

10 August 2010



Datacap Inc. Strengthening IBM's ECM Strategy



A best-of-breed provider of sophisticated technology for document capture and high speed data extraction, with 22 years of experience.



- A Tarrytown, New York-based provider of advanced document capture technology.
- Award-winning, Best-of-Breed leader in Document Capture technology
- Impressive record of innovation
- Strengthens IBM's leadership in the enterprise content management (ECM) space -- specifically around imaging and document capture
- Datacap products are used in a wide variety of industries (including financial services, insurance, government, consumer products, transportation and publishing) with applications that automate a broad range of business processes
- Allows organizations to quickly and easily capture and extract key information from documents and convert it to images that are stored electronically

Datacap offers a comprehensive Document Capture portfolio, offers unique customer value, and enhances IBM's Enterprise Content Management offerings

- Datacap brings new capabilities to IBM's already extensive set of ECM solutions to help companies make better decisions faster by managing content, optimizing processes and enabling compliance through agile ECM solutions and advanced case management.
- The Datacap acquisition expands IBM's leadership position in Enterprise Content Management (ECM) by offering:
 - A suite of capture solutions that enhance current IBM ECM offerings (FileNet and CM8) and support non-IBM repositories from EMC, Open Text, Oracle, Microsoft and others.
 - Coverage for distributed and departmental capture needs with capture for smaller deployments such as Microsoft SharePoint.
 - The industry's most sophisticated technology for document capture, in process capture, and high speed data extraction, enabling organizations to extract meaningful information from unstructured content for better, faster decisions and significantly reduce the labor and paper costs of the capture process.
- Together, IBM and Datacap provide a comprehensive ECM solution.

Document Capture is a critical entry point for a customer's Enterprise Content Management strategy to optimize business processes and reduce costs

- **High Volume Document Capture and Imaging**
 - Driving Process Optimization
 - Organizations with large quantities of paper-based transactions need to digitize the transactions to support applications such as: Accounts Payable Invoices, Loan Origination and Servicing, Account Opening, Insurance Claims, Government Tax, Socials Benefits, & Licenses.
- **Advanced Case Management**
 - Make effective decisions and optimize case outcomes
 - In-process-capture integrates unstructured content in mission critical business processes and enabling analytics to uncover key business insights for better decision making
- **Information Lifecycle Governance**
 - Trusted content reduces legal risk and governance costs
 - Datacap Captures and extracts meaning from unstructured information at the source to protect the chain of custody of critical business documents.
- **Green Initiatives**
 - Paperless technology reduces costs and improves efficiencies by reducing physical storage, transportation, and paper consumption.
- **Platform Standardization**
 - Across the enterprise, customers seek a consistent set of document capture technologies integrated with their ECM stack across all lines of business.
- **Rapid Return on Investment**
 - Automating capture processes takes on ECM's highest ongoing cost - labor associated with processing and transporting paper documents - easily-identifiable justification for the customer's investment.



David Jenness

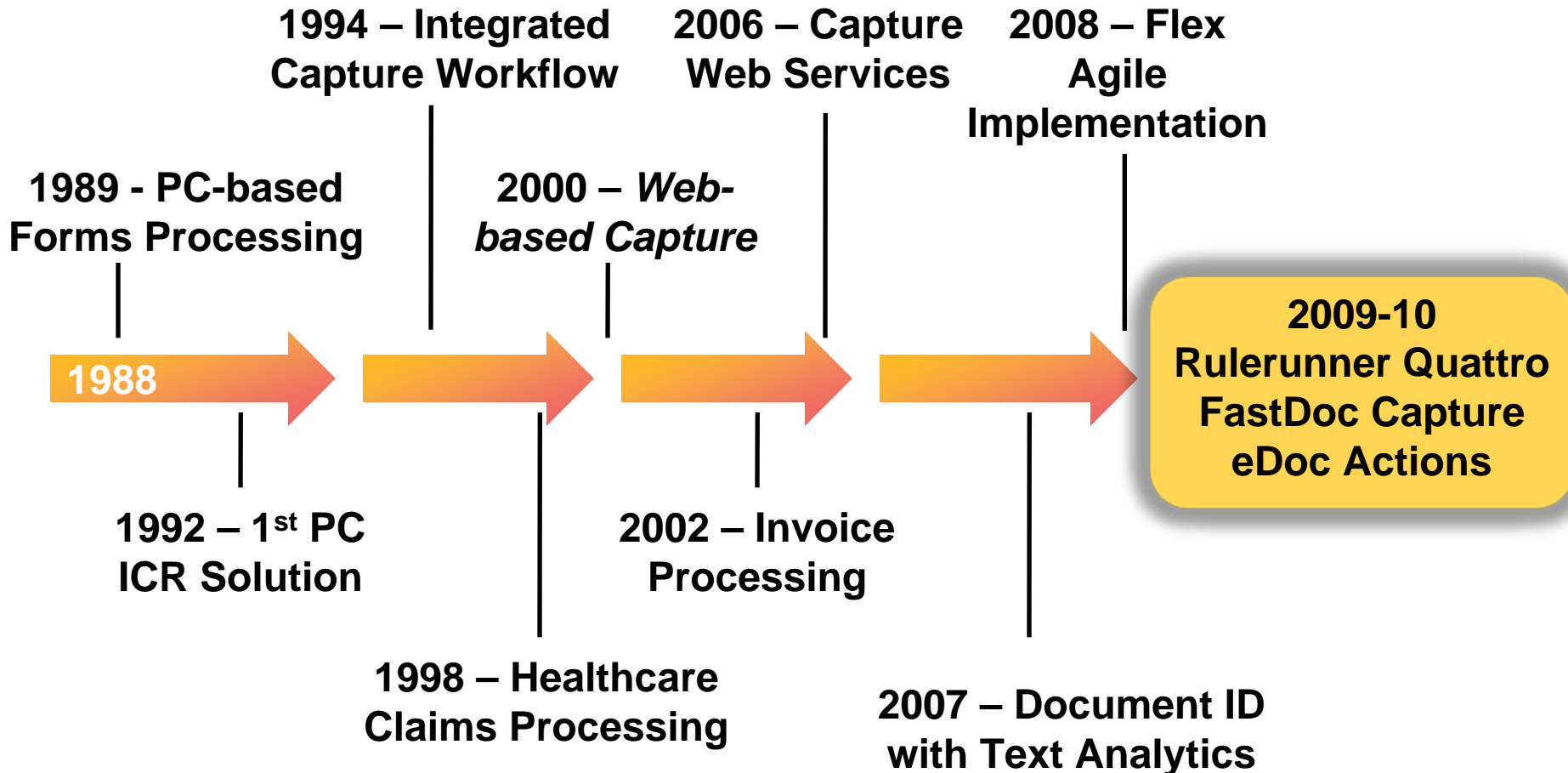
Datacap Marketing Manager

- About Datacap
- Capture Requirements
- About Datacap Rules
- Datacap Products
- Integrations with IBM Portfolio
- Software Demonstration

About Datacap

- 22 years as ISV
- Headquartered in Tarrytown, NY
- Leadership by co-founders (CEO & CTO)
- Dedicated to developing document capture solutions
- First-mover technical innovation
- Focused on demanding capture
- IBM FileNet ISV Partner since 1994
- PartnerWorld member since 2004
- Acquired by IBM August 2010

Capture Innovation



Awards

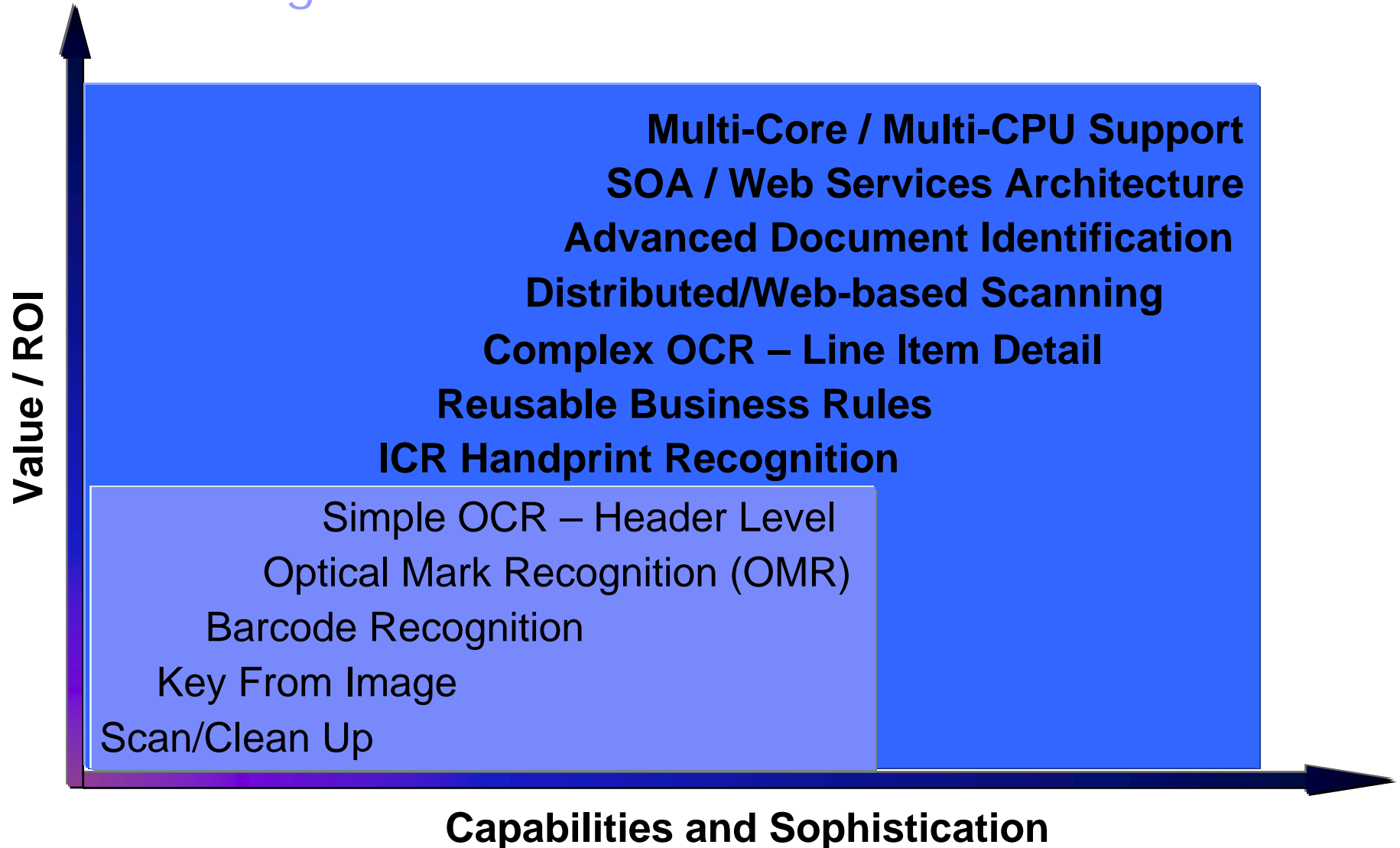
- ***Computerworld Smithsonian Award for Innovations that Benefit Society***
 - Massachusetts Department of Revenue
- ***Kinetic Information Process Innovation Awards***
 - American College of Physicians
 - Hallmark Inc.
- ***FileNet Innovation Award***
 - Nationwide Insurance
 - Taskmaster Components Running inside FileNet Capture
- ***AIIM Best Of Show***
 - Taskmaster 7 - Forms Processing Category



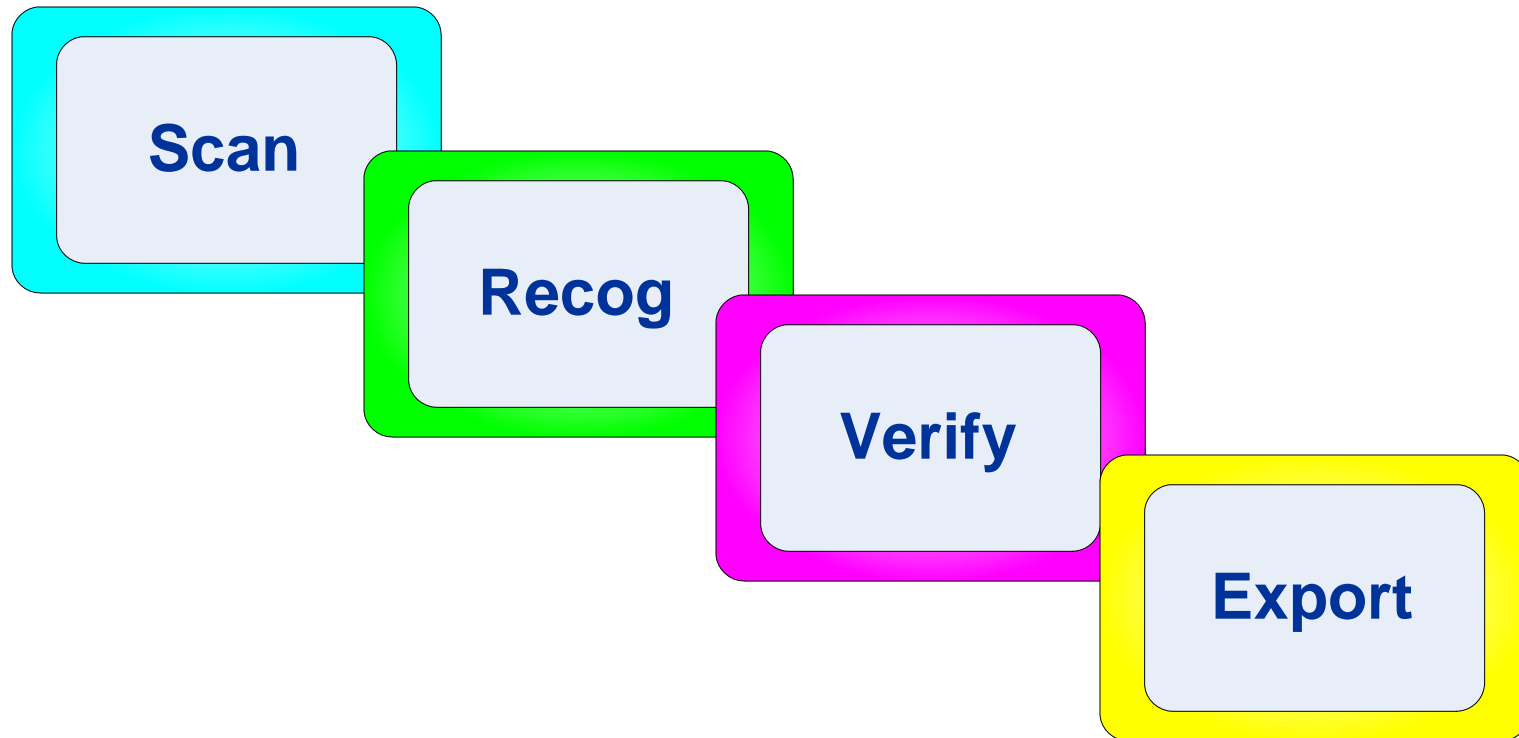
Strategic Nature of Capture

- Capture applications are the gateway to enterprise content strategies
- Driven by several key value components:
 - FTE reduction / repurposing
 - Data entry error reduction
 - Document transportation costs
 - Document retention costs
- Growing document production (paper and electronic) and government regulation mean that Capture/ECM projects remain viable and justifiable even in uncertain economic times

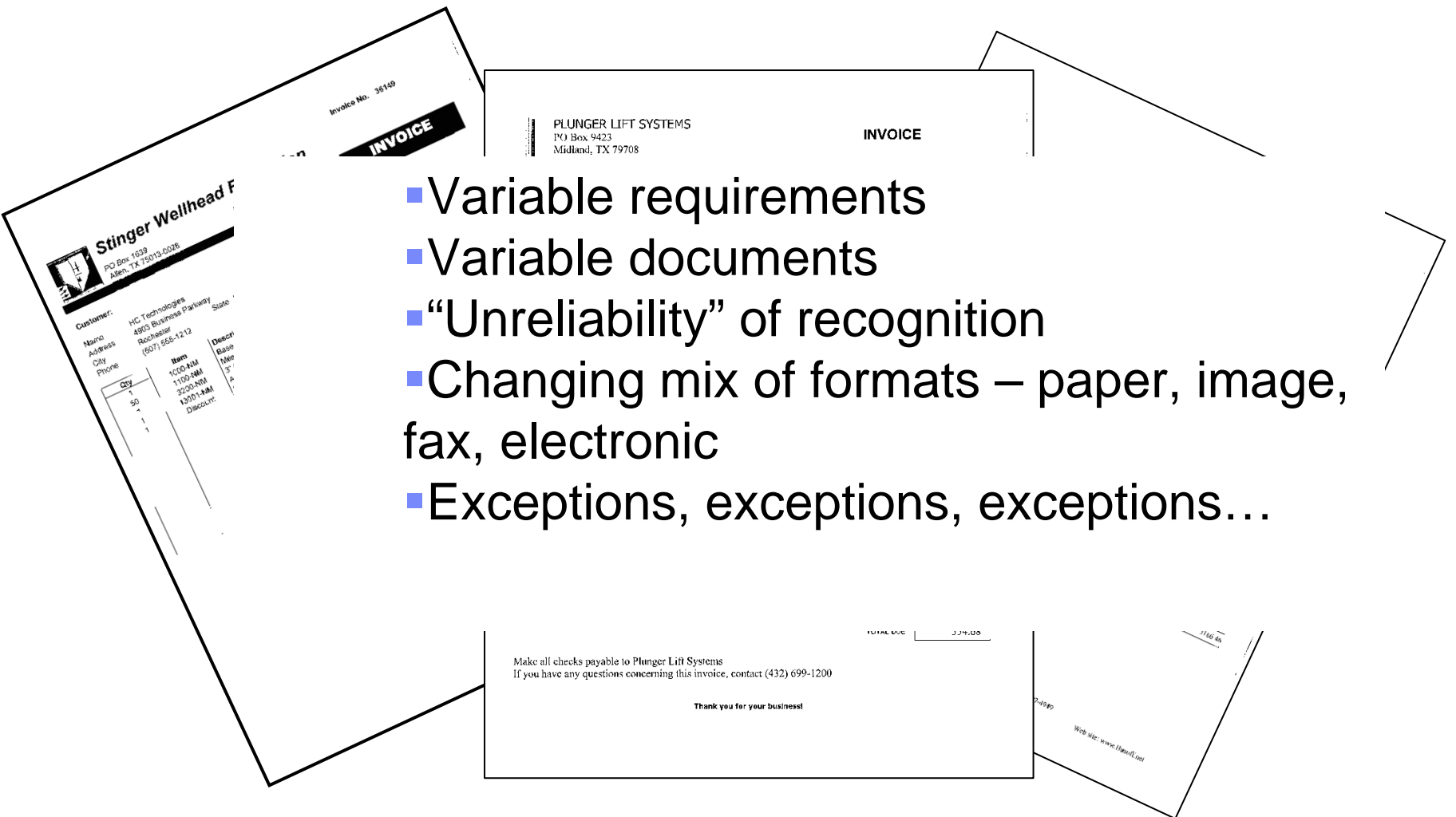
Value Progression



Document Capture Process...



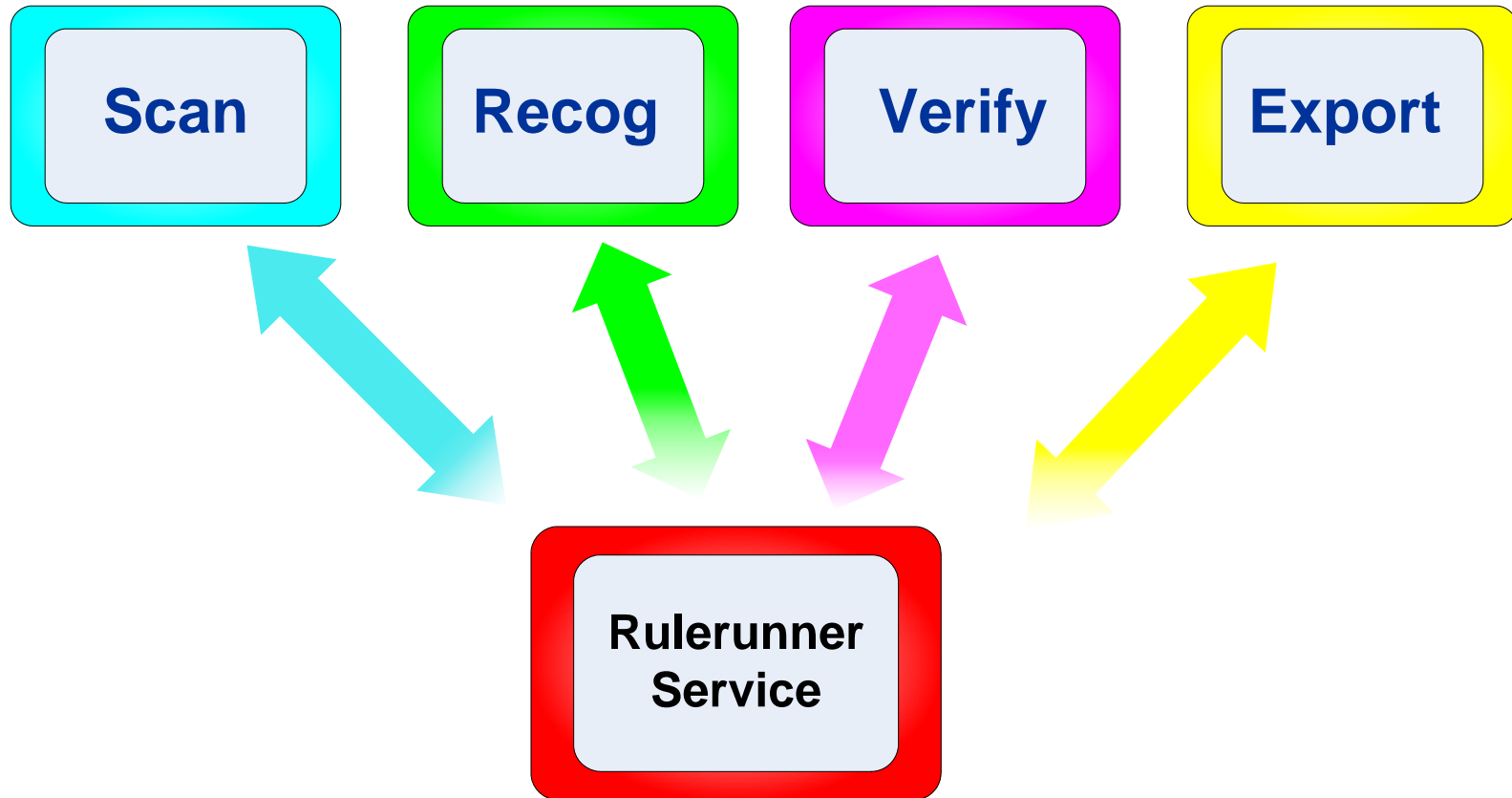
Variability is the challenge...



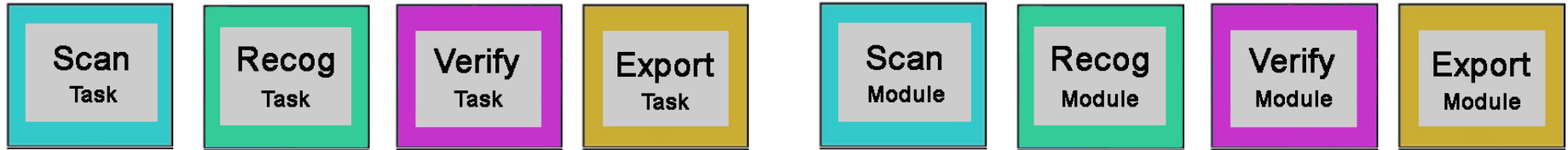
The Datacap Difference – Procedural Rules

- A Datacap rule consists of a series of actions, governed by logic
- An action is a single event for which the answer is true or false – i.e. Is field all numeric?
- A rule executes one action after another until it encounters a false value at which point another rule may be triggered – i.e. if field is NOT all numeric, another rule presents to the verify operator a Failed Validation.
- Procedural rules enable Datacap to deliver effective and flexible document capture...
 - Rules logic excels in handling variability
 - Rules empower customers for exception handling
 - Rules are not just check box options – they are reusable code snippets...
 - Rules are extensible – easy to create in .NET, VB Script, etc.

The New Capture Paradigm



Platform Independence...



Datacap Taskmaster

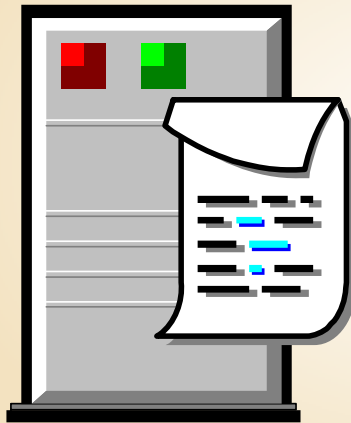
Other Capture/Process Manager



Rulerunner Service

Assemble core capture capabilities in any order:

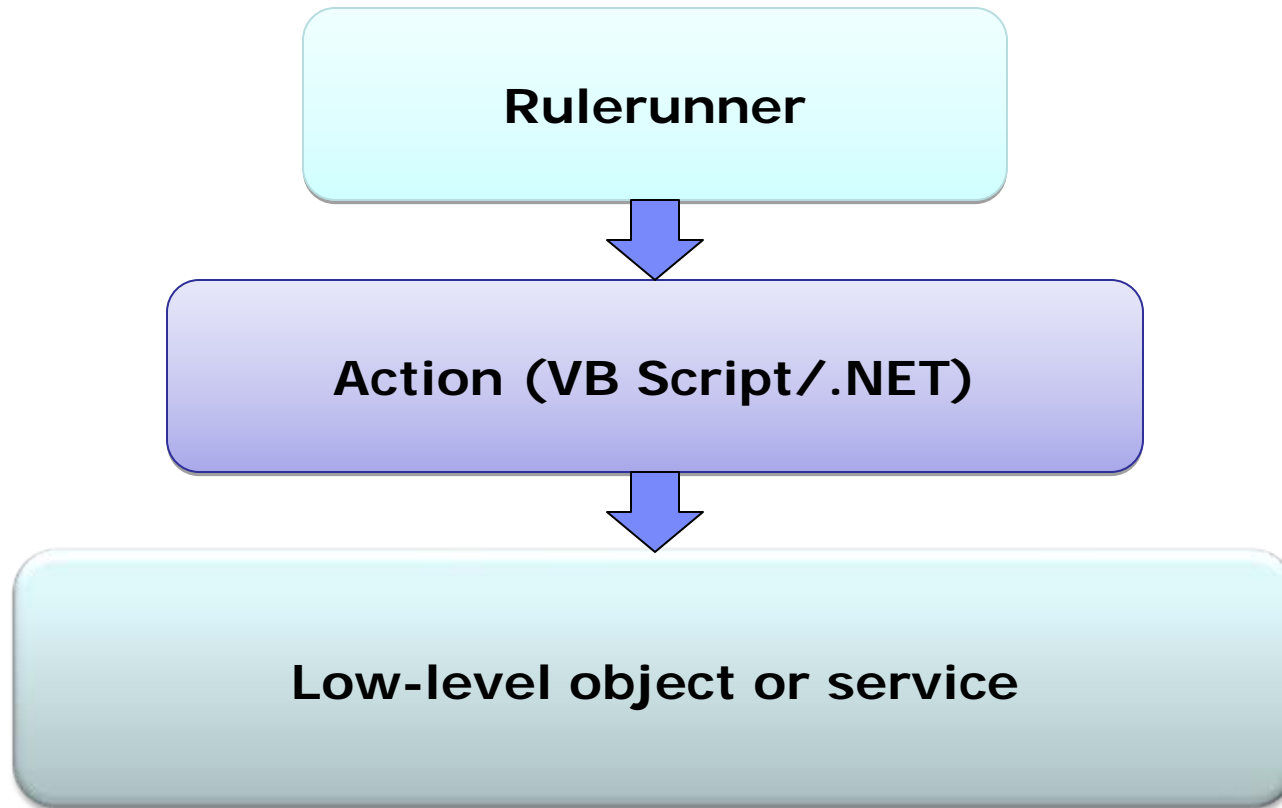
Rulerunner Service

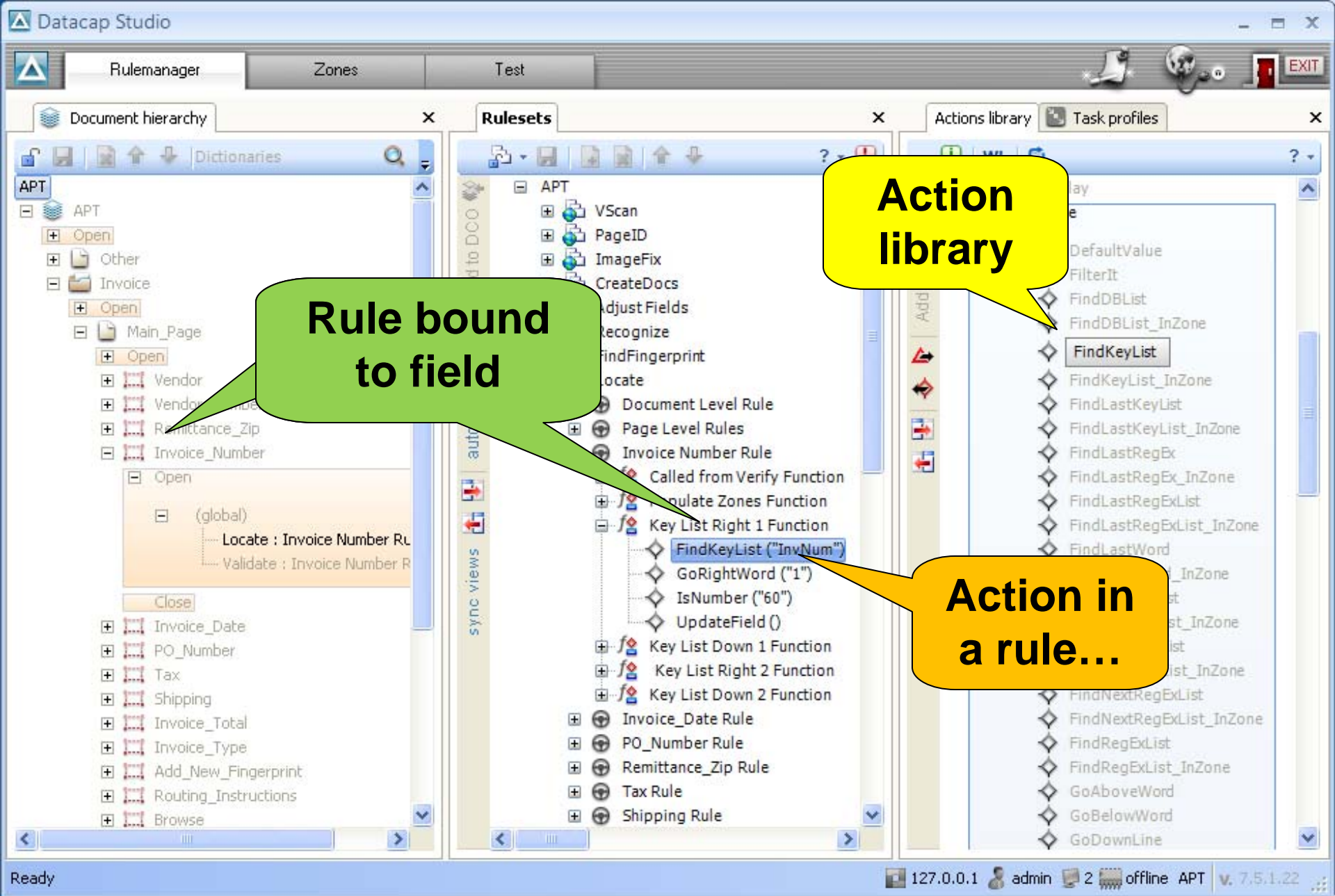


Rulerunner

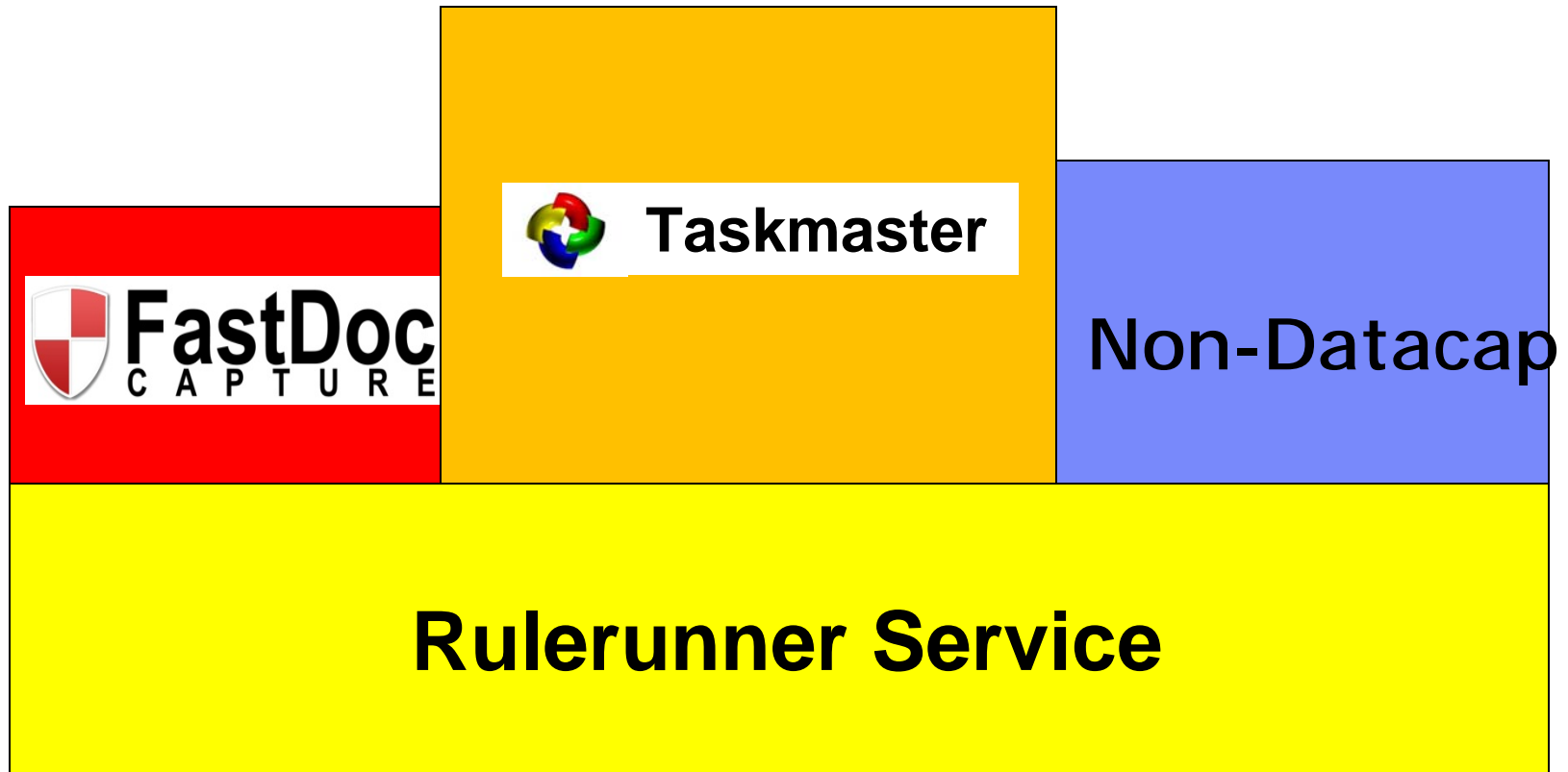
- Business rules/validations
- Page/Doc identification
- OCR, ICR, OMR, Bar codes
- Dynamic location of data
- Release of docs and data.

Anatomy of an “Action”





Building Applications on Rulerunner Service





Taskmaster

Document Capture For A Demanding World

Taskmaster

- **Taskmaster** – Two-tier, client-server document automation platform driven by an advanced rules-driven architecture
- **Taskmaster Web** – Browser-based scanning, verification and administration – makes Taskmaster three-tier
- **Vertical Applications**
 - *Taskmaster APT* for invoice capture
 - *for Medical Claims*
 - *Taskmaster for EOBs*
- **Options**
 - **Datacap Wordfire** – Automated document classification with text analytics
 - **Fax input** – for input of fax images
 - **eDoc Conversion Suite** – For efficient input of e-mail, electronic attachments
 - **OCR/ICR** - Best of breed recognition engines
 - **FlexID** – Visual Separation for document assembly
 - **Redaction**
 - **Many more**

Key Industries / Applications

Government

- Tax Returns
- Property Taxes
- Motor Vehicles / Public Safety

Transportation / Logistics

- Commercial Invoices
- Customs Documents
- Brokers Orders

Healthcare

- Medical Claims
- Medical Records / EMR / EHR
- Patient Registration

Corporate AP (Invoices)

- Header Level Recognition
- Line Item Detail Extraction
- ECM / ERP Integration

Distributed Scanning

- Large # of satellite office
- Remote Scan, Process Centrally
- Improved Provisioning

Financial Services

- Mortgage Documents
- Proxy Statements
- Applications

AP / Invoice Processing

Goodyear Tire & Rubber Company

- Doubled invoice volume without increasing Akron processing headcount
- Repurposed 12% Akron invoice processing positions (so far)
- Increased accuracy of invoice information presented to SAP
- Increased efficiency for the Accounts Payable organization and the invoice approval process by implementing workflow on Lotus Notes in conjunction with automated capture
- Increased compliance management efforts for Goodyear vendors



Transportation - Logistics

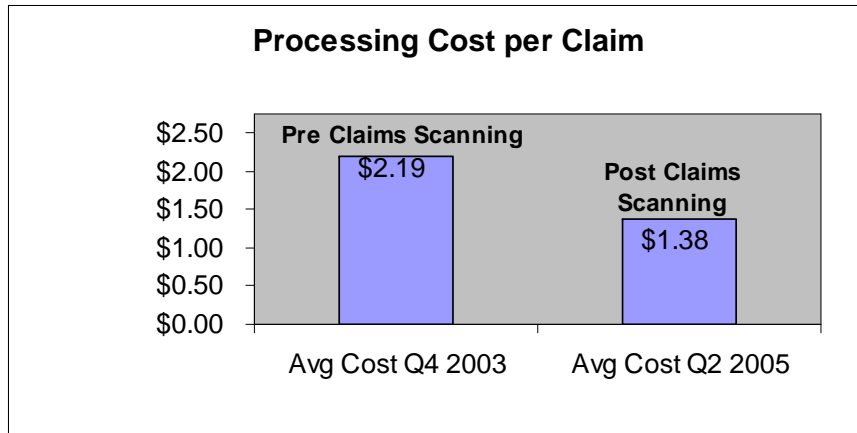
- Support dispersed and mobile workforce with remote scanning applications
 - 1100 relocation brokers for SIRVA
- Capture unstructured shipping documents - bills of lading, invoices and proofs of delivery
 - DHL
- Capture line item detail for increased regulations to comply with Customs, Dept Homeland Security (Patriot Act, 10 + 2, etc.) - Kuehne + Nagel

The logo for SIRVA, featuring the word "SIRVA" in a bold, black, serif font with a registered trademark symbol, set against a white background with a grey border.The logo for DHL, featuring the letters "DHL" in a bold, red, italicized sans-serif font with horizontal lines through them, set against a yellow background.The logo for Kuehne+Nagel, featuring the words "KUEHNE+NAGEL" in a white, bold, sans-serif font, set against a dark blue background.

Healthcare

Sharp HealthCare

- OCR-assisted capture of all medical claims in with Taskmaster for Medical Claims
- Productivity improvement of 39% - savings is \$71,000 per month
- Added applications for Invoices and EOBs



Distributed Capture

Murphy Hoffman Company

- Connected 61 sales, leasing and service locations for capture with Taskmaster Web
- Images sent to a central repository in Kansas City
- Initial cost savings over \$442,000 annually
- Extending the application with invoice processing



Insurance

Kansas City Life Insurance

- 500,000 policy documents/month
- Scanning centrally with Taskmaster and remotely with Taskmaster Web
- Automated indexing
- Benefits: Optimized use of staff resources, streamlined process





Document Automation Made Easy

FastDoc Capture - Advanced Capture Capabilities for SMB

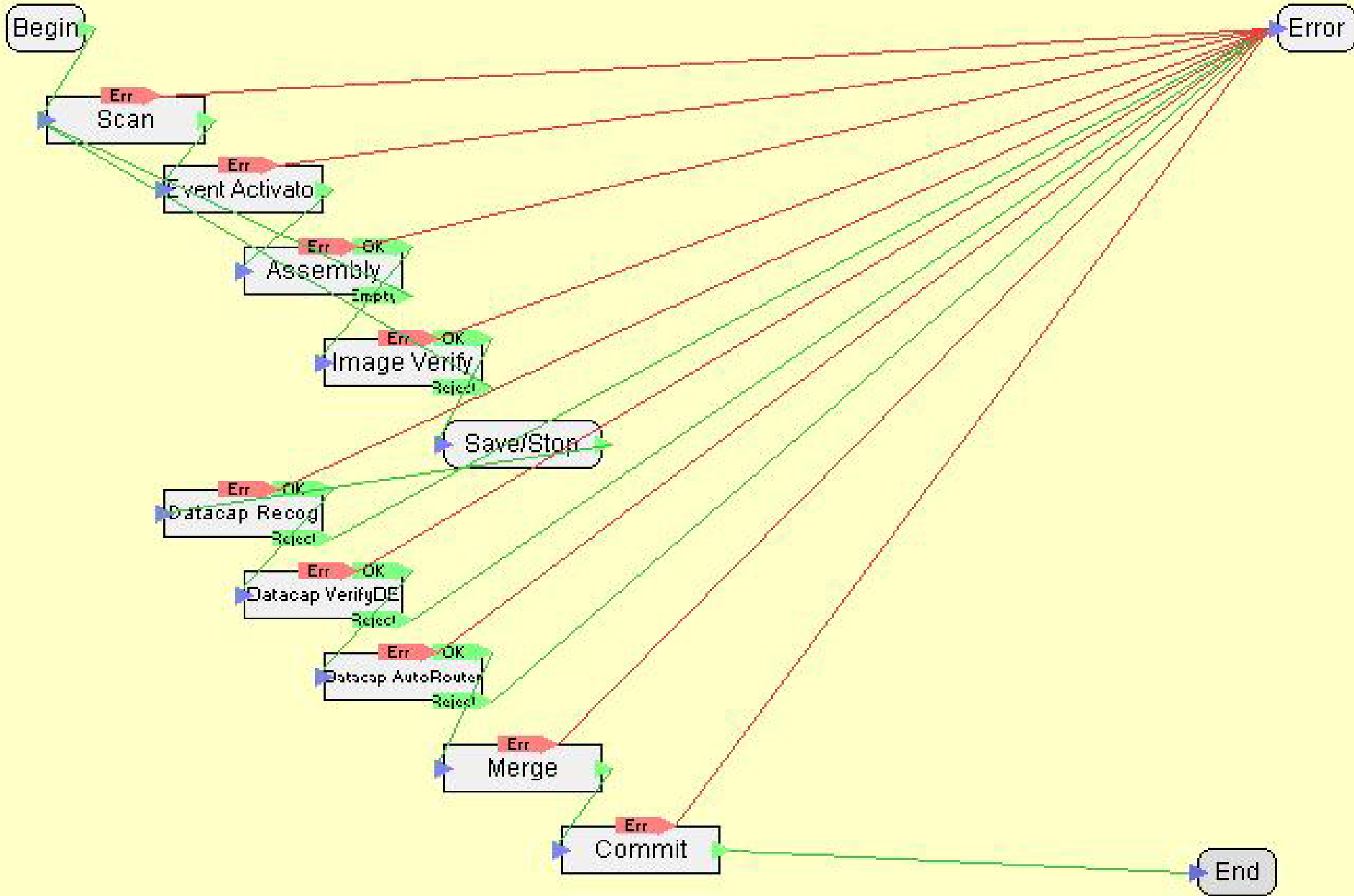
- Client-only solution delivering advanced document capture/automation at an entry-level price
- Simple to install – rapid benefit
 - 3 minute installation
 - Scanning in minutes
 - Single user interface for scanning and verification
- Works with any TWAIN scanner or MFP
- Input already scanned images
- OCR and barcode recognition
- Document ID
- Easy set-up of new document layouts
- Pre-built integration to SharePoint and other ECM's

FastDoc Capture process



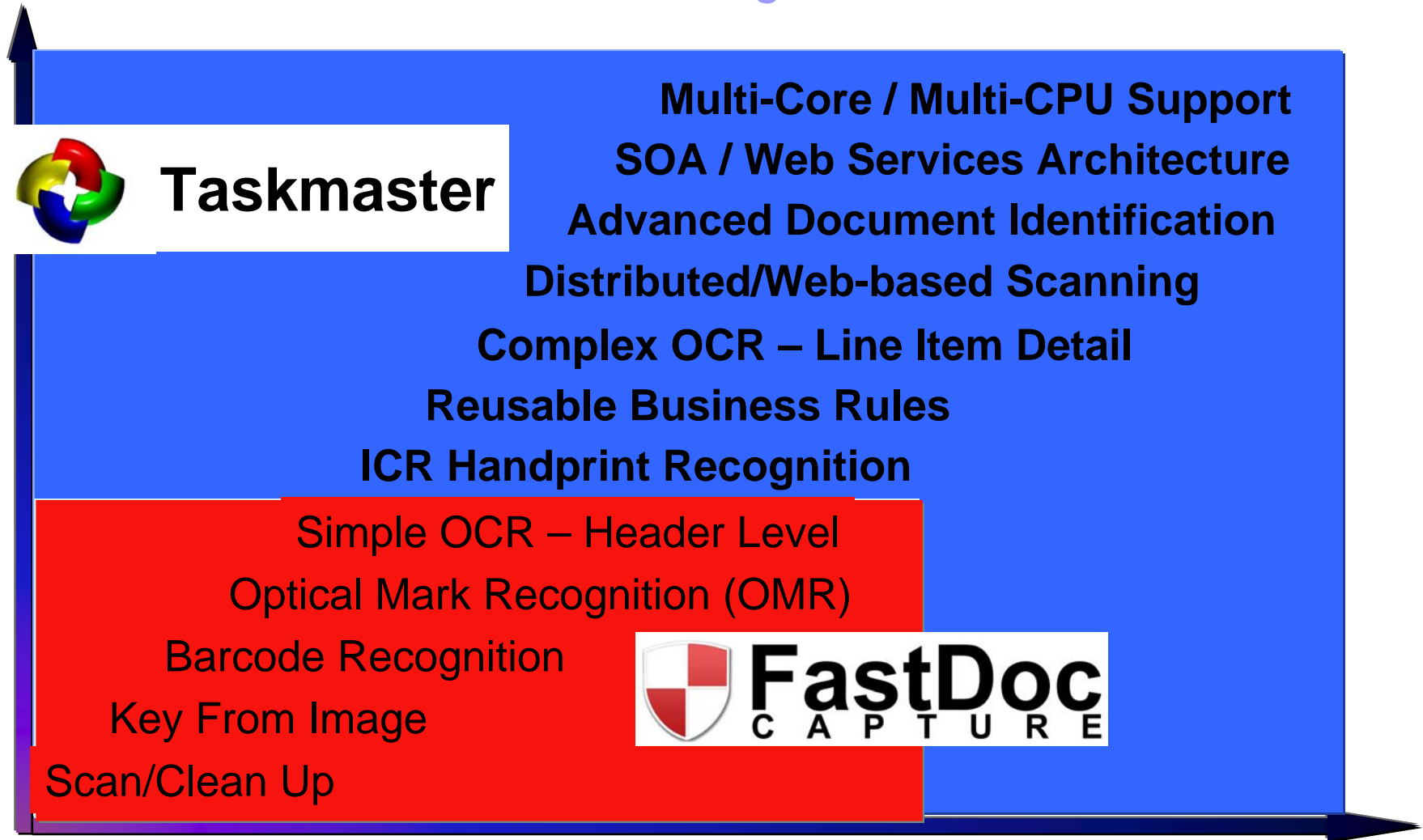
Taskmaster Components for FileNet Capture

- Installs and registers automatically
- Launches from toolbar
- Runs unattended in Capture Path, in AD Hoc mode, or in custom application
- Returns index data to BES (FileNet IS) and Shared CE (P8)



Product Fit Within The Value Progression

Value / ROI



Taskmaster

Multi-Core / Multi-CPU Support
SOA / Web Services Architecture
Advanced Document Identification

Distributed/Web-based Scanning

Complex OCR – Line Item Detail

Reusable Business Rules

ICR Handprint Recognition

Simple OCR – Header Level

Optical Mark Recognition (OMR)

Barcode Recognition

Key From Image

Scan/Clean Up



FastDoc
C A P T U R E

Capabilities and Sophistication

Current Taskmaster Integrations With IBM

- **Datacap has release actions for IBM CM8**
 - Tight integration of images and data
 - Proven applications for Insurance and Government
- **Many Installations with FileNet**
 - Insurance
 - Government
 - Publishing
 - Financial
 - Healthcare
- **Taskmaster Components for FileNet Capture**
 - Insurance
 - Government
- **Capture for iSeries**
 - Retail
 - Accounts Payable
 - Insurance

Product Demonstration
Tom Simalchik
Datacap Product Marketing Manager

- Taskmaster APT