# Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

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*August 16, 2002*

***THIS JUST IN!***

### *FUJITSU BUNDLES ACROBAT WITH SCANNERS*

**Fujitsu** has renewed an old partnership with **Adobe** and is now offering a seat of *Acrobat* 5.0 bundled with the majority of its document scanners. "This is not a trial or temporary version," stressed Scott Francis, senior product line manager for Fujitsu's Imaging Products Group. "Bundling *Acrobat* provides our customers with great scan-to-Web capabilities right out of the box."

*Acrobat* is Adobe's desktop software for converting documents to the popular PDF format. Version 5.0, which was released last year, retails for around $250. It is being included at no extra charge even in Fujitsu's 15 ppm, *fi*-4110CU model that lists for under $1,000. "Partnering with a leading document scanner vendor gives Adobe great exposure in our market," Francis told *DIR*. He indicated, however, that Adobe is not giving the *Acrobat* software to Fujitsu for free.

In 1996, Fujitsu signed a deal to bundle *Acrobat* 3.0 with one of its ScanPartner models, which is no longer on the market. "What's great about version 5.0 for document imaging users, is that it offers output to TIF and JPEG formats," said Francis. "You couldn't do that with older versions."

Francis indicated that *Acrobat* can process up to 50 scanned images in one batch. For higher-volume conversion needs, Adobe sells its *Acrobat Capture* software.

For more information: **Fujitsu Computer Products of America**, San Jose, CA, PH (408) 432-6333. DIR

## New Captiva Aims To Be Profitable, $50-Million Company

The deal is done. Announced in March at **AIIM 2002**, the merger of **ActionPoint** and **Captiva** was completed on July 31. It was originally expected to close in June, but according to Reynolds Bish, president and CEO of the combined organization now known as Captiva, the closing was delayed due to legal complexities and SEC processing times.

Based on financial results for the first six months of 2002, which were also announced at the end of July, Captiva is on track for revenue of close to $50 million this year. This would put it in the upper echelon of image capture vendors. And, according to Bish, size does matter. "It boils down to having more resources to go after the same market," Bish told *DIR* at the recent Captiva Users' Group Meeting held at the **Loews Coronado** resort near San Diego. "We now have an increased number of sales and marketing personnel covering the same territory we had formerly covered with a very lean staff. Previously, for instance, Captiva had maybe five people in marketing, now we have 20."

***Reynolds Bish, president and CEO, Captiva Software.***

Bish is also hoping to gain some of the stability that typically comes with size."With a larger company, you are less dependent on the results of one salesperson," he said. "You have a greater number of people who can pick up the slack if one person falls short. This theoretically allows you to better predict your revenue from one quarter to the next, and allows you to execute a more consistent business plan."

Of course, we all realize that in today's post Web-boom world, profitability is just as, if not more, important than revenue. And based on the histories of Captiva and ActionPoint, profitability was a concern when the merger was announced. In 2001, the companies posted a combined operating loss of $1.6 million on revenue of

$46.3 million. In 2000, they lost more than $14 million on revenue of $44.7 million.

However, through the first six months of 2002, the profitability issue seems moot. Combined, the companies have reported an operating income of close to $900,000 on revenue of $23.7 million. "And remember, we plan approximately 30 terminations following the merger [*see DIR 5/17/02*]," said Bish. "That will definitely improve our operating margins."

Of course, operating income does not include legal and other costs related to the merger, like severance packages. According to John Finegan, former CFO of ActionPoint and the new executive VP of finance at Captiva, those expenses should total somewhere around $3 million to be reported in the third and fourth quarters of 2002.

**Aside from rescuing Captiva from $8 million in debt, and assuming an additional $2.3 million in debt from a revolving line of bank credit, what did ActionPoint shareholders get for the $9 million in cash they threw into the kitty of combined company?**

The operating income also does not include $608,000 that ActionPoint received in the second quarter from an escrow account related to the sale of its *Dialog Server* software line last summer [*see DIR 6/1/01*]. That payment raised the cash total on ActionPoint's balance sheet to close to $9 million heading into the merger. Added to the approximately $1.6 million that Captiva brought to the table, the combined company begins life with $10.6 million in the bank. However, that amount will be reduced to around $7 million when all the merger-related expenses are accounted for. This is still a healthy total, considering the company's plans for operational profitability going forward, and the fact that through the issuance of new shares related to the merger, Captiva eliminated all of the $8 million it owed on senior subordinated notes.

To complete the merger, ActionPoint, which was traded on the Nasdaq under the ACTP symbol, is essentially doubling the number of its publicly traded shares. The new shares are being issued to Captiva shareholders, including senior subordinated debt holders. As of Aug. 1, the company began trading under the CPTV symbol [*see "Market Watch" on page 8*].

### *ActionPoint Needed An E-Business Roadmap*

Aside from rescuing Captiva from $8 million in debt, and assuming an additional $2.3 million in debt from a revolving line of bank credit, what did ActionPoint shareholders get for the $9 million in cash they threw into the kitty of combined company? This was on the mind of at least one long-time ActionPoint shareholder who brought up a form of that

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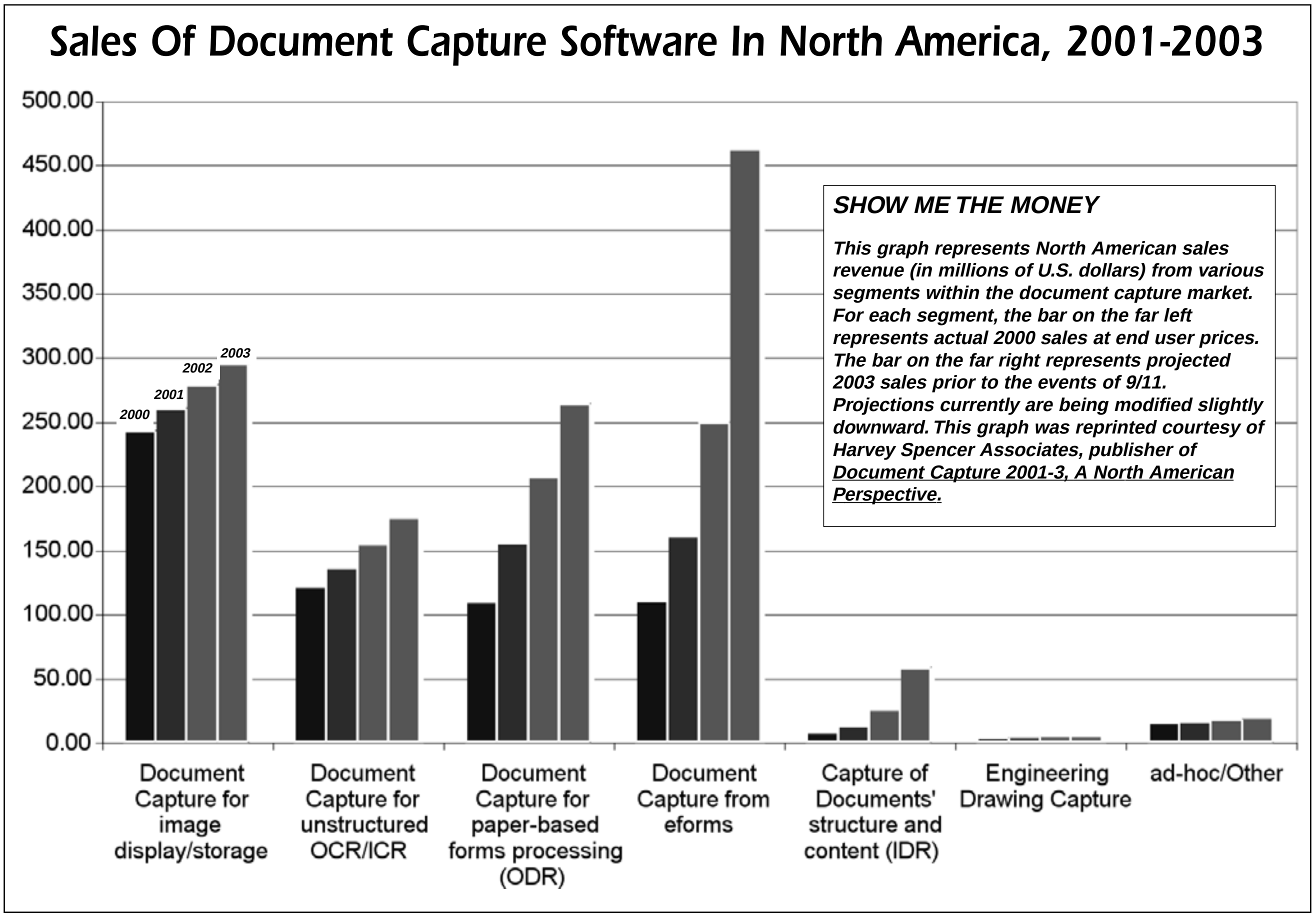


question during a recent conference call discussing the merger.

"We feel this is the combination of two strong companies that will be much stronger when they are put together," explained Steve Francis, the former president and CEO of ActionPoint. Francis was appointed COO of the combined company before tendering his resignation last week [see story on page 5]. "Ultimately, the market will reward the ability to drive fundamental business and deliver revenue and profitability."

Allow me to explain that a little further. What ActionPoint is getting is entrance into a faster growing market than the one it was previously focused on. In 2001, ActionPoint's revenue from continuing operations shrunk by 12% from $25 million, to $22 million. Captiva meanwhile, grew its revenue in 2001 by 23%, to $24.3 million.

In regards to this, analysts John Richardson of **Strategy Partners** and Harvey Spencer of **Harvey Spencer Associates** made a telling presentation at the aforementioned user group meeting. According to Spencer and Richardson, all segments of document capture are not created equal in terms of future growth. While capture for image indexing, ActionPoint's specialty, is currently the largest segment of the market, according to Richardson and Spencer, it will not remain in that dominant position for long. Forms processing, unstructured forms processing, and e-forms capture are all predicted to grow at a higher rate over the next few years. And Captiva has considerably more irons in the fire related to these areas than ActionPoint did.

According to Richardson, the higher growth segments have one thing in common: a more direct connection to e-business. "The higher growth segments focus on capturing data that can be transformed into an electronic stream used for e-business transactions," he explained. "If document capture vendors want to maintain the growth rates that have characterized the market over the past few years, they need to embrace integration with e-business. At best, sales growth for capture software to index images will be in the 5% to 7% range.

Obviously Richardson is not the first pundit to predict that e-business will rule the future. Most capture vendors have already developed products that fit into the higher growth segments defined by Richardson and Spencer. However, like most e-business initiatives, sales of these products have lagged behind their initial expectations.

Richardson's advice to capture vendors is to be patient. "No, e-business was not the sweeping revolution everybody thought it was going to be," he said. "However, it is gaining critical mass. When 20% or more of an end-user's transactions become electronic, that end user is going to need an application to manage them. The ad hoc system they are most likely using will no longer be good enough.

"We are starting to reach that 20% point. Because of their knowledge of transaction capture, traditional document capture and forms processing vendors are in a great position to develop capture applications for e-business."

ActionPoint's problem with this scenario is that *Dialog Server* represented the major portion of its e-business initiative. Launched in mid-2000, just as the Web bubble was showing signs of dissolving, *Dialog Server* was designed to facilitate the dynamic transfer of information in Web transactions... or something like that. Last summer, ActionPoint sold the assets of *Dialog Server* to CRM vendor **Chordiant Software** for $7 million. ActionPoint cited the expenses associated with *Dialog Server's* marketing and development as making it impractical to keep.

"I really think that after the sale of *Dialog Server,* ActionPoint lost its focus," observed Spencer. "*Dialog Server* was the crowning jewel in ActionPoint's e-business strategy, and it was a good idea. Unfortunately, it was in left field next to their

## *E-FORMS, UNSTRUCTURED CAPTURE, HOT GROWTH SEGMENTS IN CAPTURE MARKET*

So, how big is the market for document capture software? According to a study prepared by analysts John Richardson of **Strategy Partners** and Harvey Spencer of **Harvey Spencer Associates**, it totaled $1.02 billion worldwide in 2000, based on end user prices. It is expected to grow to between $1.4 billion and $1.6 billion by 2003. This growth figure was revised downward from an initial projection of $2.14 billion because of economic conditions following the events of Sept. 11.

"Historically, the document capture market has averaged 22%-23% growth annually," Richardson told *DIR*. "Because capture technology still has a long way to go, and a lot of new applications to address, that growth could continue if it wasn't for the economic situation. On the upside, there is definitely a demand for document capture technology, and the current economic slowdown could lead to pent up demand in the future."

According to Spencer's and Richardson's numbers, capture from e-forms represents the fastest growing segment of the market over the next three years. However, they caution that current capture vendors may not be the beneficiaries of all this growth. "I suspect in the future, the e-forms market will be divided into two categories: interactive e-forms and batch processed e-forms," Spencer told *DIR*.

According to Spencer, there is a price/performance barrier to installing interactive e-forms that will make batch processed e-forms more attractive in some applications. "If a business or a service bureau is receiving thousands of invoices per day, for example, it is going to be very cumbersome to do anything aside from batch processing them," he said. "Because of their experience in capturing data from batches of documents, the current capture vendors will be strong in developing software to process these batches of e-forms.

"When it comes to e-forms received in smaller volumes, including internal forms like expense reports or vacation requests, we think they will be included in the packages of enterprise application vendors in areas like CRM or ERP. The data used by these applications can be leveraged to make these types of e-forms more accurate and easier to fill out."

Spencer added that the rapid growth projected for e-forms capture through 2003 may be a bit misleading. "We should probably add a couple more years to our e-forms projection," he said. "I suspect e-forms adoption will level off sometime around 2004. Much like EDI adoption for healthcare claims hit a wall around 55%, e-forms adoption will hit a wall because of e-forms' lack of flexibility. Unless there are e-forms standards, paper will always be more flexible. A piece of paper can be transferred fairly easily between parties. But unless two parties have the same type of e-forms system, electronic data is not as easily passed back and forth. In some situations, transferability is paramount."

About the time e-forms sales are projected to slow, Richardson and Spencer expect software for the intelligent classification of documents will be taking off. "This is very significant technology for content management vendors," said Spencer. "In enables them to index documents with little human effort on the front end. It's great technology for scanning-in-the-mailroom type applications."

Spencer and Richardson have authored separate studies that break down document capture into North American and European markets. A report on the combined market is targeted for release in September. The list price for a vendor report is $1,995. An end-user report lists for $995.

For more information: **Strategy Partners**, John Richardson, Berkshire, U.K., PH +44 1753 592787, e-mail: john.richardson@strategy-partners.com; **Harvey Spencer Associates**, E Northport, NY, PH (631) 368-8393, e-mail: admin@harveyspencer.com.

core business."

Essentially, ActionPoint has used the revenue generated from the sale of *Dialog Server* to buy into Captiva. It has traded the *Dialog Server* technology for Captiva's technology. "Captiva is a lot closer to the image capture model where ActionPoint has its legacy than the data-centric model *Dialog Server* was based on," said Spencer.

In fact, as a result of a partnership that preceded the merger, according to Bish there are between 10 and 15 sites where ActionPoint's and Captiva's software is already working together. We're not certain there were any sites where *Dialog Serve*r and *InputAccel* (ActionPoint's document capture software), were installed together. This does not mean, however, that Bish is rushing to combine *InputAccel* and Captiva's flagship forms processing software, *FormWare*, into a single offering.

"In the past, when Captiva acquired Symbus and Wheb, we merged their technologies into our platform," Bish told the audience during his keynote address at the user group meeting. "However, because of the large number of customers running *FormWare* and *InputAccel* [he estimated the combined company has 900 installations with 600 customers], we plan to maintain and support both lines separately for the next three to five years."

Bish said that in the future, it's possible Captiva could merge the two lines into something called *InputManager*. For now, however, Captiva will focus on merging its sales force, whose 30 members are selling both products. "ActionPoint had several relationships with other forms processing vendors whose products were integrated into the *InputAccel* platform," Bish said. "We will maintain those. However, I expect the percentage of sales that include an integrated *InputAccel* and *FormWare* solution will increase because of the way our company is structured."

Bish concluded his keynote by saying he had two immediate goals for Captiva in the next few months: "We need to complete the merger without losing the momentum we've built in the marketplace. We also need to meet the expectations in the investment community."

As the head of a public entity for the first time, Bish admitted to *DIR* after his speech that getting the investment community to increase its expectations for Captiva is another challenge. On the day the merger was announced, ActionPoint's market capitalization was somewhere around $5 million, despite the fact the company had $9 million in cash on its balance sheet. "While a lot of market caps are suffering, ours is really low right now," said Bish. "However, based on what the analysts are saying, I think we're in a healthy space. I will be spending quite a bit of time making the financial community aware of what we do. If we continue to operate profitably the stock value should reflect that."

For more information: **Captiva Software Corporation**, San Diego, CA, PH (858) 320-1000, FX (858) 320-1010.

## Francis Departure Comes As No Surprise

The writing was on the wall, or in the S-4, you might say. Less than a week after the merger of **ActionPoint** and **Captiva** was completed, Steve Francis, former president and CEO of ActionPoint, announced his resignation effective at the end of this month. Francis had been appointed COO of the combined company. However, the S-4 form filed with the **SEC** regarding the merger stated that Francis and other ActionPoint executives "may be entitled to significant severance benefits if they resign or if their employment is terminated under certain circumstances after the merger."

***Steve Francis, former president and CEO, ActionPoint.***

While the other executives mentioned, including John Finegan and Jim Vickers (each of whom also was given a top management position with Captiva) have to wait three months before resigning to collect their severance, Francis was singled out as only having to wait one month. At the Captiva Users' Group meeting, held a week before Francis tendered his resignation, Bish told *DIR*, "While we certainly hope that Steve stays, after an acquisition, it is certainly not unusual for some senior managers, especially those in CEO positions, to resign."

According to an e-mail issued by Bish concerning the resignation, Francis will "eventually pursue working in a smaller organization, which would allow him to combine his interest in technology and working with a small team."

No successor to the COO position has been named. Vickers, who is the merged company's chief marketing officer, has been named to replace Francis as general manager of **Pixel Translations**. [*Bish indicated that Vickers is relocating to San Diego, so he could be in for the long haul.*] Pixel is an image capture software development organization that was co-founded by Francis. It had been operating as a wholly owned subsidiary of ActionPoint and is now a subsidiary of Captiva. The Pixel toolkit is the basis for *InputAccel*, ActionPoint's flagship product line. Pixel is best known, however, for its ISIS high-speed document scanner drivers.

Through its ISIS business, Pixel has partnerships with nearly every major player in the imaging space, including several of Captiva's forms processing competitors. At least one vendor indicated that it would start looking at alternative driver sources immediately after the merger was announced. Francis had personally guaranteed Pixel would continue business-as-usual with Captiva's competitors, citing the relationship he helped develop with ActionPoint competitor **Kofax** as proof.

Now that Francis is gone, we wonder what the future holds for Pixel. A possible acquisition by Kofax has been discussed by some. However, as this would consolidate the industry's most popular image capture tools under one roof, it might not be good for the industry, or even allowed by the SEC. Remember the way the SEC reacted when **Kodak** attempted to buy the document scanner line of rival **Bell & Howell** [*see DIR 2/16/01*]?

Selling Pixel probably wouldn't be good for Captiva's books either. Pixel generated more than a quarter of ActionPoint's 2001 revenue—approximately $6.2 million. Because ISIS is mature technology that needs little marketing, we assume Pixel was also highly profitable. As ActionPoint overall suffered an operating loss of $2.6 million in 2001, we can't imagine its numbers minus Pixel would be very attractive.

In addition to the financial benefits Pixel adds to the balance sheet, let's not forget the technical expertise it brings to the mix. Pixel's roots in the industry are deep, and although Francis' loss will hurt, he certainly isn't the only imaging guru associated with the business unit. Captiva needs Pixel, and it will likely continue to operate as a subsidiary of the company. Let's just hope that Francis' resignation does not start a trend.

As far as competitive concerns involving ISIS, if Pixel can continue to produce a quality product, we think most of Captiva's competitors will have to bite the bullet. Although there are some serviceable alternatives available, giving up ISIS support to spite Captiva would probably not be a wise business decision.

For more information: **Pixel Translations**, San Jose, CA, PH (408) 325-3800. DIR

# Bringing Out The Best In Imaging Installations

"Input management" is the term **Captiva's** Reynolds Bish has coined to represent the new face of the document capture market. "Management of input systems" probably more accurately describes the market of one of the major sponsors at Captiva's recent user group meeting. **Silas Technology** is marketing a product that monitors the health and throughput of high-volume document capture systems.

At the conference, Silas was showing *Reveille for InputAccel,* which not only measures how many documents are being processed through an *InputAccel* application, but alerts users if a bottleneck occurs, and attempts to determine the cause of the bottleneck. "It's fairly common for users to have software that monitors a single application. *Reveille* offers a view of an entire system," explained Brian DeWyer, director, document processing, Silas. "If there is an issue with NT or with Windows 2000, *Reveille* can detect it. If a user is running out of disk space, or the network I/O is too high, or the NT log has some errors on it, *Reveille* can send out an automatic notification to the system administrator about it."

It's DeWyer's view that proactive system maintenance reduces the amount of time it takes to fix problems and increases the effectiveness of an application. "Believe it or not, the first hurdle we have to clear with some users is convincing them there will be problems," he told *DIR*. "Typically fixing problems is less time-consuming than determining the causes of them. *Reveille* expedites the determination.

"*Reveille* also provides users with real-time information and metrics that enable them to monitor their systems as they are running, not through reports issued after the fact. When repairs or fixes are instituted after the fact, they are often too late to be useful."

DeWyer and his co-workers know a thing or two about making document imaging useful. Silas is a subsidiary of **Wachovia**, one of the largest banks in North America. Several of Silas' managers had a hand in developing large check and document imaging applications at Wachovia during the 1990s when imaging was still cutting edge technology. "We come at imaging from an operations background," DeWyer told *DIR*. "We understand the importance of making a positive financial impact with an imaging installation. End users invest a lot of money in their document imaging systems. If these systems are not running at optimum levels, the users are not receiving the maximum return on their investment."

Silas actually has three lines of business, all of which leverage applications originally developed internally for Wachovia. Silas offers check archiving systems targeted at the 100 largest banks in North America. It also has a document imaging and workflow consulting business that is headed by DeWyer, who was responsible for implementing those types of applications at Wachovia. Finally, Silas has its *Reveille* applications monitoring line.

"*Reveille* was actually developed to monitor a corporate banking application at Wachovia," said DeWyer. "However, when we had a throughput issue with one of our document imaging systems, we quickly realized we could leverage monitoring technology in our application."

*Reveille* was released for general availability a little over a year ago, and Silas has 15 applications currently installed. Five of those are in the document capture space. A generic version of *Reveille* starts at $65,000, while *Reveille for InputAccel* starts at $35,000.

In addition to *Reveille for InputAccel*, Silas also recently released a version that works with image capture software from **Kodak**. A version of *Reveille* for **IBM's** *Content Manager* suite is also in development. "*Reveille* is flexible enough to work out-of-the-box with almost any application, but there are some advantages gained through integration of APIs," said DeWyer. "Currently, we do most of our *Reveille* sales direct, but we are also studying other options such as possible OEM agreements."

For more information: **Silas Technology**, Winston-Salem, NC, PH (336) 748-5605, FX (336) 748-5665. DIR

# Datacap Launches Capture Software

Maybe Scott Blau was feeling left out. Blau was one of the original proponents of the convergence of the document capture and forms processing markets. But, until now Blau's actions hadn't backed up his words. Blau's company, **Datacap**, had remained focused solely on the forms processing market where it has its roots.

Earlier this month, Datacap finally introduced software designed specifically for capturing document images. *Task Master WebExpress* is currently running at a handful of sites and is due to be released for general availability next month. Coincidentally, the announcement of *WebExpress* came the same week the merger between Captiva and ActionPoint closed. The merger in effect created a $50-million company offering both image capture and forms processing software.

"The Captiva merger is the culmination of a trend I first observed five years ago," Blau told *DIR*. "The direction **Kofax** has taken with its capture platform is further evidence of this trend. Kofax has added forms functionality both through its own development and key partnerships."

Up to this point, capture vendors like Kofax have been more eager to jump into forms processing, than forms processing vendors have been to jump into capture. This may have to do with the lower prices that capture applications typically demand. "Our capture application should run about 50% to 70% of the cost of a forms processing application for the same number of users," Blau told "This is because there is less automatic recognition involved in capture. Related to this, the services needed to install a forms processing application can be considerably more expensive."

Blau added that the development of the capture software was not as simple as he may have made it seem in the past. "If you talk to any forms processing vendor, they will tell you document capture is easy, and they can do it with their product," he said. "That does not mean, however, that they have the right pricing structure, or ease-of-installation and use that are needed to be successful in the capture market. There's a reason Kofax and ActionPoint have made money. We've had to tailor *WebExpress* to fit the demands of capture users."

Analyst Harvey Spencer, of **Harvey Spencer Associates** questions Datacap's use of its limited resources on a product he feels falls outside its current focus. "Datacap's current market focus is high-end forms processing applications," Spencer told *DIR*. "Datacap is going to have some real marketing and support issues to overcome with *WebExpress*."

According to Blau, Datacap has one major advantage over Kofax and Captiva in the converging document capture and forms processing space. "Both our capture and forms processing products are developed on the same platform," he said. "So, when users want to upgrade from a capture product that relies on manual data entry, to more of an automated capture or forms processing product, we feel we're in a great position."

For more information: **Datacap**, NY, Tarrytown, NY, PH (914) 366-0100. DIR

# *DIR* MARKET WATCH
# For August 7, 2002

| Public Company Names | Phone | Exchange | Symbol | Close Price | 52-Week High | 52-Week Low | P/E Ratio | EPS (ttm) |
|---|---|---|---|---|---|---|---|---|
| 1MAGE Software, Inc. | (303) 694-9180 | NASDAQ | ISOL.OB | 0.43 | 0.90 | 0.26 | N/A | -0.05 |
| ACS, Inc. | (214) 841-6111 | NYSE | ACS | 46.25 | 57.05 | 34.84 | 92.63 | 0.49 |
| Adobe Systems, Inc. | (408) 536-6000 | NASDAQ | ADBE | 17.62 | 43.32 | 16.498 | 23.19 | 0.75 |
| Altris Software | (619) 625-3000 | OTC BB | ALTS.OB | 0.14 | 0.45 | 0.08 | N/A | -0.17 |
| Autonomy Corp., plc | 44-1223-421-220 | NASDAQ | AUTN | 2.00 | 6.29 | 1.75 | 28.57 | 0.07 |
| BroadVision, Inc. | (650) 261-5100 | NASDAQ | BVSND | 2.269 | 35.64 | 2.13 | N/A | -18.45 |
| Captiva Corp. | (858) 320-1000 | NASDAQ | CPTV | 1.20 | 3.15 | 0.91 | N/A | -0.09 |
| Convera Corp. | (703) 761-3700 | NASDAQ | CNVR | 1.70 | 4.84 | 1.40 | N/A | -19.18 |
| DICOM Group, plc (in British pence) | 49-761-45269-36 | London | DCM.L | 414 | 1000 | 390 | 17.21 | 23.10 |
| Documentum, Inc. | (510) 463-6800 | NASDAQ | DCTM | 14.23 | 27.18 | 7.86 | N/A | -0.29 |
| FileNET Corporation | (714) 966-3400 | NASDAQ | FILE | 12.99 | 23.10 | 8.95 | N/A | 0.07 |
| Gauss Interprise Ag (in euros) | (949) 784-8000 | XETRA | GSOG.DE | 0.29 | 1.08 | 0.27 | N/A | N/A |
| Global Imaging Systems, Inc. | (813) 960-5508 | NASDAQ | GISX | 19.35 | 21.30 | 8.80 | 12.95 | 1.49 |
| Group 1 Software, Inc. | (301) 918-0400 | NASDAQ | GSOF | 13.00 | 16.95 | 8.55 | 18.89 | 0.76 |
| Hummingbird Communications | (416) 496-2200 | NASDAQ | HUMC | 14.75 | 23.32 | 14.169 | N/A | -0.32 |
| IKON Office Solutions, Inc. | (610) 296-8000 | NYSE | IKN | 8.67 | 14.25 | 5.95 | 20.56 | 0.43 |
| ImageMax, Inc. | (610) 832-2111 | OTC BB | IMAG.OB | 0.21 | 0.62 | 0.11 | N/A | -1.29 |
| iManage, Inc. | (650) 356-1166 | NASDAQ | IMAN | 2.76 | 8.45 | 1.70 | N/A | -0.64 |
| INSCI | (508) 870-4000 | OTC BB | INSSE.OB | 0.045 | 0.32 | 0.0065 | N/A | -0.16 |
| Interwoven, Inc. | (408) 774-2000 | NASDAQ | IWOV | 2.42 | 11.57 | 2.05 | N/A | -1.19 |
| Itesoft (in euros) | N/A | Paris | ITFT.LN | 1.10 | 1.70 | 0.89 | N/A | -0.09 |
| IXOS Software AG | (650) 294-5800 | NASDAQ | XOSY | 4.74 | 7.00 | 2.92 | 16.33 | 0.29 |
| Mitek Systems, Inc. | (858) 635-5900 | NASDAQ | MITK | 1.18 | 2.95 | 0.82 | 36.67 | 0.03 |
| Mobius Management Systems, Inc. | (914) 921-7200 | NASDAQ | MOBI | 2.21 | 4.04 | 1.78 | N/A | -0.22 |
| On-Site Sourcing, Inc. | (703) 276-1123 | NASDAQ | ONSS | 2.90 | 3.75 | 1.71 | 11.67 | 0.24 |
| Open Text Corp. | (519) 888-7111 | NASDAQ | OTEX | 20.96 | 31.79 | 15.47 | 26.64 | 0.78 |
| Optika | (719) 548-9800 | NASDAQ | OPTK | 1.22 | 2.93 | 0.60 | N/A | -0.01 |
| PaperClip Software, Inc. | (201) 329-6300 | OTC BB | PCLP.OB | 0.03 | 0.19 | .0023 | N/A | N/A |
| Peerless Systems Corp. | (310) 536-0908 | NASDAQ | PRLS | 1.21 | 1.95 | 0.78 | N/A | -0.47 |
| Plasmon, plc (in British pence) | (952) 946-4100 | London | PLM.L | 74.52 | 99.00 | 48.00 | N/A | -12.28 |
| ReadSoft (in Swedish Krona) | (858) 546-4438 | Stockholm | RSOFb.ST | 9.00 | 17.80 | 7.50 | N/A | -2.76 |
| Scan-Optics, Inc. | (860) 645-7878 | OTC BB | SOCR.OB | 0.34 | 0.76 | 0.20 | N/A | -1.97 |
| ScanSoft, Inc. | (510) 608-0300 | NASDAQ | SSFT | 5.15 | 8.85 | 1.152 | N/A | -0.01 |
| Sourcecorp | (214) 953-7555 | NASDAQ | SRCP | 20.70 | 41.93 | 18.99 | N/A | -1.38 |
| Staffware PLC | 44-1628-786800 | London | STW.L | 315.00 | 463.50 | 255.00 | N/A | -26.00 |
| Stellent | (952) 903-2000 | NASDAQ | STEL | 4.337 | 34.72 | 3.93 | N/A | -1.45 |
| Top Image Systems, Ltd | (760) 918-1660 | NASDAQ | TISA | 2.00 | 4.90 | 0.99 | N/A | -0.15 |
| TMSSequoia | (405) 377-0880 | OTC BB | TMSS.OB | 0.14 | 0.35 | 0.14 | N/A | -0.04 |
| Vignette Corporation | (512) 306-4300 | NASDAQ | VIGN | 1.38 | 8.26 | 1.26 | N/A | -4.82 |
| Xenos Group (in Canadian dollars) | (905) 709-1020 | Toronto | XNS.TO | 1.00 | 2.05 | 0.90 | N/A | -0.61 |
| Xerox Corporation | (203) 968-3000 | NYSE | XRX | 6.55 | 11.45 | 4.50 | N/A | -0.26 |