



Case Study Facts:

CLIENT:

Community
Business Lenders

DIGITECH SYSTEMS

RESELLER:

Imagetek

PROBLEM:

Needed to share documents between multiple credit unions

SOLUTION:

PaperVision®
Capture and
ImageSilo®

RECOGNIZED BENEFIT:

Information management and sharing has been streamlined.

Cloud Creates Unique Credit Union Business Model

Credit unions have regulatory limits on the size of business loans they are able to make. This limitation along with regulatory staffing demands, historically made it difficult for credit unions to offer business lending. Often they would need to refer business loan request to other financial institutions and in doing so frequently lost that member relationship. Community Business Lenders (CBLSC) was founded as a solution that would allow credit unions to compete in this market by participating in loan transactions. Multiple credit unions from across the state could pool their resources to fund business loans. Ginger Heckman, Manager of Business Development, came on board in late 2005. She commented, "Our CEO, Mark Kilian had already realized that the traditional method of delivering loan files to multiple participants just wasn't going to work. With so many parties involved, trying to do this on paper was going to be a logistical nightmare. He knew we needed a different system in place."

By using PaperVision Capture and ImageSilo, a cloud-based information management service (rebranded RADIX™ by Imagetek), they were able to create a completely paperless, flexible business from the very beginning.

The Situation

CBLSC was founded to provide Iowa credit unions with the resources and third-party support to offer member business loans to small business owners and individuals who are eligible for credit union membership. They provide services for underwriting, documenting, closing and servicing loans as well as facilitating loan participations.

Managing a business like this utilizing paper files would be impossible. Some loans have as many as 35 credit unions participating. Printing and mailing these documents would have been not only expensive, but time-consuming. Average loan packets total around 86,000 pages per year and given that on average loans have about 15 participants, they would need to print 1.29 million pages each year just to provide loan participants with paper copies. These paper files would then be subject to getting lost or misplaced and loan packets would take weeks to put together.

It became very apparent that setting up the business to be paper-free from the very beginning would save time, improve efficiency, and provide better security for sensitive information.

The Solution

CBLSC worked with Imagetek, a Digitech Systems reseller, to implement ImageSilo, which allows 24/7 access to all loan funding participants as well as credit union examiners and stores 123GB of sensitive financial records securely in the cloud. They chose PaperVision

Key Benefits

- Able to provide loans packets within 24 hours of loan close.
- Securely manage over 123GB of sensitive financial data in full compliance with GLBA.
- Saved over \$64,000 dollars by eliminating printing entirely.



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Capture to scan any paper and electronic documents they receive. ImageSilo stores and sends files to loan partners and they liked how they could customize ImageSilo to fit their needs.

Recognized Benefits

Today, there are 13 employees of CBLSC and 50+ credit union partners who may participate on the loans. Each of these businesses has secure access to their own loans through the system.

Thanks to ImageSilo, CBLSC is able to provide 24/7 access to loan files to the participating credit unions. Their goal is to have files uploaded and indexed within 24 hours of a loan closing allowing participants to review files from virtually any location. They continue to build that file as additional documentation comes in. They track property insurance, taxes as well as updated financial information on an ongoing basis. Heckman said, "Internally, our loan officers and underwriters access the loan files the most. When they are performing periodic reviews, they can see the tax and financial information right away and all documentation is in one location."

Credit unions handle sensitive customer data and are subject to strict financial regulations such as the Gramm-Leach Bliley Act (GLBA) and the European Union (EU) law called the General Data Protection Regulation (GDPR). Since CBLSC has been using ImageSilo for nearly a decade they have built their business in the cloud. This has given them a business advantage because they are able to prove the reliability and security of information access over competitors.

The money savings of running a business without paper is incredible. Heckman said, "It would cost us five cents per page when we were printing before." By simply not printing 1.29 million pages, CBLSC saves \$64,500 in printing costs each year. Not to mention the storage and postage savings.

By partnering with CBLSC, credit unions are able to increase their earning asset base, and strengthen their member relationships. In addition, credit unions can better serve their membership by offering member business loan products with the assistance of CBLSC. Credit unions can increase revenue without investing in additional personnel, software and capital expenditures of an in-house business lending department.

This business model has been so successful in Iowa, they are now branching out to other states. They have been working with REACH Business Lenders™ (RBL), in Wisconsin to provide the same back office, underwriting, documenting, and servicing support to the organization and the credit unions that RBL serves. There has been recent inquiries for further duplication of the business model by other states. One of the advantages that CBLSC was able to provide to RBL is the duplication of systems already in place. Imagetek assisted in replicating the ImageSilo model for use by the Wisconsin group allowing them to scan, index and upload documents on their behalf. This combined with other leverages CBLSC could offer, allowed the new company to hire minimal staff as they ramped up the business.

"I don't know that we could do the business we do without ImageSilo. The physical aspect of delivering what our partners need without the system would be impossible. After 12 years, other systems come and go, but we love our relationship with Imagetek. They are always right there for us."

- Ginger Heckman, Manager of Business Development

About Imagetek

Imagetek is a full-service provider and national leader in ECM. Today, Imagetek markets in 17 states and customizes software solutions for companies of all sizes in the government, banking and healthcare industries. With more than 400 customers and approximately 100 ImageSilo clients, Imagetek manages nearly 10 million documents on ImageSilo. To learn more about Imagetek's document scanning software, as well as their other products and services, visit their website at www.imagetek-inc.com or call 1.800.422.1330.