Datacap Acquisition
Frequently Asked Questions

Purpose
The purpose of this document is to address particular questions and provide additional insight about IBM's acquisition of Datacap. To view the full press release, go to: http://www.ibm.com/press.

Q.   What are you announcing today?
On August 10, 2010, IBM announced that it has acquired Datacap Inc., a privately held company headquartered in Tarrytown, New York. Datacap provides leading document capture software to organizations worldwide.

Q.   Who is Datacap? What do they do?
Founded in 1988, Datacap provides solutions that automate the capture, data extraction, and classification of content from both structured and unstructured documents prior to storage in an Enterprise Content Management (ECM) repository. It also provides advanced technology for automating data extraction, document classification and separation. Implementations of these solutions include both batch processing and ad-hoc capture.

The company has an established install base of over 200 clients, and provides document capture and advanced capture automation software to organizations worldwide that provides:
- Industry specific offerings for advanced capture automation
- In-process capture
- Departmental or mid-market implementations for collaboration and Basic Content Services (BCS)
- Batch Capture for many ECM repositories
- Industry fast-start packages for customers and partners to build vertical solutions
- Pre-packaged solutions that provide frameworks for vertical and horizontal use cases
- Pre-built packages for recognizing specific forms for vertical applications, including invoice processing, health care, and government
- Accelerate time to value for customers who need to process these forms

Q.   Why did IBM acquire Datacap?
It's estimated that 15 petabytes of new information – a significant proportion of which originates on paper – is being generated every day, and 80% of this new information growth is unstructured content. With this explosion of information, organizations today are grappling with managing unstructured data while trying to reduce costs at the same time.

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 and support non-IBM repositories from EMC, OpenText, Oracle, Microsoft and others.
- Expanding coverage for distributed and departmental document capture needs with Datacap FastDoc 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 to optimize content-related processes and significantly reduce the labor and paper costs of the capture process.

Together, IBM and Datacap provide a comprehensive ECM solution.

Q. **How will Datacap fit within the IBM software portfolio?**
The Datacap products will become part of the Enterprise Content Management (ECM) portfolio within IBM Software Solutions Group and supplement its existing Capture offering.

Q. **How will IBM clients benefit?**
IBM ECM clients for the first time will have a complete suite of capture solutions available from IBM. Datacap introduces an IBM capture offering to IBM Content Manager, adds distributed and in process capture to the ECM portfolio, and provides a market leading product architecture built to handle complex enterprise deployments, as well as simple, departmental capture needs. Clients have come to expect complete capture solutions from their ECM vendor, and Datacap helps IBM complete its offering to make a compelling single vendor solution for fully integrated ECM, Imaging and Capture from IBM.

Q. **How will Datacap clients benefit?**
Datacap clients will benefit from the combined technologies and skills of both companies, giving them integrated product offerings that help organizations make better decisions, faster by capturing and managing content, optimizing business processes and enabling compliance through an integrated information infrastructure. They will also benefit from the increased investment, global reach, industry expertise and support available from IBM. IBM remains committed to open standards and intends to continue to support and enhance the Datacap products across heterogeneous ECM systems.

Q. **How will the acquisition affect Datacap Business Partners?**
IBM is commited to continuing relationships with the Datacap Business Partners that have made the Datacap technology successful. Many of these partners already are IBM ECM partners, and these partners will benefit immediately by IBM embracing their preferred capture technology going forward.

For the time being existing Datacap partners will continue to operate under a distinct Datacap Business Partner program, and will conduct business as usual, using their current contract and program structure. Over time Datacap Business Partners will be transitioned to standard IBM contracts and programs.

As was the case before this acquisition, Datacap Business Partners are also welcome to enroll in IBM's Business Partner program for IBM product portfolios other than Datacap – to access a vast array of benefits and resources, including marketing, selling, technical and training/certification resources.

Q. **How does this affect IBM's Smarter Planet and New Intelligence vision?**
The world today is experiencing a revolution, creating an explosion of information. Organizations that are taking advantage of this new wealth of information are able to make more intelligent decisions and rise to the top.

As businesses seek to optimize content-related processes, extracting meaningful information from unstructured content -- especially paper -- is critical. With this new data, customers can integrate unstructured content in mission critical business processes and use analytics to uncover key business insights for better decision making.

Datacap also furthers IBM's Green initiative with their paper reduction technology that helps companies reduce costs and improve efficiencies by reducing physical storage, paper transportation, and paper consumption.

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