Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

June 4, 2004

LASON BOUGHT OUT BY FIRM WITH TIES TO TIS

As **Hyland Software** is preparing to go public [*see story on page 7*], **Lason's** life as a public company is coming to an end. On May 24, it was announced that Lason was merging with an affiliate of the investment firm **Charterhouse Group, Inc.** Charterhouse is purchasing all the outstanding shares of Lason common stock for $30 million. The deal is expected to be completed some time after July 1.

Lason is the former high-flying document imaging service bureau roll-up that once touted an annual run rate of $700 million. When Lason's stock peaked at close to $65 per share in February 1999, the company's market capitalization approached $1 billion. Things went famously sour after that with the stock crashing, the company filing for bankruptcy, parts of it being sold off, and finally three of Lason's executives being indicted by the SEC for accounting fraud [*see DIR 8/8/03*]. Lason's former CEO, president and COO, and CFO are scheduled to go to trial in October.

Meanwhile, Charterhouse has stepped in and stated that it will take steps to substantially reduce the company's senior debt, which after the first quarter of this year was listed at $28 million gross and $16 million net (Lason is carrying about $12 million in cash on its balance sheet.) So, for around $40 million Charterhouse gets a company that reported $35 million in revenue for the first quarter with an operating loss of $900,000.

Unfortunately, Lason's revenue numbers represent a 20% decline from the first quarter of 2003.

Adobe PDF Library Embedded in ScanSnap

With the recent release of its second generation ScanSnap, **Fujitsu** has become the first document scanner vendor to embed **Adobe's** PDF scanning library into its hardware. The new ScanSnap began shipping last month. Other new features include a smaller footprint and improved ADF design, USB 2.0 support, increased resolution capabilities from a maximum of 300 dpi to 600 dpi, auto-deskew, and the incorporation of new color processing technology.

The second-generation ScanSnap, introduced by Fujitsu last month, features a sleeker design with a smaller footprint. The Adobe PDF logo appears on the right hand side of the machine.

The price and speed of the ScanSnap have not changed. It still lists for $495 (although Fujitsu is offering a $100 rebate through the end of June). And it is still rated at 15 ppm and 30 ipm in a duplex mode at 150 dpi. At 200 dpi, it is rated at 10 ppm/20 ppm.

The ScanSnap also still comes bundled with Adobe *Acrobat* and uses PDF as its default scanning format. "The incorporation of the Adobe library will give users an increased level of comfort because their PDFs are now being created completely with Adobe technology," said John Hoye, director business development, for Fujitsu company **PFU Systems**.

The ScanSnap was originally launched in Japan in the fall of 2002. Its North American unveiling took place at **AIIM 2003** in New York. According to Hoye, the first generation ScanSnap basically output a Group 4 or JPEG compressed image, depending on if the image contained color. That image was then formatted as a

PDF through the *Acrobat* application.

In addition to being able to directly output PDF image files based on Group 4 or JPEG compression, the new ScanSnap incorporates Adobe's advanced PDF compression technology. Introduced in *Acrobat 6*, this technology utilizes segmenting, and JPEG 2000 and JBIG2 compression to create significantly smaller files. It can be especially valuable when dealing with color documents.

"The Fujitsu and Adobe engineering teams have worked jointly on this effort to create authentic Adobe PDFs straight out of the scanner," Hoye told *DIR*. "To signify this, the ScanSnap will be the first scanner on which an Adobe PDF logo appears."

PDF output is important to the ScanSnap because it is targeted at front-office users. The ScanSnap has a proprietary capture system that does not support the TWAIN and ISIS protocols used in most networked document capture applications. *ScanSnap Manager* is designed as a simple interface for scanning to the desktop—the same concept incorporated in **Kofax's** recently launched *Capio* application [*see DIR 3/5/04]*. The only way *Capio* and *ScanSnap Manager* support networked imaging applications is by feeding images to a networked capture application through a networked desktop folder.

So, what are desktop users doing with PDFs once they capture them? "One of our largest vertical segments is the home office," said Hoye. "We don't think ScanSnaps are being attached to the family PC. In many cases, we think customers are working from their homes for a large corporation and have some sort of paper problem they want to take care of. They are probably doing their own IT, so ease of use is a must. We are also getting a lot of questions about how to configure the ScanSnap with **ScanSoft's** *PaperPort* desktop document management system."

The majority of ScanSnaps are sold through on-line resellers such as **CDW**, **Dell**, **PC Connection**, **PCMall**, **PCNation**,

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SNOWBOUND OFFERS ADOBE LIBRARY IN SDK

Maybe we were a little harsh on **Adobe** a couple of issues ago when we criticized them as being difficult for document imaging vendors to work with. The same month, **Fujitsu** announced it had embedded the Adobe imaging library in its new ScanSnap, toolkit vendor **Snowbound Software** announced it was making an Adobe PDF library available as an option for its *RasterMaster 13.0* SDK. Snowbound lists many leading document imaging hardware and software vendors among its customers (www.snowbound.com/company/customers.html), so it will be interesting to see where the Adobe library technology starts turning up.

For more information: **Snowbound Software**, Watertown, MA, PH (617) 607-2010, www.snowbound.com.

and **Tiger Direct**. "We are also seeing increasing numbers start to move through a value-added reseller channel," said Hoye. "The ScanSnap represents a way for resellers to introduce imaging without the customer or the reseller needing to make a big commitment. And when you compare the price and functionality vs. the scanning capabilities you get with an MFP, the ScanSnap is clearly superior."

Before leaving the subject of PDFs completely, it's probably worth noting that the ScanSnap does not have OCR capabilities on board, so it can't output any type of PDF plus text files. However, these files can be created through the *Acrobat 6.0* application packaged with the scanner. Hoye did not rule out embedding OCR on board in a future generation of the ScanSnap.

Hoye also pointed out that by utilizing the USB 2.0 connection with the new ScanSnap, users have the ability to send raw image data through to their PCs. "That type of functionality really opens up our image processing potential," he told *DIR*.

Of the other new features mentioned, the new ADF is probably the most significant. Unlike the old ADF, which was a separate piece that had to be attached to the scanner, the new one is already connected and can be folded down to turn off the machine.

Finally, Hoye stressed once again how the ScanSnap has opened up a new market segment for Fujitsu. "The primary market for ScanSnap has been businesses with less than 100 employees," he said. "These are business that often can't afford a traditional high-speed scanning solution. And, if they were doing any scanning they were using flatbeds or MFPs and getting frustrated."

Fujitsu has exhausted the inventory of the previous generation ScanSnap and is now shipping the newer version exclusively.

For more information: **PFU Systems**, Santa Clara, CA, PH (408) 236-3000, www.fcpa.com/products/scanners/scansnap/ **DIR**

RECOGNITION BRIEFS

A2iA Releases Engine for Reading Addresses

French recognition software developer **A2iA** recently released an address recognition module for its *FieldReader* forms processing engine. The groundwork for the module was laid through a mail sorting application at the **Royal Mail** in the U.K. A2iA is now offering to businesses, technology for reading handwritten address information.

"Most business forms contain information like name, address, telephone number, and date," said Courtney Rand, A2iA's director for North American business development. "We specialize in forms on which this information is handwritten—or a combination of handwritten, hand-printed, and machine-printed. Mortgage forms, warranty cards, prescription forms, and subscription cards represent potential applications—we view this as a very horizontal application."

Integrator **Lockheed Martin** brought A2iA into the Royal Mail installation. The A2iA engine uses a process the company calls intelligent word recognition (IWR). Unlike OCR and ICR technologies, IWR is not based on character recognition. Instead, IWR looks at a complete word and compares it to words in a pre-defined dictionary.

"The key to making IWR work is right-sizing the dictionary," said Rand. "If you have too many words, it creates too many possibilities of similarly structured words. This gives you a lot of 'maybes,' which is not efficient. As part of our address recognition module, we are offering to license the **USPS** database to customers. Leveraging this database, we typically would try to recognize the zip code first [*because numbers represent a very limited set*.] Using the zip code, we can narrow down the street possibilities."

A2iA also offers customers the option of plugging in their own address databases, which might include lists of clients, for example. "The USPS database includes monthly updates. Similarly, our customers can update their proprietary databases regularly," Rand added.

In North America, A2iA markets its engine primarily through partnerships with vendors in the forms processing and document capture space. Current A2iA partners include **Kofax**, **Captiva**, **ReadSoft**, **Top Image Systems**, **SER**, **BancTec**, and **VisionShape**. "We were involved in approximately 10 forms processing deals last year, but I expect that number to increase this year due to our address module," said Rand. "Our technology can be used on data that is typically being keyed today."

Rand added that Boulder, CO-based **Parascript** is A2iA's main competition when it comes to cursive handwriting recognition. Parascript is best known for its work with Lockheed for the USPS. "Parascript's

forms processing pricing model focuses more on the higher end of the market," Rand told *DIR*. "Most of their success has come with service bureaus. We have priced our address module so it's attractive to resellers targeting the mid-market."

Rand concluded by saying that with the address recognition module, A2iA is returning to its roots. "The company was founded in 1991 doing work for the French **La Poste**," he told *DIR*. "However, we soon found there was a lot of interest for our technology in the banking market. We introduced our first LAR (legal amount recognition) product in 1995. Currently, the majority of our revenue comes from check reading applications. In a way, our current work with addresses represents our company's coming full circle."

For more information: **A2iA**, North American office, New York, NY, PH (212) 237-0390.

SWT Offers Mailroom Classification Tools

A2iA isn't the only French recognition vendor marketing its software to forms processing companies. **SWT**, which claims to have a dozen digital mailroom installations in Europe, has established partnerships with North American software vendors **Captiva**, **Kofax**, **BancTec**, **FileNET**, and **Optika**. SWT, which has been in the document imaging business for more than 15 years, is currently offering its automatic classification technology to North American companies.

"Three years ago, when we first came into the North American market, we realized that everybody already had technology for processing structured forms," Sébastien Torre, VP of business development and marketing for SWT U.S., told *DIR*. "We decided not to compete in that market. Instead we built a product from scratch for the North American market."

That product is called the *b-Wize Dispatcher*, which advertises the use of four different technologies to discover the contents of a document. These include handwritten correspondence detection, analysis of image topography, a high precision anchor approach, and full-text classification.

According to Torre, one of the strength's of *b-Wize Dispatcher* is the speed with which it can classify documents. SWT advertises its rate at up to 40 pages per second, or over 140,000 pages per hour. Torre said SWT leverages its experience in processing structured forms, as well as semi-structured forms such as invoices, to achieve these speeds.

"Some other classification products are based on full-text analysis of every document," he said. "This is too slow for a digital mailroom. In most of the digital mailroom applications we've been involved with, 50-70% of the incoming documents are structured or semi-structured forms. To those documents we apply templates—even though that seems to be a dirty word when discussing digital mailroom applications. We've developed some techniques for accelerating the creation of these templates, and we only apply our free-form technology after it has been determined that a template can't be applied."

SWT counts a European insurance giant and $3 billion **Bouygues Télécom** among those using its digital mailroom technology.

SWT's free form technology involves a full-text OCR/ICR process and a key word search to determine the nature of unstructured documents. According to Torre, the free form application grew out of SWT's invoice processing installations. "We discovered our customers were receiving a lot of related documents along with invoices," said Torre. "We felt they could benefit from semi-automating the processing of those documents, along with non-recurring invoices."

In other words, SWT built its technology based on the premise that digital mailroom applications grow out of existing imaging and forms processing applications. Based on conversations we've had with end users, we believe this is true. A company that already has a successful imaging application is more likely to consider expanding this application to act more like a digital mailroom, than a company with little or no imaging experience is to decide to automate its mailroom processes. "We've built our product so users and ISVs can plug in our engine to their existing architectures without changing anything," said Torre.

Torre is based out of San Diego and primarily focuses on SWT's ISV and reseller relationships. SWT recently opened a New York City office to support its east coast resellers.

For more information: **SWT U.S.,** San Diego, CA, PH (619) 544-1447, storre@swt-concept.com, www.swt-concept.com/us.

Xerox Announces Classification Engine

As long as we're on the subject of French classification tools, it's probably appropriate to mention that the **Xerox Research Centre Europe**, headquartered in Grenoble, France, recently introduced a new classification engine available to ECM software vendors on an OEM basis. The product is also being marketed as part of solutions offered by **Xerox Global Services**.

DIR spoke with Eric Gaussier, a research scientist at the Research Centre. He shared with us his views on what differentiates the Xerox engine. "We looked at all the classification technologies on the market and found they came up short in several areas," he told *DIR*. "One of those is the way they deal with documents that on one level might be classified in the same category, but on the next level can be classified separately.

"An example might be documents related to biochemistry and biophysics. On one level, these documents contain similar text that will cause them to both be classified under biology. On the next level, however, they contain text dealing with specific areas of biology. When classifying them on this next level, our technology eliminates the common terms and focuses on the terms specific to the sub-classifications. This increases the accuracy of retrieval when searching for documents related to sub-categories."

The **Swiss Institute of Bioinformatics** is an early user of the Xerox classification engine. The Institute has applied the Xerox engine on top of an existing search engine for articles in medical journals. "We understand we have cut researchers' search times in half," Gaussier told *DIR*.

The Xerox technology is by no means limited to the life sciences industry. "We view this as applicable in any corporation with a large collection of documents in an ECM system," said Gaussier. "We even have a version that can deal with 100,000 different categories that we think would be applicable in areas like patent offices. We are also talking with Xerox's internal business units about using our technology to route mail."

The classification engine was developed at the same lab that developed the **askOnce** search aggregation technology recently acquired by **Documentum** [see *DIR* 4/23/04]. Like the askOnce technology, the classification engine is designed to work in several languages.

For more information: **Xerox Research Centre Europe**, Grenoble, France, PH +33-4-7661-5187, licensing@xrce.xerox.com.

Parascript Improving Forms Technology

Parascript recently introduced check image verification software that could eventually be leveraged in forms processing solutions. The recognition software vendor debuted its *CheckUsabilityXpert* application at the **BAI TransPay 2004 Conference** held last month in Las Vegas. *CheckUsabilityXpert* is designed to protect banks using image-based check truncation—a process that received the blessing of the federal government with the passing of recent Check 21 legislation.

"When employing image-based check truncation, the liability for allowing invalid checks to clear moves from the paying bank to the bank that first receives the check," said Mike Fenton, VP, Total Recognition Solutions, for Parascript. "When working with paper checks, receiving banks don't necessarily scrutinize them closely to make sure all the fields are completed correctly. This is going to change with the adoption of image-based check truncation. Dollar amount and signature are two of the more important fields our software examines."

According to Fenton, Parascript is considering applying some of its field validation technology to certain forms. "If there are forms that require this type of validation, we have the technology for it," Fenton told *DIR*. "If a field is supposed to contain alphanumeric data and it only has alpha data, our software is able to tell. If information in one field belongs in an adjacent field, our software can determine that. Basically, we are looking to enhance our forms processing software in any way that can further eliminate human involvement."

Parascript introduced the latest version of its forms processing application, *FormXtra Enterprise 2.5*, at the **AIIM** show earlier this year. "We've improved our recognition capabilities up to 9-10 times in some cases," said Fenton. "We also made some throughput improvements that enable our software to be implemented with less hardware."

Parascript licenses its forms processing technology in a variety of ways, including site licenses, and per form, per field, and per character models. The company also makes its technology available through a hosted model, which can include QA and data entry services. Over the past couple years, the majority of *FormXtra's* success has come with service bureaus.

According to Fenton, Parascript has eight service bureau contracts, with its largest customer processing some 100,000 forms per day. "With the latest release of *FormXtra* we have received some interest from end users," he said. "In particular, we've been talking with a large periodical publisher."

Because subscription cards are often completed with handprint and cursive writing, Parascript's technology is a natural for that type of application. "We see demand for our technology in applications where there is handwriting in unconstrained fields,"
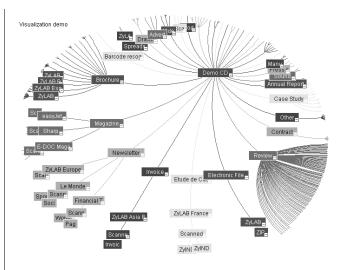
said Fenton. "Also, because our technology is somewhat font independent, we see demand for it on forms that present font problems for other recognition engines. Finally, we are especially strong at dealing with forms that may have been copied a few times, and on which the print is faint and the characters not very clear. The combination of our image processing and character recognition technologies provides a boost in those environments."

For more information: **Parascript**, Boulder, CO, PH (303) 381-3105. ◼

ZyLab Introduces Visualization Retrieval Tools

For years, **ZyLab** has been promoting the concept of full-text search. The company's multi-language strength in this area has helped it gain over 7,000 installations worldwide, with a niche in law enforcement and government installations. Now, as full-text search is becoming more widely accepted, ZyLab is attempting to take its retrieval technology a step further. Recently the company introduced a visualization module to help customers better locate the information they are looking for.

"You can't browse the results of a full-text search the same way you can browse structured data kept in a database," said Dr. Johannes Scholtes, CEO of ZyLab North America. "This makes it hard to discover all the documents relevant to your search. Not finding every relevant document might be fine in a Web browser application such as Yahoo! or Google, where being able to find 80 relevant documents out of an available total of 100,000 will provide the answers to most people's questions. But in a law enforcement or auditing environment, users require more precision. They need 100% recall

Visualization demo

This is a screen capture of the hyperbolic tree visualization model that was recently introduced by document management software vendor ZyLab. Its design is based partially on the work of the artist M.C. Escher. Xerox PARC researchers report it improves file retrieval times by 62%.

because in some situations, missing one important document can have disastrous results."

Historically, ZyLab has helped its customers improve their precision rates through techniques such as intelligent fuzzy searches and highlighting "hits" on images. However, increasing volumes of documents at customers like the **FBI** drove ZyLab to look for some new methods. "For its work with the Enron case, the FBI started with a repository of two million documents and has since added seven million more," Scholtes told *DIR*. "Each search in an application of that magnitude can deliver at least 100,000 results. Adding intelligence does not narrow it down enough. The FBI really needs the ability to visualize its information in a way that makes it easy to drill down."

Visualization involves adding elements of position, color, size, focus, and filtering to the results of a

Mirror Worlds' Model Proves Broken

It's probably worth noting that **ZyLab** isn't the first company we've covered that has introduced innovative document search and retrieval technology. Three years ago we featured a company called **Mirror Worlds** that was founded by **Yale** professor and political activist David Gelernter. Mirror Worlds had a cool virtual index card-based system called *Scopeware* [*see DIR 7/20/01*]. At the time of our story, Mirror Worlds had recently signed on OEM agreement with **Lexmark** and was looking to

partner with document management software vendors. Last month, Mirror Worlds (www.scopeware.com) apparently closed its doors.

That's not to say ZyLab's visualization technology will meet with a similar fate. It may be Mirror Worlds was just ahead of its time and didn't understand the ECM market. ZyLab has been entrenched in this space for a long time and seems to be developing technology to meet customer needs. The fact that it has an existing customer base is a clear advantage ZyLab has over Mirror Worlds.

The Mirror Worlds failure, however, could be seen as indicative of how slow customers are to change their habits. It's worth noting that ZyLab introduced full text search in 1983 but only over the past couple years has it become widely adopted in ECM applications—and it took the World Wide Web to drive it.

Does visualization technology make sense for indexing and retrieval of unstructured content? Absolutely. Should we expect widespread adoption in the near future? Probably not. But like full-text search, its time will come.

document search. In the initial release of its *Visualization Module*, ZyLab has embodied these elements in two models: a hyperbolic tree and a tree map. The hyperbolic tree design is based partially on the works of the famous artist M.C. Escher. The tree map is based on the work of respected **University of Maryland** professor Ben Shneiderman. **Xerox PARC** research has also been utilized.

"Visualization technology has been around for awhile," said Scholtes. "However, using it to categorize documents has traditionally required too much memory. CPUs are just now becoming powerful enough to make its implementation in our system realistic."

Scholtes added that the compliance trend, which is driving organizations to electronically archive a greater number of files, is increasing the need for better retrieval tools. "Yahoo! and Google have taught people the value of full-text searches," he said. "Now, I think many are ready to take the next step and try something like visualization that provides better structure to their unstructured information."

Tree Structures Aid in Navigation
It's hard to use words to describe techniques based on graphic visualization, so we've included a picture of a hyperbolic tree. Each "leaf" on the tree is color coded and users can scroll around and zoom in on the tree at several different angles. Different areas of the tree can be expanded as needed. According to a Xerox PARC study quoted by ZyLab, the hyperbolic tree helps users find files 62% faster than with conventional search and retrieval methods.

The treemap resembles a color coded file mining system. According to a ZyLab brochure, "This type of mapping uses size variation, color-coding, and individual pop-up descriptors to provide an overview of leaf-node attributes. The tree map enables users to compare nodes and sub-trees at varying depth in the tree, helping users spot general patterns and exceptions."

Currently, the structuring of ZyLab's visualization trees is achieved through manual techniques such as setting up key fields and taxonomies. However, ZyLab is currently developing technology to automate this process. This involves automatic content, fact, and document property extraction, as well as taxonomy creation. "This is the start of a whole set of visualization tools from ZyLab" explained Scholtes. "Data can be visualized in a number of ways including several types of charts and graphs, both 2-D and 3-D. Different types of data sets can be represented better with different techniques."

Visualizing the Future of ECM
It makes sense that visualization is now being applied to ECM. After all, isn't the purpose of ECM to make unstructured data act more like structured data? Data modeling and visualization is already an accepted practice in structured data applications. As ECM continues to evolve, we expect other vendors to follow suit with visualization tools similar to ZyLab's. We expect this type of technology to eventually become a standard part of the ECM infrastructure.

For more information: **ZyLab**, North America, McLean, VA, PH (866) 995-2262. ▨

Hyland Recalling Shares from OEM Partner

One of the main reasons that **Hyland Software** seems to be planning an IPO is the desire to buy back stock the company sold to paper storage giant **Recall** in 2001. Last month, Hyland filed paperwork with the **SEC** indicating that an IPO is upcoming. Hyland, a document imaging and workflow software vendor that was founded in 1991, has grown from $12 million in 1999 to close to $40 million last year.

When Recall made its investment, Hyland's balance sheet showed a mere half million in cash. Recall purchased 2.8 million shares of Hyland stock at $4.25 per share for a total of $12 million. The deal was orchestrated by a forward-thinking President and CEO of Recall who had recently joined the company from **GE**. He saw hosted document management applications based on the Hyland platform as a natural extension of his company's business [*see DIR 3/16/01*].

Unfortunately, like most ASPs launched at the time, Recall's efforts seem to have been disastrous. In addition to the investment, Recall and Hyland had an OEM agreement—presumably based on the success of Recall's sales of its hosted services. In three years, from 2001-2003, the agreement grossed less than $20,000 for Hyland. (The first three months of this year, things actually picked up a bit, and Hyland reported payments from Recall of $12,000.)

Hyland's filing lists "the proposed maximum offering price" at $65 million. However, according to a **Dow Jones** report, that number is not necessarily relevant. "Details about the number of shares offered and estimated price range for the IPO weren't disclosed…," the Dow Jones story states. "The $65 million valuation for the IPO was estimated solely for calculating the registration fee…. Often, the eventual price terms of an IPO differ

substantially from the valuation in the first registration."

The filing does say that $8 million from the IPO will be used to buy back stock from Recall. Another $3.5 million will be used pay off a note related to the purchase of the company's headquarters in Westlake, OH, just outside of Cleveland. The remaining proceeds will be added to the $9 million in cash Hyland currently has in the bank and could possibly be used as leverage in merger/acquisition talks. This is, if Hyland decides it has to get bigger to compete with some of the ECM behemoths that emerged following the recent string of M&A activity in our industry.

To this point, Hyland seems to have held its own, and then some, against larger competitors. In 2003, Hyland grew its revenue by close to 40% and reported net income of $4 million. And through the first three months of 2004, Hyland was on an over-35% growth pace with similar profitability.

Hyland's success has been fueled by a VAR-centric approach. In its filing, Hyland states it has more than 100 VAR and OEM partners. Financial services specialist **Fiserv** is Hyland's largest OEM partner and accounted for 14% of the company's revenue last year. The IPO money could also be used to help Hyland expand internationally, as Hyland reported that in 2003, just 11% of its revenue came from sales outside the U.S.

Curiously, the filing states that Hyland has applied for the symbol "HSI" on the **New York Stock Exchange** and not the tech-heavy **Nasdaq** where document imaging and ECM companies have traditionally been traded.

For more information: **Hyland Software**, Westlake, OH, PH (440) 788-5000, www.onbase.com.

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LASON, FROM PAGE 1

When we last spoke with Lason President and CEO Ron Risher, he said the erosion of the company's microfilming business had stabilized. Therefore, the current revenue decline could reflect lack of consumer confidence in the financially struggling company. Charterhouse's backing should help allay some of those issues.

For those who have been reading *DIR* closely over the past five years, you'll recognize Charterhouse as the group that in 1999 made a $15 million investment in Israeli forms processing vendor **TiS** [*see DIR 11/5/99*]. At the time, there was talk of TiS using the money to buy a North American service bureau. Ironically, at that time, Lason and competitor **SourceCorp** (then known as FYI) were buying up service bureaus and inflating their prices, so TiS was never able to work anything out.

Could it be that Charterhouse is buying Lason for TiS ? Well, TiS still has yet to gain a strong North American foothold, so the same benefit would appear to be there: TiS wanted to use the service bureau as a proving ground for its high-volume software application. This is purely conjecture on our part, and we have received no comment on this thought from TiS or Charterhouse—but who knows, maybe it makes sense. If it happens, remember, you read it here first.