



BUYERS LABORATORY INC.

Solutions Report

A Buyers Laboratory Document Imaging Software Assessment

FreeFlow SMARTsend Pro v1.0



Overall	★★★★★
Ease of use.....	★★★★★
Compatibility.....	★★★★☆
Documentation	★★★★☆
Dealer Training and Support.....	NR*
Customer Training and Support	★★★★☆
Upgrade Path.....	★★★★★
Ease of Integration.....	★★★★☆
Security	★★★★★
Global Business Readiness	★★★★★

* Not rated, see report.

SOLUTIONS

Overview

FreeFlow SMARTsend is a server-based workflow solution for Xerox multifunctional products and Internet fax devices that converts paper documents into electronic files and routes them to multiple destinations.

Documents can be sent to e-mail addresses, network folders, NetWare folders, Exchange 2000 Web folders, URLs, FTP servers and remote printers. It integrates with DocuShare, Domino and Domino.Doc, Microsoft SharePoint 2001 and 2003, and a variety of other third-party solutions (not included). Commonly used e-mail addresses can be accessed directly from a user's global address book.

Two versions of SMARTsend are available. SMARTsend Pro comes with ScanSoft's OmniPage OCR, which makes it easy to convert scanned pages into text-searchable documents, and PaperWare, an application that produces preprinted routing sheets that enable users to easily change workflow destinations at a device and enables SMARTsend to be used at non-Xerox MFPs with Internet fax capability. SMARTsend, the entry-level solution, does not include OCR or PaperWare, but offers all other capabilities.

Both applications allow indexing information (metadata) to be added to a document for easy retrieval, and e-mail or printed delivery notifications can be set up to automatically inform users when their documents have been distributed.

Unlike most MFP solutions, which require dealer installation, SMARTsend is designed to be installed by the customer, although Xerox installation, configuration and training are available for an additional fee.

Because a standard Web browser (Microsoft Explorer, Netscape Navigator or Mozilla 1.6) is used to access SMARTsend, users can interact with the application and create and manage workflow without any



Overview *(cont)*

additional client software. This enables organizations with multiple operating systems (Macintosh, Windows, Linux, etc.) to use the product from any desktop.

While Xerox recommends a dedicated Windows 2000 or 2003 server to avoid potential software conflicts, SMARTsend will work on a shared server. This makes the product completely scalable and even more affordable for organizations with modest scanning requirements.

SMARTsend Pro works with more than 40 Xerox scan-enabled devices including WorkCentre Pro (color and monochrome), Document Centre, Xerox 4110 copier/printer, and WorkCentre M20i, M118i and M24 via Internet fax or e-mail. Other scan-equipped, Internet fax devices can use SMARTsend with the PaperWare routing sheets.

Product Profile

Product: FreeFlow SMARTsend Pro 1.0.

OEM: Xerox Corporation; Stamford, CT.

Software Developer: Xerox Corporation; Stamford, CT.

Test Configuration: BLI reviewed SMARTsend on a Xerox WorkCentre 275 multifunctional device with a link to FreeFlow Scan to PC Desktop, DocuShare and a remote printer.

Supported Devices: More than 40 scan-enabled Xerox devices including WorkCentre Pro (color and monochrome), Document Centre, Xerox 4110 copier printer and WorkCentre M20i, M118i and M24 via Internet fax or e-mail. Other OEM devices are supported via Internet fax with PaperWare routing sheets.

Suggested retail price: SMARTsend (without OCR and PaperWare) \$1,500. SMARTsend Pro (with OCR and PaperWare) \$4,500 (supports five MFPs). Additional MFP devices: five, \$500; 15, \$1,150; 50, \$2,500. SMARTsend supports up to 250 MFPs.

Programming Language: Microsoft.NET, C++.

What We Thought



SMARTsend Pro is a cost-effective, server-based workflow solution that enables paper documents to be converted into electronic images, and routed to a variety of destinations.

The solution is customizable, scalable and easy to use. The fact that it can run on a shared serv-

er makes it affordable for organizations of all sizes. Many other solutions are priced similarly, but when you add a dedicated server, their price rises considerably. A five-MFP SMARTsend Pro license is \$4,500, while a 250-MFP license is \$12,500. Because the application uses a standard Web browser, no additional client software



is needed and an unlimited number of users can connect to SMARTsend. The application can be accessed from anywhere on the network, or remotely if desired. The solution is very flexible and users can share all or some their workflows, or keep them private.

As SMARTsend is not sold through the dealer network, users must either install the application themselves or pay Xerox an additional fee for setup. Xerox says that while installation is fairly straightforward, some technical skills are required, and that this task is normally performed by the network administrator. Users with an annual contract can call the Welcome Center for assistance.

While installation is generally straightforward, BLI recommends that organizations purchase the Xerox maintenance contract (\$1,140 annually for SMARTsend Pro, \$360 for SMARTsend—regardless of the number of devices connected to the server), as support issues are a common occurrence with most software products. At first glance the contract appears to be competitively priced, but when you consider that it includes not only 24-hour Level 1 telephone support (a rarity in the industry), but also version upgrades, it represents one of the best bargains in the industry. Apart from the relatively long waits to reach a Level 2 service engineer, BLI is impressed with Xerox's support options.

Documentation is available both online and in PDF format. While straightforward and relatively easy to follow, it is very text-heavy. BLI likes documentation with illustrations and screen shots, as it is much easier to follow. Graphics would be particularly useful with SMARTsend, as the application is designed for self-installation.

SMARTsend Pro is easy to use. After the application is installed on the server, users can easily create new workflows at their PC. All they have to do is open their Web browser, choose the appropriate destinations, name the file, chose a file format, define any indexing information (metadata), determine how they want to receive

a confirmation (e-mail or printed), decide if the workflow is private or public and send it to a device or devices. Wizards automatically walk the user through each step. Some solutions require IT administrators to create, update and maintain workflows.

A user can also decide how long the workflow will be active, enabling it to be automatically archived when it expires or is not used. Archived workflows can be easily reactivated at any point. This feature minimizes the proliferation of workflows on the MFP user interface.

Users can also create a PaperWare routing sheet if the workflow will be used at an Internet fax device, or if destinations need to be changed at the MFP. A PaperWare routing sheet is a hard-copy page that lists all available destinations in checkbox format. These routing sheets are typically printed in advance and given to the person performing the scanning.

At the device users can select a workflow from a pull-down list or choose the PaperWare button on the touchscreen. Should they choose the PaperWare option, they check the appropriate destinations on the preprinted PaperWare routing sheet, place this page on top of the documents to be scanned, put them in the document feeder and push start. The documents are automatically routed to the selected destinations. This also enables batch scanning as the user can layer multiple PaperWare jobs in the MFP's document feeder and send them all with one push of the start button. If they want a fresh copy of the PaperWare routing sheet for later use, they check the "Fetch This Form" box on the old PaperWare routing sheet and the device prints out a clean copy .

To choose a workflow from the pull-down list at the device, a user selects the Network Scanning tab and a list of available workflows appears. They then select the appropriate workflow, place their documents in the feeder and push start. The documents are automatically routed to all destinations in the workflow. If indexing metadata is required, a screen pops up on the



What We Thought *(cont)*

device's control panel asking the user to enter this information.

Once a workflow has been created, it can be used over and over again at all enabled devices using either the pull-down list or the PaperWare routing sheets.

BLI is impressed with SMARTsend and has no hesitation recommending it to organizations looking for a scaleable, cost-effective workflow solution that is easy to install and use. SMARTsend is backed by Xerox, a respected, well-established company with a history of innovation. Organizations looking for an easy-to-learn, all-in-one solution that works for both small and large enterprises, should definitely consider SMARTsend.

Ease of Integration ★★★★★☆

SMARTsend integrates with: e-mail servers, CentreWare Internet Services; FreeFlow Scan to PC Desktop; Xerox DocuShare 2.x, 3.x, 4.x; standard FTP server; network folders, NetWare folders and Microsoft Exchange 2000 Web folders; Microsoft Sharepoint 2001 and 2003; Domino and Domino.doc, and solutions from various Xerox Business Partners such as Captaris Rightfax. Xerox's professional services division will write links to specialized programs for an additional fee.

While SMARTsend does not currently offer native API integration into as many applications as either GlobalScan or eCopy, it can link to most major applications via folders. Xerox indicates future versions of the product will include significant expansion in this area.

Compatibility ★★★★★☆

SMARTsend integrates directly with more than 40 Xerox MFP's including the WorkCentre Pro 232/238/245/255/265/275, WorkCentre Pro 32/40, WorkCentre Pro C2128/C2636/C3545, WorkCentre Pro 35/45/55, 65/75/90, WorkCentre Pro 165/175, WorkCentre Pro 123/128,

Document Centre 555/545/535, Document Centre 490/480/470/460, Document Centre 440/432/425/420, Document Centre 426/430, Document Centre 265/255/240 and the Xerox 4110 Copier/Printer. The professional version will also run on the WorkCentre Pro 685/785, WorkCentre M20i, M118i and M24 and other non-Xerox MFPs via Internet fax with the PaperWare cover sheets.

While PaperWare works with devices from other manufacturers with Internet fax, it is unlikely that any organization would purchase SMARTsend unless it was running Xerox MFPs or considering converting its fleet of devices to Xerox MFPs.

While Xerox recommends a dedicated Microsoft 2000 or 2003 server, SMARTsend will run on a shared print or file server. While Windows servers are the most common servers used by organizations, Linux is growing fast and Xerox should consider porting SMARTsend to this operating system.

Upgrade Path ★★★★★

SMARTsend is a scalable application that can be easily upgraded. The entry-level package (\$1,500 without OCR and PaperWare, \$4,500 with OCR and PaperWare) comes with a license for five MFPs, but this can be easily expanded to up to 250 devices. License upgrades are affordable (\$500 for five devices, \$1,150 for 15 and \$2,500 for 50). Customers can also upgrade from the entry-level SMARTsend, to the Pro version, which includes OCR and PaperWare, at any time. All workflows transfer intact. The solution runs on a Windows server and uses a standard Web browser, enabling workflows to be created and managed on most operating systems (Windows, Mac, Linux, etc.). SMARTsend supports an unlimited number of users and can be configured for remote access.

Because SMARTsend can run on a shared server, it is ideal for organizations that want a



scalable solution that is easily expandable. BLI likes the solution's scalability, although with server prices now at record lows, we agree with Xerox's recommendation and encourage buyers to purchase a dedicated server to reduce potential conflicts.

Security

★★★★★

SMARTsend uses the network's existing security features and offers a number of options including network authentication, 128-bit SSL data encryption, LDAP and Active Directory security. If network authentication is turned on, users must use their network password to access the application. This option enables users to decide which workflows they would like to be private or accessible to all network users.

Documentation

★★★★☆

SMARTsend's documentation is provided in searchable PDF format that can be accessed from the CD during installation or directly from the application after it's installed. Documentation is also available via Web download. The documentation is divided into four guides:

1. A two-page User Quick Reference sheet designed to get users up and running quickly.
2. A two-page Administrator Quick Reference sheet that provides basic configuration requirements.
3. A 78-page User Guide explaining the product in depth.
4. A 121-page Installation and Administration Guide designed for the network administrator.

The guides are available in English, French, Italian, German, Spanish, Brazilian Portuguese, Danish, Norwegian, Finnish, Dutch and Swedish. The SMARTsend user interface also supports these languages.

The SMARTsend User Quick Reference sheet is a useful cheat sheet that tells users how to create and publish a workflow, use a scan template, produce cover sheets, scan at an Internet

fax device and use scan to e-mail. While it is not difficult to follow, it is very text heavy; a few illustrations would be welcome.

Xerox said it made a conscious decision not to include graphics because SMARTsend's documentation is similar to that provided for its other software solutions such as DocuShare. The company said it routinely tests its documentation and has found its customers are satisfied with it.

Xerox's online support and FAQs are clearly written and easy to follow, but, like the documentation, lack illustrations and screenshots. BLI finds text-heavy sections hard to follow when installing software and likes easy-to-follow screenshots with instructions. This is a major concern, as the application is designed for self-installation. Better documentation would make users feel more comfortable with SMARTsend and reduce the number of calls to the support hotline.

Global Business Readiness

★★★★★

Xerox is well prepared to do business globally, with offices in more than 160 countries, although not all products are available in all countries. Each country's branch office has the flexibility to choose which products to offer in their region and markets.

At the moment, Xerox is selling SMARTsend in the United States, Canada and Europe, although it plans to add additional countries in the future. Xerox has made a major investment in the product and the fact that the company has produced documentation in a variety of languages, and that the user interfaces are also configurable in several languages, indicates that it is serious about selling SMARTsend internationally.

While BLI has not evaluated the support services offered in countries outside the United States, we are confident that Xerox has the resources to support dealers, agents and end users internationally when SMARTsend is launched in other countries.



Company Profile

OEM: Xerox Corporation; Stamford, CT.

Software Developer: Xerox Corporation; Stamford, CT.

Founded: Xerox began operations in 1906 in Rochester, NY as The Haloid Company. In 1961 it changed its name to Xerox Corporation. The company is ranked 132 on the Fortune 500 list.

2004 revenues: \$15.7 billion.

Employees: 58,100 worldwide, including 32,100 in the United States.

Availability: Xerox products are available worldwide. Products vary by region. SMARTsend is presently available in the United States, Canada and Europe.

Major Brands: CopyCentre, DocuColor, Document Centre, DocuPrint, DocuTech, iGen, Phaser, WorkCentre and WorkCentre Pro.

Major Products: Production- and office-level printers, copiers and MFPs.

Distribution: SMARTsend is sold through sales agents and directly by Xerox. The company plans to expand its distribution to VARs and dealers in the future.

Large clients: AT&T, Brooklyn Public Library, Cingular, City of Newark, Intercontinental Hotels, Kennedy Health Systems, Park University and Talbots.

Support: The Xerox Welcome Center is open 24 hours per day for Level 1 support. Level 2 support is available from 7 AM to 8 PM EST. Users under contract receive unlimited toll-free support.

The Market

MFPs have revolutionized the copier industry over the past few years. Digital copiers have reduced the costs associated with the distribution of paper documents without dramatically increasing a company's technology spending. Scanning to e-mail enables documents to be sent over the Internet, reducing or eliminating fax and overnight mail costs.

Motivated both by the need to comply with regulations such as HIPAA and Sarbanes-Oxley, and to improve efficiency and reduce costs, customers' interest in scanning and document management is on the rise.

Xerox's Services Group has revenues of more than \$3 billion annually, although most of this comes from the company's document management outsourcing business. Xerox Chairman and CEO Anne Mulcahy expects the company's value-added services to grow by more than 20 percent this year.

Xerox's transition from an office equipment manufacturer to a technology and consulting services company has been taking place for several years, and analysts say it is proceeding well. "They've done much better than I expected them to, frankly," said Amy Wohl, an independent industry analyst



who has followed Xerox for more than a decade. "They're still not an IBM, but they're not trying to be that broad. In some of the areas they're in, they're the only one in the market. They're quite serious in high-end paper-based content management."

Wohl said Xerox's biggest challenge is successfully marketing its products. "The real threat for Xerox is execution, and always has been. They've always been a technology leader."

According to Harvey Spencer, president of Harvey Spencer Associates, worldwide shipments of document capture software grew by 15 percent in the first quarter of 2005 over the same quarter in 2004. The document-capture consulting and analyst company reports that software sales revenue for the quarter amounted to \$211 million (based on end-user prices).

"The market is showing solid growth," said Spencer. "Interestingly, growth was higher in the European market than in North America, despite slower overall economic growth in Europe."

Xerox Office Group Vice President of Product Marketing, David Bates, says the capture and distribute market is growing rapidly and Xerox is well positioned to be a key player. Offices from small to large are looking for better ways to manage documents and critical information. Scanning is a key component of that.

"We've offered scanning on our multifunction systems since the late 1990s," said Bates. "We developed SMARTsend based on our experience and years of customer feedback. Customers have told us they want something that's easy to use, easy to manage and will scale as their businesses grow."

Market research firm IDC predicts that 67 percent of MFPs will be scan-enabled by the end of 2008, up from 42 percent in 2002. While scan to e-mail is currently the most common use for scan-enabled MFPs, IDC says 63 percent of companies with scanning operations feel that document scanning in offices and distributed work environments is critical. In addition, IDC found that 72 percent of medium-size and large companies with scanning operations agree that "paper-to-digital conversion processes must be integrated into back-end systems such as databases, ERP systems and document/content management systems."

The Competition

As in most industries, competition is intense with no one vendor offering the best solution. All MFP vendors offer their own solutions and many support several third-party offerings. OEM competition includes Ricoh's GlobalScan, Canon's Universal Send, Konica Minolta's DocuBreeze and HP's Digital Sending technology.

There are also several solutions vendors that compete with SMARTsend, including eCopy's ScanStation, OmTool's AccuRoute and multiple versions of NSi's AutoStore, which also work with Xerox MFPs.

Trying to compare solutions side-by-side is difficult as each product has its own distinctive features, capabilities and advantages. Users must determine their needs carefully as every product has strengths and weaknesses. Just because a software developer claims its product is designed for a specific market, does not mean it is the best solution for every company in that space.



Product Information

Product: FreeFlow SMARTsend Pro v1.0.

Operating Environments: Windows 2000 Server or Advanced Server, Windows 2003 server with ASP.net. Images can be accessed by browsers in a variety of environments. Windows users can use Internet Explorer or Netscape Navigator, Mac users have Netscape Navigator and Mozilla 1.6, while Mozilla also works with Linux and UNIX.

File Formats: PDF, Searchable PDF, JPEG, TIF, DOC, XLS, RTF, TXT and CSV.

Output Resolution: Programmable in SMARTsend and user definable at the MFP interface. Monochrome ranges from 100 to 600 dpi. Color is 150 to 600 dpi.

Minimum System Requirements: 1 GHz shared print or file server, 750 MB of free hard disk space, 512 MB of RAM, TCP/IP enabled. Shared Windows 2000 Server or Advanced Server with all critical updates and Internet Information Services (IIS) 5.0+ installed.

Shared Windows 2003 Server or Advanced Server with ASP.Net enabled, all service packs and critical updates and Internet Information Services (IIS) 5.0+ installed.

Recommended System Requirements: Dedicated server-class hardware or dedicated PC-class hardware with 750 MB of free hard disk space, 512 MB of RAM, TCP/IP enabled.

Document Cleanup: While no document cleanup software is included with SMARTsend, users can purchase the optional FreeFlow Scan to PC Desktop software if these functions are required. ScanSoft OmniPage is the OCR engine.

Integration: SMARTsend can integrate documents with ODMA-compliant applications such as document management systems. Users can create searchable PDFs and distribute documents using 128-bit encryption.

Image Size: The size of each file is dependant on the MFP and the output format selected (high compression, JPEG compression or standard compression). LZW, Flate, JPEG, JBIG2, G3 and G4 compression are offered.

Installation: While Xerox can install SMARTsend for an additional fee, the company designed the solution to be installed by the customer's network administrator. During the installation process, users under contract can call the Welcome Center for assistance. Users not under contract are able to access the company's online support pages.

Maintenance contracts for SMARTsend Pro are \$1,140 per year. Contracts for SMARTsend are \$360 annually, regardless of the number of devices connected to the network. The contracts include unlimited telephone support, maintenance patches and all version upgrades. Xerox offers onsite visits for installation and difficult problems for an additional fee.

Updates: Xerox plans to offer major upgrades to SMARTsend annually. Patches will be issued as needed. Customers under contract receive updates, patches and new versions of the solution with their maintenance agreement.

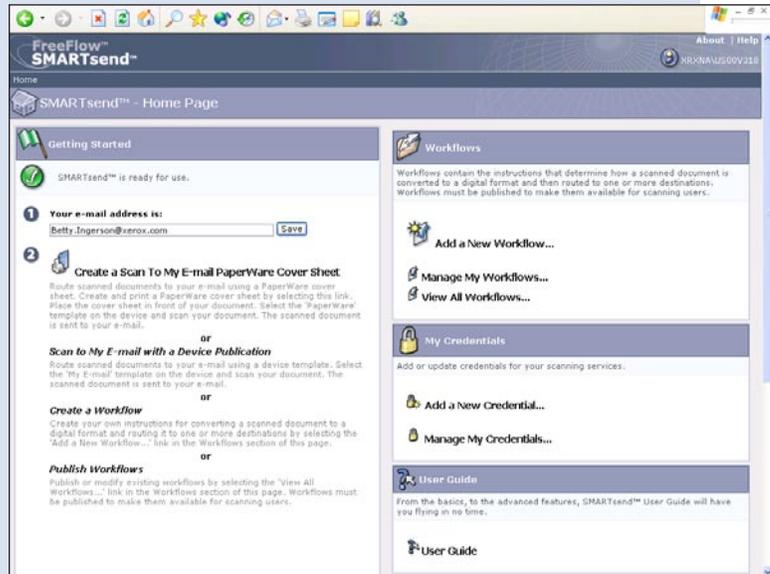


Ease of Use



The steps below show how to use SMARTsend.

A user can create and manage scan workflows, enter security information and access the user guides from any location using most standard Web browsers and virtually any operating system.

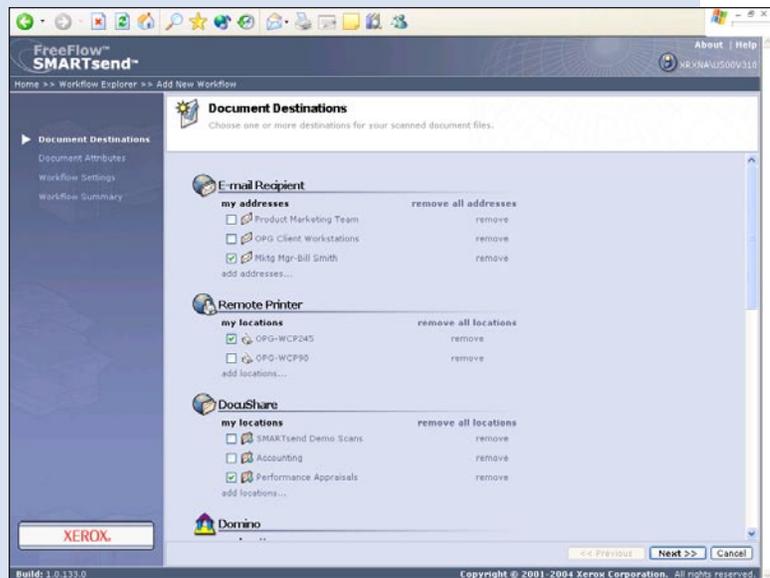


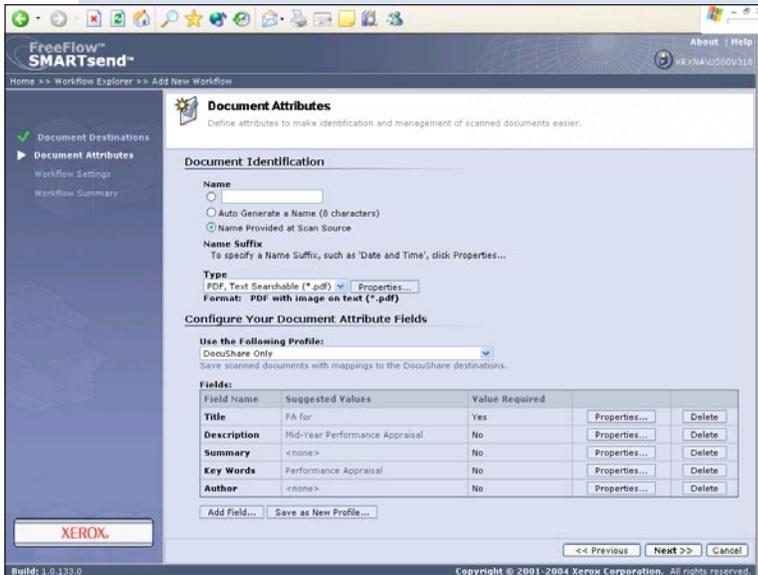
CREATING A WORKFLOW

Creating a workflow is easy as wizards walk users through the four easy steps.

Select the Document Destination(s)

1. To create a workflow, users log into SMARTsend and select the destination(s) they wish to have their documents sent to. Destinations include e-mail addresses, scan to FTP sites, network folders, NetWare folders, Microsoft Exchange Web folders, URLs, remote printers and DocuShare, Domino, Domino.Doc and Microsoft SharePoint Portal 2001 and 2003 repositories.





Choose Document Attributes

2. A user names the file, chooses a format and adds the indexing information (metadata) that they want to accompany the file. OCR is offered, along with more than 20 document and file types including TIFF, JPEG, searchable PDF, Word, Excel, TXT, HTML, etc.



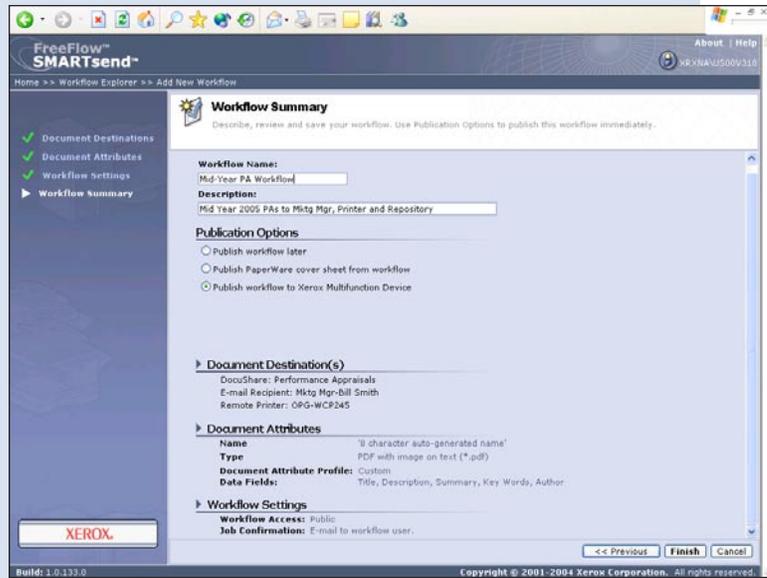
Define Workflow Settings

3. The user selects how, or if, they want to receive a confirmation (e-mail or hardcopy at the device), and whether their workflow is public or private. If private is selected, only the person who created the workflow can use it.



Create a Workflow Summary

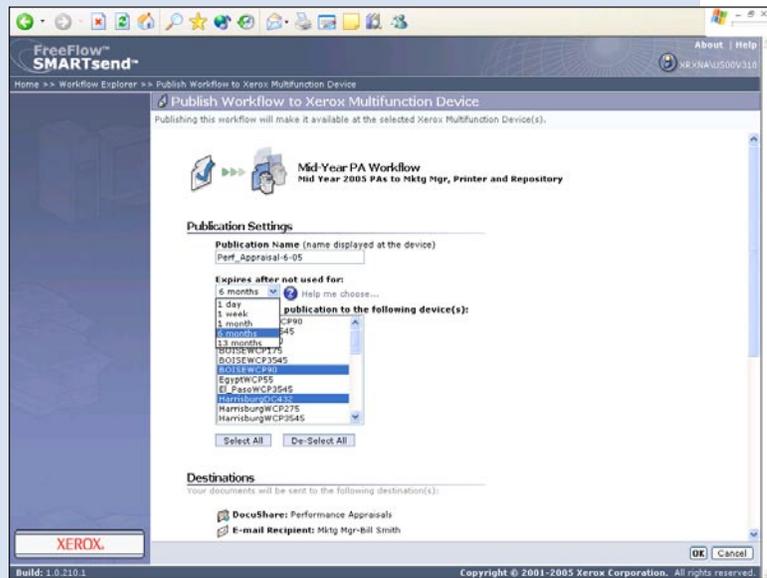
- The user names the workflow, gives it a description and decides how to publish it. It can appear at one or more Xerox multifunctional devices or users can create a PaperWare routing sheet if the documents will be sent via Internet fax or if the list of recipients is changeable. A summary is created which can be easily changed.

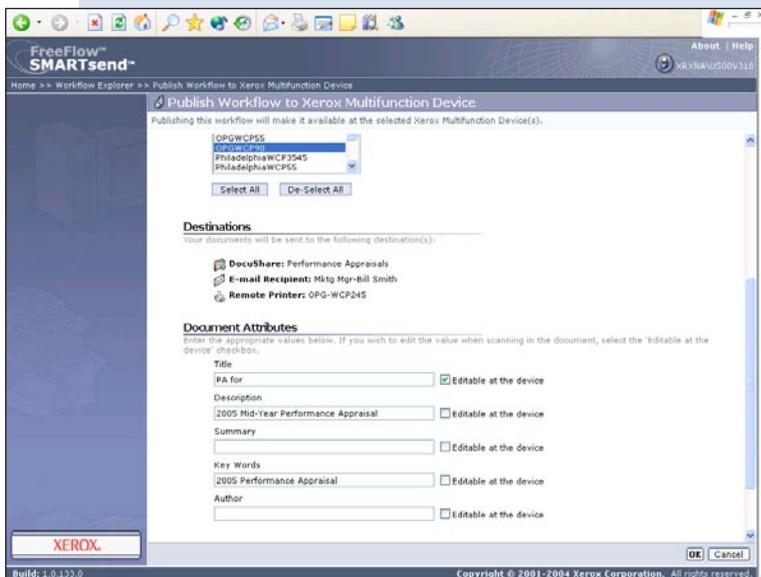


Publishing a Workflow to a Xerox Multifunction Device

- Once a user has created a workflow, it can be published to one or more SMARTsend-enabled MFPs. The user selects a name for the workflow which will be displayed at the MFP, sets an expiration date and chooses the MFP(s) where the workflow will be used.

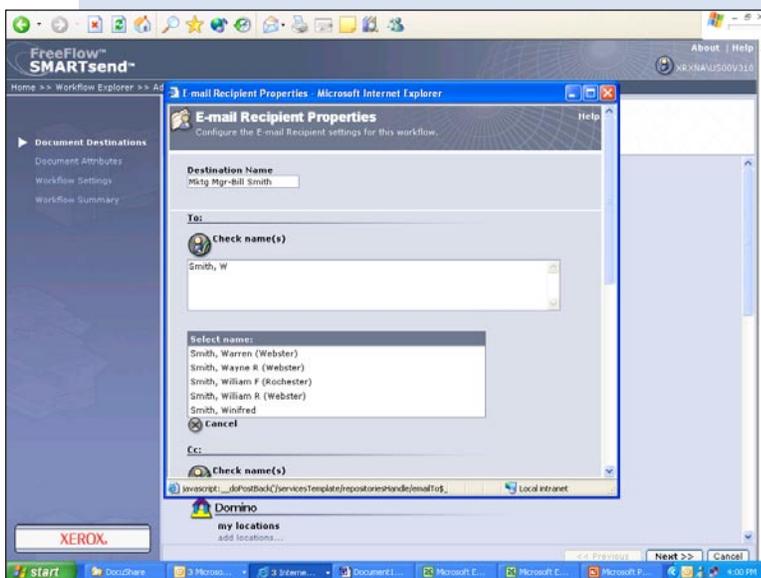
Setting an expiration date automatically removes workflows from the MFPs if they have not been used within the specified time. The workflows remain in SMARTsend and can be reused.





2. The bottom of the page shows the destinations and lets the user decide if the indexing information (Document Attributes) will be editable at the MFP. In this example, only the "Title" field can be editable, and as a result, none of the other fields will be displayed at the MFP: the data in the other fields will accompany the scanned image to each destination.

To send the workflow to the specified device(s), the user simply clicks "OK" at the bottom of the screen.



Adding E-Mail Addresses

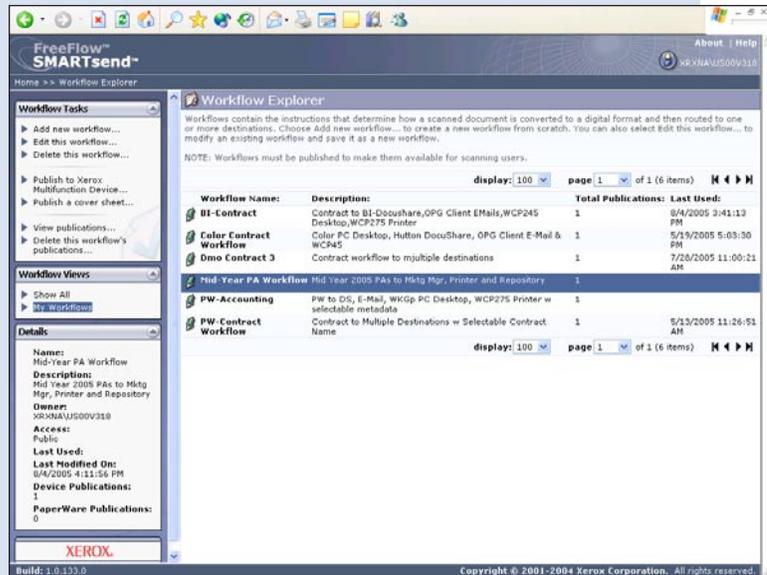
To add addresses or distribution lists, the user clicks on "Add Addresses." A pop-up screen appears and the user simply adds e-mail addresses in the "To:" box. If the system administrator has set up an address book, names appear as a user types the first few letters of the name. After the addresses are added, the "Check Names" button is clicked and a list of names is displayed. Additional addresses can also be added at any time.

If the document will be stored in a repository such as DocuShare, a URL link can be created, eliminating the need to send the document across the network.



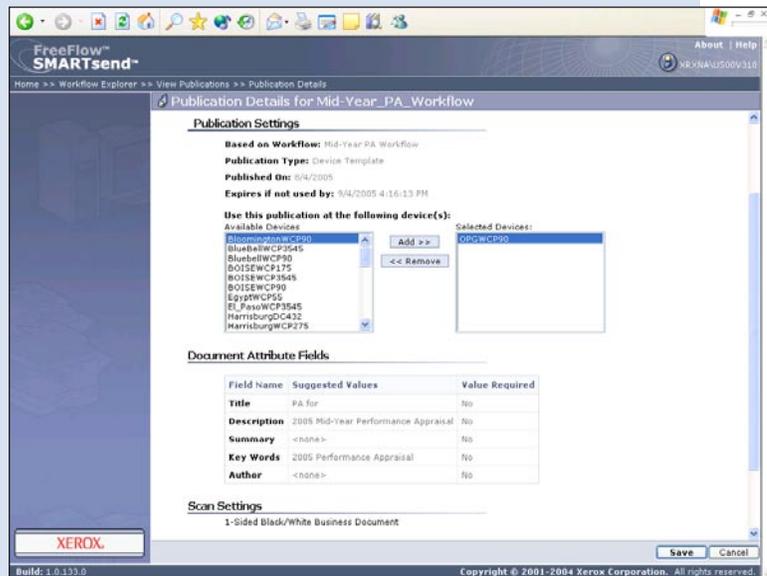
Managing Workflows

Users manage their workflows in the Workflow Explorer Screen. This screen shows the user all of the workflows that they have created, how many times a workflow has been used (to devices or as a PaperWare routing sheet) and the last time the workflow was used. Workflows can be added, edited, deleted, sent or removed from other devices.



Managing Changes

After a workflow has been published on an MFP or group of MFPs, users sometimes want to add it to other MFPs. To do this, the user clicks "View Publications" and the screen to the right appears. The user selects "Available Devices" and adds or removes devices. When the Selected Devices column has the appropriate devices in it, the user selects "Save." SMARTsend then sends the workflow to these devices.

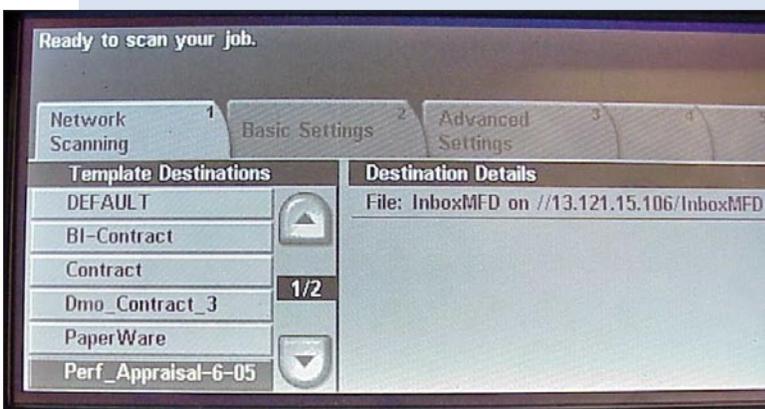




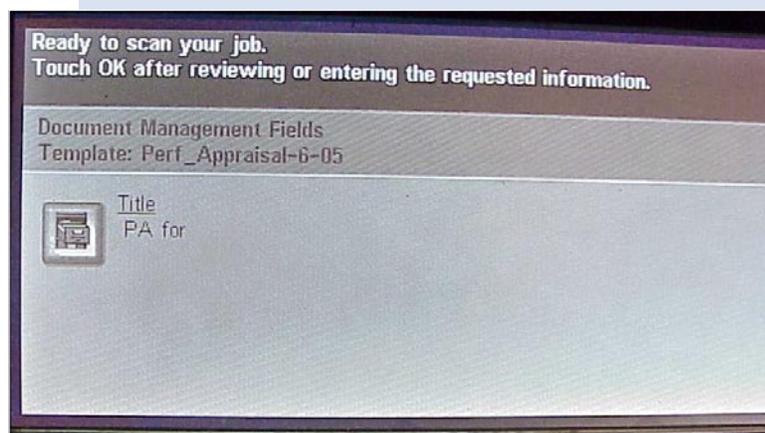
USING A WORKFLOW AT THE MFP



1. At the MFP a user selects Network Scanning from the device's touch screen.



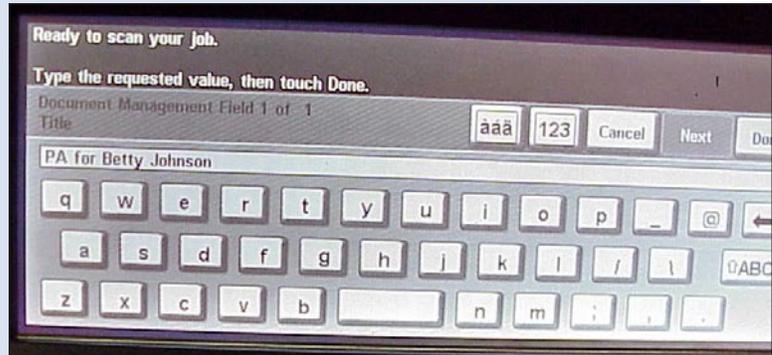
2. The user selects the appropriate workflow from the list. In this case Perf-Appraisal-6-05.



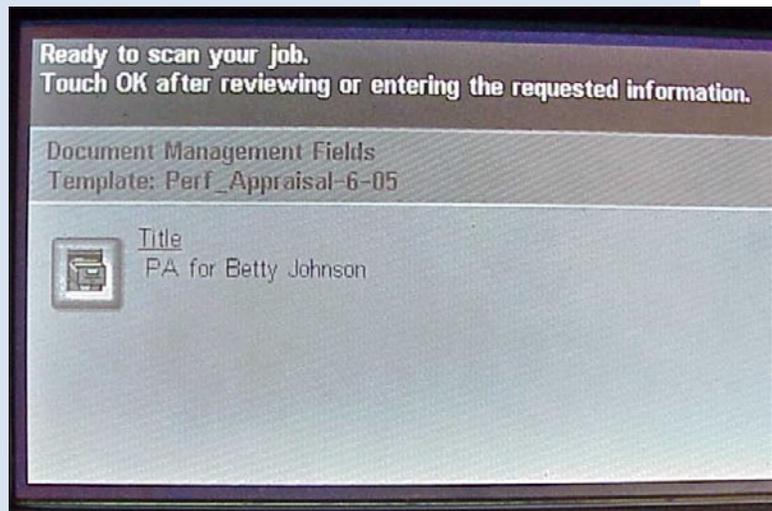
3. The user enters any information needed. In this case, the document to be scanned must be given a name. The user presses the "Title" button.



4. A keyboard appears and the document to be scanned is given a name. In this case it's PA for Betty Johnson. After the information is selected, the user presses the "Done" button.



5. The Document Management Fields screen appears showing the title of the document to be scanned, in this case PA for Betty Johnson. If the entry is not correct, the user presses the "Title" button and retypes the information. If it is correct, the user selects "OK."



6. The user then loads the documents to be scanned in the document feeder on the MFP and presses the green "Start" button on the device. The scanned images are then sent.





Product Support

Many companies offer great solutions but fail miserably when it comes to product support. Xerox support is impressive; customers under contract receive unlimited, live 24-hour Level 1 toll-free telephone support from the Welcome Center. This is particularly noteworthy, as many manufacturers are reducing their customer support hotline staff, restricting hours and moving customers towards cheaper, Web-based alternatives. Xerox offers online and telephone support.

The Welcome Center is staffed by customer service representatives (CSRs) who handle Level 1 inquiries, which currently represent more than 33 percent of all calls, from the FAQs and documentation. Should they be unable to solve a problem, the issue is escalated to a Level 2 or Level 3 engineer. If the problem is still not solved, the issue is sent to the engineers that developed SMARTsend. Xerox expects the number of inquiries referred to a Level 2 or 3 engineer to drop as the product matures.

Level 1 problems are general how-to questions, Level 2 issues deal with advanced features or problems and Level 3 issues generally require research and investigation.

Dealer Training and Support (not rated)

SMARTsend is available from sales agents and directly from Xerox. While the company plans to roll it out to its dealer network in the future, this has not yet happened. As a result, all technical support is handled by Xerox directly. This is a very different model than that used by many other OEMs who advise their customers to contact their dealer. As a result, BLI has not rated Xerox dealer support.

Direct sales representatives and agents are required to complete 2½ hours of online training before selling SMARTsend. This training is broken into several modules including a product overview, market data, product value proposition, customer benefits, positioning (including competition and comparisons with older Xerox scanning products), and information about assessing customer needs.

Office solutions specialists, who support the direct reps and sales agents, receive both hands-on and in-depth technical training. Ongoing training includes monthly Webinars for sales reps and customers, which include a live product demonstration and call in session. Sales managers are given card decks to reinforce the online training at sales meetings and conferences.



Customer Training and Support



Customers who contact Xerox for support do not immediately reach a support engineer, but a CSR who has been trained to handle Level 1 issues. While users may initially feel concerned, all of the CSRs we spoke to at the 24-hour Welcome Center were able to handle or redirect all of the issues we raised.

We called the Xerox Welcome Center 10 times per day for three days. An automated voice prompt asks users to give either the product's serial number or to say "application." After saying "application," we were placed on hold for a various time periods ranging from 30 seconds to six minutes (the average being under two minutes) before being connected to a live representative. BLI considers these hold times reasonable.

BLI found the representatives helpful, anxious to please and able to answer simple questions—if they were already in the database. As the product is so new, the database has only a limited number of questions and answers, but this will grow over time.

If the CSR can not find the answer, the call is transferred to a Level 2 engineer. Support hours for Level 2 engineers are 7 AM to 8 PM EST. Trying to reach Level 2 support is more time consuming. After the CSR spent 10 minutes researching our questions (we were pleased with the effort expended), we were transferred to Level 2 where we were placed on hold for various time periods ranging from 23 to 35 minutes—an unacceptable period of time in our view. However, when we spoke to an engineer, we were given the correct answer very quickly.

BLI feels Xerox offers good Level 1 support, but is concerned about Level 2. Our concern is twofold: dealer support is not offered, making OEM support the only option available; and, as the solution is designed for self-installation, users could be spending long periods of time on hold as issues arise. While online support is available, it is limited and users are not given an easy "e-mail us" option.

Users can opt to have Xerox install the product and provide training for an additional fee. Customized, on-site, high-value customer training can also be purchased from Xerox for customers with specific needs.

The Future

Agents

Xerox is using a different model to sell SMARTsend than most other manufacturers. Instead of offering the solution through its dealer network, customers can only purchase it directly from Xerox or through authorized sales agents. Sales agents sell a variety of Xerox products on commission and advise customers to refer all their technical and support issues directly to Xerox.



While this model is sound, Xerox must ensure that customers with support issues are able to obtain Level 2 support without a long wait. When Xerox begins selling SMARTsend through the dealer channel, it should seriously consider allowing its dealers to support customers who purchase the solution from an agent.

SMARTsend is a solid product that offers agents an opportunity to expand their business by moving into a new area that will grow rapidly over the next few years. Agents who continue to sell only hardware, will find it harder to do business in the future, as customers look for agents and dealers who offer a full range of products and services.

While the solutions market is growing, it is still small, and hardware and supplies will continue to make up a large percentage of every agent's business for the foreseeable future. BLI feels the only way agents will succeed in the long term is by embracing change and moving their businesses into the solutions arena. As MFPs become more network centric, customers are likely to bypass agents and dealers who do not offer a full range of solutions and patronize those businesses that offer a complete one-stop service.

Users

Multifunctional machines have become ubiquitous over the past few years as prices have fallen to the point where even the smallest company can afford to purchase at least one device. Despite the widespread use of these machines, and the huge productivity improvements they offer, very few users are currently taking advantage of all of the advanced functions.

While a shift is occurring, there are several reasons why solutions have taken time to gain momentum. The first was the inability of companies to offer comprehensive support. This is changing as both software vendors and OEMs improve their training programs, offer better support options and begin to aggressively market their products.

Another was the cost. In the past, many solutions were difficult to implement, required expensive hardware and did not link into many back-office applications. Users were worried about being locked into a single vendor for a long period of time. SMARTsend users no longer need to be concerned about this as the application requires only a Web browser to view workflows, and documents are stored in their original native formats, enabling them to be readily accessed from any back-end application.

Xerox

SMARTsend is an affordable solution that has the potential to generate new customers and further increase Xerox's visibility in the marketplace. Xerox has been an innovator since the company was founded, and the decision to develop its own solution is solid.

Xerox has realized that more and more hardware sales are being driven by solutions and SMARTsend is designed to help the company take advantage of this trend and sell more hardware. But Xerox has also realized that SMARTsend is not the only solution available on the market, and has partnered with many other software developers such as OmTool and NSi to make their products available on the Xerox platform.



Customers can purchase an all-in-one hardware and software solution from Xerox, or they can choose an application from another vendor that will run on their Xerox hardware. While this strategy has considerable benefits, Xerox must ensure that its agents and salespeople are knowledgeable about all the options, or bring a technical person to each presentation.

Xerox has invested heavily in SMARTsend and has a great desire to see it succeed. While the MFP solution market is small, Xerox's decision to get in early with its own application should pay dividends as many organizations are looking for an easy-to-use application from an OEM with a proven record.

If SMARTsend is to succeed in the long term, Xerox must make it available through its dealer network and get the message out about the product. It must also ensure that all its employees understand the importance of solutions and actively recommend them to clients. Without widespread distribution, customers will not hear about SMARTsend and this product will face an uphill battle to succeed in an increasingly crowded marketplace.

How SMARTsend is Sold

SMARTsend is sold differently than most of the solutions BLI has reviewed. Currently it is only available through agents who sell the product on commission and directly from Xerox. BLI spoke to two Xerox agents and one Xerox representative: Garlock Office Systems, a \$750,000 agency in Batavia, NY, with three employees; Document Consulting Services, a \$4.5 million agency in El Segundo, CA with seven employees; and McLain Trombly, an office solutions specialist with Xerox, to see how SMARTsend is being sold.

"The document solutions market is a great area of opportunity at the moment," said Brett Butler, sales manager at Document Consulting Services. "We have found that many of our competitors are not actively trying to sell and educate their clients about solutions. This is a mistake because this is where the market is heading.

"While solutions comprise about 5 percent of our revenues, we anticipate double-digit growth every year. More than 87 percent of the units we sell are actually connected to a network and 53 percent of these are scan enabled. One reason for this is that we present SMARTsend to every prospective client and show them how it will streamline their workflow.

"One of the biggest differences between selling hardware and software is the purchaser. Because solutions have a much larger impact on a business, you often present to a much more senior person in the organization and have to show real benefits and savings."

Butler said it takes longer to sell a solution because you have to learn about the life cycle of a client's documents and the challenges it faces. "But when you do make a sale, you become a partner and an expert, instead of just another vendor. Because the customer relies on you for more than just supplies, they are much less likely to switch when they are offered a lower price. You no longer get into a rock fight over who can sell a 30-page-per-minute copier the cheapest."

With SMARTsend

"you no longer get into a rock fight over who can sell a 30-page-per-minute copier the cheapest."



“We concentrate on providing the best value, not the best price.”

“Selling the vision is as important as selling the solution,” according to Tim Garlock, president of Garlock Office Systems. “People are interested in scanning and the paperless office, but are still not sure exactly what is involved and how their business will benefit. SMARTsend bridges that gap. It makes it easier for us to illustrate the value of scanning and show them how Xerox products can bring value to their business.

“One of our clients is a school, and while they are just getting their system up and running, they are very excited about the possibilities. Apart from the benefits of having all their electronic documents stored in one place, they will save money on printing.

“Teachers are under a great deal of pressure and often make copies at a local copier at the last minute. Using local machines is costly and inefficient. With SMARTsend, a teacher can locate a previously scanned document on the network, make any changes and e-mail the final document to the copy center. This makes the teacher more effective in several ways. One, they don’t waste their time making copies. Two, the document is stored in the system electronically, so they don’t have to waste time looking for it again. And, three, they can share it with their colleagues easily.”

Garlock said that while solutions make up only 5 percent of his revenues today, he expects this market segment to grow in the future. “The only thing holding back the solutions market is price,” he said. “Solutions offer great productivity gains, but they are still relatively expensive. If prices continue to fall, they will take off in a big way.

“We love solutions because they set us apart from the competition and make us an even greater part of our clients’ business. While some clients are only concerned about price, most look at the big picture. The more we can do for clients, the less concerned they are about the initial price.”

McLain Trombly, Xerox’s office solutions specialist, public sector operations for New York and New England, said 80 percent of the clients she approaches are asking about solutions, but many are not yet prepared to make a purchase because they are not fully convinced of the benefits.

“This is where the salesperson has to do their homework,” she said. “You have to show them the possibilities and the benefits. This is essential because the market is changing rapidly. While the number of copies being made is declining, the number of scans and prints being made is increasing. Customers are moving from the print and distribute model, to the distribute and print model. If you want to take part in this revolution, you have to sell solutions.

“Customers are interested in solutions, but they’re also a little concerned. You have to paint a picture, put their mind at ease and show them how solutions let them do more with less. Trombly said when it comes to selling solutions, a salesperson has to listen to the client, understand what they are trying to achieve and talk to a lot more people, including IT. “Salespeople are often scared of IT because they ask a lot of very technical questions. If I know IT will attend the presentation, I bring along a technical person who can answer all their questions. Getting IT’s support is critical because if they’re behind you, it’s a lot easier to make the sale. It also ensures that the client gets the best solution for their needs and eliminates many of the technical issues that can arise later.”



SMARTsend Helps Bureau Bid Adieu to its Filing Cabinets

When people think of Atlanta, they think of CNN, Coca-Cola and conventions. Convincing companies to hold conventions in Atlanta is the job of the Atlanta Convention & Visitors Bureau (ACVB), a \$15 million non-profit organization with 79 staff members that was established in 1913 to market metro Atlanta and Georgia.

The tourism and convention business has been booming in Atlanta and the city now receives more than 19 million visitors annually, making it one of the top five places in the country to hold a convention. But, everything has a cost—for the ACVB it was a huge increase in the number of filing cabinets needed to store its documents.

“Originally, all our files were stored in one large room,” said Charles Jeffers, ACVB vice president, membership and technology. “But things got out of control and we had filing cabinets taking over our hallways. We knew things were not going to get better.”

In early 2004 the bureau realized that something had to be done. Jeffers, along with Kristen McMahan, the ACVB’s controller and director of administration, started looking at alternatives and quickly decided that the best way to improve efficiency and productivity was to install a scanning and document management solution.

“We looked at several alternatives and Xerox was the only company that could meet all our requirements,” said Jeffers. “While the solution had to be affordable, scalable and easy to use, it also had to work with our existing MFPs. Xerox had a slight advantage because we had been using their MFPs for years, but they also led in several other areas including scalability and price.

“Some of the solutions did what we wanted, but they weren’t that easy to use. Others were easy to use, but were too expensive. SMARTsend was not only priced competitively, but it was very scalable—we really liked the fact that it could run on a shared server because it meant we didn’t need to buy any additional hardware.”

Jeffers said that despite the fact that SMARTsend met all of the ACVB’s requirements, there was one major problem—it had not yet been released and the bureau was anxious to upgrade its paper-based systems.

“Xerox agreed to give us a beta version of SMARTsend and let us test it,” Jeffers said. “We were a little concerned, but Xerox put us totally at ease and agreed to place two software engineers onsite to handle any support issues that might arise.

“We installed SMARTsend on one network-enabled MFP and used it to process our invoices. While the solution wasn’t perfect, our staff loved it. This was pretty impressive because the solution was still in beta and there were some minor issues that needed to be resolved.



“Xerox was great to work with. Every time we raised an issue with one of the engineers, they tried to come up with a solution. If they couldn’t devise one, they referred it to their development team in Rochester. At the end of the trial period, we bought the solution and installed it on our other MFPs.”

All of the bureau’s 79 employees now have access to SMARTsend and can scan documents directly to their desktops, to other users’ desktops and to back-office applications such as DocuShare.

“Our finance department thinks SMARTsend is the best thing since the calculator was invented,” says Jeffers. “After we installed the application, we scanned all of our financial records back to the beginning of 2004 and indexed and OCRed them to make them instantly accessible.

Our finance department

thinks SMARTsend is the best thing since the calculator was invented.

“Now, when somebody calls about an invoice, we can locate it quickly and give them all the data they need. In the past we had to go to a filing cabinet, search for the document, hope it had been correctly filed and call them back with the information. This was very time consuming and often required several calls if that person wasn’t available or if they needed more information. It has also solved our big problem—space. Since we no longer need to file paper, we don’t need to purchase any more filing cabinets. In the future we plan to place all our old records in storage and get rid of most of our existing filing cabinets.”

Jeffers said SMARTsend automated everything and eliminated misfiling because staff used the PaperWare routing sheets to route everything directly to the correct destination. Metadata can be automatically entered, and since the entire document is OCRed, a user can search every item in every document to locate the information they need.

“SMARTsend is simple to use. All a user has to do is place a PaperWare routing sheet in front of their documents and load them into the document feeder. The documents are then sent to the required destinations automatically. “While we installed SMARTsend to improve productivity in the accounting department, our employees are constantly finding new uses for it. Some of them are scanning entire RFPs and correspondences into their computers and storing everything electronically. This is particularly useful when we respond to an RFP because we can keep all the documents together in an electronic format.”

Jeffers said the ACVB did not purchase SMARTsend to save money or reduce costs, but that the organization was probably spending less time making copies and he was sure that its copying bills would fall in the future.

“In the past, an RFP that needed input from several people was copied multiple times. Now it can be sent to everyone electronically and they can respond by e-mail, reducing the amount of paper that we’re using. I expect to get even greater efficiencies in the future as staff get used to the solution and come up with even more ways to use it.”

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