

# Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

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September 23, 2011

## THIS JUST IN!

### SPENCER CONFERENCE TOUCHES ON GROWTH, MOBILE APPS

GLEN COVE, NY—**Harvey Spencer Associates** seventh annual Document Capture Conference was held recently at the Glen Cove Mansion on Long Island. This year's event had the largest turnout yet, with a full room of 100 people, primarily representatives of leading capture ISVs from around the world. The conference featured a day's worth of speakers on topics like growth, emerging markets and technologies, and end-user adoption.

As usual, *DIR* Editor Ralph Gammon kicked off the speaking sessions with his predictions for the upcoming year. They include M&A activity and the emergence of cloud-based and mobile capture applications. Gammon's review of last year's predictions yielded somewhere around a 50-60% success rate, which was buoyed by the recent announcement of **HP's** intention to acquire Autonomy but brought down by a maturing market that seems to be moving forward steadily in established practices like invoice and MFP capture.

Spencer reviewed his numbers for 2010, when he said the value of the worldwide capture software market reached \$2.2 billion when counted in end user prices. This represented a 10.3% increase from 2009, up from Spencer's prediction of 7% growth. It was fueled by surprisingly strong, 8.1% growth in the batch image capture segment, a phenomenon we discussed when Spencer first released his numbers a couple months ago [see *DIR* 8/5/11].

Spencer noted multiple trends in 2010, including capture software growing faster than ECM, MFP sales recovering, and banking and financial services declining as a vertical, while healthcare showed substantial gains.

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## Dicom to Distribute KLake Software in EMEA

Over the past several years, **KnowledgeLake** has established itself as the leading ISV for adding document imaging capabilities to **Microsoft** SharePoint. Launched in conjunction with SharePoint 2003, the St. Louis-based ISV has grown its install base to more than 1,800 customers. Three times it has been honored as a Microsoft Partner of the year. However, despite the growth of SharePoint as a worldwide platform, historically, KnowledgeLake has done 95% of its business in North America.

That is about to change. At this week's **DMS Expo**, being held in Stuttgart, Germany, KnowledgeLake announced a partnership with **Dicom**, a value-added distributor with some 3,000 VAR customers. Dicom will act as KnowledgeLake's exclusive distributor for the EMEA (Europe, Middle East, and Africa) region. "For lack of a better term, up to this point, we've pretty much 'ignored' the international market," said Bob Bueltmann, VP of business development and a principal at KnowledgeLake. "We've had a lot of inquiries from potential customers and partners, but, for the most part, unless it was a solid, substantial business opportunity, we turned it down. We weren't really ready to go after the international marketplace.

"The relationship with Dicom changes that. They have a channel of 3,000 partners throughout the EMEA region and an infrastructure of 20 business development and sales professionals to support those partners, as well as field engineers and inside sales people."

With annual revenue of \$125 million, Dicom is one of the largest imaging-focused distributors in the world. It was founded in 1991 as a distributor of **Samsung** products and added document imaging hardware in the mid-1990s. By the late 1990s, Dicom's imaging business had surpassed the Samsung business, and, in 1999, Dicom got into software with the acquisition of **Kofax** [see *DIR* 8/6/99].

You may know the rest: how the Kofax business

eventually surpassed Dicom's distribution business and the name of the company was changed to Kofax. Earlier this year Kofax spun off the distribution business, which has now been re-named Dicom. It continues to do business in 40 countries throughout EMEA. Dicom carries scanners from several manufacturers, as well as multiple archive-centric storage products. It also offers hardware service.

The KnowledgeLake partnership is part of Dicom's effort to ramp up its software business. "Our approach is to deliver components that our partners can use to put together solutions," said Michael Humblet, Dicom's head of business development in EMEA. "Capture software is one of those components. But, we're never going to get into advanced data capture software, like KTM or **ReadSoft**, which might bring us into competition with some of our partners."

Prior to adding KnowledgeLake, Dicom was carrying Kofax Express and **Kodak** Capture Pro. It also recently partnered with **CaptureBites**, an ISV that offers a series of modules designed to increase the functionality of Kofax Express. "Sure, you can capture to SharePoint with the Kodak or Kofax products, but it's not the same level of integration," said Humblet. "KnowledgeLake offers bi-directional communication, so you can actually control capture from within SharePoint."

Dicom will be carrying a total of three KnowledgeLake products: Capture, Connect, and Imaging. Connect enables users to save documents from any desktop application, including Office, into SharePoint libraries in a single step. Imaging adds viewing and meta data search capabilities—which are designed to make SharePoint behave more like a traditional document image management application.

"Capture and Connect will be available to our entire channel," said Humblet. "We will only make Imaging available to Microsoft Gold partners with ECM certifications. That's because you really have to understand SharePoint taxonomies to set it up. Also, having a product targeted at Microsoft Gold partners could open up a new channel for us of Microsoft specialists that haven't worked with imaging in the past. We have the advantage of being able to provide them with a one-stop shop for their imaging software and hardware."

Buelmann told us that KnowledgeLake is working on a new version of Connect that will serve as an alternative to Imaging. "It will be a complete imaging suite that users can install at the desktop level," he said. "It will work very well with SharePoint, but won't require that a user install anything on the SharePoint server, like Imaging does. It will interact with SharePoint similar to the way Outlook interacts with Exchange.

"The new version of Connect will offer functionality similar to that of a Laserfiche-type product. It will also have an attractive price point. This is an important consideration in the SharePoint marketplace—where users expect to receive a

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

Areas we cover include:

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**Subscriptions:** \$597 (electronic) or \$670 (paper) per year.

lot of software functionality for less than what imaging vendors have traditionally charged. Often times, we'll see competitors coming in with a \$10,000 capture solution for SharePoint. With the new version of Connect, we plan to offer a turnkey imaging system, including capture, for that same price."

Buelmann indicated that the upcoming version of Connect will represent KnowledgeLake's strategy for integration with Office 365, which utilizes a Microsoft-hosted version of SharePoint. "With hosted versions of SharePoint, you are not able to do the server-level integration required by our Imaging product," he explained.

Buelmann views the new version of Connect as a key to KnowledgeLake's achieving success with the Dicom channel. In the U.S. market, KnowledgeLake has sold primarily direct to end users. "The new version of Connect will be a very good product for VARs of traditional document imaging technology," he said. "It will offer a competitive price with good margins, and VARs won't have to get skilled up on installing software on the SharePoint server."

In addition, Buelmann noted that VARs in EMEA won't face competition from KnowledgeLake's direct sales team. "We have no intention of selling direct in EMEA," he said. "It's always difficult to have a direct sales team, like we have in the U.S., and then implement a channel sales program, without creating conflicts. In EMEA, through Dicom, we are making a fresh start with the channel."

Buelmann and Humblet agree that there is great potential in EMEA for software to document-image enable SharePoint. "Everybody has a SharePoint strategy," said Humblet, "but in EMEA there is not a clear-cut capture leader addressing the space. In the **SAP** space, for example, you have **Open Text**. Our partners have been asking us for something to better address SharePoint."

"In Europe, while Microsoft has invested heavily in its SharePoint for ECM strategy," said Buelmann, "it does not have a go-to-market partner for imaging—either for turnkey systems or systems that scale to handle enterprise document management. There is really a void in the EMEA market. We plan to work closely with Microsoft in EMEA, similar to the way we do in the U.S., and build our marketing and technical alliance."

KnowledgeLake recently beta tested its EMEA go-to-market strategy in the U.K. "We worked with Microsoft on marketing and turned leads over to specific partners," he said. "The partners successfully executed on the leads. Going forward, the only

difference will be introducing Dicom as a layer between us and partners."

KnowledgeLake will be moving some of its support personnel to Germany, and Dicom will also be hiring and training KnowledgeLake specific resources. "We will be ramping up our pre-sales and support teams," said Humblet. "We will need people with SharePoint knowledge."

Dicom will initially be introducing KnowledgeLake's software into the German- and English-speaking markets, with more areas to follow, as additional local language support is introduced. "By the end of next year, we'd like to double the percentage of our software sales that are coming in EMEA," said Buelmann.

Dicom will also continue to increase its software portfolio. "We will continue to look to add similar applications," said Humblet. "Something that will be complementary to what our partners are already selling."

For more information:

<http://tinyurl.com/DKLDIRblog>;

<http://www.dicom.com/en/>;

<http://www.knowledgelake.com>

## Advanced Monitoring Key To ECM Satisfaction

As document capture and content management expand from departmental to enterprise applications, managing their deployment becomes more intricate. Similar to the way an ecosystem of businesses has sprung up to support enterprise resource planning (ERP) systems, we are starting to see supporting businesses develop around ECM and enterprise capture. **Reveille Software** is a pioneer in this area with its performance testing and monitoring software.

Reveille, which is based in Atlanta, targets users of **EMC's** Captiva and Documentum, as well as **Kofax** Capture and **IBM's** FileNet and Content Manager. Reveille has more than 400 customers, including several big names like **Chase, J.P. Morgan, Food Lion, Nestle, the Principal Financial Group, Sallie Mae, Walmart, and Wachovia**. Reveille's software provides "agentless" monitoring and testing in areas like server performance, throughput, and user response times.

"As the importance of capture, workflow, and archiving continues to increase and become more mission critical and instrumental to operations, we



are seeing increasing demand for our tools,” said Reveille CEO Bob Estes. “Customers are finding more general systems management tools are too generic. They need software that focuses specifically on capture and ECM.”

Estes pointed to an **Aberdeen** study that cites the “inability to identify performance issues before end-users are impacted,” as the number-one gap in systems management tools. Reveille is designed to fill that gap by automatically alerting users of trouble in their capture and ECM systems before problems reach users. Reveille’s software provides automatic testing and delivers reports on metrics to help users better configure and deploy their resources.

Reveille recently announced a new version, Reveille Management Console for Captiva InputAccel 6.5—designed to work specifically with EMC’s latest capture software release [see *DIR* 4/1/11]. It features more than 40 pre-configured, out-of-the-box tests and more than 25 metrics that can be reported on. *DIR* caught up with a manager of capture systems at a Reveille customer, a major North American financial institution, that recently upgraded to this latest version of Reveille.

“We capture about 100 million pages per year,” the capture manager told us, “across 24 departments spread across the U.S. We have users online 24 hours a day and a support group that operates 365/24/7. When we installed Reveille three or four years ago, we were running nine primary and 15 secondary Captiva servers.

“At that time, our support group was running multiple manual checks of our servers every shift. If there was something wrong, for example if a server was hung up, they’d manually re-start the server and hopefully catch the problem before it affected users.

“With Reveille, we can do automatic monitoring and testing. Basically, our support department watches a dashboard and as long as all the indicators are green, the system is working fine. If red or yellow starts to show up, it means something needs to be looked at. It’s fairly simple.

“There are also tests that can be used to trigger automatic incident tickets. Using that feature, we’ve been able to reduce manually generated trouble tickets by 80%, and that continues to rise. Each time we receive a manually-generated ticket, we try and figure out how we can create a test that will automatically report that type of incident if it occurs again. Reveille is a very intuitive product. It’s fairly easy to set up new procedures in it.”

Processes being monitored include batch capture,

image enhancement, and export. “We have documents being captured through fax servers and MFPs and imported into InputAccel through watched folders,” said the capture manager. “If those folders start to reach their thresholds, that’s an indicator that maybe a multi-directory watch is hung up. It’s the same type of thing if there’s a back-up in the image enhancement step. Reveille also watches to make sure everything is being exported in a timely fashion to our FileNet P8 system.

“Sometimes Reveille can trigger an automatic re-start, so our system can correct itself. In other cases, an automatic incident ticket notifies our support department, which manually corrects the problem. In both cases, it’s more efficient than our previous process of running manual tests, which often didn’t detect problems until after they had affected our users.”

The financial institution estimated it is realizing \$200,000 in annual savings as a result of Reveille. “This is based on saving an estimated 275 man hours per month by not having to run manual systems checks,” said the capture manager. “As a validation of how valuable Reveille is, one month the server went down [due to technical issues not related to Reveille] and there was a huge spike in manual trouble tickets.”

Other Reveille users have reported similar ROIs. **Zurich Financial Services** reports it has reduced trouble tickets by more than 50%. “Reveille has allowed us to reallocate two full-time employees to higher priority tasks and reduced manual overhead by 70 hours per week,” said Alex Aitchison, IT delivery manager for Zurich.

### **Reveille recommendations**

Reveille recently surveyed 21 of its customers on how likely they would be to recommend their software to a friend. On a scale of 1 to 10, with 10 being extremely likely, 15 of the Reveille users responded with a 9 or 10, with the remaining six responding with a 7 or 8. According to a well-known system developed by a group of business consultants in the mid-2000s, this gives Reveille a net promoter score (NPS) of +71%.

For comparison, Judson Phillips, VP of marketing at Reveille, shared with us the NPS scores of some other companies known for their customer loyalty: **Apple** scored a 72%, **Costco** a 77%, and **Wegmans** a 78%.

More indicative of the true value of Reveille, however, may be how it helps improve the NPS scores of ECM. Philips related to us that throughout the first half of the year, Reveille surveyed 72

companies that have deployed ECM—some of which are also using Reveille. A presentation by Philips noted, “The 10-question survey included questions about ECM vendor NPS, the type of monitoring solutions deployed, and trends with support costs and escalations.” And, “The surveys were completed primarily by business directors, managers and application support personnel.”

The results did not shine a very positive light on the performance of ECM systems in general, as they compiled an overall NPS score of -39%. This was lifted up somewhat by the scores of the 10 Reveille users surveyed, who actually gave their ECM implementations a +63% NPS rating. There was a difference of 125 NPS points between ECM users with Reveille and those without.

Increased levels of monitoring seemed to increase the NPS score given by ECM users. For example, those with no monitoring rated their implementations with an average of -63%, while those with manual testing rated their implementations at -40%. Those using systems management tools for monitoring rated their ECM implementations at -17%.

Also, 29% of respondents who gave their ECM systems “a neutral score or lower” listed “lack of built-in monitoring” as a source of dissatisfaction. Between 13% and 22% of these respondents listed areas like support costs, performance, application availability, and lack of performance metrics as reasons for dissatisfaction. Reveille, of course, addresses all those areas.

Finally, 71% of ECM users without Reveille indicated that their support tickets were rising, and 91% said their support costs were rising. Meanwhile, 86% of Reveille users said the application has helped reduce support costs. “Basically, it seems that as people deploy more sophisticated monitoring for ECM, they perceive the whole system to be more valuable, which drives up the NPS numbers,” concluded Estes.

### **Roadmap for growth**

Reville continues to move forward with its software on both the capture and ECM fronts. “We are on EMC’s and Kofax’s price lists, and every one of our large customers has at least one major ECM repository,” said Estes. “Many have both a FileNet and a Documentum, for example, and everybody has some SharePoint. We look at processes, and how capture and ECM are linked together. Many customers have integrated their ECM and capture with ERP, and we look at links and break points there as well.”

Estes indicated that SharePoint is the next platform Reveille will be integrating its monitoring with. “SharePoint is exciting to us, because no matter how it is used, it is typically used by a lot of people within an organization,” said Estes. “In some cases, you’re talking about tens of thousands of users spread out geographically. There are definitely some performance monitoring opportunities in those types of organizations.”

Yes, as SharePoint and other factors help drive ECM toward mainstream adoption, we are going to see larger, more complex, and more diverse enterprise-wide implementations. Deploying these types of systems, however, is one thing—actually getting them to work effectively is another (which, of course, is a major complaint about ERP systems). It’s fairly clear from the NPS scores that Philips shared that dedicated monitoring software goes a long way toward increasing the effectiveness of, and therefore the user satisfaction with, ECM.

For more information:

<http://www.reveillesoftware.com/>;

<http://www.reveillesoftware.com/releases/release13.aspx>

## **DataServ Unveils SaaS-based Invoice Processing Machine**

Ever since its inception, St. Louis based services specialist **DataServ** has been trying to bring cutting-edge document imaging technology to the masses. Its latest initiative is the Invoice Processing Machine (IPM), a SaaS-delivered purchase-to-pay (P2P) offering. DataServ recently announced it is offering line-item capture as part of IPM.

“Even back when we first launched the company in 1994, there was a lot of interest in imaging technology, but only a limited number of people who could afford to implement it,” said Jeff Haller, the founder and CEO of St. Louis-based DataServ. “It was my goal to make the technology accessible to smaller companies.”

Haller began with what he calls “an early SaaS model.” “We took some concepts from the BPO market and decided we to utilize software we were running locally to deliver solutions with a quick ramp up for end users,” he said. “At that time, the best we could do was to utilize dedicated ISDN lines for file uploads. Our first customer was **Scotttrade**, which at the time was a \$6 million company [in 2010, it did more than \$700 million in revenue], and we provided a solution for capturing trading documents. We had a thin-client viewer on the front end, and integrated COLD and imaging on the

back-end—which was revolutionary at the time.

“Our focus was middle market companies that did not know how to get the five or six pieces of hardware and software that you needed to set up an imaging and storage system. We put together one at our office and made it available as a service.”

Today DataServ has 125-130 customers and is processing 2.4 million documents per month. “We pull in documents from a combination of on-ramps: our scanners, customers’ scanners, MFPs, e-mail, fax, and EDI,” Haller said. “We offer a 24-hour turnaround time, with capture done in the U.S., validation in India overnight, and QA, the next day, back in the U.S.”

Some of DataServ’s big-name customers include **Sony Pictures, Thomson Reuters, 20<sup>th</sup> Century Fox, and Kendell Jackson.** “We primarily focus on the mid-market,” said Haller. “On the top-end, we have customers with \$1 billion to \$3 billion in annual revenue,” he said. “On the lower-end, we might have customers with \$10 million in annual revenue and 3,000-4,000 invoices per month that we can still provide a decent ROI for.”

“Some of our customers use our services in multiple divisions and for multiple applications. Also, it’s always been our vision to be a global company, and we service customers with sites around the world. This means we have to be able to capture data in multiple languages.”

DataServ focuses on three primary areas of automation. “These are P2P, quote-to-cash (Q2C), and human resources or hire-to-retire,” said Haller. “P2P and Q2C each account for about 40% of our business, with HR about 20%.”

As we mentioned, the IPM falls under P2P, which focuses on automating accounts payable processes, including workflow and approval of invoices. “Q2C involves anything to do with A/R, including orders, outbound invoices, receivables documents, and documents related to returns,” said Haller. “HR involves everything from employee applications and resumes, to performance evaluations, to documents related to retirement programs. Increasing government regulations have helped drive this market.”

### ***A black-box for invoice capture***

Like its overall business, DataServ’s P2P solution continues to evolve. “We started out in P2P by focusing on imaging invoices and routing them for approval,” said Haller. “We also offer auto-vouching services, through which we can key invoice data and match it to our customers’ PO and receivables

data. If it all matches, we will post it to the customer’s ERP/accounting system. Over the years, I think we’ve integrated to 35-40 different applications.”

With the IPM, DataServ has introduced OCR. “Basically, it increases the number of fields, including line items, that we can capture at a reasonable cost for our customers,” said Haller. “Whereas previous to IPM, the most fields we were capturing from an invoice was five or six, now we have some invoices we are capturing 30 or 40 fields on. This has enabled some customers who, because of line item or other requirements, couldn’t even consider our data capture services, to take a new look at them.”

DataServ is utilizing a hybrid approach with the IPM. “Whatever we can’t capture with the OCR process, we will manually key,” said Haller. “Our goal is to reduce our costs by making adjustments to the OCR technology so that we are continually increasing the percentage of data we are able to capture automatically. Of course, the customer doesn’t know which data is being captured through OCR and which is captured by our keyers. We just give them a price per invoice for the length of their contract.”

One of DataServ’s value propositions is to remove the headache of setting up automated data capture. “The biggest reason for the failure of OCR software is the up-front learning curve,” said Haller. “Users are required to spend quite a bit of time setting up templates and creating processes. Our differentiator is that as soon as our customers go live, they are getting 99% accuracy on their data.”

“And behind the scenes, our automated capture rates are pretty good as well. We were able to use the invoices of our current clients as a test base to optimize our OCR capture and validation processes.”

DataServ licenses an OCR toolkit and some other software, but according to Haller, “we have developed more than 70% of our technology ourselves.” “We plan to expand our OCR technology into our other applications,” he said. “In A/R, for example, we are testing it on debit memos, which come from shippers or warehouses. They are similar forms to invoices.”

DataServ’s pricing model has multiple components. “Up front, we have an initialization fee, as well as training fees,” said Haller. “There is also a monthly service and support charge. Those fees are all relatively fixed.”



"We also have a more variable monthly fee based on the types of documents being processed, how we're processing them, and the users' volumes. Our standard contract is for three years, but some users push for longer, which is fine with us. One of our selling points is that our revenue is directly tied to the success of the customer's implementation. Unlike a traditional software vendor, we don't receive the bulk of our money up front."

Haller concluded that despite its humble beginnings with ISDN lines, DataServ has emerged to become a true SaaS player in the document processing market. "We're SAS 70 certified and are working on SSAE 16 certification," he said. "We're also very careful with data and network segregation."

"And it's very important for customers that we have a true multi-tenant application. I had an IT director the other week tell me that you can tell when a vendor presents a SaaS option that's more expensive than a traditional software pricing model, that vendor is not truly a SaaS provider. Basically, there's a huge difference in the mentality of traditional software vendors and SaaS providers."

For more information: <http://www.dataserv.us/>;  
[http://www.youtube.com/dataservondemand#p/u/6/jjCY\\_V1uFWY](http://www.youtube.com/dataservondemand#p/u/6/jjCY_V1uFWY)

## Psigen Improves SharePoint Integration

**Psigen** recently became the first document capture vendor touting integration with Office 365. Office 365 is **Microsoft's** SaaS offering that includes SharePoint and Exchange, as well as its Office suite of products. It went live this summer and Psigen, an ISV based in Irvine, CA, subsequently announced an "Office 365 Scanning and Capture feature set."

Basically, the way we understand it is that because Office 365 is built on top of SharePoint, capturing documents into it is very similar to capturing documents into SharePoint libraries—an area where Psigen has a mature application. "SharePoint Online is incorporated in all Office 365 subscriptions," acknowledged Stephen Boals, VP of sales for Psigen. "So, Office 365 is running on a cloud-enabled version of SharePoint, but Microsoft has changed the log-in process. We had to write a whole new authentication module that takes into account Windows Live credentials."

Psigen introduced one more major SharePoint-related improvement into the latest version of its software. "In SharePoint, there are three containers in which you can store documents or data—sites, libraries, and lists," he said. "A document library is

basically a document-enabled list.

"We found that a lot of our SharePoint partners wanted to write data into SharePoint lists for integration with data-driven applications in areas like CRM and ERP. To improve that process, we've added the ability to link a single copy of a document to multiple pieces of data."

"With standard implementations of SharePoint, if you have six sets of data captured from an invoice that you are including in a list, you need six copies of that invoice—one to link to each piece of data. The ability to link multiple data points to a single copy is a huge storage saver."

Boals concluded that adoption of SharePoint as a document repository has driven significant growth for Psigen over the past couple years. "We've had explosive, triple-digit growth over the past two years, and a lot of that can be attributed to SharePoint," he said. "About 70% of our current Web traffic is related to SharePoint, so that gives you an idea of the interest we are seeing in the market."

For more information:

[http://www.psigen.com/scan\\_to\\_Office\\_365/Office365\\_Scanning.aspx](http://www.psigen.com/scan_to_Office_365/Office365_Scanning.aspx)

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### **HSA CONFERENCE, FROM PAGE 1**

He also noted that mobile capture started to take off, especially for checks, as well as business cards and receipts. Dave Wood, who is doing some work with HSA, presented a mobile capture panel. Wood is currently working on a mobile capture study that he will publish next month. It is being sponsored by several industry vendors,.

Wood has interviewed close to 70 vendors and 40-50 end users who have implemented mobile capture of one kind or another. "For the most part, I've found that traditional ROI is not driving most mobile capture purchasing decisions," Wood told the conference attendees. "Chad Goins, for example, from **ACS**, talks about trucking companies being forced to look at mobile technology to make capture more convenient for their drivers—with the return being improved driver retention rates."

Wood noted that smart phones and document scanners behave very differently and are likely more complementary than competitive. "The image quality on smart phones is very weak when compared to the CCD technology used on scanners," he said. "And there is wide variation in image quality among different devices. Also, the capture process with phones is slow, although apps are improving, which should help. Emerging tablet technology should also help."

"I really think there is opportunity for capture software vendors to take the lead in market education and communicate to users when they should use a scanner and when to capture with a camera. I3A [the **International Imaging Industry Association**] has rated the cameras on a number of phones, but there is no document imaging standard. Quite frankly, the mobile technology industry is so large, it will probably never be very aware of document capture."

Wood noted that mobile technology can be used to insert additional meta data into a capture process. "Mobile applications typically give you the option of automatically adding time and location data into the mix," he said. "This is valuable in field service apps, for example, when someone like a plumber performs a service and then leaves. Voice input and mobile forms can also be utilized, as well as touchscreens."

Wood concluded that when approaching the mobile market, capture vendors need to remember three things: "Think small, because if you do not have a good app, you won't get user adoption. Think broad about your mission and channel because mobile capture presents new opportunities. Finally, think paranoid, because you're not sure where your competition for mobile capture apps will be coming from."

Spencer has predicted a 52.8% five-year CAGR for the ad hoc transaction capture software segment, which includes capture from MFPs, mobile scanners, smart phones, and tablets. Overall, Spencer is projecting a 13.5% CAGR through 2015 for the capture software market—as long as the world

economy holds up. This would bring its size to more than \$4 billion.

Spencer reported that through the first half of 2011, the capture market was keeping pace with 2010's growth, and he was projecting year-over-year growth of 10.2% for this year.

We'll have more from Spencer's excellent conference in our upcoming issues.

For more information: <http://www.harveyspencer.com/>

#### OFFICEDROP PURSUING OEM PARTNERS

**OfficeDrop**, which first came onto our radar screen at **Harvey Spencer Associates** annual conference three years ago, was once again holding meetings at this year's event. The Cambridge, MA-based ISV, which offers cloud-based, searchable PDF storage of document images, was highlighting an OEM strategy, which includes its recent partnership with **Nuance**. OfficeDrop's technology provides the cloud component—PaperPort Anywhere—in the latest release of Nuance's PaperPort application [see *DIR 8/5/11*].

"We are pitching what we've done with Nuance to other software, as well as hardware vendors," said Prasad Thammineni, the CEO and co-founder of OfficeDrop. "Many hardware vendors, for example, understand printing and scanning. We are offering to take them into the cloud—with their branding. We can provide them with a fully functioning cloud-based document management solution."

For more information: <http://www.officedrop.com/>

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