# Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

4003 Wood Street ● Erie, PA 16509 ● PH (814) 866-2247 ● FX (412) 291-1352 ● www.documentimagingreport.com

November 15, 2002

#### THIS JUST IN!

### SECOND PDF-A MEETING SET FOR NEXT MONTH

A second meeting to discuss the proposed PDF-A standard has been scheduled for Dec. 12-13 in the Washington, D.C. area. PDF-A is a proposed standard for the long-term archiving of digital documents [see <u>DIR</u> 9/20/02].

An initial meeting to discuss PDF-A was held Oct. 3-4. It was attended by 35 people, including representatives from **Adobe**, **EMC**, **IBM**, **Merck**, and several federal government organizations. Trade organizations **AIIM** and **NPES** are organizing the meetings. "At the first meeting, the group identified business and technical requirements to be addressed in the proposed standard," Betsy Fanning, AIIM's director of standards, told *DIR*. "Based on the requirements that were identified, several smaller working groups were formed to further define the requirements."

A complete list of the working groups and their members can be found in the minutes of the meeting, which are posted on the AIIM Web site at www.aiim.org/standards. They can be accessed by clicking on the PDF-Archive listing in the Committees section. One issue that will not be addressed in the first version of the standard is physical storage and media.

"The December meeting, as with any national meeting, is open, so that anyone may attend," added Fanning. "We need to know who will be attending at least three days prior, since the building is secure, and we must provide a list of attendees to the security department. The small groups will be presenting their work prior to that meeting so it can be combined into one document for the group to discuss."

For more information: **AIIM**, Silver Spring, MD, Betsy Fanning, PH (301) 755-2682, e-mail: bfanning@aiim.org. III

## Records Management Has Day In The Sun

Who says records management is boring? With the **Meta Group** predicting that by 2006, 90% of Global 2000 companies will have formalized records management applications, enterprise content management (ECM) vendors are taking an increased interest in this formerly obscure market. That interest reached a crescendo last week when, within minutes of each other, **IBM** and **Documentum** announced they had acquired records management software vendors.

IBM kicked things off by acquiring OEM-application specialist **Tarian Software**. Documentum followed a couple of minutes later by announcing the acquisition of **TrueArc**. Ironically, Bruce Miller, the current president of Tarian, had a hand in founding both companies. "I think every Global 2000 company needs records management



Bruce Miller, President, Tarian Software.

software," Miller told *DIR*. "In the wake of recent corporate scandals, public companies are receiving increasing pressure from both shareholders and regulators to be accountable for their electronic records."

Records management software applies a formalized process to the retention and disposal of electronic records. "Most companies have yet to establish the same level of discipline for managing their electronic records that they have for their paper records," added Deb Taufen, director of marketing for IBM's enterprise content management group.

Miller co-founded TrueArc as Provenance Systems in 1989. In 1999, he left to form Tarian after coming to the conclusion that records management technology could not be sold successfully as a standalone application. "One of the things we like about the Tarian technology is that it can embed records management functionality in such a way that users never have to leave the applications they are comfortable with," Taufen told *DIR*.

When we spoke with Miller a few months back, he told us his goal was to embed Tarian's software in every document and content management product on the market. "The acquisition by IBM doesn't change that strategy at all," he said. "In fact, if anything it strengthens it. A lot of ISVs were nervous about working with us, because we are a small, 30-person company. Because they view records management as a long-term, critical technology, they are happy about the stability, scalability, and long-term viability that IBM gives us."

Among the ISVs that Tarian has been talking with is **FileNET**, which competes fairly heavily with IBM in the document imaging market. "We will continue to talk with



Lubor Ptacek, director of product marketing, Documentum.

anyone who is interested in licensing the Tarian technology," confirmed Taufen. "We will also embed it into our IBM Content Manager suite, our Lotus offerings, and anywhere else it makes sense. It will be rebranded as IBM Records Manager."

FileNET did not rule out committing to a records management agreement with IBM. "Records management is part of our ECM strategy that we need to address," FileNET spokesperson Tom Hennessey told *DIR*. "For our Brightspire platform, we already license some technology from a company that IBM acquired, so that

type of arrangement would not be unprecedented. Our records management strategy should be clearer in January."

One company that won't be licensing from IBM is Documentum, which paid approximately \$3.6 million to acquire TrueArc. TrueArc has an install base of some 150 customers — half in the government market.

A couple of months ago, when the latest version of its content management platform was launched, Documentum announced it had licensed records management software under an OEM agreement. "With the release of *Documentum 5*, we clearly stated that records management was part of our content management story," Lubor Ptacek, director of product marketing for Documentum, told *DIR*. "But, we were still considering our options for how to add it. We came to the conclusion that the records management market is not large enough to sustain standalone vendors, so it made sense for us to acquire an established vendor."

Miller expressed his doubts that the TrueArc technology could scale to meet the needs of an enterprise-wide application. "It was designed as a desktop application, which is quite different from what ECM applications require," Miller told *DIR*.

A combined TrueArc and Documentum application recently received DoD 5015 certification. Ptacek said an integrated product will be available later this month.

IBM is already shipping an OEM version of Tarian's software

#### **Document Imaging Report**

Business Trends On Converting Paper Processes To Electronic Format

*DIR* is the leading executive report on managing documents for e-business. Areas we cover include:

- 1. Scanning
- 2. Forms Processing/OCR/ICR
- 3. Integrated Document Management
- 4. Content Management/XML
- 5. Document Output
- 6. Storage
- 7. E-Commerce

*DIR* brings you the inside story behind the deals and decisions that affect your business.

Vol. 12, No. 22

Editor: Ralph Gammon PH (814) 866-2247 FX (412) 291-1352 dir.ralphg@verizon.net



#### **Managing Editor**

Rick Morgan PH (814) 866-1146 morganpub@adelphia.net

#### **Publisher and Circulation Manager**

Larry Roberts RMG Enterprises, Inc. 5237 Karrington Drive Gibsonia, PA 15044 PH (724) 449-7577 FX (412) 291-1352 larryroberts@stargate.net

**DIR** is published 24x per year, on the 1st & 3rd Fridays of the month, by:

#### RMG Enterprises, Inc.

5237 Karrington Drive Gibsonia, PA 15044 **PH** (724) 449-7577

Web: www.documentimagingreport.com

Copyright © 2002 by RMG Enterprises, Inc. Federal copyright law prohibits unauthorized reproduction by any means including photocopying or facsimile distribution of this copyrighted newsletter. Such copyright infringement is subject to fines of up to \$25,000. Because subscriptions are our main source of income, newsletter publishers take copyright violations seriously. Some publishers have prosecuted and won enormous settlements for infringement. To encourage you to adhere to this law, we make multiplecopy subscriptions available at a substantially reduced price.

**Subscriptions:** \$597 per year (outside North America add \$33 postage)

and will make the product available through broader channels when the acquisition closes. The closing is targeted for before the end of the quarter.

For more information: **IBM**, White Plains, NY, e-mail: dwtaufe@us.ibm.com; **Tarian Software**, Fairfax, VA, PH (703) 934-0333; **Documentum**, Pleasanton, CA, PH (952) 600-6800; FileNET, Costa Mesa, CA, PH (714) 327-3400.

### A Look At The Latest In **Archival Storage**

Don't look now, but the archival storage market continues its startling evolution. Once the exclusive domain of optical disks, over the past six months, we've seen a rash of new entries in this suddenly emerging space. This has included new optical formats, as well as magnetic and tape products designed specifically for long-term storage of unchanging data and documents. On top of this, vendors like **Kodak** and **Anacomp** have begun marketing their microfilm products and services as offering a more stable long-term environment than electronic storage.

We've talked several times about the reasons behind the sudden boom in a market that had seemingly stagnated over the past couple of years. A lot of the excitement has to do with new concerns over the fidelity of current systems for storing electronic documentation. The whole Internet/ecommerce boom was based on a shoot first, ask questions later mentality. Systems for using electronic documents to conduct business grew up a lot faster than systems for legally archiving these documents. The **Enron** case brought national attention to this problem. Recently passed SEC and HIPAA regulations have forced many people to address archiving. The events of Sept. 11, 2001 and the buzz they created around the need for disaster recovery plans have also generated publicity for archival storage.

Yes, the archival storage market is hot. And like any hot market, it's attracting attention from vendors. This issue, we will continue in our diligent pursuit to provide you with information on the latest archival offerings. Yes, choosing a storage system for your document management application is clearly a nobrainer, no longer.

#### Using Tape and RAID To Create Low-Cost Archiving

We'll start by discussing an offering from a company that, according to CEO Phil Storey, is being run by "some old faces" to the document imaging industry. Storey is a former **Plasmon** executive who also spent some time as the head of **SER's** U.S. operations. Because of his experience with Plasmon, a major optical storage player, Storey has an interesting perspective on the current rumblings in the archival space. After all, he knows as well as anyone that the optical market has been relatively flat for several years.

"I don't think you can take the optical market and say it represents the total market for archival storage," Storey told DIR. "Historically, the market for optical storage has been worth a couple 100 million dollars per year. That's like 1% of the total storage market. But I think the percentage of storage applications that could benefit from, or require, archival storage is much higher than that."

It's Storey's belief that optical storage traditionally has been so difficult to use that many people have avoided it. "In lieu of optical, they have relied on their backup systems to also act as archival systems. While this clearly isn't the best solution, it saved them from having to manage an optical device. Optical just doesn't fit very well with storage infrastructures designed around RAID and tape."

According to Storey, as vendors like **EMC** and **Sony** introduce magnetic and tape storage products designed specifically for archiving, the number of businesses and organizations adopting better archival solutions will skyrocket. **XenData** is developing software to manage this next generation of archiving. "Ten years ago, optical disks were the only way to go for storing document images, " Storey told DIR. "At the time, they offered a high capacity of storage for a low price when compared to hard drives. But that has changed as the cost per gigabyte of hard drive storage has fallen at a much faster rate than the cost per gigabyte of optical storage. And tape prices have generally kept up with hard drives."

XenData's current storage solution is based around a combination of hard drives and Sony's WORM (write once read many) AIT tape. "Sony's introduction of WORM tape was the catalyst for the launch of our business," Storey told DIR. "The latest generation of AIT offers 100 GB of storage on a single cartridge. This compares to 9.1 GB per disk for the latest generation of MO (magneto optical) media, and 4.7 GB per disk on DVD-R media [two popular optical archiving formats]."

XenData offers both fully and partially cached storage solutions. In a fully cached solution, all the archived data and documents are stored on a hard drive for fast access, as well as WORM tape for permanency. In a partially cached solution, only the most active data and documents are maintained on hard drive. Storey estimated the average time to access a document from an AIT tape at around 47 seconds, when factoring in loading and initializing time. "Considering the same factors, the average time to access a file from an MO disk is probably 20 seconds," he said. "In a library situation, that is really not that big of a difference."

Storey sent us a white paper that illustrates that even a tape/hard drive archiving solution employing full caching is more than 30% less expensive than a

similar sized MO-based solution. XenData did comparisons for both 1 terabyte (TB) and 2 TB systems. So, if you're going to use full caching anyway, why not just buy a RAID WORM solution like EMC's Centera? "Centera starts at \$200,000 for a 2 TB solution," said Storey. "We can offer a 2 TB, fully cached solution starting at \$85,000."

"Historically, the market for optical storage has been worth a couple 100 million dollars per year. That's like 1% of the total storage market. But I think the percentage of storage applications that could benefit from, or require,

Phil Storey, XenData

archival storage is much higher than that."

Storey said that internationally, XenData is marketing its software to the document archiving market at large, while in North America it is currently focused on the check imaging space. "In North America, people are less willing to accept a new technology into an established market without some reference sites," he told DIR. "We already know there is some market acceptance in North America of tape for the storage of checks. We have had discussions with check imaging vendors who are using **StorageTek's** WORM tape. Because StorageTek sells high performance tape, however, their solutions are much higher priced than one of

In an effort to create even more affordable check archiving solutions on the lower-end, Storey said XenData plans to embrace archiving to DVD-R within the next year. As far as embracing UDO (ultra density optical), the high-density MO-replacement that Storey's former employer Plasmon plans to release next summer, Storey indicated that XenData would steer clear. "Because Plasmon is only a \$100 million company, they may do well for themselves offering their new technology as an MO replacement," he said. "However, because Plasmon is such a small company, there could be some problems with visibility and consumer confidence. At least with MO, there was a big name like Sony supplying drives." [Yes, DIR checked with Sony, and

Sony has officially ceased its development of UDO technology, ed.]

For more information: **XenData**, Cambridge, U.K., 44 (0) 1223 370 114, U.S. office, Walnut Creek, CA, PH (925) 952-9043, e-mail: pstorey@xendata.com.

#### A Terabyte On A 5.25-Inch Disk?

Making things even more interesting for Plasmon is the emergence of another high-density disk format that could potentially challenge UDO. That is holographic storage. Holographic storage is not

> really new. It's been around since the 1960s and, like high density optical, has left a trail of failed companies in its wake. However, two spin-offs of well-known technology stalwarts have recently announced they are shipping holographic media. When created in the 5.25-inch form

factor so popular for optical storage, one piece of holographic media can purportedly store between 60 GB and 200 GB of WORM data.

"The amount of data that can fit on a piece of holographic media is determined by the complexity of the drive," explained John Berg, president and CEO of **Polaroid** spin-off **Aprilis**. "In future generations, we think we can increase the capacity of the media to a terabyte."

As its name indicates, holographic storage involves the storage of data in a 3-D configuration. In addition to creating more capacity, this configuration also greatly increases the speed of retrieving files. "We can search and retrieve files a million times faster than with conventional methods," said Berg. "In document management applications, this would enable users to eliminate indexing. They could just run a search and quickly scan the full-text of every document on a piece of media."

According to Nelson Diaz, president and CEO of Aprilis competitor and **Bell Labs** spin-off **InPhase**. once a file is found, its transfer rate from holographic storage is another differentiating factor. "Our technology can transfer files at 20 megabytes per second if the user has enough bandwidth," he told DIR.

Diaz added that currently InPhase is taking a hard

our AIT-based solutions."

look at the document archiving market. "Document archiving is an established space, and to break into an established space, you need to have a headturning value proposition," Diaz told DIR. "We think by offering storage that is at least 80 times less expensive than the most cost-effective optical solution and more than 10 times less expensive than tape, we will provide that. Also, we are offering all the stability that makes optical a more reliable longterm storage solution than tape."

Holographic naysayers call the technology an academic exercise that will never reach the true production stage. "An inexpensive reliable media has been the main obstacle to holographic storage reaching the commercial market," Diaz told DIR. "While other industries have advanced other components, like the lasers and cameras, needed to make holographic storage commercially viable, until now the media could only be made with expensive materials. This made it impractical to take to market. Now we are shipping commercially viable media made with inexpensive polymers."

Berg concurred with Diaz and said that eliminating shrinkage when exposing polymers to the intense heat needed for holography has been the main challenge for media manufacturers. "In November 2000, our holographic technology was chosen out of 57 candidates by the **U.S. Department of Defense** in a research project done at **Stanford University**. Since then we have been working to make it commercially available."

Both Aprilis and InPhase are shipping media to several partners around the world who are evaluating it and working with it. Sony acknowledged it is "now researching and developing a holographic ROM system for highspeed replication." "This research is still at an early stage of exploring the fundamental technologies," a Sony spokesperson told DIR.

In the mean time, Aprilis and InPhase are also developing their own drives. "We are working on drives targeting some very specific applications," Berg told DIR. "We are focusing on providing the killer app by leveraging our differentiating attributes, like our search capabilities. We do not want to go head-to-head with magnetic storage. We also are seeding the mass market."

Added Diaz, "Because it is the path of least resistance, we initially are focused on developing drives that fit the popular 5.25-inch form factor. We want our drives to fit into existing robotics. However, because of the way holography works, we also can create very small, high-density drives and media that have no moving parts. We expect to

begin shipping drives in 2004."

Diaz concluded by saying that InPhase is looking for partners to license its technology. "This is a new technology, and we are really trying to gain market acceptance," he said. "I'm open to considering any types of partnerships, even those with competitors."

For more information: **Aprilis, Inc.**, Maynard, MD, PH (978) 450-1000, www.aprilisinc.com; InPhase Technologies, Longmont, CO, PH (720) 494-7420, e-mail: nelsondiaz@inphase-tech.com.

#### Check Out An All Magnetic Solution

Back from the cutting edge, into the more triedand-true world of magnetic storage, SAN software specialist **StoreAge** recently signed a co-marketing agreement with KOM Networks. KOM is best known in our space for its optical jukebox management software. "We handle block level storage in SANs," Mark Spowart, president of StoreAge, told DIR. "KOM adds file level management."

As a SAN software specialist, StoreAge's software can manage blocks of data stored on various hard drive configurations. "As inexpensive ATA hard drives become more popular, alternative storage devices like optical jukeboxes are becoming more niched," said Spowart. "By combining our software with KOM's, users can configure an inexpensive hard drive-based archiving system."

According to Spowart, that system would look something like this: "The most immediate data can be kept on a high-end EMC or Hitachi RAID device. As it becomes accessed less, it can be archived to a less-expensive ATA configuration."

For more information: **StoreAge**, Irvine, CA, PH (949) 754-0640.

#### **Anacomp Now Promoting Digital** Preservation

It's clear the market for archival storage is evolving. If you are still using optical jukeboxes, you might want to take a look at some of the alternatives that we've been exploring in the Document Imaging Report. One thing is for sure, if you are required to keep your documents for more than a few years, unless you have an airtight data migration plan, you might want to consider archiving them to microfilm.

It's a been a couple years since Kodak Document Imaging first introduced the concept of digital preservation — or the use of microfilm to store human readable versions of documents to protect against the obsolescence of digital media and file formats. The digital preservation initiative has been met with mixed reviews. One notable win for digital preservation was **U.S. Census Bureau**, which signed a deal late last year to convert over 1 billion digital images from the 2000 Census to microfilm for long-term archiving [see <u>DIR</u> 12/21/01].

Kodak recently was joined in its efforts to promote digital archiving by microfiche services giant Anacomp. Anacomp has begun promoting its microfilm services as an archival medium for e-mails and other electronically generated documents. "Anacomp is mainly associated with microfiche services for archiving items like greenbar reports," Richard Keele, executive VP of global marketing at Anacomp, told *DIR*. "We want people to know that we also offer 16 mm film for archiving a wider variety of documents. With recent regulations being passed and concerns regarding corporate accountability, we think general document archiving is a fertile market."

According to Keele, Anacomp already has one very large brokerage firm for which it archives e-mails to film to meet SEC requirements.

Overall, Keele said Anacomp has not lost too much legacy archiving business to digital alternatives. "Where our film business has eroded is in the number of copies we make," he said. "Where we used to make several film copies for distribution, now almost all distribution is done digitally. So, whereas before we would make seven or eight film copies for a customer, now we make one."

For more information: **Anacomp**, Poway, CA, PH (858) 679-9797.

#### ISIT Partners With Kodak On Web Site

Also, on the digital preservation front, Kodak recently announced a new partner for the www.digitalpreservation.org Web site. Web research site ISIT.com has replaced **Lockheed Martin** as co-sponsor of the site. The site is designed to act as a portal for anyone interested in learning more about digital preservation and its benefits.

For more information: **ISIT.com**, Erie, PA, Derek Van Slyke, PH (814) 897-7700, ext. 263, e-mail: derekv@isit.com.

### **Captiva Maintains Profitability**

Reynolds Bish's efforts to create a profitable entity out of the recently merged **Captiva** and **ActionPoint** businesses appears to be paying off. For the third quarter of 2002, on a pro forma basis, the company reported an EPS of \$.02 before merger-related charges. This brought the company's

pro forma EPS through nine months to \$.09. "Our third quarter results reflected little of the \$2 million in annual costs we expect to save through the combination of the overhead of the two companies," Bish pointed out during a conference call for investors.

Bish was very optimistic about the company's fourth quarter. He estimated fourth quarter revenue of \$12-\$13 million, with an EPS of \$.04-\$.07. This would mean the company would finish the year with pro forma revenue of \$47-\$48 million and an EPS of \$.13-\$.16 before extraordinary charges.

Bish also predicted the fourth quarter would be "cash flow positive," — as, to the best of the company's knowledge, all merger related expenses have been accounted for. The third quarter included a \$2.1 million merger-related charge. According to Executive VP of Finance John Finegan, overall, the merger cost the company some \$3.8 million. Weighed down by the last of these charges playing themselves out, but buoyed by fourth quarter profits, Bish expects the company to finish the year with \$6.5-\$7.5 million in the bank. Bish said there are no plans to use this money to buy back stock. As a result of the new shares issued to make the merger happen, there are now some 8.9 million shares being publicly traded.

During the third quarter, Captiva grossed \$400,000 from its recently expanded relationship with **Documentum** [see <u>DIR</u> 9/20/02]. Presumably a good chunk came as part of a \$11.5 million deal that Documentum closed with **Nestlé** during the quarter. Captiva also announced Nestlé as one of its 36 new customers during the third quarter.

Documentum competitor **Interwoven** also recently announced a co-marketing agreement with Captiva. Bish compared the Interwoven agreement to agreements the company already has in place with document management repository specialists **FileNET**, **Open Text**, and **IBM's** *Content Manager* group. "We will cooperate with Interwoven to market our products to their customers," said Bish. "These types of agreements are important because they provide us with additional access points in the marketplace. They increase our footprint."

Hmmm... a profitable business, some money in the bank, and an increasing market footprint. Sounds like a recipe for success as long as Captiva can keep its sales numbers headed in the right direction in the wake of merger related staff reductions. 2003 should be a watershed year.

For more information: **Captiva**, San Diego, CA, PH (858) 320-1000.

# Approaching ECM From The Back(up) Door

Is **Legato** entering the enterprise content management space through the back, or should we say backup door? That's the impression we came away with after a conversation with a pair of Legato executives. The conversation took place almost six months following the completion of Legato's acquisition of **OTG** [see <u>DIR</u> 3/1/02]. As we haven't seen any announcements touting the combination of the Legato's backup software line with OTG's document management products, we were beginning to wonder what was going on. Apparently, Legato has a long-term strategy in place.

"We think of the product lines of merged companies as having three phases: co-existence, basic integration, and exploitation," explained Jim Chappell, senior VP of business process and development at Legato and the architect behind the



Jim Chappell, SVP of business process and development, Legato.

acquisition. "Our goal is to eventually reach the exploitation stage. Currently, we are in the co-existence stage."

One area where co-existence is being leveraged is in e-mail backup and management. "Legato has a number of partners who focus on backup and recovery solutions for **Microsoft** Exchange," Legato VP of Corporate Marketing Amena Ali explained. "By integrating OTG's automated e-mail

management and archiving tools with Legato's backup solution, we've found we can reduce backup and restore times by 50%. We envision that same concept being applied to enterprise document repositories."

In addition to its backup and recovery tools, Legato also has an applications availability line. "Legato was founded under the premise of building systems administration tools for client/server computing," Chappell told *DIR*. "The first tool we built was a backup/recovery product, and that kept our energies engaged until the late 1990s. At that time, we acquired a couple of companies in the availability space. The acquisition of OTG and its content management and workflow technologies was the next natural step in our evolution."

According to Chappell, adding backup/recovery and availability capabilities to a content management application gives it true enterprise-wide functionality. "The reason there hasn't been much overlap in the

two product lines yet is that most of OTG's content management systems have been installed to address a specific line-of-business problem. Backup and recovery solutions are more of an enterprise-wide, IT infrastructure issue," said Chappell.

Despite a long-standing partnership, Ali estimated there is only a 5% overlap in customers using both



Amena Ali, VP of Corporate Marketing, Legato.

Legato's and OTG's software. And at these sites, it's rare for the applications to touch. "However, as content management expands to the enterprise level, like CRM and ERP applications already have," she said, "there is going to be a need to add backup and recovery, as well as availability capabilities to it."

Chappell added that where it makes sense, Legato's backup and availability tools are being introduced into OTG's existing

channel. "Storage is an integral part of a content management system," he said. "As a result, a lot of OTG partners work closely with storage and networking infrastructures. In the past, they might not have had tools to address areas like backup and availability, which could really be a natural extension of their business. After all, isn't it important for something as vital as a medical records application to have those features?"

Chappell said that conversely OTG's content management tools are being introduced into Legato's enterprise focused sales force. "We have a direct sales team that handles 225 accounts in North America," he said. "The rest go through channel. Our goal is to sell 25% direct and the rest indirect."

So, it seems like Legato could provide OTG with the vehicle to take its content management applications enterprise wide. While OTG might not have the breadth of functionality that established ECM players like **Documentum**, **FileNET**, **Interwoven**, and **Gauss** bring to the table, Legato adds some interesting features to the OTG mix. OTG has always colored outside the lines a bit anyway [see DIR 3/22/02].

Whether these features are enough to win ECM deals remains to be seen. It will also be interesting to see if other ECM players eventually go out and add features like backup and availability. If that starts happening, we'll know Legato has arrived as an ECM player.

For more information: **Legato**, Mountain View, CA, PH (650) 210-7000.

# IKON To Offer Westbrook Nationwide

**IKON Office Solutions** has made software from **Westbrook Technologies** its document management system of choice for customers throughout North America. IKON, a \$5 billion office equipment giant, currently sells a variety of document management software products. "We will continue to sell document management software from other vendors, when the situation requires it," Bill Blake, VP of strategic services for IKON, told *DIR*. "However, we needed one product to focus on as our lead strategy. We needed something we could train all our lead analysts on and felt Westbrook was the best choice."

In addition to Westbrook, IKON also books sales of software from **Hummingbird**, **Stellent**, **IBM**, **Lotus**, and **iManage**. Most of those products were picked up as IKON acquired value-added resellers over the years. "In the past, IKON may have been recognized as a lot of different companies under the IKON umbrella," Mike Dane, director of office product marketing for IKON, told *DIR*. "Our goal now is to have the same product offerings available in New York, as we do in Los Angeles, as we do in Houston, etc."

Currently, 17 of IKON's 53 marketplaces (major cities with IKON offices) in North America are certified to sell Westbrook's product line. This line includes the *FileMagic* brand for smaller installations and the *Fortis* brand for larger ones. "Over the years, a few of IKON's marketplaces have established

themselves as top notch Westbrook resellers," Sean Donegan, president and CEO of Westbrook, told *DIR*. "We are looking forward to duplicating this success with a larger number of them."

According to Blake, a salesperson and an analyst from each marketplace will be required to complete training at Westbrook. "IKON is taking this very seriously," observed Donegan. "Since we've been working on this deal, our revenue from training has gone through the roof."

According to Donegan, IKON, whose primary source of revenue is copiers, has come to the realization that, to increase its margins, it needs to sell software solutions. "Who has better access to the people handling documents every day?" he asked. "In the past, however, copier dealers have not had the patience to wait out the longer sales cycles involved with more complex solutions and services sales."

One thing that is helping to change this attitude is the integration of document management systems with digital copiers. One of the options IKON salespeople can offer is integration between the Westbrook software and the **eCopy** image capture package that can be included on **Canon** imageRUNNER digital copiers. "We are starting to see some significant wins driven by the Westbrook software, with significant pull through for our hardware," said Blake.

For more information: **IKON Office Solutions**, Malvern, PA, PH (610) 296-8000, **Westbrook Technologies**, Branford, CT, PH (203) 483-6666.

Subscription Order Form for RMG Enterprises, Inc.	
5237 Karrington Drive • Gibsonia, PA 15044 • Phone (724) 449-7577 • Fax (412) 291-1352 • http://www.documentimagingreport.com	
<b>Document Imaging Report</b> Business Trends on Converting Paper Processes to Electronic Format	TO YOU
Mass Storage News Opportunities and Trends in Data Storage and Retri	all remaining
SCAN: The DATA CAPTURE Report Premier Management & Marketing Newsletter of Automatic Data Capture  1 year (24 issues) @ \$597 2 years (48 issues) @ \$1097	
NameTitle  Company	Please □ enter / □ renew the following subscription. (Add \$33 on all orders outside of Canada and the United States.)
Street	☐ Payment Enclosed (Remit to: RMG Enterprises, Inc., 5237 Karrington Drive, Gibsonia, PA 15044)
City State Zip	
Phone () Fax ()	AmExVisaMCDiscover card number expire date
E-Mail	□ Bill My Organization (Purchase order # optional.)