

Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

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October 18, 2002

THIS JUST IN!


DOCUMENTUM UPS COLLABORATION ANTE

Documentum continued the aggressive expansion of its ECM platform with the recent \$120 million acquisition of **eRoom**, a leading vendor of collaboration software. A couple of months ago, when announcing its *Documentum 5* platform, Documentum told us it was developing its own collaboration technology [see *DIR* 9/6/02]. "We thought we were going to have to build it ourselves," Whitney Tidmarsh, Documentum's VP of product marketing, told *DIR*. "But then this deal came together."

The eRoom acquisition is Documentum's third in the past year and by far the largest. The \$12.6 million in cash and 9.4 million shares of stock are valued at more than 10 times what Documentum paid for digital asset management software developer **Bulldog** last December.

According to **Hoover's Online**, eRoom's 2001 revenue was \$29.5 million, with a net loss of \$7.6 million. Tidmarsh told *DIR* that eRoom is currently on a \$9-9.5 million quarterly run rate. "They are growing and profitable," she added. "eRoom also has technology whose functionality has been rated very high in analyst reports. We see this as an advantage over developing our own, unproven platform. We also get skilled people with a much greater breadth of knowledge about the collaboration market than we have."

The deal is expected to close in early December with an integrated Documentum/eRoom product to hit the streets in early 2003.

For more information: **Documentum**, Pleasanton, CA, PH (925) 600-6800. 

CereSoft Enjoys EOB Success

CereSoft may have found its cash cow. The recognition software developer is currently enjoying success as the OCR component of EOB (explanation of benefit) processing and posting systems installed by healthcare IT integrator **SSI Group, Inc.** Specifically, SSI is leveraging CereSoft's unstructured forms processing technology to extract data from EOBs. "We have completed four installations using the CereSoft technology, and now the rest of our customers want it," Joanna Ranes, document imaging product specialist for SSI, told *DIR*.

The rest of SSI's customers consist of some 1,200 North American hospitals that use SSI for a variety of solutions including EDI, document imaging, and processes like eligibility and compliance management. These customers represent an attractive opportunity for CereSoft, which burst onto the scene in 1999 as one of the pioneers in the promising market of unstructured forms processing [see *DIR* 5/21/99].

Like most new technologies, actual sales of unstructured forms processing software have lagged behind initial high expectations. "A technology looking for a solution" is a phrase often used to describe the adoption of unstructured forms processing so far. Well, CereSoft may have found that solution. "Approximately 50% of our new sales are coming in the area of EOB processing," Bob Foley, VP of marketing for CereSoft, told *DIR*.

CereSoft and SSI have been partners for 2½ years. "Before we started working with CereSoft, I met with a couple of other vendors in the forms processing market," Ranes told *DIR*. "To effectively post an EOB to an accounts receivable (AR) system, we need to capture anywhere from five to 29 different fields. The CereSoft software can successfully read every piece of information that we need. Some of the other products we saw could only capture half the desired fields. The rest had to be entered manually."

EOBs present several challenges to traditional forms processing products. They are sent by insurance companies to healthcare providers (such as hospitals) as a record of payment for services. EOBs itemize the

amount paid for each service. They can also list item adjustments, co-payments, disallowed charges, and a number of other things. They can cover multiple patients and be more than 500 pages long.

Complete System Saves \$2 Million Per Month

SSI's first installation using the CereSoft software for EOBs was at **Valley Health Systems**, a network of hospitals located in Virginia, West Virginia, and Western Maryland. "We have one AR center that is responsible for processing EOBs for five hospitals, an urgent care center, and a free-standing ambulatory surgical clinic," Ann Ryder, director of patient accounts at Valley Health, told *DIR*. "Before implementing OCR technology, we were putting in 150 to 300 hours of overtime to manually process 19,000 EOBs per month."

According to Ryder, since installing the CereSoft technology, overtime has been eliminated, and the volume of EOBs processed has grown to more than 21,000 per month. "In addition to reducing the amount of time we spend doing data entry, we've leveraged the OCR and imaging system to reduce the time it takes to retrieve the EOBs for reference," Ryder told *DIR*. "The system has also improved our refund process for overpayments by automatically placing all relevant information, including an image of the EOB, right at the fingertips of the person making the refund decision. Overall, the OCR and document imaging system probably saves us \$5,000 to \$10,000 per month."

In addition to providing these savings, the EOB processing system is an integral part of the SSI claims posting system. This system also handles claims sent in electronically through processes like EDI. Since the claims posting system was installed, Valley Health has reduced its average accounts receivable days outstanding from 61.6 to 39.1. "Our AR is worth over \$1 million per day," said Ryder. "By reducing our days outstanding to 20 days below the benchmark for a hospital our size, I figure we save Valley Health more than \$2 million per month."

MICROSYSTEMS ALSO OFFERS EOB APP

Aside from CereSoft, **Microsystems Technology** is the only vendor we know of that advertises an EOB solution. According to Microsystems spokesperson Jim Fleming, the forms processing vendor's software has been installed in approximately two dozen EOB applications over the past two years. Because Microsystems deals exclusively through resellers, the vendor was unable to give us too many details about the applications.

From what we understand, Microsystems' software is being used in some applications for posting data to AR systems, similar to the way **SSI** utilizes the **CereSoft** technology. In other applications, it is being used solely to extract indexing information for a repository of EOB images.

For more information: **Microsystems Technology**, Tampa, FL, PH (813) 222-0414.

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

Areas we cover include:

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3. Integrated Document Management
4. Content Management/XML
5. Document Output
6. Storage
7. E-Commerce

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Expanding Free-Form Functionality

According to Foley, the EOB installation at Valley Health has not reached its full potential. "Originally, we wrote customized scripts to automate the processing of EOBs from Valley Health's five largest payers," he said. "We are just starting to implement our "Universal Script" technology to automate the processing of EOBs from the smaller payers."

Ranes added that SSI would also like to leverage the OCR and imaging system to improve the speed of resubmissions for denied payments. "We hope to expand the information we are capturing from the EOBs to include all the information necessary for rebilling," she said. "This way the rebilling data could be sent straight from the scanning station to our billing system, which could then automatically start the resubmission process."

Has unstructured forms processing finally found its killer app? So far, EOB and invoice processing seem to be the two leading candidates for this moniker. With SSI, CereSoft has fortunately fallen into a great partnership, and we expect to hear about many more successful EOB installations from them in the near future. The key to achieving similar success with invoice processing is probably finding SSI-type partners in the accounts payable world.

For more information: **CereSoft**, Silver Spring, MD, PH (301) 445-8413; **SSI Group**, Mobile, AL, PH (251) 345-0000, www.thessigroup.com. ■■

SourceCorp Partners With Electronic Invoicing Specialist

A few years ago, we wondered if the e-commerce revolution was passing the document imaging industry by. At the time, it seemed businesses were implementing systems for electronic transactions without bothering to integrate their legacy paper processes. The rationale, of course, was that paper processes would eventually die out.

Well, with e-commerce downgraded from a revolutionary to an evolutionary trend, it's now clear that paper isn't going anywhere. E-commerce vendors are being forced to adopt a "if you can't beat 'em, join 'em" stance toward paper processes. As a result we expect to see plenty of partnerships developing between e-commerce and document imaging vendors who focus on the same markets.

An example of one of these partnerships was the recent integration of **SourceCorp's** imaging conversion services into the invoice processing platform offered by e-commerce specialist **BillingZone**. "We help our customers convert their

invoices into an electronic format," explained Todd Barnhart, VP of Business Development for Pittsburgh, PA-based BillingZone. "Initially we focused on EDI, XML, and secure e-mail and Web-based transactions. But, we've come to realize that, in certain cases, it is just easier to work with paper invoices. Integrating SourceCorp's conversion services into our offering enables us to address paper."

BillingZone is an ASP (application service provider) that hosts a solution for processing invoices. "We do a lot of the heavy lifting around invoice processing," said Barnhart. "This includes processes like cleaning up data, workflow and routing of invoice information, payment scheduling, and dispute management recording. We provide sort of a workbench for payables processing. So, when the invoice data gets to the accounts payable department, the decision to pay is as simple as possible. We offer direct integration into all the major AP platforms, as well as homegrown systems."

According to Barnhart, studies have indicated that it typically costs between \$6 and \$10 for a business to process an invoice. According to a release recently received by *DIR*, the cost for processing a paper invoice can be as high as \$35. "Processing paper invoices is more expensive than processing electronic invoices," said Barnhart. "One of our first orders of business is to consult our customers on methods to use to get their billers to switch to electronic invoices. We offer services like simplifying EDI interfaces. However, when you're dealing with Fortune 1000 companies, the sheer effort of trying to communicate with hundreds of billers is enormous. We often succeed in converting the top four or five billers, which maybe accounts for 20% of a business' invoices."

Barnhart added that recent statistics by the **Gartner Group** have indicated 86% of all invoices are still printed on paper. "Partnering with SourceCorp will enable us to process a greater number of our customers' invoices as soon as we sign them up," he said. "Once they're on board, we can work on converting their billers to electronic methods."

Barnhart estimated that BillingZone charges approximately \$1 to process an electronic invoice. He said there will be a slight premium for paper invoices. SourceCorp will provide image conversion, data entry, and image repository services for BillingZone. BillingZone will feed the extracted data into its workflow and make the images available to its customers through a Web link.

"The partnership with BillingZone is a good

representation of the value of our core competency in image conversion,” SourceCorp spokesperson Lon Baugh told *DIR*. “Businesses have spent the last eight years installing ERP systems just to find they can automate only certain portions of their processes with these platforms. There are still certain chunks that wind up involving paper. We can help integrate those paper documents with their ERP systems.”

Barnhart said BillingZone did its due diligence on the conversion services market before settling on SourceCorp. “We are co-owned by **PNC Bank** and **Perot Systems**, so we have a very conservative culture, which meshes well with SourceCorp’s culture,” he said. “SourceCorp is large enough that we are comfortable working with them, but small enough that they will give us their attention.”

BillingZone, which has 40 employees, currently sells directly to Fortune 1000 customers and hospitals. It also has a network of banks that resell its services to mid-sized businesses. Barnhart estimated the company has more than 1,000 customers. He said the number of invoices BillingZone processes ranges from 20,000 to 100,000 per month, per customer. Barnhart added that BillingZone currently has about 30 Fortune 500 customers who are candidates to use SourceCorp’s image conversion services.

For more information: **BillingZone**, Pittsburgh, PA, PH (412) 705-3030, e-mail: todd.barnhart@billingzone.com; **SourceCorp**, Dallas, TX, PH (214) 740-6683, e-mail: lonbaugh@srcp.com. 

Cardiff, Xerox Announce Partnership

Well, it’s not **Adobe**, but the recently announced partnership with **Xerox** is a step in the right direction for **Cardiff** in its efforts to market *LiquidOffice*. Cardiff was recently named a premier member of Xerox’ Business Partner Program. The partnership is based on an integration between Cardiff’s *LiquidOffice* electronic forms software and the Xerox Document Centre line of digital copier/multifunction machines.

Through the integration, Document Centre users can now scan documents into *LiquidOffice* folders. “If a user is creating an electronic expense report, scanned copies of the appropriate receipts are valuable attachments,” Bill Galusha, product manager for *LiquidOffice*, told *DIR*. “*LiquidOffice* has always had the ability to attach electronic documents. Adding paper forms was the next logical step.”

It is especially logical because of Cardiff’s history as a vendor of software for capturing data from scanned forms. Cardiff broke slightly with this history with the 2001 launch of *LiquidOffice*. *LiquidOffice* was designed to take Cardiff out of the niche world of document imaging and into the broader market of electronic forms for the general office space. Cardiff’s original plan was to leverage its relationship with Adobe to help it penetrate this environment [see *DIR* 4/6/01].

The Adobe relationship blew up earlier this year, when Adobe acquired e-forms market leader **Accelio** [see *DIR* 2/15/02]. Left to try and market *LiquidOffice* through its traditional channels, Cardiff has had moderate success. According to Galusha, the company has 75 *LiquidOffice* installations, mainly in the local government and education markets. The relationship with Xerox, however, should give the product more of the visibility it needs.

Under the terms of the partnership, *LiquidOffice* will be sold by Xerox as a referral, and Document Centres will be sold by Cardiff the same way. This means that if either company’s salespeople sees an opportunity for their partner’s product, the partner will be brought in and compensation for the referral will be paid. “We think *LiquidOffice* is a great offering for the office environment where Document Centres are installed,” Gretchen Pomeroy, manager of marketing for the Xerox Business Partner Program, told *DIR*. “That includes environments of 10-15 employees, all the way up to 200 employees.”

According to Pomeroy, a group of Xerox technical marketing managers have already flown to Cardiff for training on *LiquidOffice*. “The technical marketing managers support our office solutions specialists and account managers in the field,” she said.

A pilot installation of the integrated products has been completed at the **Leon County School District** in the Tallahassee, FL-area. “Leon County has Document Centres in three or four different departments and are using them to scan receipts for expense reimbursements,” said Cardiff’s Galusha. “As Leon County expands its *LiquidOffice* application to manage a greater number of forms, it may also purchase more Document Centres.”

Galusha said Xerox is the first scanner vendor Cardiff has partnered with for *LiquidOffice*. “We’ve been so focused on Xerox, we haven’t really thought about anyone else,” he said.

Cardiff is the second major document imaging vendor to partner with Xerox this year. At **AIIM 2002**, Xerox announced it would act as a reseller for Kofax’ *Ascent Ricochet* capture module for digital

copiers. We asked Pomeroy if there was a chance the Cardiff relationship could expand to include the company's *Teleform* forms processing line. "We are always open to growing our relationships and looking at different solutions our partners have," she said.

Added Galusha, "We have not had any specific discussions around technologies aside from *LiquidOffice*. However, we agree that relationships should grow to become stronger. We will remain open to any synergies. This could involve *Teleform*, or other Xerox technologies like *DocuShare*."

For more information: **Cardiff Software**, Vista, CA, PH (760) 936-4500; Gretchen Pomeroy, **Xerox Business Partner Program**, Rochester, NY, PH (585) 383-2993, e-mail: gretchen.pomeroy@usa.xerox.com. ■■

Mid-Market Focus Brings Success For Imaging Vendor

Optical Image Technology (OIT) recently announced it has re-branded its software suite as the *DocFinity* line. "Our product has always been made up of integrated modules developed by our staff from the ground up," Scott Buchart, president of OIT, told *DIR*. "However, our naming was all over the board and didn't reflect that integration. We've re-named our modules so that each one's function follows the *DocFinity* name. We are now marketing modules called *DocFinity Imaging*, *DocFinity COLD-ERM*, *DocFinity Workflow*, etc."

In all, OIT lists some 15 *DocFinity* modules on its Web site, which can now be accessed through the URL: www.docfinity.com. OIT was founded in 1986 as a COLD vendor and within three years added imaging and workflow. "Those are still our three primary modules," said Buchart. "At least one goes into every installation we do. The others, like our HSM and e-mail management modules, are complementary."

Despite the well-publicized economic slowdown, Buchart said OIT is enjoying a great year. "Last year was our best year ever, and so far this year our revenue is up 20%," he told *DIR*.

According to Buchart, most of OIT's success has come in the mid-market, which he defines as organizations with 15,000 employees or less. "We are not limited by our technology, but by buyer perception," he told *DIR*. "A lot of the largest buyers only want to buy from the largest public companies. So, it doesn't make sense for a small private company like us to even do battle in those

situations. We focus on the middle tier where the buyers are more interested in our reference sites than our revenue. We have some huge companies as customers, but that is not who we target."

The majority of OIT's installations are in the insurance, financial services, and education markets. "We stick to those markets because we've found that buyers have become very reference-oriented," said Buchart. "Buyers have been burnt and are being very cautious. They realize their jobs are on the line and that the job market, especially in IT, is very tight. Visiting reference sites is typically what closes business for us."

OIT has also had some success through partnerships such as one with services giant **ACS**. "We work closely with the division of ACS that handles Medicare and Medicaid processing systems for state and local governments," said Buchart. "When they put their software in, ours goes in with it. So far, they have brought us into installations in Hawaii, New York, Washington, and Tennessee."

OIT has also begun to explore integration with print-on-demand applications and recently exhibited at **XPLOR 2002** held in Torrance, CA. "While XPLOR still focuses on output, a lot of buyers in attendance are interested in the full life cycle of the document," Buchart told *DIR*. "They want to see not only technology for producing documents, but also technology like EDMS that can be used for archiving them."

OIT has already integrated its software with software from output specialists **Document Sciences** and **Xerox**. "Document Sciences drives high-end printers," he said. "Our software can take feeds from Document Sciences' software and then make electronic copies of documents available online. We also work with a Xerox customer that uses our software to preview its statements before they go to print."

Finally, we asked Buchart if the events of last Sept. 11 have helped increase sales because of a heightened demand for disaster recovery technology – a demand which has been spoken of by many, but validated by few. "We've been preaching the benefits of disaster recovery technology for a number of years," he told *DIR*. "Even before Sept. 11, our module for off-site redundancy went into almost every installation we did. We now just find it gets a lot more attention. It comes up in almost every presentation we make."

For more information: **Optical Image Technology**, State College, PA, PH (814) 238-0038. ■■

CAPTURE/FORMS BRIEFS

Fujitsu To Bundle ISIS Worldwide

Pixel Translations recently signed a deal that will greatly increase the distribution of its ISIS scanner drivers. As a result of a deal Pixel recently signed with **PFU Limited** of Japan—the global supplier of Fujitsu scanners—ISIS drivers will now be included in all Fujitsu fi-Series scanners shipped worldwide.

Including distribution through **Fujitsu Computer Products of America (FCPA)**, PFU shipped some 75,000 scanners in 2001 and expects to ship 85,000 worldwide this year. Previous to the deal with PFU, ISIS had only been included in the approximately 40% of those scanners sold by FCPA. The new agreement will have a huge impact on ISIS distribution outside North America. In addition to FCPA, PFU has distribution channels in Japan, South America, and Europe. PFU already bundles a TWAIN driver with scanners sold through these outlets and offers optional Sun OS, OS2, and Unix drivers as well.

“We are seeing an increased demand for ISIS internationally due to our increased focus on the European market,” a Pixel spokesperson, told *DIR*. “We have an active, experienced sales rep in Europe, which has resulted in greater awareness and a willingness by ISVs to try ISIS technology.”

Pixel boasts that ISIS drivers are compatible with more than 200 scanning applications. A demo version of Pixel’s scanning toolkit will also be bundled with the fi-Series scanners.

For more information: **Pixel Translations**, San Jose, CA, PH (408) 325-3800; **PFU Limited**, Kawasaki, Kanagawa, Japan, PH +81-44-540-4540.

Law Leaves DICOM \$1.9 Million In The Lurch

DICOM Group recently announced its preliminary financial results for the year ended June 30, 2002. Included was a \$1.9 million write-off due to a “a trade debt owed by a U.S. distributor, which discontinued business activities in December 2001.” We’re assuming this was **Law Cypress**. DICOM was not the only vendor left in the lurch by Law’s sudden disappearance, but it may have been the hardest hit.

Before exceptional charges and amortization, DICOM reported a pre-tax profit of \$17 million for 2002, a 13% increase from 2001. Eighty-two percent, or \$13.9 million, was generated from DICOM’s electronic data capture (EDC) business unit. EDC includes the U.S.-based **Kofax** manufacturing and

software development business, as well as European and Asian imaging distribution and integration businesses. DICOM also has a **Samsung** distributorship—which helped launch the business.

EDC accounted for \$159.2 million, or 68% of DICOM’s 2002 revenue of \$234.1 million. EDC’s revenue grew 15% over 2001, while overall, the company grew revenue by 7%. Our conversations with DICOM have indicated that the company would like to sell the lower-margin Samsung distributorship but has not received an acceptable offer.

For more information: Dr. Bettina Moschner, **DICOM Group**, Freiburg, Germany, PH 49 (0) 761 45 269-36, e-mail: bettina_moschner@dicomgroup.com

ReadSoft Announces More Layoffs

Swedish-based forms processing vendor **ReadSoft** continues to struggle. The company recently announced another round of layoffs, and that it would not be profitable for 2002, as originally anticipated. ReadSoft’s complete third quarter results are due out next week.

Through the first six months of 2002, ReadSoft reported revenue of approximately \$14.8 million, a decrease of 5% from 2001, which was also a disappointing year [see *DIR* 10/5/01]. Following the layoffs, ReadSoft’s worldwide staff will be reduced to around 240 employees, down from a high of 348 just over a year ago. Previous to reporting almost no revenue growth in 2001, ReadSoft had averaged 75% annual growth for a period of five years.

For more information: **ReadSoft**, Helsingborg, Sweden, PH +46 (0)42 490 21 00.

Microsystems Lowers Barrier Of Entry For Resellers

At **AIIM 2002, Microsystems Technology** President and CEO Chuck Jackson announced plans to increase the amount of revenue his company generates through professional services. Microsystems’ recently announced Business Alliance Consultant Program is aimed at doing just that. The new program represents an inexpensive way for resellers to sign on to sell the company’s OCR for *Forms* forms processing software.

“The new program represents a way for us to increase the range of resellers we work with,” Jim Fleming, a Microsystems spokesperson, told *DIR*. “We are looking to increase the number of VARs we work with who fall outside the traditional imaging space.”

According to Fleming, historically, Microsystems has charged VARs \$5,000 up front and put them through three months of training before certifying them to sell *OCR for Forms*. "Under the new program, for \$1,000, resellers will immediately be able to offer *OCR for Forms*," said Fleming. "Because these resellers won't be as technically strong as those who have gone through our traditional training program, our professional services group will work closely with them for their first few installations at least."

Microsystems, which sells exclusively through resellers, currently has just over 100 certified resellers worldwide. Like any vendor that uses resellers, the majority of Microsystems' sales come from a minority of top VARs. This is often referred to as the 80/20 rule. Imaging industry consultant Harvey Spencer warns that with its new program, Microsystems will have to be very careful about not upsetting the top 20% of its VARs who sell 80% of its

software. "If Microsystems' established channel perceives the vendor is competing with them, it could be very dangerous," said Spencer. "Vendors that rely on a channel can't afford to lose their top revenue producers."

To help protect the existing channel, members of the Business Alliance Consultant Program will not be part of the same lead program as the current Microsystems resellers.

For more information: **Microsystems Technology**, Tampa, FL, PH (813) 222-0414; **Harvey Spencer Associates**, NorthPort, NY, PH (631) 368-8393. ■■■

Print Stream Capabilities Differentiate INSCI

Imaging systems integrator **Imaging Solutions**, of Wallingford, CT, recently made a \$1 million sales commitment to high-volume COLD specialist **INSCI**. The arrangement involves an installation with **UnitedHealth Group (UHG)**, a large healthcare organization. "UHG basically had four COLD systems it wanted to integrate into one," Roger Tausig, president and CEO of Imaging Solutions, told *DIR*. "We already had a large imaging installation with UHG—taking in 1 million images per day and managing their storage and retrieval—so UHG asked us to help come up with a COLD solution."

Tausig, whose company typically resells COLD software from **Hyland** and **OTG**, said the size and unique requirements of the UHG application made INSCI the best fit. "We did due diligence on everything available," he said. "INSCI's scalability and its ability to handle complex print streams—such as AFP and Metacode—without special processing made the difference."

This is the first time Imaging Solutions has worked with INSCI. "Most of the COLD installations we do don't require graphical output, so there is no need to use complex print streams," Tausig said. "Specialized print streams come into play when there are requirements for fancy designs, such as on customer bills."

Tausig said the installation with UHG should account for more than \$1 million. He added there may also be a second part to the project, which could be tackled early next year.

For more information: **Imaging Solutions**, Wallingford, CT, PH (203) 294-6300. ■■■

SCAN-OPTICS: A PCH WINNER

Scan-Optics recently announced a multimillion dollar deal to upgrade its scanning installation at **Publishers Clearing House (PCH)**. Scan-Optics will install six 9000M series high-volume scanners at PCH's Long Island processing facility. The scanners replace six Scan-Optics 9000s that were installed in the mid-1990s. "PCH uses the scanners mainly for its contest forms," Dick Goyette, VP of sales and marketing at Scan-Optics, told *DIR*. "This can involve reading documents as small as a mailing label, up to regular sized contest cards."

Goyette estimated that PCH processes more than 1 million documents per day during peak periods. "PCH actually has nine total scanners," he said. "It is keeping three 9000s as backups."

Scan-Optics released the 9000M last summer. Although it is rated at the same speed as the 9000—200 ppm—Goyette said Scan-Optics has made several other improvements. "We've installed some new feeder technology, as well as a new stacker, which PCH uses quite heavily," said Goyette. "We've also upgraded the cameras, made the footprint considerably smaller, and improved the mechanics to make maintenance easier. Making it easier to do things like clear jams improves uptime."

The 9000M starts at \$187,000 and increases as options are added. "It's really targeted at businesses scanning at least 15,000 to 20,000 documents per day," said Goyette. "We also offer what we call the 9000M&M, which is rated at 100 ppm, and starts at a considerably lower price."

For more information: **Scan-Optics**, Manchester, CT, PH (860) 645-7878.

DIR MARKET WATCH

For October 9, 2002

Public Company Names	Phone	Exchange	Symbol	Close Price	52-Week High	52-Week Low	P/E Ratio	EPS (ttm)
1IMAGE Software, Inc.	(303) 694-9180	NASDAQ	ISOLOB	0.48	0.85	0.26	N/A	-0.08
ACS, Inc.	(214) 841-6111	NYSE	ACS	33.88	57.05	34.84	21.11	1.76
Adobe Systems, Inc.	(408) 536-6000	NASDAQ	ADBE	18.17	43.32	16.498	25.94	0.77
Altris Software	(619) 625-3000	OTC BB	ALTS.OB	0.12	0.45	0.07	N/A	-0.19
Autonomy Corp., plc	44-1223-421-220	NASDAQ	AUTN	1.56	6.29	1.40	23.86	0.07
BroadVision, Inc.	(650) 261-5100	NASDAQ	BVSND	1.20	35.64	1.11	N/A	-18.45
Captiva Corp.	(858) 320-1000	NASDAQ	CPTV	0.74	3.15	0.80	N/A	-0.09
Convera Corp.	(703) 761-3700	NASDAQ	CNVR	1.711	4.84	1.25	N/A	-18.42
DICOM Group, plc (in British pence)	49-761-45269-36	London	DCML	355	1,000	347	101.43	3.50
Documentum, Inc.	(510) 463-6800	NASDAQ	DCTM	10.96	27.18	8.67	N/A	-0.29
FileNET Corporation	(714) 966-3400	NASDAQ	FILE	8.96	23.10	8.64	130.86	0.07
Gauss Interprise Ag (in euros)	(949) 784-8000	XETRA	GSOG.DE	0.31	1.08	0.24	N/A	N/A
Global Imaging Systems, Inc.	(813) 960-5508	NASDAQ	GISX	17.972	22.80	11.15	12.46	1.49
Group 1 Software, Inc.	(301) 918-0400	NASDAQ	GSOFF	14.4634	16.95	8.55	19.08	0.76
Hummingbird Communications	(416) 496-2200	NASDAQ	HUMC	12.93	23.32	11.65	N/A	-0.32
IKON Office Solutions, Inc.	(610) 296-8000	NYSE	IKN	6.40	14.25	6.53	15.81	0.43
ImageMax, Inc.	(610) 832-2111	OTC BB	IMAG.OB	0.15	0.45	0.11	N/A	-1.29
iManage, Inc.	(650) 356-1166	NASDAQ	IMAN	2.05	8.45	1.70	N/A	-0.64
INSCI	(508) 870-4000	OTC BB	INSS.OB	0.05	0.14	0.0065	2.38	0.021
Interwoven, Inc.	(408) 774-2000	NASDAQ	IWOV	1.50	11.57	1.34	N/A	-1.19
Itesoft (in euros)	N/A	Paris	ITFT.LN	0.90	1.70	0.80	N/A	-0.09
IXOS Software AG	(650) 294-5800	NASDAQ	XOSY	4.12	6.55	2.92	12.03	0.38
Mitek Systems, Inc.	(858) 635-5900	NASDAQ	MITK	0.941	2.95	0.80	31.37	0.03
Mobius Management Systems, Inc.	(914) 921-7200	NASDAQ	MOBI	1.81	3.83	1.81	N/A	-0.22
On-Site Sourcing, Inc.	(703) 276-1123	NASDAQ	ONSS	1.67	3.75	1.76	7.33	0.24
Open Text Corp.	(519) 888-7111	NASDAQ	OTEX	17.27	31.79	15.47	22.66	0.78
Optika	(719) 548-9800	NASDAQ	OPTK	0.70	2.93	0.64	N/A	-0.01
PaperClip Software, Inc.	(201) 329-6300	OTC BB	PCLP.OB	0.04	0.19	.0023	N/A	N/A
Peerless Systems Corp.	(310) 536-0908	NASDAQ	PRLS	0.90	1.95	0.72	N/A	-0.38
Plasmon, plc (in British pence)	(952) 946-4100	London	PLML	65 1/2	99.00	48.00	N/A	-12.28
ReadSoft (in Swedish Krona)	(858) 546-4438	Stockholm	RSOFb.ST	4.30	17.80	4.00	N/A	-2.76
Scan-Optics, Inc.	(860) 645-7878	OTC BB	SOCR.OB	.287	0.45	0.20	N/A	-0.62
ScanSoft, Inc.	(510) 608-0300	NASDAQ	SSFT	3.60	8.85	1.35	N/A	-0.01
Sourcecorp	(214) 953-7555	NASDAQ	SRCP	18.13	39.65	18.99	N/A	-1.61
Staffware PLC	44-1628-786800	London	STW.L	246	463.50	241.625	N/A	-26.00
Stellent	(952) 903-2000	NASDAQ	STEL	3.16	34.72	3.14	N/A	-1.45
Top Image Systems, Ltd	(760) 918-1660	NASDAQ	TISA	0.72	4.90	0.85	N/A	-0.246
TMSSequoia	(405) 377-0880	OTC BB	TMSS.OB	0.14	0.29	0.12	N/A	-0.04
Vignette Corporation	(512) 306-4300	NASDAQ	VIGN	0.74	6.91	0.66	N/A	-4.82
Xenos Group (in Canadian dollars)	(905) 709-1020	Toronto	XNS.TO	1.15	2.05	0.90	N/A	-0.30
Xerox Corporation	(203) 968-3000	NYSE	XRX	4.30	11.45	4.29	N/A	-0.26

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