A Digitech Systems Case Study

Case Study Facts:

DIGITECH RESELLER:

Document Management Solutions

PROBLEM: Find an ECM software business opportunity with cutting-edge technology and a business model that supports reseller success

SOLUTION:

PaperVision® Enterprise and PaperFlowTM

RECOGNIZED

BENEFIT: Partnered with an ECM industry leader and built a \$3.5 million business from the ground up

Document Management Solutions Builds \$3.5 Million Company with Digitech Systems



After visiting an imaging company, Lindsey Smith recognized the market demand for document management and decided to start his own business. By 1997, Document Management Solutions (DMS) was a small, yet profitable imaging business operating out of Smith's basement. Selling imaging software, scanners and scanning services, his homegrown business had huge potential, but Smith felt he needed a better software partner—one with cutting-edge technology and a business model that would jump-start sales and further his success.

In 1998, Smith signed on as a Digitech Systems value-added reseller. Ten years later, DMS is a \$3.5 million business with more than one-third of its revenue generated from Digitech Systems' Enterprise Content Management (ECM) software sales.

Key Benefits

- Generated more than \$1 million in revenue from software sales
- Expanded into new markets and tripled ECM sales in one year
- Shortened sales cycles by 10 months
- Achieved 85% repeat business with reputable products and services

Business Goal

DMS specializes in digitizing documents for faster retrieval, increased control, decreased cost and safer storage. Located in Manchester, New Hampsire, DMS is dedicated to personal service and helping customers choose the right solution to meet their needs and reach their goals.

When Smith started looking for new business opportunities, he had several key criteria. He needed a partner that provided quality ECM products, the training needed to become a product expert and superior reseller support. "I was starting from scratch, so I needed a real partner—someone that would help me stay in business, not become my competition or start selling services directly," said Smith. The amount of time Smith can devote to sales is critical to business growth, so he also needed an easy-to-use product that customers could learn quickly. With a background in the healthcare industry, Smith was confident selling in that marketplace, but a product that would help him crossover into new markets would help DMS expand their customer base and increase revenue.

Digitech Systems Solution

"When I came across Digitech Systems, I was immediately impressed because they had both the ECM software and the business model I needed in a partner," said Smith. At the time, Digitech Systems was just a one-year-old company, but Smith was confident in the relationship, because he could see that Digitech Systems was committed to the same goals he was—training him and his team to be experts and providing personal support to help develop the business.

Since 1998, Document Management Solutions has been selling Digitech Systems software almost

exclusively. Not only do they use PaperFlowTM to convert their customers' paper documents into electronic images, but they sell the software to customers who want to implement their own reliable ECM system. With strong scanner equipment sales and scanning services, DMS uses software sales to create a comprehensive offering. The complete PaperVision® Enterprise product

"To this day, Digitech Systems' business model and opportunity is very unique in the imaging world. It's designed to make everyone successful—not just one side of the equation. It's very rare and so refreshing!"

-Lindsey Smith, President

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suite, including workflow and email management, further expands DMS' capabilities to help customers simplify electronic information management. Annual maintenance contracts, which ensure the latest product upgrades and features, help DMS form continuing customer relationships and secure ongoing revenue.

Business Value to Document Management Solutions

Today, DMS has 5,000 customers, and 75% of them use Digitech Systems' products. With user-friendly features and a price schedule that is affordable for businesses of any size, DMS finds it easy to partner with a single vendor and support all types of customers. "PaperVision Enterprise is appealing, because it's affordable. Plus, it works just like the customer wants," said Smith. In fact, when customers call looking for a document retrieval solution, Smith provides them with a free 30-day product trial. "We are confident that customers will like the product, and they do. It's easy to use," said Smith.

Other software features distinguish PaperVision Enterprise as superior technology and help Smith sell more software. Digitech Systems does not use proprietary technology. If the customer wants to switch to another ECM system, they can do it easily, without converting documents from one file type to another. Highlighting product differentiators such as this has helped DMS build a \$3.5 million company from the ground up. "Without Digitech Systems, we wouldn't be where we are today. Our scanners, imaging services and software sales are even in number, but PaperFlow and PaperVision Enterprise create higher profit margins," said Smith.

DMS shortens sales cycles and wins repeat business, because Digitech Systems software is easy to install and training takes minutes. DMS reduces sales cycles from 12 months to 30-60 days on average, which leaves more time for customer service. Today, 85% of their customers are repeat business, and referrals consistently bring in new potential business.

When DMS brought on a new sales team member, getting her up to speed was not a problem.

"Because of all the support Digitech Systems has given me, I am able to take my sales to the next level. Within one year, I was a key player in making DMS one of Digitech Systems' top resellers."

-Susan Schunemann, Business Development
Consultant

Susan Schunemann, Business
Development Consultant, was new to
the industry when she attended Digitech
Systems' product certification course
and enterprise sales seminar. She walked
away with detailed product knowledge
and industry-specific selling tools that
help her achieve results-oriented
business conversations with decision

makers. Susan received more help from their Digitech Systems personal sales consultant, who continues to provide hands-on assistance with everything from onsite training to product demonstrations and web conferences.

DMS' business growth can be attributed to both Digitech Systems' reseller support and the software's ultimate scalability and flexibility. PaperVision Enterprise is designed to solve problems in virtually any industry and helps DMS reach customers in new markets. DMS has tapped into a wealth of new sales in industries such as manufacturing, education, healthcare, financial services and government. As a GSA contractor, DMS tripled software sales in one year! Today, their client list includes well known government agencies and companies like the U.S. Probation Department, BAE Weapon Systems, HP Hood and Siemens Medical Solutions.

Conclusion

Recognizing the strength of the ECM market, DMS leverages the Digitech Systems business opportunity to expand their wildly successful, self-sustaining ECM business. To this day, Smith not only recommends Digitech Systems to others, but he offers education and training to those interested in building their own, similar business.