# Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

4003 Wood Street ● Erie, PA 16509 ● PH (814) 866-2247 ● http://www.documentimagingreport.com

December 7, 2012

### THIS JUST IN!

## IBML INTRODUCES IN-LINE ARABIC OCR

**ibml** has announced that it is offering an inline Arabic OCR option with its high-speed document scanners. The technology will be available as part of ibml's SoftTrac Capture Suite and will enable capabilities like autosorting and -separation of batches based on Arabic language characters printed on documents. The option is designed to open up a new geographical market for the Birmingham, AL-based vendor, and it will be initially brought to market by **Kodak Document Imaging**, which acts as a primary reseller for ibml outside the U.S.

"Our ImageTrac scanners will now be able to read, sort, and classify Arabic language documents, the same as they do Englishlanguage documents," said Dan Lucarini, chief marketing officer for ibml. "We have crossed over the final barrier to being able to really go after the Middle Eastern market. You can only go so far with English language capabilities in countries like Saudi Arabia and the United Arab Emirates."

Lucarini indicated that banks processing payments, checks, and other customer transaction documents are a natural fit for ibml scanners. "In October we went to **GITEX** (a large Middle Eastern technology show held in Dubai) with Kodak," he said. "When you start rolling paper through our scanners at such a high rate of speed, it tends to attract a big crowd. We received feedback from several representatives from organizations there, like Middle Eastern banks and government agencies, that they were excited they could now get the same document processing technology that people in the west have been using for years."

### **CONTINUED ON PAGE 8**

## **Crowdsourcing Leader Acquires Innovative Data Entry Co.**

Crowdsourcing is clearly a hot market. Within the last year, **Lionbridge**, a Waltham, MA-based organization that has historically focused on translation services, made an effort to reposition itself as leader in the crowdsourcing space. Since then its market cap has doubled, and at last check the company (which trades on the Nasdaq under the symbol LIOX) had a valuation of around \$250 million.

Lionbridge, which last year reported total revenue of just shy of \$430 million, recently augmented its crowdsourcing efforts with the acquisition of **Virtual Solutions**. Readers of *DIR* may recognize Virtual Solutions as the Camp Hill, PA-based organization that has historically focused on providing document imaging-based data entry services primarily to state revenue departments. To better address this niche, Virtual Solutions has integrated its software and services with capture applications from several leading vendors [see *DIR* 11/20/09].

"We have been running a crowdsourcing model for many years, in many countries," said Lionbridge CEO Rory Cowan in a video discussing the acquisition. "The acquisition of Virtual Solutions will broaden our crowdsourcing model. Virtual Solutions has a highly sophisticated task management platform that allows for a high level of security and automation."

Virtual Solutions' technology can be broken down into two parts. vCapture, an interface for data capture, is the most obvious piece to our industry. Basically, vCapture is a software application that enables snippets of images to be distributed to keyers. These snippets prevent a single person from viewing enough information on a document where it might jeopardize the security of someone, such as a taxpayer. vCapture has intelligence to piece together the data coming from various snippets into an understandable stream of data.

vCapture is run on what is known as vWorkforce, which is the second piece of Virtual Solutions' technology. Basically, vWorkforce manages Virtual

Solutions' primarily home-based workforce. This technically makes Virtual Solutions a crowdsourcing company, although historically, it has really never defined itself that way [see <u>DIR</u> 8/10/12].

Over the past couple years, Virtual Solutions has been improving vWorkforce with the aim of helping the company expand outside its primary niche with state governments. The acquisition by Lionbridge, which has a current customer base of some 800 organizations worldwide, many of which are in the Fortune 500, should help Virtual Solutions achieve this goal.

"Over the past two years, we've built out our platform thinking we could do more with crowdsourcing," said Don Mackenzie, executive VP and general manager for Virtual Solutions, who will remain with the organization. "But, resource- and time-wise, we found we could only focus on data entry.

"For current Virtual Solutions customers, little will change. Their contracts will remain in place, and they will have the same contacts. But, this acquisition really enables us to attack new markets like the federal government, where we have not played. We haven't done much with the Fortune 500 either, and Lionbridge lives in that space.

## Birth of a crowdsourcer

Lionbridge was founded in 1996 as a professional translation service. "The translation space is very commoditized," said Dori Albert, enterprise crowdsourcing practice manager for Lionbridge. "This has forced organizations in that market to be efficient from an operations standpoint. Essentially, translation services have been primarily crowdsourced since the beginning. We have been using contractors all over the world to handle this area of our business."

Eventually, Lionbridge's large portfolio of high-tech clients encouraged the company to expand into more general crowdsourcing. "We deal with some leading search engine companies, for example, that asked us to start providing services like search ratings and classifications. So, 6-7 years ago, Lionbridge formed a business unit to focus on this. That unit has been growing, but this year, our CEO decided he really wanted to make a push around crowdsourcing, which led to the acquisition of Virtual Solutions."

## Enterprise crowdsourcing

Albert estimated that at \$50 million in annual revenue (not including translation services), Lionbridge is one of the largest enterprise crowdsourcing providers in the market. "A lot of crowdsourcing vendors focus on microtasks like having people look up URLs, and they pay them a nickel per task or something," Albert said. "In contrast, our focus is on enterprise tasks, like loan or claims processing.

"Our management team comes from the outsourcing world. We are aiming to create enterprise-level offerings to compete with, or be complementary to, traditional outsourcing and

## **Document Imaging Report**

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

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BPO services.

"The beauty of crowdsourcing is that it eliminates a lot of the infrastructure and overhead you have with traditional outsourcing and full-time employees (FTEs). You are not paying for downtime or sick time. With crowdsourcing, you are operating on a pure output based model."

## Adding a management platform

The premise of crowdsourcing is that organizations like Lionbridge hire independent contractors, often using home computers to complete tasks online. vWorkforce can act as a platform for managing those tasks and contractors. "We except vWorkforce to become the platform for managing all our crowdsourcing," said Albert.

Lionbridge's goal is to break down enterprise processes into multiple individual tasks. "A keystroke in a data entry process might be a task, for example," said Albert. "We bill our clients based on the tasks that we complete. The nice thing is that our customers are not tied to any specific requirements. Also, we have a large enough workforce that if a customer has a requirement that only people in certain cities or states can work on their tasks, we can accommodate that."

Indeed, Lionbridge boasts a crowdsourcing labor force of more than 140,000 contractors in 40 countries. Virtual Solutions, which advertises more than 10,000 keyers, has done very well with state governments because of its ability to manage localized workforces. A couple years ago, it began a more serious pursuit of the commercial space by launching a program for international keyers.

Data entry will be one of several crowdsourcing practice areas that Lionbridge will manage with vWorkforce. On its Web site, Lionbridge advertises services in the following areas:

- in-market content review and editorial
- multilingual keyword optimization
- multilingual search relevance
- multilingual consumer surveys
- online advertising relevance
- multilingual social media monitoring

"We have not offered any services around data entry from images in the past, but we certainly plan to leverage the vCapture platform to go after opportunities in that area, especially if they are related to markets like claims and mortgage processing," said Albert.

#### Prediction comes true

I'd like to add that back in September, when I

presented at the annual **Harvey Spencer** Associates Capture Conference, one of my 2012-2013 predictions called for the "convergence of crowdsourcing with recognition apps." Lionbridge's acquisition of Virtual Solutions is clearly a step in that direction.

It's my opinion that there is too much synergy between those spaces for them not to come together. Crowdsourcing represents an effective and efficient way to fill in gaps that are inherently present when deploying OCR/ICR/IDR-driven applications.

Over the past few years, we've been talking a lot about traditional outsourcing companies adopting more automated recognition technology to reduce their overhead. Per Lionbridge's Albert's sentiments, crowdsourcing offers another avenue to achieve the same end. When you add automated recognition and crowdsourcing together, it really creates a new paradigm for outsourcing data entry.

So, how is this new paradigm affecting current BPO and outsourcing specialists? According to Albert, most of them have chosen to ignore crowdsourcing developments to date, because to embrace them would upset their current business models. This is why she feels there is such a great opportunity for up and coming crowdsourcers.

In 2011, **Crowdsourcing.org** estimated the enterprise crowdsourcing market was worth just \$500 million worldwide, which represented 75% growth over 2010. This is just a small fraction of the size of the current global BPO market, which measures well over \$100 billion. I'm not saying that all BPO tasks can be replaced by crowdsourcing, but there is certainly some opportunity, especially in obvious areas like data capture—as long as you have the right technology platform in place.

## Emergence of co-sourcing

One final note on how the BPO market is evolving relates to a bylined submission I recently received from Banctec's Michael J. Alfonsi, CRM, CTP, WPT, managing director of financial transaction processing services and finance transformation solutions. Alfonsi wanted to introduce DIR readers to the concept of co-sourcing. He estimates that "as many as half of all outsourcing agreements fail."

"Sometimes a process is incorrectly identified as a non-core competency," he says. "An organization may fail to understand the change in resources and talents needed internally. Goals can be set incorrectly or measures of performance misinterpreted. Without question, failures have also occurred due to the selection of the wrong

provider."

Alfonsi adds that in today's world, "BPO is no longer an either/or proposition, and companies now can have both/and. Both/and is a graduated solution in which basic tasks go to the outsourcer, but both the outsourcer and the client discover the right point at which the analytics or the expertise—the very productivity—is optimized for the partners.

"For example, payments processing is a great candidate for outsourcing, but the research function needs to be analyzed to discover the client's core competency—where the client creates its own value add vs. where the outsourcer could perform lower-valued research tasks. In such a 'co-sourced' relationship, the parties together develop metrics and dashboards, seen in real time, that ensure management performance and attention."

(For the complete Banctec article go to <a href="http://www.documentimagingreport.com/index.php?id=2367">http://www.documentimagingreport.com/index.php?id=2367</a>.)

Co- and crowd-sourcing are two examples of options that are available today in the outsourcing mix that were not as readily accessible just a couple years ago. Continuing improvements in Internet bandwidth and Web-based applications for centrally managing distributed workers have made them both viable options.

It seems a revolution could be afoot in the historically staid market of BPO and document outsourcing. And while IDR is certainly a piece of what is driving change, developments in areas like crowdsourcing and co-sourcing also must be considered. When you throw concepts like MDS (managed document services) into the mix, it appears that the outsourcing world could have a whole new face in another five years.

For more information: <a href="http://bit.ly/VSacquisitionpr">http://bit.ly/VSacquisitionpr</a>;

http://en-us.lionbridge.com/Default.aspx;

http://www.thesmartcrowd.com/about/;
http://www.crowdsourcing.org/;

ittp://www.crowdsourcing.org/,

http://www.virtualsolutions.com/;

http://blog.lionbridge.com/;

http://bit.ly/DIRblogpostincludesfinancialdetails.

## BRIEFLY

**CVision** has announced the latest version of its PDFCompressor software for creating optimized PDFs. From the press release, PDFCompressor 6.0 includes "improved file compression quality, increased OCR recognition accuracy, faster compression processing speed, and support for up to 117 OCR languages."

PDFCompressor can convert 14 different file formats to PDF or PDF/A files. A free evaluation version is available on-line. For more info: <a href="http://bit.ly/PDFCompressor6">http://bit.ly/PDFCompressor6</a>

## **New Firm Specializes in M&A**

There is always talk of consolidation involving mergers and acquisitions in document imaging and capture, ECM, and related markets. Everybody is looking to get bigger or get out, and M&A is certainly one avenue for accomplishing this. To help organizations optimize their M&A opportunities, industry veteran Paul Carman has launched a new business venture—**Xamcor**.

"Our tagline basically states that we will focus on M&A deals and strategic partnerships for the information management industry," said Carman in a recent interview with *DIR*. "We will work on both the buy and sell sides. In addition, we are introducing a third element, which involves consulting around M&A.

"On the buy side, I run into a lot of companies that say they want to get bigger, but don't know really who or what type of company to buy. We can certainly help with that. We are also going to be adding a member to our team who has a fairly extensive financial management background. He will be able to bring some creativity to the M&A process and help with restructurings and refinancing that might free up capital for a potential acquisition.

"On the sell side, a lot of companies are looking for exit strategies. It might not be for a few years down the road, but whether they'd like to sell in six months or three years, we can provide guidance. We can help them restructure their businesses to become more profitable and increase their valuations to potential buyers."

Carman has plenty of experience with M&A in our market. When I first met him almost 15 years ago, he had just completed a deal to merge the trade association he was running, IMC, with **AIIM**. For the past several years, he has worked for **Document Boss**, a well-known executive recruitment and M&A specialist in the ECM industry.

"My relationship with Document Boss ended at the end of November," said Carman. "I was really attracted to starting a new venture with increased opportunity to work on M&A."

Harvey Spencer has been brought on board as the Xamcor's first strategic advisor. "Harvey will be a premier consultant for Xamcor," said Carman. "He will be assisting with the M&A and partnership activity."

Spencer is the well known principal of **Harvey Spencer Associates** which provides reports and consulting services to vendors in the document

capture software market. "I am going to treat Xamcor just like any other client," stressed Spencer. "It will not get access to any internal information that other clients don't get. I am building a wall, if you will. It's very important that I am not accused of ranking companies higher than they should be so that Xamcor can sell them."

Spencer does expect Xamcor to act as a sales arm for his services and vice versa. "Xamcor can provide additional services to Harvey's current clients," said Carman. "Everybody wants to participate in M&A in one way or another."

## A broader focus

Both Carman and Spencer stressed that, in addition to focusing on markets in which they are well established, it is important for Xamcor to expand outside of traditional document imaging and ECM. "A lot of our background is in the ECM, BPM, and BPO sectors," said Carman. "This represents the core strength of what we know. However, as I found in recent years working with companies like **IBM** and Lexmark, you can over-define where your strength is. If you isolate yourself to just those three sectors, you are probably missing some opportunities.

"If you are in the ECM space, there is opportunity for M&A with companies in other spaces like ERP or medical practice software. ECM is about managing information and what has grabbed everyone's attention recently is the drive for business analytics and big data technology. ECM is a good fit with some of these newer, faster growing markets."

Spencer agrees. "BPM and ECM are becoming passé terms," he said. "I don't want to paint myself into a corner focusing on companies in a fading market. If you look at what I am doing with my capture software coverage, I'm expanding into areas like big data. We believe the key to the future is better business analytics, improved data processing, and more efficient CRM. These are the new areas of focus compared to transactional BPM or case management like we've been talking about historically in the ECM market.

"Capture, of course, has always been much broader than ECM. A/P and A/R processes often don't involve much ECM at all. Capture has been integrating directly into ERP in those areas for years.

"The bottom line is that I want to find more companies to work with, as opposed to staying in an ECM niche. I'm looking at ways to grow and build my business. I will always maintain my core of clients, but I think my base has to broaden."

## Building a team

Carman added that Xamcor will be adding people to its staff in the upcoming months. "We really want to bring some creativity to the M&A process, not just offer the straight ability to buy and sell a company," he said. "I am talking with people who are experts in financial matters. We are putting relationships together in that area similar to what we have already done with HSA. These people have strong relationships with private equity firms and VCs, and while Xamcor won't be doing any financing itself, we should be able to facilitate some relationships."

For more information: <a href="http://bit.ly/XamcorPR">http://bit.ly/XamcorPR</a>; http://xamcorinc.net/

## **Kofax Upgrades Front Office** Server

## Introduces new ad hoc capabilities and integration with Mobile Capture

As **Kofax** continues its push toward document capture at the point of origination, its Front Office Server (KFS) software is being positioned as a linchpin in this strategy. KFS can be used as a clearinghouse for documents captured through a variety of avenues-MFPs, Web browsers, and mobile devices. The latest release, version 4.0, features new capabilities that make it more competitive with other MFP scanning products, as well as improvements in its Web-based scanning and overall administration. KFS also acts an interface between Kofax's new Mobile Capture on the front end and Kofax Capture on the back.

"As Kofax expands from its background in batch capture, we continue to focus more on the high-end of the market and advanced capture solutions," said Joel Mazza, senior product marketing manager for Kofax. "But, we are also investing significantly in mobile and MFP capture to complement that strategy. In fact, I was hired specifically to focus on KFS."

KFS is designed to be integrated with Kofax Capture, the ISV's popular back-office document capture platform. Kofax Capture can then be used as an on-ramp to multiple processes in areas like data capture and release into ECM and BPM applications. "KFS drives most of its value from the integration of its front office capture capabilities with the back-office capture process management available in Kofax Capture," said Mazza.

Mazza listed five priorities of Kofax customers that reinforce this viewpoint about the importance of

integration between KFS and Kofax Capture:

■ secure chain of custody for captured documents: "Releasing from KFS directly into Kofax Capture means that documents don't make a stop in a network folder before being collected by a back-end application," Mazza said. "We have customers who cite the lack of controls often associated with these network folders as making them non-compliant with security requirements."

## ■ ability to control distributed capture from a centralized administrator

■ wide range of devices supported: "We support six different MFP brands through integration with touchscreens," Mazza said. "This means that KFS runs on a server and the touchscreen is basically configured to act as a capture client. Those integrations cover about 60% of the MFP market.

KFS also supports **Fujitsu's** network scanners. Also, Kofax Mobile Capture supports both Android and iOS operating systems."

- touchless processing: "For knowledge workers, this means 'fire and forget,'" said Mazza. "Basically, with KFS, one button can be used to send a document to a back-end capture process. Knowledge workers receive a notification when their transaction is completed."
- **administrators can monitor how KFS client software** is being used and how it is working on each individual device."

That all said, a new set of capabilities in KFS 4.0 is designed to make the software more competitive with MFP capture products that aren't necessarily as tied-in to back-office processes as KFS typically is. "We've added these capabilities to meet some of our second-level customer requirements," Mazza said. "There has certainly been feedback to add more dynamic 'scan-to' functionality to KFS. With KFS 4.0, we have introduced more ad hoc scanning—enabling users to more efficiently scan to destinations like folders on network drivers, e-mail, fax servers, and SharePoint.

"Formerly, for example, you could only scan to SharePoint by going through Kofax Capture. Now, you can connect directly to SharePoint through KFS. This includes being able to change folders and enter meta data. Now, Kofax basically supports two use cases for capturing into SharePoint—ad hoc through KFS and process-specific through Kofax Capture."

Mazza added that on a broader level, KFS 4.0 offers two MFP capture products in a single package. "With the new capabilities, we have a single product that meets both process-centric and ad hoc requirements," he said. "Our customers will no longer have to manage multiple applications to address all their capture requirements from MFPs."

## Thin client upgrade

Kofax has also improved the flexibility of 4.0 through improvements in its thin client interface. "We've integrated the Atalasoft Web-based imaging

tools [that were acquired last year] into KFS," Mazza said. "This enables users do more document manipulation and separation. For example, with KFS 4.0, users can scan a stack of documents and use the thin client to break up the images and send them to different processes."

— Joel Mazza, Kofax

"KFS drives most of its value from

the integration of its front office

capture capabilities with the back-

office capture process management

available in Kofax Capture."

In addition to being used for Web-based capture processes, the thin client can serve as an image management station for documents captured through KFS' MFP and mobile interfaces. "It doesn't have all the complexity of a desktop document management application like PaperPort, but we think it handles what our customers have been asking for," said Mazza.

The new thin client can also be used to manage images offline. "Our goal is to continue to improve the productivity of distributed workers," said Mazza. "If they are working with documents, users don't even have to know they are disconnected from the Internet. They will continue to be able to scroll through SharePoint folders, for example, or even do database look-ups for indexing. Whatever they do on the desktop will sync up with the KFS 4.0 server when they are back online."

To improve ease-of-use, Kofax is working to improve its single sign-on capabilities. The latest release features integration with **Canon's** uniFLOW print management utility. Mazza indicated that similar integrations are on the way with other MFP vendors' utilities.

For Mobile Capture, KFS 4.0 acts as a broker between Kofax's mobile apps on the front end and Kofax Capture on the back. "Mobile Capture is essentially a new front end for KFS," said Mazza. "KFS manages the transfer of images and data from Mobile Capture into Kofax Capture."

#### Sample use cases

After his presentation on KFS 4.0, Mazza offered

examples of three customers using the technology. One is a European financial services firm that has used KFS to increase its visibility into the status of transactions that originate at 325 brokerage branches. Another is **Corporate Express**, a European-based subsidiary of **Staples**, that has leveraged KFS and other Kofax technology to reduce its invoice processing expenses by more than \$1 million per year.

The third example involves integration with Mobile Capture. It's with a European cellular telecom service provider that plans to roll out Mobile Capture to 1,000 branch offices. "Their plan is to leverage iPads or similar devices to capture all supporting documentation needed to turn on cellular service," he said. "Typically, the need to process this paperwork means customers don't get their service turned on for several days. Our client's goal, leveraging Mobile Capture and KFS, is to be able to turn on service before a customer leaves the branch office."

KFS 4.0 is shipping now and according to Mazza, even with the new capabilities, the pricing remains unchanged. It lists for \$4,000 for server piece, \$425 for each MFP device client, and \$425 for each concurrent Web client. Complimentary pieces like Mobile Capture and Kofax Capture are purchased separately.

For more information: <a href="http://www.kofax.com/software/front-office/index.php">http://www.kofax.com/software/front-office/index.php</a>

## E-Invoicing Complements Scanning Services

There are clearly a lot of advantages to e-invoicing over paper. According to Matthew Oakes, president & CEO, **Direct Insite Corp.**, these include faster turnaround time, reduced processing costs, and improved visibility for dispute resolution and inquiries. So, why isn't everyone using electronic invoices?

"Most companies already have paper processes in place, and they don't have enough incentive to change," Oakes told *DIR*. "I'll estimate that 75-80% of companies don't have electronic A/P and A/R processes. It's amazing how many major companies are still processing paper in their back offices."

Oakes is very familiar with this topic, as his company offers both A/P and A/R automation solutions. He told us Direct Insite began with an A/R focus and crossed over into e-invoicing about five years ago. "Now, I'd say 70% of our revenue [\$8.6 million total revenue for 2011], comes from A/P," he

said.

Direct Insite offers a hosted e-invoicing solution that has workflow and dispute resolution built in. One of its marquee customers is **Siemens**, which has been using Direct Insite's e-invoicing services for three years. "When Siemens started with us, 85% of its invoices were coming in on paper and 15% were coming in electronically," said Oakes. "They have now flipped that."

Direct Insite processes paper but charges its customers extra. "We can work with service bureaus that capture and extract the invoice data and then feed it to our network," said Oakes. "We format everything so that, to our customers' accounting systems, it doesn't matter whether an invoice came in as paper or electronically. We charge more for paper because our fixed costs for processing it are higher."

Like many e-invoicing providers, Direct Insite is building a network of vendors. The idea is that once a vendor is signed up for the network, it can use that network to submit e-invoices to any of Direct Insite's customers. According to Oakes, Direct Insite currently processes about 200,000 invoices per month for approximately a dozen customers.

One technique Direct Insite uses to help vendors with the move onto its network is "PO flipping." Basically, this is taking an electronic PO sent to a vendor by a Direct Insite client and using data from the PO to create an electronic invoice. "To reduce their costs, our customers are definitely motivated to get their vendors to move to e-invoicing," said Oakes. "They can use either a carrot or a stick approach.

"Home Depot is not a customer of ours, but from what I understand, they charge vendors \$25 for every paper invoice they submit. That's using the stick. Using the carrot involves explaining to vendors that they will get paid faster because of the quicker turnaround time with electronic invoices."

A video advertising Direct Insite estimates that its service can reduce customers' cost per invoice by at least 24%. "There are other benefits of automation, such as being able to implement a dispute resolution portal," said Oakes. "On average, it takes three to five calls and an equal number of e-mails to resolve an invoice dispute. With our A/P portal, many inquiries can be completely eliminated."

### Plenty of market opportunity

Oakes realizes that not everybody is going to adopt to e-invoicing. "But, I think as the volume of paper is reduced, the processing cost per document is going to become more expensive," he said. "E-invoicing is definitely growing. It's probably never going to catch on for small mom-and-pop type businesses, but there is still a lot of room for automation among Fortune 5000 companies, as well as a ton of room in the mid-market.

"You have to have a certain volume—if a business is dealing with 1,000 invoices a month, it probably doesn't make sense to invest in the technology. To date, we have primarily focused on the Fortune 5000, and that will remain a focus. But, it's not necessarily the size of a company, but the number and type of invoices they are dealing with that is most important. Do they only have a few large suppliers or are they dealing with multiple smaller invoices? We are starting to look at some verticals like healthcare where mid-market organizations might really be able to benefit from e-invoicing."

Oakes concluded that in addition to partnering with service bureaus to scan documents for its customers, Direct Insite is partnering with some that want to take the next step forward in their progression toward offering BPO services. "We have service bureaus going in and bidding our services as a differentiator," he said. "It's a natural fit, because convincing a business to give up control of its documents for third-party scanning is the first step in outsourcing an A/P process. But, there are a lot of service bureaus that offer that.

"For a service bureau to offer a workflow and portal solution to manage invoices after they are scanned, that's the next level and will start to differentiate them. The final step, which will bring the customer the most efficiency, is to implement e-

invoicing. It makes sense for an organization to want their service bureau to take them there."

For more information: <a href="http://www.directinsite.com/">http://www.directinsite.com/</a>

## ibml ARABIC OCR, FROM PAGE 1

Lucarini classified the Middle East as an emerging marketing. "ibml currently has very few deployments in that region," he said. "It seems to be less mature in regards to document management adoption than North America. However, I will say that when I was doing work with **Microsoft** as part of my role at my previous employer, Microsoft saw the Middle East as a big opportunity for SharePoint. As we all know, as document management implementations grow, so does the need for scanning paper."

ibml has partnered with a Middle Eastern ISV who develops the OCR technology. It is able to recognize characters from multiple regional languages and deployment can be customized to fit the specific language needs of a customer. "We could have probably done this a few years ago, but recognition speeds would have been slower," said Lucarini. "A combination of factors has enabled us to increase the speed to where, in our tests at least, Arabic recognition promises to stand up pretty well against the speed of our English language OCR.

"It will really be interesting to see what kinds of applications our customers bring to us now that we are offering in-line Arabic OCR."

For more information: <a href="http://bit.ly/IBMLArabicPR">http://bit.ly/IBMLArabicPR</a>; <a href="http://www.ibml.com/">http://www.ibml.com/</a>

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