system for agency-centric content management."

**"As part of the eRulemaking Initiative, we are planning to set up a very large document processing operation based in Washington, D.C., run by the Government Printing Office."**

**Oscar Morales, EPA**

### **Scanning a Big Part of the Plan**

The eRulemaking plan of attack is to initially cover the agencies responsible for the majority of Federal rules and regulations. "We expect 80% of the rules to be available for on-line commentary within the next year-and-a-half," stated Oscar Morales, Director of the eRulemaking Initiative and also an IT officer at the EPA. "This involves a core group of about 15-25 agencies, many of which already have some sort of legacy on-line commentary system we will need to migrate. We will bring the other 150 agencies on board over the next 2-3 years."

Morales gave us an example of how the rulemaking and commentary process works: "Say, you own a motorcycle shop in Minnesota. You want to keep up on any rules or regulations the EPA is considering that will affect your business. Chances are you pay a fee to a D.C.-based public interest firm to notify you when a rule is passed that could affect your business. Depending on the rule, constituents have 30, 60, or 90 days to comment. The law states that the federal agency has to take these comments into account before finalizing its regulations."

Traditionally, comments have been either mailed or faxed in. "In addition to making the processing of comments more efficient, setting up an electronic system increases flexibility and the potential for interactive replies," Morales said. "We also think it will greatly increase the volume of comments. To deal with this increased volume, we are considering installing software to intelligently analyze some of the content. If 50,000 union members each send in a form letter, it helps to be automatically informed of that."

By no means does Morales expect the eRulemaking Initiative to eliminate the current load of paper associated with the commentary process. At least, this hasn't been the case with EDOCKET. The EPA currently has a contract with a scanning service bureau to support its application. "As part of the eRulemaking Initiative, we are planning to set up a very large document processing operation based in Washington, D.C., run by the **Government Printing Office (GPO)**," he

## **Document Imaging Report**

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*DIR* is the leading executive report on managing documents for e-business.

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told *DIR*.

Morales surmised that the GPO would likely use **Captiva's InputAccel** capture application, which is resold by Documentum. Documentum's Wilson cautioned that it's too early to make that sort of call. "**Lockheed Martin** is the prime contractor for the eRulemaking Initiative, and it is still in the planning stages for the scanning piece," he said.

### **Compliance Concerns Drive Gov. Sales**

In addition to the eRulemaking Initiative, Morales is overseeing the EPA's ERDMS roll-out, which will include 10 regional offices, 15 test labs, as well as the EPA headquarters in Washington, D.C. In addition to EDOCKET, two EPA locations currently have Documentum software installed, while several others have alternative document management systems. "The EPA rollout will occur over a longer timeframe than the eRulemaking rollout," said Morales.

The EPA is actually the second government agency to standardize on the Documentum platform this year. The **FDA (Food & Drug Administration)**, which has a long history with Documentum based on the vendor's roots in the pharmaceutical industry, has made a similar announcement. If Wilson has anything to say about it, these two agencies will have plenty of company.

Through the first half of 2003, Documentum's government operations, which were launched just two years ago, accounted for 12-14% of the company's revenue, or \$16-19 million. "Once we hit 20%, we will start to fulfill some of the objectives we have set for our team," Wilson told *DIR*.

These numbers represent sales to federal, state, and local governments. "We try to coordinate our efforts to all three types of government," Wilson told *DIR*. "We find that most federal agencies have regional and state offices that are dealing with the same types of processes and issues. The EPA is an example of this type of operation."

According to Wilson, just like in the commercial sector, compliance concerns are driving government sales. "The records management part of our business is seeing a lot of activity," he said. "And similar to the way DoD agencies are looking at 5015.2 for guidance, civilian agencies are starting to look towards **NARA** (National Archives and Records Administration). In the next year, I expect to see NARA roll out some standards that go beyond just what the military is looking for."

For more information: **Documentum**, Pleasanton, CA, e-mail: monte.wilson@documentum.com. ■

## **NSi Adds Forms To Network Scanning App**

As document capture makes its way into the front-office, it makes sense that its sister technology, forms processing, will follow. To meet demand for this convergence, **Notable Systems, Inc. (NSi)** recently announced it is integrating **ABBYY's FormReader** forms processing technology into its *AutoStore* distributed capture system. *AutoStore* has historically been used for capture with front-office devices such as digital copiers and **HP's** Digital Sender.

"The main difference between our capture application and competitive offerings like *Ascent Capture* and *InputAccel*, is that *AutoStore* runs on a server and not a PC," explained Ali Tehranchi, president and founder of NSi. "PC-based solutions give you more control. However, they are not practical when dealing with networked devices like digital copiers. To complement *AutoStore*, NSi needed a forms processing application that was flexible and quiet enough to run on a server. *FormReader* provides us with that."

NSi already has a licensing agreement with ABBYY for technology to create full-text searchable PDFs from scans. NSi, which was founded in 1996, had initially leveraged an OCR engine licensed from another vendor. "As more of our customers demanded searchable PDFs, we realized we needed better, server-based recognition technology," Tehranchi told *DIR*. "In a PC-based scanning solution, you can deal with situations like an occasional crash or the appearance of popup windows. Those things can't happen on the server."

Tehranchi lauded ABBYY for its software's ability to automatically make adjustments. "In a PC-based application, users have the ability to tweak scans to ensure they are recognized correctly," said Tehranchi. "You don't have that luxury on the server. ABBYY's technology has the ability to tweak itself based on the make-up of a scan."

"On a resumé, for example, a lot of candidates will embed their photographs. ABBYY's technology can automatically adjust to handle documents that are more graphic intensive. It also has the ability to automatically switch between several different languages. This is important in our international installations."

According to Tehranchi, NSi is already working with about a half-dozen forms processing customers. "About half of those are in the financial services market, including **PriceWaterhouseCoopers**

**Global,**" he told *DIR*. "They are looking for the ability to recognize and classify forms, and in some cases, automatically extract data from some of the fields. If there is any question about the data extraction, images can be sent to a validation station, which is also part of the application."

Tehranchi noted that invoices are one type of document NSi customers have shown particular interest in processing. Not coincidentally, the latest release of ABBYY's recognition engine includes a special module for processing invoices. "We developed some new technology because of this relationship," admitted Dean Tang, president and CEO of ABBYY USA. "We feel it's to our benefit to work with NSi and other developers to expand the document capture space."

Tang added that server-based capture is an area that ABBYY has been working on for several years. The NSi forms application is based on ABBYY's Enterprise Forms version of its *FormReader* technology. "Now we are looking to run with our momentum and have been in contact with other vendors of server-based capture as well," said Tang.

According to Tehranchi, NSi's main competition comes from **eCopy** as well as the internal development teams of digital copier manufacturers. NSi began life as an exclusive developer for HP. While that relationship remains healthy, NSi has started marketing its AutoStore solution to other vendors as well.

"We are in discussions with a couple of the top five vendors of digital copiers and expect to have announcements with them this spring," said Tehranchi. "One reason they are talking with us, despite having their own capture applications, is that they like our server-based PDF output. The ABBYY technology is a real differentiator in that area."

*AutoStore* currently lists for \$3,700 per server, plus \$259 per connected device. "We make our money through the number of connected devices," said Tehranchi. "One of our biggest applications, with the **New York City Human Resources Administration**, has about 1,000 Digital Senders running on 30 *AutoStore* servers."

Overall, Tehranchi estimated NSi has 4,000-5,000 customers running 22,000-25,000 devices on 12,000 servers. "Since 2000, our business has been growing 200-300% annually," he told *DIR*. [*In addition to AutoStore, NSi also markets its OneStep technology for linking capture devices to back-end document repositories.*]

The *FormReader AutoStore* module will be

available for a list price of \$9,500 per server. It can then be accessed with no extra charge from any connected device. "A lot of forms processing applications charge per field or per document," said Tehranchi. "We didn't feel that approach would work in the server-based market."

Tehranchi concluded by saying it's his goal to make *AutoStore* synonymous with capture from networked devices. "Today, if you use a document scanner it's driven by ISIS, TWAIN or **Kofax** Image Controls," he said. "In the future, when people do scanning on digital copiers, we want them to think about products powered by *AutoStore*."

For more information: **Notable Solutions, Inc.**, Gaithersburg, MD, PH (240) 683-8400, [www.nsius.com](http://www.nsius.com); **ABBYY USA**, Fremont, CA, PH (510) 226-6717, [www.abbeyusa.com](http://www.abbeyusa.com). ■

## Digital Sender Fills Scanning Niche

The **HP** Digital Sender has always been something of an enigma to the document capture market. HP has sold enough of them to make it one of the market leaders in the rapidly growing departmental/workgroup scanning space. However, because it's a networked device, and not a PC-based scanner, the Digital Sender probably competes more with the scanning functionality on digital copiers than it does with traditional document scanners.

"The Digital Sender looks like a slightly oversized fax machine," explained Jim Montgomery, HP's product manager for the Digital Sender. "People like it because it's a stand-alone device that you can just plug into your network, and it runs. It's typically purchased for its scan-to-e-mail capabilities. This qualifies it as a fax replacement. Once users find out how easy it is to scan to their LANs or networked folders, they start leveraging it for that."

This summer *DIR* caught up with a self-described "typical Digital Sender user." The **Clark County DA's Office** in Las Vegas, NV, has 10 Digital Senders it uses for a variety of applications throughout several departments. "We started with a handful of Digital Senders used primarily as fax replacements," explained John Beaird, IT manager for the DA's office. "When we were brainstorming for an idea on how to better manage the documents associated with case motions sent to our attorneys, the Digital Senders proved to be the answer."

Clark County receives some 25,000 of these motions per year, regarding matters such as adding a witness or changing the venue of a trial.

Depending on the complexity of the motion, they can range from two to 200 pages long. "Because of the way our department is structured, we were having trouble getting these motions to our staff on time," said Beaird. "We'd receive them, but then they would never get to the right team assigned to the case. This was causing our attorneys to show up in court unprepared. Not only was it upsetting to judges, it made crime victims think we didn't care or even know what we were doing."



*The HP Digital Sender 9100C promises the ease-of-use of a fax and the functionality of a scanner.*

Leveraging its Digital Senders, Clark County set up a system to scan the motions to a Web server upon receiving them. An e-mail alert is then immediately sent to the appropriate case team. After Clark County discovered how easy it was to scan to the server, it began looking at using its Digital Senders as on-ramps for a large amount of child support paperwork it wanted to put on-line.

When we spoke, this system was in development. Clark County was considering leveraging an **eiStream** repository that had recently been installed to manage criminal casework. The DA's office was considering using **NSi's OneStep** technology, available through HP, to import images captured with the Digital Senders into the eiStream system. "We have some **Kodak** document scanners that are being used to scan our criminal casework," said Beaird. "We'd probably use those for the backfile conversion of the child support documents. We'd use the Digital Senders for a lot of the day-forward and ad hoc documents and correspondence that might be added to case files—either criminal or child support."

Beaird said the number of Digital Senders at Clark County grew as more people became aware of them. "Our family support division, for example, is located about a half-mile down the road from our main office," he said. "When the main office started using the Digital Sender to send stuff down there, they said they wanted one too, to send stuff back."

HP's Digital Sender 9100C lists for \$3,000. It is rated at 15 ppm in black-and-white and 4 ppm in color. It has a recommended duty cycle of 10,000 pages per month. "We use the color functionality when we need to send color photos to a special court exhibits area, where we have set up high-end printers for making 8x10 prints."

Overall, Beaird said the ease-of-use of the Digital Sender is what makes it such an attractive device. "It enables users to do digital input without a PC and all the software that goes with it," said Beaird. "It's great for people who are not used to dealing with computers. They don't have to worry about fooling with Windows and a scanning application. They just walk up to the device, and it works like a fax."

Despite HP's recent entry into the more conventional document scanning market [see *DIR* 4/25/03], along with its recent introduction of some new digital copier products, the company does not plan to discontinue the Digital Sender line. "Yes, we want to add more digital capture capabilities to our MFPs," said Montgomery. "However, we still see a need for dedicated Digital Senders. We have a new Digital Sender slated for the fall of 2004. With that release, we'll focus on improving the scanning speed and continuing to improve the ease of use."

For more information: [www.hp.com](http://www.hp.com). ■■

## TiS Lands Two Large Deals

**Top Image Systems (TiS)** seems to be getting back on track. For the third quarter, the forms processing software vendor reported its highest revenue total in more than a year, while making great strides towards profitability. And, to start the fourth quarter, TiS has already announced two large sales: On Oct. 1, TiS announced a multi-million dollar contract with the **Swiss Post**. Then, two weeks ago, TiS announced a new installation with **Guardian Life Insurance**.

Because of a confidentiality agreement, we couldn't get too many details on the Swiss Post deal, but we did get some information from Tal Marom, the VP of sales for Israel-based TiS. We learned the deal with the Swiss Post is actually TiS' second with the organization. Four years ago, the Swiss Post installed an **AFPSPRO** system from TiS, which it has since upgraded to TiS' newer **eFlow** platform. A case study about that installation can be found on the TiS Web site at [www.topimagesystems.com](http://www.topimagesystems.com). The Swiss Post apparently doubles as a financial services provider and that installation involves financial services documents.

"In addition to the TiS system, the Swiss Post was running another forms processing system it had installed seven years ago," Marom told *DIR*. "We are now replacing that application."

According to Marom, the new TiS application will

be supporting 100s of millions of documents per year, with a peak volume of several million per day. "It's a decentralized application involving several locations," he said. "We are going to start out processing only structured documents. However, one of the selling points of our software was that it provides Swiss Post the option of upgrading to include semi-structured and unstructured forms for a relatively low cost."

Marom added that TiS' established relationship with the Swiss Post gave it an advantage over its competitors for the deal. "The Swiss Post issued a closed bid—made available only to a handful of vendors that it felt could handle such a high-volume application," he said. "The fact that we've had such a smooth relationship with them for several years definitely worked to our advantage. We have often used our current installation there as a reference, which has helped us win other contracts."

TiS, which primarily sells its software through reseller partners, will serve as the primary contractor in its most current deal with the Swiss Post. The Swiss integrator **Pentag Informatik** will provide some support. "Because of the size of the deal—it involves creating an infrastructure for data capture that will be in place at least 10 years—the Post preferred to buy directly from the vendor for this deal," said Marom. "We have worked with the Post to modify our product to fit this installation. Some of the modifications can also benefit other customers and will show up in future generations of *eFlow*. We've also added some customized features strictly for this project."

Work has already begun on the installation, and Marom expects it will be completed next year. "By the time it's completed, it will be a multimillion dollar deal for us in terms of software and services," he said.

The Guardian deal is also under a strict non-disclosure. From the TiS press release, we gleaned that this is not TiS' first contract with Guardian—which is billed as the fourth largest mutual life insurance company in the United States. The new application will be used to process both structured and semi-structured forms.

The two large fourth-quarter deals come on the heels of a successful third quarter, for which TiS reported \$2.1 million in revenue. This represented TiS' highest revenue total since the second quarter of 2002, when it also reported \$2.1 million in revenue. For the third-quarter, TiS also managed to reduce its expenses by 17% from the third-quarter of 2002. This, along with a revenue increase of 40%, reduced the company's operating loss from \$1.4

million the third quarter of 2002 to \$150,000 this year.

For more information: **Top Image Systems**, Tel Aviv, Israel, PH (972) 3 767-9114. [www.tis.com](http://www.tis.com)

## Mid-Market Hot Area For ECM Growth

There are two trends currently dominating the enterprise content management (ECM) landscape. The first is exciting growth driven by an increasing concern about getting unstructured information under control for regulatory and potential litigation purposes. The second trend is consolidation. In the past few months we've seen several mergers/acquisitions involving major ECM players with rumors of more on the way.

So, with all this explosive growth, why are companies merging? The optimistic answer is that with other technology sectors failing, larger vendors see ECM as an oasis in an economic desert, and they want to grab as big a stake in this valuable segment as they can. The more pessimistic answer is that maybe the market where the major ECM vendors play isn't really growing that fast.

There is no question that historically the majority of ECM revenue has been generated by focusing on Fortune 2000 companies. Titans like **FileNET** and **Documentum** love to brag about the number of these companies they count as customers. As its moniker suggests, however, the Fortune 2000 is a limited set. It is some people's view that the real growth in ECM will occur in the mid-market, which many feel is vastly underserved.

"You're seeing so much consolidation on the upper end of the market because there are too many players in that area," attested Thomas Schneck, president of **DocuWare AG**, a German-based document imaging software developer. "We focus on mid-sized businesses, which we define as between 25 and 500 employees. In the U.S. alone, we've identified around 750,000 businesses that size, and we feel the penetration for ECM in those companies is below 10%."

Focusing on this market, DocuWare has enjoyed 20% organic growth annually over the past two years. DocuWare sells exclusively through resellers, and according to Schneck, the company expects its resellers to drive \$35 million worth of DocuWare-related revenue this year. In contrast, FileNET grew only 4% last year and has reported 2% growth through the first nine months of 2003.

**Optika**, another imaging-centric ECM vendor that focuses on what it calls "the greater mid-market," reported 9% growth last year and 11% growth through the first nine months of 2003. "Our focus is on companies with between \$200 million and \$4 billion in annual revenue," Optika President and CEO Mark Ruport said during a recent interview on **CEOcast**. "We feel that space is less than 20% penetrated with ECM software."

Optika has enjoyed success by partnering with mid-market ERP vendor **J.D. Edwards** (recently acquired by **PeopleSoft**). Two recent installations that Ruport cited involved helping a billion-dollar lumber supplier and an \$800 million construction and engineering services company better manage transactions with their vendors through integration of Optika's software with their ERP systems.

### **Dealing With Mid-Market Challenges**

Selling to the mid-market is not without its own set of challenges. It's often been said that it takes as much energy to close a smaller imaging deal as it does to close a larger one, so you might as well go for the larger ones. In addition, Schneck said that smaller companies are less likely to have a document management directive coming down from the top.

"As a vendor selling to that market, you have to engage someone in a line of business, like human resources or accounts payable, to champion your cause," he said. "Larger companies are so concerned about regulatory compliance and so forth, that they've begun to look at company-wide document management initiatives. That type of thinking hasn't started to trickle down to smaller companies. Smaller companies still harbor misconceptions that imaging is expensive, and it doesn't really work."

According to Schneck, the falling cost of scanners and the ability to use fewer specialized hardware devices has dropped the average cost of a mid-market imaging system to around \$30,000-35,000, including services. "To be successful in the mid-market, you have to offer a low total cost of ownership," stressed Schneck. "Your product also has to be flexible and scalable. Users want to know they are going to be able to grow their systems, both in terms of size and functionality. Historically, we've focused on the document imaging aspect of document management, but more and more, we're finding users want to include electronically created documents, including e-mails, in their systems."

In terms of functionality, records management seems to be a hot item in the mid-market. Optika's records management offering was recently **DoD**

5015.2 certified and DocuWare is on the **JITC's (Joint Interoperability Test Command)** schedule for January. **LaserFiche**, another document-imaging centric mid-market vendor, also recently announced a DoD-certified records management product.

"Our software could always be used for records management," explained Tom Wayman, marketing manager for LaserFiche. "Having certification provides a certain comfort level to end users, however. If there ever is a records audit, they can't be blamed for having chosen software that is not DoD-compliant."

LaserFiche added functionality for creating and managing records series and retention dates more conveniently. The LaserFiche *Records Management Edition* is scheduled to hit the streets in January and will be priced at a \$12,000 premium above a standard LaserFiche document management system. "With a lot of DoD-certified products selling for \$100,000 a pop, we think our pricing will be attractive to our mid-market customers."

### **Beware Giants Moving Downstream**

Yes, the mid-market appears to be a hot area for ECM sales, but before vendors playing there get too comfortable, they should realize some of the big boys have also recognized the potential in this space. Documentum has spoken about its **eRoom** acquisition as a means for moving downstream, and last month **IBM** announced its *Content Manager Express* application targeted at the mid-market.

"It's a very positive sign that we have multi-billion dollar vendors focusing on the ECM and compliance space," said Optika's Ruport. "In the short-term, it hasn't had any negative effect on our business or our partnerships with big players like **EMC**, **PeopleSoft**, and **Oracle**."

Schneck concluded by saying that DocuWare's established channels for selling to the mid-market give it an advantage over any larger Johnny-come-latelies. "We feel we can speak the language of our customers," he said. "For larger, more general, IT companies, it's always difficult to understand real-life document and records management problems. The biggest problem we have with larger players is when departmental DocuWare customers are faced with complying with an enterprise content management directive."

For more information: **DocuWare Corporation**, Newburgh, NY, PH (845) 563-9045; **Optika**, Colorado Springs, CO, PH (719) 548-9800; **LaserFiche**, Long Beach, CA, PH (562) 988-1688. ■

# DocuMate—Backbone Of Aggressive Workgroup Plan

With the help of its recently launched **Xerox**-branded DocuMate line, **Visioneer** expects to sell at least 7,000 workgroup scanners in 2004. Visioneer recently showed off the initial members of the DocuMate family at the **COMDEX** show held last month in Las Vegas. The DocuMate 250, 520, and 510 are re-branded and slightly refurbished versions of current Visioneer products. Early next year, Visioneer plans to introduce brand new, duplex DocuMate models.

The DocuMate 250, 520, and 510 are simplex scanners, with the 250 and 510 rated slightly faster than their Visioneer counterparts. "The main difference between the Xerox and Visioneer branded scanners is the software bundles," Murray Dennis, president and CEO of Visioneer, told *DIR*. "The DocuMate scanners come with **Kofax** VRS 2.1, as well as **ScanSoft's PaperPort Pro Office 9** and a full version of **Pixel Translations' QuickScan** capture application. This adds up to approximately \$800 worth of software. The Visioneer models don't include VRS, have a lighter version of *PaperPort [Deluxe]*, and feature a trial version of *QuickScan*."

The 510, which is the lowest priced of the three Xerox models, does not bundle VRS and includes *PaperPort Deluxe*. It does, however, include *QuickScan*. The DocuMate models sell for a 15-20% premium over their Visioneer counterparts.

Based on their prices and rated speeds, the

DocuMate 250 and 520 fall into the workgroup category of document scanners as defined by **InfoTrends Research Group**. The 510 could probably be considered a hybrid consumer/workgroup scanner. Historically, Visioneer has played in the consumer market, but last year introduced its first products targeted at the faster growing workgroup space.

Dennis expects next year's introduction of duplex DocuMate models to significantly boost the company's workgroup sales. "Seventy-five percent of the workgroup market is duplex," said Dennis. "The Xerox brand, along with our attractive software package, including VRS, will help us move upstream into that market space. By the end of next year, we will be one of the top three vendors in workgroup market share."

According to InfoTrends, **Fujitsu** currently dominates that segment. "**Canon** and **HP** have historically been numbers two and three, with approximately 10-15% market share each," said Dennis. "That's about the percentage we're shooting for. That's based on a predicted 75,000 to 80,000 total workgroup units sold next year."

The initial DocuMate models are currently available through distributors **Tech Data** and **Ingram**, as well as direct market resellers like **CDW** and **Dell**. According to Dennis, the DocuMate line will be showing up on e-tail sites some time this month.

For more information: **Visioneer**, Pleasanton, CA, PH (925) 251-6300, [www.visioneer.com](http://www.visioneer.com). **DIR**

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