

# ECM

# insights

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# Document Imaging ROI



**Document Imaging Return on Investment:**  
In today's, or any, economic climate, the ability to show a solid return on investment for any technology investment is a giant step in moving the project forward. Read on to understand ROI for one piece of the enterprise content management puzzle, document imaging.

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# Dollars and Cents

*Developing a return on investment for a document imaging and workflow system*

**By Bud Porter-Roth**

The cost justification process is a method of gathering data from current operational processes and comparing that data against a proposed system's processes and costs. The projected differences are viewed over a period of time and the result will tell you whether your new system is a good or bad investment.

For example, think of the efficiencies that have been gained because of one simple tool—the PC-based spreadsheet. In years past, it may have taken many hours, and several people, including a special programmer, to physically create a complex company spreadsheet. The result was cast in stone and getting additional changes took as long as the original to make. Today, similar work may take several hours by one person and the result is better and more accurate—in addition to being easily changed and adapted as needed. Hence, you not only save time and resources, but you get a better-finished product. This is the holy grail of cost justifications.

Cost justification dollars typically fall into two primary types or categories. The first are the hard dollar savings or increased revenue in the operating budget. Hard dollar savings are usually the result of having tangible and identifiable reductions in expenses. For example, after a project is complete, the payroll for that department may be reduced from \$2 million per year to \$1 million per year. The \$1 million reduction is an actual savings or cost reductions to the company. Hard dollar savings may be identified in the following example areas:

- Reduction in personnel
- Business operating costs (photocopying, postal mailing, courier services)
- Reduction in facilities costs (sell a building or an “averted cost” in not renewing a lease)
- Reduction in computer system costs (fewer computers, more efficient computers, less IT overhead, fewer training sessions, etc.)
- Increased revenue may come in the form of new product offerings as a result of the technology

The second type of cost justification revolves around soft dollar or intangible savings in which benefits are realized but they may not easily translate into verifiable hard dollar cost reductions. For example, a new customer support system allows you to have better customer service but the system does not reduce overall operating costs for the department.





Soft dollar savings may be identified in the following areas:

- Improved customer service
- Increased competitive advantage
- Better and faster access to information
- Faster internal communications

While hard dollar savings are preferred because you can calculate the system payback time, soft dollar savings can also be persuasive: How many “angry” customers can you tolerate, how do unhappy employees affect the company morale, and how do you not justify a system that will give you a competitive advantage?

The cost benefit analysis needs to be accomplished with as much accuracy as possible. It is the financial foundation upon which your project is built and will become the basis for long-term evaluation of the project.

### **Financial Indicators**

As part of the project startup activities, you also need to understand how your company measures and recognizes capital projects. Your project may be one of many on the current list of projects and your company may require that certain metrics be established in order to determine which projects are funded, which are put on the back burner for next year, and which projects will not be funded. The most commonly used indicators for capital acquisition projects are: **Payback period (PP)**. The PP is the time required to recoup the initial investment in the system. For example, if the system cost is \$500,000 and the system provides a financial benefit of \$250,000 per year, the system would have a payback of two years. From a financial point of view, the sooner the payback the better the value of the project. Projects are not decided solely on the payback, however, because it does not take into account the time value of the investment.

**Net present value (NPV)**. NPV is expressed in dollars as the difference

between the present value of cash inflows (savings) over the life of the project (typically 3 or 5 years are used depending on the type of project) and the initial investment. The general rule is that if the NPV is positive, the investment is sound. (But remember, other competing projects may have a better NPV and payback than your project.)

**Internal Rate of Return (IRR)**. IRR is a formula that calculates a percentage that equates to an interest rate. Generally, the IRR of the project is com-

***The cost justification process is a method of gathering data from current operational processes and comparing that data against a proposed system’s processes and costs, i.e., the paper process versus a potential document image and workflow process.***

pared to the company’s required internal rate of return on its capital. The general rule is that if the IRR is equal to or greater than the internal cost of money, then the project is sound. For example, if the current IRR for existing capital is 17.5%, then the project must demonstrate at least a 17.5% IRR or better to qualify as a good project. Note that if your project’s IRR is 18% and the other competing project is 25%, chances are your project will not be approved.

Your CFO might also ask to see the projected cash flows, the average annual savings, or other internal measurements that are normally used to evaluate a project. Therefore, it is important to work with the CFO on your project to ensure that your financial indicators are as expected. As part of the project report, the CFO will want to examine the numbers, how they were generated, and how “accurate” they are. Be prepared to defend your numbers with concrete information and references. Many ROIs are shot down because they are wildly optimistic having an IRR of 500% and a PP of one month, which leads the CFO to closely question how this could be possible.

After the cost justification study has been completed, it is possible to develop and test a number of possibilities. For example, what if the justification turned out marginal or negative? Using the work performed, the project team should be able to pinpoint the area(s) that were not providing a positive return and the team could project what would be needed in order to make the returns positive for that deficient area and make the overall project positive. The ROI process can be an iterative process,

backing through the numbers until you are sure that all efficiencies have been identified and measured.

### **A Suggested Methodology**

The cost justification process is a method of gathering data from current operational processes and comparing that data against a proposed system’s processes and costs, i.e., the paper process versus a potential document image and workflow process. The projected differences are viewed over a period of time and the result will tell you whether your new system is a good or bad investment in addition to telling you whether the technology will be a workable solution. The cost benefit analysis needs to be accomplished with as much accuracy as possible. It is the financial (and technical) foundation upon which your project is built and will become the basis for long-term valuation of the project.

The following four areas describe the basic components, or statement of work, for developing a cost justification.

**Document current operations:** This is the analysis of the current operations and provides a snapshot of how

many people are employed, what their cost is to the organization, what resources are required to maintain current operations, and what work is actually accomplished (business application and work processes described). As part of the current operations analysis, the study should provide some detail about how long each business process takes, what steps are involved, what resources are needed to complete the work, and what are the current bottlenecks or business processing problems. Process efficiencies can only be predicted if the current process has been analyzed in sufficient detail to breakdown individual steps and the associated costs to these steps. In addition, the paper documents that support the process are cataloged in terms of the different types of paper (forms, letters, etc.) and their quantities, and a description of the condition of the paper.

One of the key aspects of understanding the current operations is interviewing the people who perform the work. Two basic types of information need to be established. For each person

**As part of the project startup activities, you also need to understand how your company measures and recognizes capital projects.**

**Business process engineering:**

Once the business current operations are understood, the next step is to determine where improvements can be made and efficiencies gained using the proposed document imaging and workflow technology. Can a fifteen-step process involving five people be reduced to eight steps involving three people? If so, what are the new procedures, process steps, and associated resource costs? In addition to calculating these efficiency gains, the cost-justification process must also recognize new or additional resource costs that were not part of the previous system. For example, these costs may include:

- Additional personnel for scanner operations or computer operations

Tasks	Current % of time spent on task	Projected % of time spent on task
Organize new claims and file	35%	25%
Respond to customer questions	25%	15%
Photocopy information	30%	0%
General support	10%	10%
Total	100%	50%

**Example 1**

who works with a business process, such as claims processing for example, the following must be documented:

1. Each step in the work process to resolve a claim must be documented. This may involve five people each doing three steps for a total of 15 unique steps in the process.
2. The amount of time for each step must be calculated.
3. What resources are used (PC, mainframe, fax, telephone, etc.) and what consumables are used.

- Additional communication line charges
- Recurring costs for training and maintenance

As shown above, you may be able to reduce the customer service FTE headcount by two, but you are adding two FTEs for the scanning operation. While the financial differences between the two types of FTEs may be significant (\$40K vs. \$20K), the actual overall reduction is only \$20K per FTE.

This step requires you to understand

the basic principles of document imaging and workflow in order to estimate the potential work reductions and efficiencies. The potential “flaw” in this step is that you may not understand all of the technological advantages and so they are not taken into account, or you may make incorrect assumptions about the technological efficiencies, which results in over-estimated or under-estimated improvements.

In Example 1, the current time spent on a function is compared to the projected time spent doing the same work with a new “imaging system” that allows the work to be faster, better, cheaper. For example, a customer service clerk might have the following duties shown in the table.

In this example, we are getting a productivity gain of 50% with imaging technology. This means that a clerk can do a full workday in 4 hours or, in a department of 10, we could repurpose 5 FTEs.

This is the type of information that will support you financial indicators and will allow you defend the project to the CFO or finance committee.

**Strawman system architecture or the image and workflow system costs:**

The strawman system architecture is a detailed listing of:

- **Application software**—the imaging/workflow system software
- **System software**—any additional system software such as a database
- **System hardware**—scanners, workstations, servers
- **Communications**—any new or upgraded equipment and software required

After the current operations have been reengineered and the processes defined, then the appropriate system resources can be defined based on the reduction of FTEs estimated and the additional FTEs needed.

These resources include workstations, scanners, communications sizing, servers, software, application development, and project implementation costs. It can be

## Document and Work Areas for Consideration

Below are some areas that you may consider for achieving savings in a typical imaging and workflow system:

- Legal mandates and Regulatory compliance—Sarbanes-Oxley, SEC Rule 17, HIPAA
- Off-site storage costs and retrievals for existing documents
- Labor reductions possible or additional labor required in the future
- Employee retention
- Remote work access capability—can employees be more efficient if they can work at an off-site location periodically or permanently?
- Remote access to documents—do you have to FedEx, fax, and/or courier documents to remote locations that could be accessed online if available?
- Reduced input typing via OCR and better accuracy
- Cross filing/indexing capability (paper = one index such as SSN, last name, etc.)
- Lost documents (a lost document may cost as much as \$150 to replace)
- Misplaced documents—search (a misplaced document may cost as much as \$75 to find)
- File retrieval times for in-house files
- File retrieval times for archived files
- Allows increased productivity around shared documents
- Reduced printing, mailing, faxing, special delivery costs
- Reduced storage costs from eliminating paper
- Allows peripheral activities to be accomplished such as a records management program that was not previously available
- Sending documents—fax, mail, FedEx
- Document access and availability by customers over the Internet
- Customer service improvements and efficiencies such as allowing customer access to documents
- Overall document management costs for existing resources and facilities
- Cost of file cabinets
- Cost of file cabinet real estate
- Cost of off-site storage and retrieval
- Cost of paper; paper clips, staples, folders, index cards, etc.
- Cost of printing and printers (Total Cost of Ownership for printers)
- Disaster recovery (Currently, if you only have paper files chances are you actually do not have any disaster recovery capability. A catastrophic event could severely cripple your company)
- Overall document growth rate—you may be adding, for example, new account services that will double or triple your paper documentation needs. Can you handle this increase with the existing facilities?
- Value of workflow
- Moving documents internally
- Making better decisions more quickly
- Billing and payments made sooner—AR goes down
- Improve/leverage existing legacy applications and processing by linking to imaging
- Reduced litigation support
- Improved security

difficult to get these costs from vendors so a fair amount of due diligence will be needed. In addition, while the hardware and application software prices can be accurately estimated, estimating the amount of customization and development (and who will do it) can be more difficult. In some cases, you may need to use industry averages or professional guesses for these amounts. Make sure that these “guesses” are documented and discussed as potential risk items in your executive summary and presentation. One other area to be aware of is the annual software licensing and main-

tenance costs; as these costs are edging toward 20% per year, they can be significant for a very large system.

When the current operational costs have been determined, they can be compared to the estimated costs for the image system less the anticipated savings. The difference in costs, or delta between current and projected, results in a positive or negative cost benefit analysis. If this type of analysis is not performed prior to purchasing an image system, it will be difficult to quantitatively measure results because previous baselines were not established.

The results of installing an image system may not become evident for at least a year and possibly longer. If a complete overhaul of the business is undertaken, the changes will cause short-term increases in problems, for example, which may cause a temporary spike in the work for a department. If the measurement is undertaken before the “electronic dust” has settled, the conclusions may be false.

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# Document Imaging: Once a Luxury is now a Necessity

Organizations no longer have an option when it comes to document imaging. Imaging technologies are the foundation for any automation initiative of paper-based processes, and the onerous record keeping requirements of regulatory agencies demand the technology.

It is estimated that over 75% of the worldwide information is fixed in nature, meaning written once and not changed. This content is further characterized by requirements for online access, guaranteed authenticity, and long-term retention. Such information serves as the corporate intelligence of daily business activities and creates a knowledge base for future review and analysis.

Consider for a moment, where your information resides—records, transactions, payments, correspondence, and other sources of structured or unstructured information. With an imaging system, your information is left intact yet still available electronically—for multiple purposes to multiple departments' enterprise wide. By imaging business transactions, organizations are able to support current and future management decisions, satisfy client obligations, protect against adverse litigation, and maintain regulatory compliance.

But basic business requirements demand a return on investment. For years, the cost of imaging made the return too long for many organizations. This required return can be accomplished by improving employee and process productivity, while at the same time meeting the legislated requirements of the day.

Imaging is the foundation for process improvement. Transforming paper to electronic information allows managers to measure productivity, and actually begin to control what takes place in their operations. Also technology can be deployed with image-based files to eliminate manual labor.

To support these points, let's consider how Comsqared helped one of the nation's largest benefits administrators manage an ever-increasing influx of paper, all the while providing instantaneous access to that same information and adhering to

**By imaging business transactions, organizations are able to support current and future management decisions, satisfy client obligations, protect against adverse litigation, and maintain regulatory balance.**

compliance requirements. By implementing a document workflow and imaging solution, our client was able to increase the amount of claims processed per person, per day from 300 to 750 claims. This was accomplished by capturing all claim submissions at their source, either fax-in or U.S. Mail, and converting them to image form. The claims were then electronically processed via ICR to convert the handwritten information to data, providing automated validation of eligibility, address correction, and claim balancing. Our client realized this increased operating output, without adding personnel, and ensured its system met all regulatory requirements. This company recognized their savings by:

- **Eliminating Manual Data Entry:** using ICR technology they have the ability to capture hand-written documents and transform the information into electronic data, even from fax-in documents.
- **Measuring Employee Productivity through Management Reporting:** automated management reporting is provided in the form of onscreen operator metrics and periodic summaries. Supervisory personnel know at a glance where attention is needed.

Perhaps the most revolutionary return on investment available today from imaging technology is in the area of Accounts Payable. Imaging has been used extensively in A/P operations. But, imaging alone has never been able to eliminate the data entry requirement in A/P work. Comsqared's

imaging, deployed with the latest unstructured data recognition technology, provides organizations with the ability to automate almost all A/P data entry. This elimination of data entry provides cost savings in A/P departments of 50% or more.

Imaging is also a foundation piece for organizations needing to distribute workload across multiple time zones. Management, from central locations, can electronically direct workloads to distributed operations. Bottlenecks in processing are prevented, which is not an option in paper-based systems. Cost savings are realized by shifting work to areas with lower cost structures, such as from an area requiring overtime pay to one that does not. Case in point, Comsqared helped a major manufacturer control its personnel costs by providing management with real time statistical information about the current workload and allowing work to be directed to other locations around the globe. This was all made possible by the foundation put in place with imaging technologies.

Organizations receive direct benefits from an imaging foundation including:

- **Reduced Employee Headcounts by 50%-80%**
- **Measurement, Management Reporting, and Controls**
- **Regulatory Compliance**



**Comsqared Systems, headquartered in Atlanta, GA, with more than 23 years of industry experience, is a leading Enterprise Content Management (ECM) provider of imaging and workflow software. Our UNISearch® and ImageDirector™ family of Internet software solutions help organizations transform unmanageable paper-based processes into efficient, easy-to-use electronic solutions.**

**For more information, visit us at <http://www.comsqared.com> or call 800-592-3766.**

# How to Maximize ROI from Information Capture

By Anthony Macciola, Vice President of Marketing, Kofax

Information capture systems accelerate and reduce the cost of office processes, minimize the need for manual data entry, slash the time and effort of filing and retrieving documents, free up storage space used to archive paper files, and virtually eliminate the loss of documents. But while it is easy to justify the purchase of a capture solution, it is also easy to choose:

- a capture solution for one department and then find you cannot easily extend it to other departments or locations.
- a system that is good at capturing paper documents but not electronic files.
- a system that can process forms but not unstructured documents, such as correspondence.

What you need to maximize your long-term ROI is a single platform that can easily grow to handle more documents, different kinds of information, multiple formats, and even multiple locations.

## Factors That Affect Long-Term Capture ROI

**Maximum automation.** One of the biggest steps in minimizing the cost of a capture system is to maximize the amount of the process that is handled automatically. If your system can adjust for different types of documents and forms, you avoid the time and cost of pre-sorting them. If your system can enhance scanned documents so you always get high-quality images, you avoid the hassle, expense, and delays of rescanning. If your system can automatically extract information from forms, you avoid expensive and error-prone manual data entry.

**Ability to handle multiple types/formats of information.** In the past, an organization that wanted to capture both documents and forms had to maintain two systems. Likewise, electronic information was processed through a different system than paper information. But that leads to

significantly higher costs, not only to buy the systems in the first place, but also to run and maintain them. Today, you can eliminate the considerable expense of maintaining multiple applications by implementing a single capture system that can handle both paper and electronic information, and both documents and forms.

**Ability to grow beyond a single, central installation.** A central capture system accelerates processes, but organizations with multiple locations still need to get their information into the process. You can avoid the costly and time-consuming shipping and copying of documents by making sure your system can capture information directly at the remote offices, without sending the physical paper anywhere.

**Compatibility with capture devices.** Your system might start with one scanner and expand to many more, including a mix of high-volume production scanners and low-volume desktop scanners. Make sure your capture system can easily accommodate a wide variety of document scanners.

**Compatibility with business systems.** Your captured information needs to be delivered into some kind of business system, such as a content management system, workflow system, database, or archive. So what happens if you replace that business system, or if you want your capture solution to support more business processes? Make sure your capture system has strong connectivity to a wide variety of business systems, and can deliver information into multiple systems.

**Ability to handle upgrades/maintenance.** The closer a capture system is to a "toolkit solution," the harder it is to maintain over time. Make sure your capture system is easy to upgrade and expand without significant recoding.

## The World's Most Popular Capture Solution

Kofax has become the world's leading

provider of information capture solutions by addressing all these needs. The Ascent platform is the most popular capture application worldwide, and VRS (VirtualReScan) is the industry standard for producing high-quality scans without pre-sorting or rescanning.

Ascent collects paper and e-documents, transforms them into retrievable information, and delivers it into your business applications. It can be easily deployed in a single department or support the capture needs of an entire enterprise, including remote locations. Ascent Capture can address many information capture needs right out of the box. And, as a modular application, it can be extended to meet the needs of more-demanding environments.

The Ascent Xtrata plug-in dramatically reduces the cost and effort required to set up and operate a forms processing system. And by providing a single capture platform, Ascent eliminates the duplicate coding, maintenance, and processing required when you have multiple capture systems.

Kofax has formed strong partnerships with hardware manufacturers and application vendors, ensuring solid compatibility with capture devices such as scanners, digital copiers, multifunctional peripherals, and fax servers, plus the ability to deliver multiple data formats to hundreds of business systems.



**Anthony Macciola joined Kofax in 1990. He is currently Vice President of Marketing and oversees product development, management and marketing, and corporate communications. To learn more about how Kofax makes the most of your business information processes, call 949-727-1733, send email to [info@kofax.com](mailto:info@kofax.com), or visit [www.kofax.com/ROI](http://www.kofax.com/ROI).**



# Move Beyond the Limitations of Black-and-White and Into the World of Color Scanning

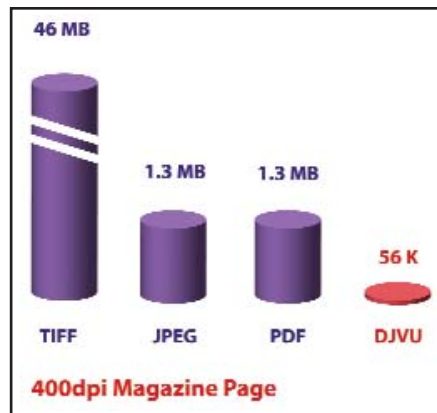
Anyone who has ever tried to scan and distribute color documents knows that the process can be frustrating: a typical 300dpi scanned color page represents 24MB of raw data, and traditional image compression techniques such as JPEG are notoriously insufficient to deal with such material. First, the typical size for a single page in JPEG is between 400KB and 2MB, which is impractical for use over narrowband connections. Next, viewing such large images requires vast amounts of RAM and current browser technology makes document navigation cumbersome. Text is not normally separated from the image and therefore cannot be indexed or searched. Finally, no provision is made for multi-page documents, unless one encapsulates the images into a container format such as PDF, thereby adding additional layers of inefficiencies. Even the most recent PDFs are not well suited to scanned color documents: file sizes remain large, rendering is slow, and uneven compression quality often reduces legibility.

The DjVu technology (pronounced “Déjà Vu”) alleviates all of the problems associated with other document formats and provides a no-compromise approach to color document scanning and interchange. Designed and originally developed at AT&T Labs as “scan-to-Web,” DjVu is both an open file format and a technology platform. It makes it possible to produce highly compressed files while preserving full color, full text resolution, very high quality, and readability. Compression rates for color scanned documents usually range from 300:1 to 1,000:1. A typical full color page only takes 50-80KB in DjVu!

If you have been stuck with black-and-white scanning until today, LizardTech’s DocumentExpress with DjVu can offer some relief. First, it enables you to scan documents in full color with virtually no file size increase over traditional TIFF G4. More importantly, manual document presorting, re-scanning, and fiddling with scanner set-

tings are eliminated: document capture costs are reduced by as much as 75% and productivity increases dramatically. Today, color is expected throughout the document lifecycle: DocumentExpress with DjVu makes this a reality.

That’s not all—with DocumentExpress, you can OCR your scanned documents



and keep the resulting text as “hidden layer” in DjVu files. Even text over graphics and images can be OCRed. Full-text search is instantly enabled!

Highly optimized free plug-ins enable convenient browsing of DjVu document collections over low bandwidth connections, from virtually any platform. The DjVu technology was designed to minimize delay between a user’s decision to view a page and the display of this page. A multi-threaded software architecture with smart caching enables progressive page rendering and efficient on-demand loading of individual document components. Pages can be quickly accessed in any sequence without the help of a byte server. Finally, pre-fetching and pre-decoding techniques further reduce page-flipping delay.

When the Garfield Heights Municipal Court decided to streamline procedures and make the court system paperless, they faced major hurdles: court files are huge—often hundreds of pages—and some attorneys are still relying on dial-up modems for remote access. Only one software solution could face this challenge, LizardTech’s DocumentExpress with DjVu®. Voluminous

color and black-and-white court documents are now scanned into DjVu files. Attorneys, administrators, and judges can view them without delay, even over remote and wireless connections. The free browser viewing plug-in ensures complete accessibility and documents can be securely viewed via the Internet or within the courthouse. Today, in addition to a 95% paperless Municipal Court, 75% of the documents in the Civil department and 40% of those in the Traffic/Criminal section are also imaged electronically. DjVu is rapidly being adopted as a standard across the Ohio court system.

If you have not come across DjVu documents yet, you probably soon will as an increasing number of organizations are turning to DjVu for their document needs. At Samsung, Panasonic, Sears, Komatsu, Northwest Airlines, and others, DjVu is already mission-critical. The format is open, backed by an excellent open-source reference implementation. There are already millions of DjVu users worldwide.

DocumentExpress with DjVu truly is the premier platform for scanning, storing, and exchanging complex color documents such as statements, articles, manuals, records, catalogs, and much, much more!



**Luc Vincent is VP of Document Imaging at LizardTech, a leading developer of**



**advanced imaging software for compression and distribution of complex color images and documents. Previously, Dr. Vincent was at Xerox**

**PARC, where he led a team of researchers developing document image segmentation, compression, printing, and encoding technologies.**

**To learn more about LizardTech and to download a trial version of DocumentExpress Professional, visit <http://www.lizardtech.com/docxprslaiim04l>.**



# OPEX Expands Sorting and Scanning Capabilities

By Mark Stevens, President/CEO

The mailing market is changing both in the incoming and outgoing arena. Not only is the market changing, so is OPEX. What is not changing is our dedication to this market or our underlying principles. Today, as always, we are committed to providing the highest quality products and customer service to the mail market. To that end OPEX has made some significant changes in the last year. Three of the most significant are addressed here.

As many of you know there has been an increased interest in removing the paper check from the workflow as early as possible. This is being done through bi-lateral image exchange agreements or Accounts Receivable Conversion (ARC) or in the next few years through Check 21. To facilitate the process, OPEX has made enhancements to its Image Export Module (IEM). OPEX Check Truncation Link allows the IEM to utilize internal or external rules files to make decisions about the eligibility of the check for the process. This has resulted in significant handling and processing steps savings for our customers. The physical checks that qualify for the process no longer need to be handled by subsequent people after they pass through the IEM. One operator handles the opening and imaging of the check. It is all done in line—the operator simply loads the unopened envelopes and removes the imaged checks and documents from the other end of the machine. The images are all that is needed to complete the process—the paper is removed from the workflow.

The second major change that OPEX made during the past year is the introduction of the AS3600i. This scanner, integrated

onto either the OPEX RED Model 51 or the OPEX RED Model 60, serves much the same function as the IEM on the completely automated extraction equipment. The AS3600i allows our customers to capture images of various sized documents at the time of extraction. The Model 51 or 60 opens the envelope and presents it to the operator for easy extraction. Once the operator extracts the contents, he or she simply drops them on the automatic transport which justifies the contents and feeds them into the AS3600i. Once this is done the contents are fed into one of four programmable bins or into the reject bin or the straight-through bin. The images are then sent to the back-end processing software. By doing the imaging at the time of extraction, several additional steps are eliminated. No longer is it necessary to have a separate step to prepare the mail for scanning; no longer is it necessary to have a separate step for scanning. The labor savings are significant and transaction integrity is greatly enhanced. The images are all that is needed to complete the process—the paper is removed from the workflow.

The third major change that OPEX made during the past year was the purchase of Postal Technologies, Inc. (PTI) from Lockheed Martin Postal Technologies, Inc. OPEX has been in the outgoing marketplace for over five years and has introduced four unique products during that time. Our investment in and commitment to innovation in this market has been significant. The purchase of PTI was a logical next step. It allows OPEX an entrée into a significant customer base. We realize that simply buying PTI does not grant us legitimacy

with that customer base, but we are confident that it will allow us to prove ourselves to these customers and that it will allow us to become their supplier of choice for both products and services. OPEX stands prepared to dedicate all necessary resources to making this purchase a success for not only OPEX but also for customers in the outgoing market.

To accommodate the demand generated by these developments and others, OPEX is expanding its facilities to allow for increased development, manufacturing, and customer service needs.

Service and innovation have been the hallmark of OPEX. We are prepared to take this philosophy into all three of these areas. OPEX's financial strength, excellent employees, commitment to the market, and innovation will serve everyone well in these undertakings and other exciting upcoming developments.

I would like to hear from any of you who have any questions or comments. Only by hearing from you can we discern what is important to you.

**OPEX**<sup>®</sup>  
CORPORATION

**Mark Stevens is President/CEO  
of OPEX Corporation.**

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# Turn Paper Into Gold

By Robert Weideman, General Manager, Productivity Applications, ScanSoft, Inc.

Paper is a drag—one that reduces personal productivity, increases operating costs, and inhibits an organization's ability to excel. What can be done to automate the tons of paper used by every office worker, in every office—every day? What can be done to turn paper into information that can be easily shared, edited, and stored?

Millions of users rely on ScanSoft PaperPort® to simplify the way they work with their documents—paper and digital. PaperPort combines the convenience of scan-to-desktop, the power of PDF creation and annotation, and the proven productivity benefits of document management—into a single, easy-to-use office productivity application.

## Scan as Easily as You Copy

Gone are the days—and expense—of making paper copies and leaving them on a co-workers chair, or sending the copies via overnight delivery. Now everyone can use ScanSoft PaperPort Pro 9 Office to make “electronic copies” using any local scanner, network multi-function printer (MFP),



or digital copier. Simply place the documents onto the device and hit the button—PaperPort does the rest. Better still, PaperPort includes all the features needed to work with your electronic copy, including image fixing tools, annotation and highlighting capabilities, as well as document stacking and assembly features.

PaperPort works with scanning devices from all vendors, allowing you to right-size device investments to meet the specific requirements of each part of your organization—and avoid being locked into a single monolithic network scanning approach.

## Do More with PDF

PaperPort allows users to create PDF

from within any PC application, and provides powerful features that simplify finding, sharing, and using documents—including PDF, Word, Excel, and PowerPoint files. PaperPort also makes it easy to combine scanned paper documents with pages from other applications, instantly creating a single PDF document from multiple sources, in any format.

## Connect To Everything

Moving scanned and digital documents from the PC to other users, applications, and devices is easy with PaperPort. Its extensible Link Agents enable drag and drop to email, fax, and print, as well as document connectivity to enterprise applications, including Documentum, Hummingbird, Kofax Ascent Capture, Microsoft SharePoint, and more. The PaperPort Link Agent SDK simplifies the creation of custom Link Agents.

PaperPort's unique ability to enhance the way people work with paper, PDF, and all of their digital documents led *PC Magazine* to name it “Product of the Year for 2003,” and *Smart Computing* to name it a “Hottest Product of 2003.”

## Additional ScanSoft Productivity Applications



**OmniPage® Pro 14 Office**—The world's #1 document conversion and OCR application instantly converts paper and PDF into fully-formatted documents that you can edit, share, and archive.

Recently awarded Editor's Choice by both C|NET and *PC Magazine*.

**PDF Converter**—Developed in partnership with Microsoft, PDF Converter turns PDF



into fully-formatted Microsoft Word documents—complete with text, columns, tables, and graphics. PDF Converter is seamlessly integrated with Microsoft Office, Outlook, and Internet Explorer.

**OmniForm®**—Instantly turn paper and PDF forms into fill-able XML, PDF, and Microsoft InfoPath electronic forms.



**Capture SDK**—

Commercial and in-house developers can rapidly add OCR, PDF, handprint, barcode, and other imaging capabilities to their applications—using the world's #1 imaging toolkit. The ScanSoft Capture SDK is used by a wide range of leading solution vendors, including AutoDesk, Canon, Captiva, Cardiff, FileNET, Kofax, Microsoft, Sharp, and Xerox.



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**ScanSoft, Inc. is the leading supplier of speech and imaging solutions that are used to automate a wide range of manual processes—saving time, increasing worker productivity, and improving customer service.**

# Your Clients Need To Process Unstructured Documents? Ask For “Dispatcher Inside.”

**SWT is providing North American software vendors and system integrators with the right combination of form recognition and free-form tools based on the latest technologies to process successfully unstructured documents.**

By Daniel Vaniche

SWT is very proud of its intensive and creative R&D policy. Through the years, SWT has established a firm reputation of excellence in its field. Thanks to the competitiveness of its products, the skills of its team, and its sound financial results, SWT has become a strong ally for all its customers and partners around the world.

In Europe, SWT's b-Wize software includes efficient and easily scalable modules to capture, recognize, extract, and store high volumes of information from various kinds of digitized documents (including faxes and Web forms). b-Wize offers unrivalled features that make it the most comprehensive document processing solution available:

- Complete production cycle from scanning to storage, including document auto-classification, auto-indexing, and information capture.
- Scanning and processing of heterogeneous batches of documents in a single operation, primarily relieving the users from lengthy and tedious manual tasks such as sorting scanned documents and keying data.
- Exceptional performance: up to 100,000 documents automatically sorted per hour, with no limit of document types, and a character recognition rate that exceeds 97%; the best Return on Investment (ROI) available (less than 6 months).
- Implementation simplicity and flexibility that is second to none. User-friendly interface, which makes it possible for

**Our b-Wize Dispatcher software automatically analyzes the documents entering the company and builds a clever template library—over 2,000 templates can be created by the software in a matter of weeks. Also, b-Wize Dispatcher provides a strong free-form module to handle non-recurrent documents. To process high volume and mixed batches of documents, such as in accounts payable and mailroom environment, the only successful approach in terms of speed and accuracy is to combine the two technologies, free-form and template based. Always ask your software provider for Dispatcher Inside.**

—Daniel Vaniche

any non-expert user to master the complete system very quickly.

In North-America, b-Wize Dispatcher offers a powerful, yet user-friendly, all-in-one “plug-in” to process paper documents. b-Wize Dispatcher delivers:

- A unique intelligent document recognition engine (image and text-based)
- Automatic template generation for zoning OCR/ICR/NHR (for semi-structured and repetitive documents)
- Powerful free-form technology (for

totally unstructured documents, e.g., white mail or contracts—or non-repetitive documents)

- Table reading for multiple line item
- Multi-page document handling and folder management.

b-Wize Dispatcher answers the automatic classification, routing, and data capture needs of users wishing to digitize and index documents such as invoices, purchase orders, wholesale remittances, patient records, medical and dental claims, EOBs, legal documents, mortgage documents, and correspondence (even handwritten), among others.

SWT is the fastest growing document and data capture software company in Europe, and market leader in France. SWT has been focusing for the last three years on the processing of incoming mail. This has resulted in the development of a highly innovative solution called b-Wize™ that is able to automatically process batches of heterogeneous and mixed unstructured digitized documents, even handwritten letters. In North-America, b-Wize is available as a b-Wize Dispatcher™ “plug-in” already integrated by major document and data capture software vendors.

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## Processing Invoices Automatically—Mondial Assistance Business Case

Mondial Assistance has an annual turnover of \$1.1 billion, spans 180 countries, and is called out every 3 seconds, making it an international leader in assistance and travel insurance services. Mondial Assistance receives over 700,000 supplier invoices every year. “We decided to automate invoice processing as far as possible, to avoid being bogged down by the sheer size of the task,” explains Mr. Jacques Rousseau, chairman of SSC, which is made up the three accounting departments. Thanks to b-Wize INVOICE, the information extracted from the invoices (amount, invoice number, etc.) is automatically transferred to the company’s accounting software. It is also entered into the company’s various databases.

**Daniel Vaniche, SA COO, a graduate of the Ecole Polytechnique and the Ecole Nationale des Ponts et Chaussées, has 10 years of successful management experience with innovative engineering and Web content management software companies. Mr. Vaniche joined SWT SA in 2001. He is in charge of the company’s business development, marketing, and international activities.**



# ECM insights

## Document Imaging ROI Sponsors

### Calculate Your ROI

AIIM's new, free online ROI calculator provides a 50,000-foot perspective on your planned IT investment. Each ROI calculator puts all the power and complexity of more comprehensive tools into a few short screens. In just a minute or two, you can see if the potential differences in total cost, or the potential benefits for an ECM implementation similar to yours are large enough to proceed. With this handy calculator, you can sift out those projects that are way out of line with your budgets. The calculators are powered by ROIknow!, the same engine used to create a complete business case. The tool is available at [www.aiim.org/article\\_aiim.asp?ID=27119](http://www.aiim.org/article_aiim.asp?ID=27119).

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**Comsquared Systems** is a document workflow and imaging software developer, with 23 years of experience helping company's transform unmanageable paper-based processes into efficient, easy-to-use electronic solutions.

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**SWT's b-Wize<sup>™</sup>** software automatically captures, classifies, indexes, and routes mixed unstructured digitized documents. A market leader in Europe, b-Wize is available as a b-Wize Dispatcher<sup>™</sup> "plug-in" in North America.

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