Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

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THIS JUST IN!

KOFAX EXECS TO LEAD DICOM GLOBAL EFFORTS

First, there was image capture technology specialist **Kofax**, which in 1999 was bought by Swiss distributor **Dicom Group**. In 2003, Kofax acquired information classification and extraction specialist **Mohomine**. Last year, Dicom bought integrated communications/fax server vendor **Topcall** and forms processing specialist **Neurascript**. The result has been the formation of an Information Capture (IC) conglomerate worth more than \$200 million per year, operating in multiple locations worldwide.

When you add into the mix the fact that 60% of Dicom IC's revenue comes from internally developed products and related services, it becomes obvious that Dicom's business model has changed significantly over the past seven years. Despite this massive growth and diversification, the Group's management structure had evolved little—until now. At Dicom's recent investor day, the company announced several changes designed to lead Dicom into its next phase—that of an information capture and communications provider serving the business process automation (BPA) space.

"One of the hardest things for any company that makes acquisitions is integrating those into the rest of its business," said Rick Murphy, who has given up his position as Kofax president and CEO to focus on his duties as an executive director for Dicom. "I have been chartered to pull together a worldwide sales strategy. Part of Dicom's strength is its ability to provide global product support and technical services. Many of our largest customers like **Citibank**, **Coca-Cola**, **Paine Weber**, and **FedEx** have taken advantage of that.

"Now we are going to consolidate our

Continued on page 8...

ISV Takes Over Where ERP Leaves Off

Imaging vendor recognized by AIIM for improving ERP system's payment processing capabilities.

There is more than one way to skin the proverbial cat when it comes to image-enabling ERP applications. While capture vendors like **Top Image Systems** and **ReadSoft** focus on leveraging internal ERP workflows [*see story on page 3*], image-centric BPM software vendor **Image Integration Systems** (**IIS**) is enjoying success with an external application. Toledo, OH-based IIS recently was honored by **AIIM** with a best practices award for an installation with **MDU Resources Group**, an energy and construction service and materials provider headquartered in Bismarck, ND.

According to an IIS press release, "The integrated solution allows MDU to develop a comprehensive financial information management system that streamlines operations within the corporate legal department and the accounts payable (A/P) processing functions within three of its operating companies." We realize that's a mouthful, but wanted to give you an idea of the scope of IIS' installations and why they require more than internal ERP workflows can provide.

"Our systems touch documents as soon as they enter an organization—long before the ERP system knows about them," said Ron Kelley, VP of business development for IIS. "ERP has never really fulfilled its promise of providing end-to-end visibility of everything in an enterprise. That is why you still have manufacturing execution, CRM, and document imaging workflow systems running within these same enterprises.

"Our main focus is improving transaction processes such as A/P, A/R (accounts receivable) and order processing. We have a lot of knowledge and experience with the order-to-pay cycle. Our sweet spot is finding a process in this cycle that is inefficient, such as invoice approval and payment, and improving it in ways an ERP application alone can't."

Big Name Partners, Customers Fill Resumé

IIS' founders were part of the team that originally developed IBM's document imaging and workflow family of products. IIS was launched in 1993 for a project to develop complementary imaging and workflow technology for JD Edwards ERP applications being run on IBM AS/400s. "In 1996, JD Edwards decided it wanted to divest itself of complementary applications like workflow, so we bought our technology from them," said Kelley. "We then expanded our business to encompass other hardware platforms and ERP systems. We also began development of DocuSphere, a Windows-based product [which is now IIS' flagship offering]."

IIS, which has approximately 20 employees, has 400 customer sites including big names like **Shell Oil**, **Tommy** Hilfiger, Borders Books, Sysco Food Service, Lexmark, Marathon Oil, and Eriez Magnetics (a DIR hometown favorite). "We focus on customers in the \$500 million revenue range and up," said Kelley. "Our systems start at around \$250,000."

According to Kelley, about 40% of IIS' installations are JD Edwards users. "Another 40% are divided between PeopleSoft and SAP users," he said. "The other 20% are more general document imaging/workflow installations, many of which we did when we were establishing ourselves. Almost our entire focus now is on integrating with ERP systems."

IIS laser-like focus gives it an advantage over more generic workflow vendors. "We can get our systems up and running

ANYDOC INVOICES GAINING TRACTION

IIS, a long-time **Kofax** Ascent reseller, recently began marketing AnyDoc Invoices for capture applications. "AnyDoc has a very robust invoice processing application that we've implemented three times," said IIS VP of Business Development Ron Kelley. "Twice, we've installed it in Europe-at a manufacturing facility and a natural gas provider-and once in the U.S. at a large property management firm.

"We've found the AnyDoc product easier to set up and more accurate than Kofax's invoice offering. Of course, now that the invoices market is maturing. I expect competing vendors to start topping each other's functionality on a weekly basis-similar to what you see in the server market where **Sun** blows the doors off **HP** one week, only to have HP come back the next week with an equally impressive announcement.

"The invoice processing industry has really started to take off now that there are some sites to reference. Before that, it was a lot harder to convince someone to spend \$100,000 on capture technology alone."

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- 2. Image Processing
- 3. Forms Processing/OCR/ICR
- 4. Enterprise Content Management
- 5. Records Management
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and start producing an ROI faster than generic BPM vendors," said Kelley. "Shell, for example, already had both **FileNET** and **Staffware** installed before buying a system from us. They found it was less expensive and faster to start fresh with *DocuSphere* than to try to expand their existing workflow applications into the area we address.

"We also ensure that each time a new software version is released by one of our ERP partners, our software remains integrated and certified. It can be very costly to reconnect and test your workflow system each time your ERP application is updated. Fear of that type of thing has prevented some ERP users from purchasing applications like workflow."

In addition to tight ERP integration, IIS recently integrated *DocuSphere* with the *Documentum 5* ECM application. This integration was done with the help of Wellesley, MA-based **Trinity Technologies**, a systems integrator and **Documentum** reseller. The MDU installation recognized by AIIM represents one of two deals IIS has done with Trinity in the past year.

"Documentum's workflow is more document-

centric, while ours is more transaction-centric," explained Kelley. "As a result, Documentum does not have a strong integration with ERP systems. Our workflow is better at capturing meta data and tying it into transactions being managed in other systems. Documentum has more in-depth document and records management capabilities.

"We just won a deal going against **Hummingbird** and **FileNET**, which called for the combined abilities of the Documentum and IIS products in the areas of workflow, ERP integration, EDM, and records management."

Upside Potential Is Huge

Overall, Kelley believes the ERP market is less than 10% penetrated with image management for transactions. "There are probably 8,000 JD Edwards installations worldwide," he said. "About 50-60% of those are good candidates for us and 90% are candidates for somebody in the imaging market.

"Our growth has been strong the past couple years, now that everyone's ERP systems are installed and running. Things were a bit dry during the Y2K craze,

TIS TIGHTENS SAP INTEGRATION

Top Image Systems (**TIS**) has become the latest capture vendor to integrate its application with the workflow of an ERP application. The recently announced *eFLOW Ability* is designed to improve processing in **SAP** systems. Similar to the **ReadSoft** *Cockpit for SAP* module, which we featured in our April 8 edition, *eFLOW Ability* is directly integrated with the SAP workflow system.

"We've had a growing demand to provide a more complete solution for end users," said Ofir Shalev, TIS' VP of research and development. "Users are less interested in buying a separate capture application and having to integrate it into their workflows. We can now offer the capability of posting invoice images for approval directly into the SAP workflow."

Ability is being licensed by TIS through an OEM agreement with a German integration firm. "We have dozens of SAP installations leveraging our capture on the front end," said Shalev. "We have about three or four that already utilize a module developed by this integrator. However, that integration is based on XML protocols.

"We are now taking it a step further and integrating our APIs. This will enable users to do things like move images back and forth between their *eFLOW* and SAP workflows. For example, a user could set up a rule in SAP that states an invoice worth more than a certain amount must be approved by a VP. However, that VP might not be an SAP user. So, the image could be routed back to the *eFLOW* application for the VP's approval before being re-inserted into the SAP workflow for final posting."

According to Gideon Schmuel, TIS' VP of sales and marketing, the OEM deal will help reduce the cost and complexity of integrating *eFLOW* with SAP applications. "Customers want tighter integration between their capture and ERP systems but don't want to pay a systems integrator a lot of money to do it," he said. "In addition, they get worried when you start fiddling with their SAP systems. Because *Ability* is a pre-integrated module, it reduces the perceived risk. Also, to avoid users' objections to messing with their SAP systems, we've had cases in which we've limited the extent of our integration, and as a result limited the overall functionality of the system. That should no longer be an issue."

TIS will begin by marketing *Ability* to its current base of SAP customers. Schmuel noted that SAP is the dominant ERP vendor in two of TIS' primary markets—Germany and Japan. "The invoice processing market has really matured over the past couple years," Schmuel told *DIR*. "However, if you look at the overall ERP market, there is probably only 7-8% penetration by image capture technology. Modules like *Ability* will help improve that."

For more information: http://www.topimagesystems.com

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because everybody was worried about installing ERP to ensure against any breakdown in legacy systems. Now, we are starting to reap some benefits from those installations, as customers want to take their ERP systems to the next level.

"Some customers are finding that the imaging systems they bought a few years ago for storage and retrieval, just don't scale to meet their needs, especially when they start looking at all the areas imaging can benefit their enterprise. Borders, for example, began with an A/P application and expanded it to encompass payroll, human resources, and point-of-sale. They fairly quickly went from 100 to 2,000 users."

Part of IIS' strategy is to focus on selling to C-level executives rather than IT personnel. "Business people have problems to solve, so they focus on what your system can do for them," he said. "IT is more focused on constraints and challenges associated with an installation. Those are valid concerns, but they also impede progress sometimes."

Historically, IIS has primarily sold through a direct team, but it is trying to increase its number of resellers. IIS currently has U.S., U.K, and New Zealand-based partners. Its increased channel focus is one reason IIS has exhibited at the **AIIM Expo** the past couple years.

"We would never go to AIIM expecting to find customers," Kelley said. "If we ever took a customer there, I think they might come away so confused they'd never buy a system. We go to AIIM with the primary purpose of networking with hardware and ISV partners like **Fujitsu**, **Plasmon**, **Canon**, **AnyDoc**, and **Kofax**. We may find some folks interested in being resellers, but mostly they don't have the ERP experience we are looking for."

Kelly added that AIIM provides good exposure for potential investors. "Being small is a double-edged sword," he said. "It helps us stay nimble and maintain our focus. To me, it seems that some of our competitors like Gauss and Optika have lost that focus since they've been acquired [by **Open Text** and **Stellent**, respectively].

"Because we are so focused, we almost always get a chance to bid, especially at JD Edwards sites. However, every once in a while we lose a deal because a potential customer wants to deal with a bigger vendor. Even though we have large reference sites, like Shell, and have taken steps like escrowing our code, sometimes size can be a factor. We are always willing to entertain potential investments."

EDITORIAL Imaging Driving ECM Sales

The upper crust of the ECM market may finally be feeling the effects of the document imaging explosion we've been observing in the mid-market for the past year or so. Recent second-quarter financial reports by **Open Text**, **Interwoven**, **FileNET**, and **Vignette** tell an intriguing story. It may just be coincidence, but it seems worth noting that both FileNET and Vignette surpassed expectations, while Open Text and Interwoven fell short of theirs.

Why are these parings significant? Well, FileNET and Vignette both possess well-regarded, highvolume imaging and workflow-based technology [Vignette through its acquisition of Tower Technology last year, see <u>DIR</u> 2/6/04]. Open Text and Interwoven, on the other hand, have the majority of their businesses rooted in electronic-based document management. When you factor in that capture specialists **Captiva** and **Dicom** (parent of **Kofax**) continue to post impressive numbers, it results in our hypothesis that document imaging is currently a major driver in the ECM market.

There are several reasons why, most of which we've already discussed in the pages of *DIR*. One is that we firmly believe people have given up on their utopian hopes of creating paperless offices entirely based on electronic documents and e-commerce. They have accepted their paper problems and are adopting scanning to handle them more efficiently.

Related to this is the increasing desire by businesses to finally get paper under control for compliance reasons. Having accepted the fact that they are stuck with paper, they are simultaneously feeling pressure from regulatory bodies and investors who are pushing them to improve their records management practices. These improvements often come in the form of document imaging.

Also, as we discussed in our June 17 issue [see "ECM Market Spinning Its Wheels"], increased adoption of imaging in the mid-market may be forcing larger companies to consider document scanning more seriously for competitive reasons. Improved ease-of-use and increased end-user familiarity with scanning are other factors driving imaging's adoption across the board.

And in this case, "across the board" is not a throwaway phrase. FileNET Chairman and CEO Lee Roberts particularly cited the company's balanced success in several verticals as helping to drive its

For more information: http://www.iissys.com

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second-quarter results. While financial services continues to be FileNET's leading market, the company also received significant contributions from the government, insurance, manufacturing, and health care sectors. The latter two verticals have been gaining traction over the past couple years with almost all imaging vendors.

Yes, document imaging is evolving from a niche technology, confined to the back offices of a couple industries, into an application gaining mainstream adoption even in the front office through

its adoption on MFP/digital copiers, the recent astronomical increase in the sales of workgroup (sub \$2,000) document scanners, and increased adoption of scan- and fax-to-PDF technologies. On FileNET's recent conference call, Roberts stated, "ECM is becoming a platform decision, much like the database was several years ago." And right now at least, imaging requirements are driving a good bit of that platform selection.

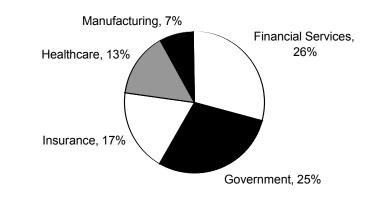
Roberts cited **EMC** and **IBM** as FileNET's two main competitors, curiously leaving Open Text out of the mix. Obviously, Roberts wants to position his company up, and not even or down, but IBM and EMC also boast mature imaging components to their ECM systems.

Regarding the trials of Open Text, Interwoven, Hummingbird, and other vendors with WCM/EDMrooted applications, it seems to us they may be running into competition from **Microsoft**, whose *SharePoint* application has been gaining some serious WCM adoption. Promoted as a departmental solution, we have heard of some very large-scale *SharePoint* installations, including one of 6,500 seats at the **South Carolina Department of Transportation** [see <u>DIR</u> 5/20/05].

We imagine that competing against Microsoft for ECM vendors is similar to document scanner vendors competing against HP. Both HP and Microsoft have very broad channels that extend well outside the traditional imaging and ECM space. Thus, even though the vendors might not have the best products, they have the first crack at many resellers. These resellers may eventually upgrade, but initially at least, they are going to sell a lot of HP and Microsoft hardware and software.

Fortunately, imaging software vendors, so far, have

FileNET 2nd Quarter Revenue



Several verticals made significant contributions to FileNET's second-quarter success—an indication of imaging's growing mainstream acceptance.

not met with this sort of mainstream competition. Technological barriers to entry in the areas of OCR, image compression, and viewing have served to keep anything above desktop/low-end imaging applications fairly niche. **Adobe** appears to be taking a crack at the document imaging world, but even its PDF efforts are primarily focused on electronically generated files. IBM, of course, is a mainstream vendor, but its imaging technology is hardly aimed at the masses.

The bottom line is that imaging, which was slammed for being a niche technology several years ago when the Web-driven tech boom was erupting, now appears to be succeeding ahead of other ECM technologies for that very reason. That and the whole compliance/records management/failure of the paperless office thing we talked about earlier.

So, now that we've concluded that imaging is currently on the vanguard of ECM adoption, what other document-driven applications can you look for to pull through software sales? I'll let FileNET's Roberts handle that one. I couldn't have phrased it any more elegantly than he did during the recent call. "E-mail is becoming a content management problem and not a storage problem."

For more information: http://www.filenet.com

PEGASUS UPGRADES SCANFIX

Pegasus Imaging has released a new version of the *ScanFix* toolkit it acquired earlier this year when it purchased the assets of **TMSSequoia** [*see* <u>DIR</u> 1/7/05]. According to a press release, Version 5 of *ScanFix*, "combines the next generation *Prizm IP* image enhancement technology [from TMS] with Pegasus' COM and .NET architecture." The full announcement can be found on our Web site, http://www.documentimagingreport.com, under the "Featured Press Releases" section.

August 5, 2005

Vickers Leads Pixel Resurgence

Remember Craig Schwartz? Didn't think so. How about Jim Woodruff? Probably, but mostly from his work with Wheb Systems. John Stetak? Mike Cohn? Former ActionPoint guys. What do all these folks have in common? They are marketing professionals who didn't fit into CEO Reynolds Bish's long-term plans for **Captiva**. In fact, at one point, we wondered if Bish, a former CFO with some shrewd marketing instincts himself, could ever peacefully coexist with a strong marketing assistant.

Well, that question seems to have been answered by the success of Jim Vickers. Vickers, who was hired by ActionPoint as VP of worldwide sales shortly before the company merged with Captiva more than two years ago, has emerged as a strong chief marketing officer for Captiva. In fact, with Bish "on assignment" in Europe last month, Vickers held court quite nicely at Captiva's annual Capture Conference, which was attended by more than 250 people.

Running With The Ball

Vickers is a former **EFI** and **T-R Systems** sales and marketing executive. [*He worked closely with IKON Senior VP Michael Kohlsdorf at T-R.*] In addition to his marketing duties at Captiva, Vickers is the general manager of the company's Pixel Translations toolkit division. He has been credited with leading a resurgence in this area, which was worth a profitable \$6.2 million in annual revenue in 2001.

Since we know how much Bish loves profits (and growth), we figure Vickers' work with Pixel has earned him a spot near and dear to his CEO's heart. At Capture, we discussed with Vickers some of the reasons behind Pixel's success. "When I first got involved with Pixel, it was run more like a technology shop than a business," Vickers told *DIR*. "Pixel was not actively promoting and marketing itself the way a typical business would. The first thing I did was apply some normal sales processes—such as setting a schedule for regular forecasts and reviews."

Captiva boasts that more than 200 software applications utilize its Pixel imaging toolkit and ISIS scanner drivers. Toolkit customers include leaders like **FileNET**, **Captaris** (*Alchemy*), **Open Text** (IXOS), **EMC** (*ApplicationXtender*), **IBM**, and **Verity** (*TeleForm*). Captiva's archrivals **Kofax** and **ReadSoft** are ISIS customers. In a deal that indicates some of the potential of the Pixel business, electronic medical records specialist **Allscripts** just re-upped its toolkit licensing agreement for two years. The value of the deal is listed at more than \$100,000. [Allscripts got into the document imaging game with the 2003 acquisition of Louisville, KY-based Advanced Imaging Concepts, see <u>DIR</u> 9/5/03.]

"Pixel has always had a successful toolkit product,"



said Vickers. "But, in the past, a lot of development was left to happen on its own. There was not a lot of process and planning in place. We have now started to deliver regular updates. An example is the *eScan* toolkit we recently released, which enables customers to better develop distributed scanning applications."

Jim Vickers, general manager, Pixel Translations

In addition to software vendors, Pixel counts all the

major, and several minor, scanner vendors on its customer list. These vendors license ISIS drivers still the preferred interface in many high-volume applications. "We've always had success with ISIS in production level scanners," said Vickers. "Over the past couple years, we've increased our focus on bundling ISIS in workgroup and departmental scanners. ISIS is now bundled on sub-\$1,000 scanners from vendors like **Fujitsu**, **Visioneer**, and **HP**. We've also continued to expand our relationships on the high end. We recently developed an ISIS driver for **Scan-Optics** and are in conversations with both **BancTec** and **IBML**."

ISIS' main competition, especially, in the lowervolume segments, comes from the open source TWAIN driver. Ideally, using a TWAIN driver means that a scanner vendor does not have to pay royalties to Pixel. Realistically, Vickers said support for TWAIN can be a nightmare. "There is often a question for end users of where to turn when they need support for TWAIN," said Vickers. "In recent years, Pixel has differentiated itself through its strong support for ISIS. To complement that, we are now in the business of building TWAIN drivers for scanners and offering the same level of support for them."

Finally, Vickers said Pixel has increased its focus on enhancing the capabilities of ISIS. "Scanner drivers aren't the most exciting technology, so they might not get the most press," he said. "However, we released a new version of ISIS at **AIIM 2005**. It has new features such as online help options and network access to ISIS driven devices."

In addition to its tools and drivers, Pixel has been marketing a desktop batch scanning application— *QuickScan Pro*—for a few years now. According to Vickers, sales have been strong as the workgroup scanner segment (sub-\$2,000, <25-30 ppm), has

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exploded. "The application costs between \$200 and \$1,500 depending on a customer's scanner and paper volume," said Vickers. "Fujitsu bundles a trial version, and we've sold a large number of upgrades to Fujitsu users who have downloaded them from our Web site. We also sell *QuickScan* through resellers and have a government installation that has more than 100 seats."

Pillar Standing Strong

It would appear that Pixel, which was rumored to be for sale immediately after Captiva merged with ActionPoint [*see <u>DIR</u> 9/6/02*], is now firmly entrenched in Captiva's business model. Under Vickers' leadership, it seems most questions about support, co-opetition, and sustainability in the wake of some key personnel departures have been answered. Hats off to Captiva and Vickers for the fine job they have done with Pixel, which based on its history and market penetration, is truly one of the unsung pillars of the industry.

For more information: http://www.pixtran.com

Capture Completes SunGard Suite

With the recent acquisition of **Recognition Research** (**RRI**), **SunGard** has upgraded its capture technology to match the rest of its market leading document imaging offering to the health insurance market. The \$3 billion software vendor now has capture, workflow, Web portal, and output applications that fall under its Workflow Solutions business unit. *DIR* recently caught up with James Smith, VP of marketing and Web technology for SunGard Workflow Solutions. He shared his thoughts on the acquisition, which was announced at **AIIM 2005** [see <u>DIR</u> 6/3/05].

"With our MACESS application, we had been pigeonholed as a workflow provider," Smith told *DIR*. "Over the past couple years, we added portal and output technology. RRI's capture piece rounds out our ECM suite."

SunGard entered the document imaging space with the 1995 acquisition of Birmingham, AL-based MACESS Corporation. MACESS was a leading vendor to HMOs, a market SunGard continues to pursue. "We have approximately 100 customers in the health insurance market," said Smith. "I think our closest competitor may have five."

RRI also focuses on health insurers, and Smith estimated the companies have a handful of joint customers. "Over the past two to three years, we've completely rewritten and updated our MACESS application," said Smith. "We rewrote it from the ground up to embrace Web services and integration with our portal. That upgrade made our internally developed capture product obsolete, so we began looking for a best-of-breed replacement.

"In the past couple years, capture has become more sophisticated and now offers a tremendous ROI if done effectively. One of the reasons we liked RRI is that 100% of their focus is capture. They have some workflow, but that's just a means to a capturefocused end. Similarly, capture was a means to our workflow ends. Adding RRI gives us a best-in-class capture application to complement our best-in-class workflow."

SunGard will continue to support its legacy capture installations but will attempt to upgrade as many customers as possible to RRI's *FormWorks* system. SunGard also has customers using **Captiva's** *ClaimPack*.

RRI's development team will continue to operate out of the company's Blacksburg, VA facility. When we spoke with Smith, the MACESS and *FormWorks* teams were in their initial stages of collaboration. "Although the two companies' products have worked together for years, we are just beginning to explore how tight the integration can become," he said.

Smith said SunGard plans to maintain RRI's payper-claim-based pricing model, but will consider more traditional licensing models as well. "Also, we have seen that outsourcing has been gaining momentum in the claims processing market over the past six months to a year," he said. "We haven't lost any customers to it yet, but we view it as a threat. If our customers start looking to outsource, we will have to give them an outsourcing option with us."

In addition to the MACESS application, SunGard sells a financial services-targeted imaging software packaged that it acquired in 2002 with a company called PowerImage. That application has about 50 installations and currently utilizes capture software developed by San Diego-based **Peladon** [see <u>DIR</u> 6/3/05]. "We've put in an enormous amount of effort integrating our software with Peladon's invoice processing capabilities," said Smith. "We'd be foolish if we didn't consider RRI's technology as a replacement, but it is not something that is going to happen overnight in any way, shape, or form."

Currently, much of SunGard's effort is focused on completing its Web portal application. "When our Web portal is complete, any document that is available to our workflow system should also be available over the Web to the right parties," said Smith. "These parties might include patients or doctor's offices that want to check on items like claims forms and X-ray images. For doctor's offices, on-line access would make correcting mistakes on claims submissions more efficient."

For more information: <u>http://www.sungardworkflowsolutions.com/</u>

Dicom, from page 1

engineering, product management, and sales efforts worldwide. Personally, one of the advantages of functioning solely as an executive director is it will give me more access to C-level executives at our customers and partners."

Mike Giove, who has been promoted to COO, will assume Murphy's duties at Kofax. Giove, who has been with Kofax for five years, was formerly the CFO. "I will be managing the sales organization for the Americas, as well as the operational responsibilities of the Irvine, CA office [Kofax headquarters]," Giove told DIR.

Assisting Murphy with the worldwide management of Dicom will be two of his top Kofax executives— Anthony Macciola and Sameer Samat. Macciola has been named VP of product management for Dicom. Samat is now the Group's senior VP of engineering. Both will retain similar titles with Kofax, although Kofax will be hiring a marketing executive to assume Macciola's duties in that area.

"My task is clear; it involves the development of an

integrated global product roadmap," said Macciola. "We have a fairly deep product portfolio, but instead of Kofax, Mohomine, Neurascript, and Topcall having separate strategies, we need to develop one cohesive product vision."

Macciola added that his and Samat's mandate is to define and build the next generation of Dicom products. "That consists of an integrated portfolio that can be moved through our traditional channels," Macciola said.

Samat is now in charge of Dicom's efforts at its five worldwide development centers—Irvine, San Diego, Cambridge, UK; Vienna, and Hanoi, Vietnam. "Over the last couple years, we've taken some technology we've acquired and, through integration and engineering, have been able to create some outstanding products," said Samat. "The autoseparation technology we showed at **AIIM 2005** came out of our combined efforts in San Diego and Cambridge. My goal going forward is to increase the amount of cooperation among all development centers."

When we asked for a preview of where all this might lead, Macciola replied, "We spent a lot of time at Transform '05 [Kofax's partner event], talking about where we fit in under the BPA umbrella," he said. "We talked about complementing BPA through a combination of information capture, transformation, and output. At Transform '06, you can expect to see an expanded product portfolio that includes a combination of leading edge and mature technologies."

For more information: <u>http://www.dicomgroup.com</u>

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