

Scanning as a Service.

NEW

REVENUE

OPTION



Presented by Byron Aulick, CDIA
President of DataVault, Inc.

Agenda

Introduction

*Why Scan?

*Can a dealer do this?

*What Income can I expect?

*Can I sell it?

*Clicks?

*Objections

*Q & A

Presented By:

Byron Aulick

CDIA+, Project+, PDI+

- 24 years ECM experience
- CDIA Instructor for ten years
- Subject Matter Expert CompTIA
- Have run a bureau since 1996
- Consulting; commercial, governmental, including DoD
- Have setup bureaus across the US, and S. Africa



Why Clients want to scan?

Become Efficient

- ☒ Paper bogs down your workflow
- ☒ Paper costs \$\$\$
- ☒ Paper can mean legal exposure!
- ☒ Can we get rid of all; NO
- ☒ Does it pay to reduce; YES

- ☒ STOP LOSING FILES
- ☒ STOP RECREATING DOCS
- ☒ LESS FRUSTRATION
- ☒ SAVE TIME!

Why Clients want to scan?

Meet Compliance

☒ M.G.L. ch. 93H

☒ “Safeguard personal information”

☒ Applies to all business

☒ by March 1, 2010

☒ Fines of \$5,000 per violation

☒ HIPAA

☒ Applies to medical/insurance

☒ FACTA (Red Flag Rule)

☒ Gramm-Leach-Bliley

☒ Applies to financial institutions

Why Clients want to scan?

Ernst & Young, Profitability Bulletin

“By implementing ECM a customer can:

- Double or triple his processing capacity -automation

- Free up staff time -by up to 50 percent

- Respond immediately to inquiries

- Reduce document storage space -by 60 to 80 percent

- Safeguard documents -audit trails”

VIDEO

1. Can the average dealership do this?

Yes, but..

- ☑ Dedication
 - ☑ *Facility*
 - ☑ *Staff*
 - ☑ *Marketing*
- ☑ Commitment
 - ☑ *Time for income*
 - ☑ *Residual not one-time*
- ☑ Training
 - ☑ *Operational*
 - ☑ *Sales*

2. What income can be expected?

Profit Averages of MFP sales (BTA, 2008);

Equipment -2.7%

Supplies 5.6%

Service 10.4%

Rental 0.7%

Profit Margin: 14%

vs. SCANNING MARGIN of 80%+

INCOME EXAMPLE					WORKING >	20	Days
Scanner model	Qty.	Pages per minute	Max per day (duty-cycle)	Actual equipment pages per day	Equipment images per day	Total Pages	DUPLEX?
i1320	2	60	5,000	7,000	14,000	140,000	20%
i1420	1	75	7,500	5,250	10,500	105,000	
						245,000	49,000
STAFF NEEDED:				EQUIPMENT CAPABLE OF >		294,000	images/day
Scanning	3	people					(at 100% speed)
Doc-prep	3						
Index / QA	2						
	8 TOTAL STAFF			*The represents a total of:		82	average boxes.
ASSUMPTIONS							
Doc-prep	50	pages/min	Indexing	25	images/index set	Scanning	
	3,000	pages/hr		80	characters/min	(average)	
				4	index fields	(average)	
				11,760	total sets	(1 set/min)	
	81.7 hours needed			196.0 hours needed		(4 fields/min)	160
	10.2	days,1 person		24.5	days,1 person		
	3.4	days, using [x] people		12.3	days, using [x] people	(days to finish job)	
	\$980.00 TOTAL labor cost			\$2,352.00 TOTAL labor cost		(at \$12 per hr)	\$1,920.00
*Average staff, average ability, fairly good quality paper documents.							

REVENUE -the equipment is capable of generating (at 100%)							
Description	Total pages	Total images	Total sets	Man hours	Per image fee	Per hour	Total
Doc-prep	245,000			82		\$25.00	\$2,041.67
Scanning		294,000			\$0.10		\$29,400.00
Indexing			11,760	196		\$35.00	\$6,860.00
			TIME: 278		GROSS INCOME:		\$38,301.67
				\$12/hr rate>	Labor Cost:		\$5,252.00
	\$980.00	Doc-prep			Amortized Equipment Cost:		\$454.55
	\$1,920.00	Scanning			Overhead Expenses:		\$2,000.00
	\$2,352.00	Indexing			Various:		\$0.00
	\$5,252.00	COST AGAINST JOB			Expenses against job:		\$7,706.55
					NET INCOME:		\$30,595.12
					PROFIT MARGIN:		80%
					(Fully loaded cost per page:)		\$0.13
							Reasonable?
	Formulas:	Indexing	Total pages /(pages/index set) = total sets, then				
			/ (index set/min) = total minutes needed /(60) = total hours				
		Scanning	(total images/equipment images per day) /7 black & white only				
		Burn to media	Based on 25KB image. 4,700,000KB (per DVD) /(Total images) /(25KB)				
		Pickup	Based on (boxes at a time), and (flat rate per trip)				
		Equipment	\$15K				
		Overhead	Based on \$100 per day * job days				
		Labor	Based on \$12 per hour loaded				
*This is an estimate only. It may vary. These documents have not been seen or quantity verified yet.							

3. Can your staff sell it?

Yes, but..

- Specific ECM Sales Training
- Using Existing Relationships
- Seminars? Webinars?
- Attend ITEX
- Get Certified!
- Allow 'ramp-up time'

4. Clicks -will they increase or decrease?

- Initially, NO CHANGE
- Five years from now, DECREASE
- Age of Managers / Owners..
- CHANGE IS ON THE HORIZON!

5. Objections and rebuttals?

- Staff not willing to change
 - *"I can't live without paper!"*
 - You can't live with paper!
- Not sure of technology
- Too complicated
 - *"Takes too long to learn!"*
- Too expensive!
- We will do it ourselves..

Next Step:

★Talk to me...

★Attend Workshop

★October 26 & 27

★<http://www.datavault.com/content/scanning-business-startup-training>

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