

INSIGHT

Laserfiche Inspires End Users and Resellers at LA Conference

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IDC OPINION

The 2009 Laserfiche Institute Conference was held on January 12, 2009, and was attended by close to 1,000 key channel partners and customers. As a first-time attendee, I was impressed by both the product architecture and the quality of the company's organization and its channel. My key takeaways from the conference included:

- ☒ By closely aligning to Microsoft's software initiatives, the Laserfiche portfolio should scale well in large organizations. The product demonstrations and strategy presentations reflected a keen comprehension of both customer requirements and emerging technologies. Also, the overall completeness of the portfolio is quite comprehensive, which should make it attractive to larger enterprises.
- ☒ The cornerstone of the company's portfolio strategy is to meet the requirements of IT for centralized control of Laserfiche implementations and administration while enabling end-user communities the freedom to participate in and adjust the deployment to meet their specific needs.
- ☒ The company's management team has a clear strategy for both its product portfolio and its go-to-market channel. Laserfiche is also stable in that a significant proportion of the management team has been with the company for over 10 years.
- ☒ An informal poll of attendees at the conference suggested that the company is very customer focused, with the entire delivery organization (development, channel, and go-to-market resources) fully engaged with customers. It was also refreshing to notice a true *esprit de corps* among the many participants.

IN THIS INSIGHT

This IDC Insight reviews and analyzes key information shared by Laserfiche at its annual Laserfiche Institute Conference held on January 12, 2009.

SITUATION OVERVIEW

Laserfiche is a division of CompuLink Management Center Inc., a privately held company headquartered in Long Beach, California. It was founded in 1987 and currently has approximately 25,000 customers. The company operates both

domestically and internationally, leveraging a value-added-reseller (VAR) network as its primary channel. Laserfiche also provides professional services to enable customization of the product portfolio to meet unique business requirements of clients. The company has good market penetration in several segments including municipal government, healthcare, financial, and not-for-profit organizations.

At the 2009 Laserfiche Institute Conference held on January 12, 2009, the company shared its overall product strategy and go-to-market initiatives with its key channel partners and customers. This was the company's 11th yearly gathering and the turnout, approximately 1,000 attendees, was impressive. The theme for the conference was "Power Forward," reflecting the company's desire to move beyond workgroup and departmental sales to full enterprise deployments of its portfolio.

The conference was kicked off by a key note address from the company's CEO and owner, Nien-Ling Wacker. Wacker began her presentation, titled "A Clear Vision for Uncertain Times," by providing a perspective that all attendees already had: the economy is stormy and will take a year or more to break out of the current recession. Characterizing the enterprise content management (ECM) landscape, the CEO suggested that many of the currently deployed systems are gridlocked, cobbled together integrations that were difficult to implement and even harder to manage. Wacker went on to say that a key differentiator of the Laserfiche portfolio is its ability to provide a balance between centralized IT management of its solutions and the autonomy of end-user groups to participate in the deployment of their offerings. Citing a company-funded research report developed in cooperation with the Economist Group, Wacker stated that a growing number of organizations (42%) were promoting both more control and more autonomy in their deployment of IT solutions. Making this balance work is a key initiative and design principle behind Laserfiche's portfolio.

Helping its channel to be successful in these difficult economic times was also a primary theme of Wacker's presentation. Citing the release of Laserfiche-8, Laserfiche Workflow, and Laserfiche Avante, which is targeted at small offices, and new Microsoft SharePoint integration, she believes that the sales channel is well equipped with the appropriate products to win in the market. In addition to a robust product portfolio, the company has under way several go-to-market initiatives that it believes provide its channel with a more focused approach to its client base. These include:

- ☒ **The ACE program.** With a unique focus on both enterprise content management and business process management (BPM), this program aligns analysts, consultants, and industry experts to promote insightful dialogues with customers on how to leverage Laserfiche's portfolio. The program provides support to both channels and clients by sharing experiences, best-of-breed designs, and market research.
- ☒ **Partner and developer programs.** Laserfiche engages in continuous buildout of partner and developer programs aimed at making the channels both more responsive and consultative in their approach to client problems. Partners can attend ongoing seminars and training throughout the year to extend their knowledge of Laserfiche products. Developers are recruited to leverage Laserfiche technology to integrate with customer and other third-party applications such as SharePoint.

In her closing remarks, Wacker stated that the company is about not just good software but also strong communities. Continued success for Laserfiche will be built upon the company's Luminaries Program, which it had instituted the previous year. This program focuses on seeking out and supporting Laserfiche customers that have promoted the adoption of Laserfiche technologies in their own and other targeted departments. The Luminaries Program, which boasts over 250 members, will be a key ally for the company as it moves to expand its presence from workgroup/departmental implementations to those that are enterprisewide. Fostering the sharing of best practices along with how to tackle the nuances of specific vertical market processes should help the company in meeting its objectives.

Upon conclusion of the keynote, conference attendees were provided with multiple tracks to meet their conference objectives. These included:

- ☒ **Architecture and administration.** Provided the latest in administration management tools and systems architecture.
- ☒ **Product-specific overviews.** Helped new users understand the features and capabilities of the Laserfiche portfolio.
- ☒ **Processes and practices.** Helped organizations expand and leverage Laserfiche technology to improve additional processes within their organization.
- ☒ **Industry solutions.** Provided insights into how Laserfiche technology was configured to meet unique industry processes (Insights were provided by customers that had experienced the entire design, integration, and deployment stages.)
- ☒ **Technical labs.** Provided hands-on experience for both end users and the reseller communities (This track in particular drew large audiences.)
- ☒ **Cultivating success.** Helped resellers engage existing and new customers (This track provided continuous learning of consultative selling skills, proposal development, and ways to leverage the company's internal resources for success.)

In total, the conference held 107 classes and 153 unique sessions. Speakers included 48 Laserfiche employees and over 40 customers and partner guest speakers.

As an industry analyst, I was invited to participate in a special set of meetings specifically designed for members of the ACE program. These meetings covered a number of topics including product road maps and an in-depth overview of the Laserfiche architecture, as well as multiple discussions around the company's go-to-market strategies for both domestic and international resellers.

In general, I found the management team very informed about the trends occurring in the industry, especially in the area of extending beyond traditional content management to business process management. The company understands that without an in-depth understanding of its use in process, content is irrelevant to customers. Especially in these economic times, business process management can

be a source of significant savings and improved efficiencies when coupled with sound content deployment through technology. Laserfiche has addressed this issue from a variety of perspective including:

- ☒ **Product packaging.** The company provides two full featured configurations, Rio and Avante, targeted at large enterprises and SMBs, respectively. Rio comprises enterprise content management and business process management functionality. It is highly functional, providing extensive content functionality coupled with workflow, Web access, and the ability to be implemented with multiple instances in a distributed environment. Avante, on the other hand, is positioned as providing BPM functionality for small to medium-sized companies. Both the products utilize "named user" licensing to help provide customers with the most features at the best price. Named user licensing basically means that each user is charged a specific amount and has complete access to the entire systems capabilities. As the number of named users increases, the per-person charges are reduced.
- ☒ **Product architecture.** The company has closely aligned itself with Microsoft technology including .NET, Windows Workflow Foundation (WWF), and Microsoft Management Console (MMC), which makes it acceptable to the majority of IT organizations. Many of the development tools provided by Microsoft such as Windows Visual Studio and scripting capabilities for C# and VB.NET have been used to develop the portfolio.
- ☒ **Product portfolio.** Laserfiche has assembled quite an arsenal of software, which addresses in depth the various functions required to drive content and records management along with business processes. This includes:
 - ☐ **Document management:** Laserfiche United & Team editions, Laserfiche Records Management Edition, and Laserfiche Web Access
 - ☐ **Document and information capture:** Laserfiche Quick Fields, Import Agent, and Snapshot
 - ☐ **Document distribution:** Laserfiche Weblink, E-mail Plug-In, and Laserfiche Plus
 - ☐ **Business process management:** Laserfiche Workflow Suite, Agenda Manager, Agenda Processor, and Audit Trail (In addition to these offerings, Laserfiche offers a Laserfiche and SharePoint Integration called LfSPI, which couples SharePoint business processing features with Laserfiche content and records management services.)

All of these products are scalable and can be configured to meet unique customer requirements through available integration application programming interfaces (APIs) and software development kits (SDKs).

Another key takeaway from the ACE program sessions was a very upbeat and positive management team. Although company financials were not disclosed, CEO Wacker said that the company continues to be successful and that it, unlike many other companies in the industry, continues to hire. The full enterprise edition of

Laserfiche's offering, called RIO, has been selling well both domestically and internationally. The company cited instances of numerous large implementations in the Middle East and Latin America. The challenge domestically for 2009 is to extend existing customers' workgroup/departmental implementations into enterprise deployments. New large enterprise accounts will be positioned with the RIO offering.

Aside from attending the formalized ACE sessions, I had the opportunity to take in a number of sessions across the multiple tracks that were offered. I attended the administration and architecture session and found the loose coupling of the various architectural components refreshing. The inclination of the product portfolio more toward a service-oriented architecture (SOA) than client-server, which is still the case in many industry offerings, positions the company to leverage various emerging deployment models (cloud computing, software as a service, etc.) while continuing to innovate and build out functional capabilities. In addition, I sat in on a Laserfiche Workflow lab and a Laserfiche Quick Fields lab. Both the labs demonstrated that the Laserfiche software engineers had done their homework in providing relevant and easy-to-use feature sets.

Finally, in taking advantage of some of the informal events held during the conference, I had the opportunity to have in-depth discussions with customers, resellers, and senior management of the company. Both resellers and customers from both domestic and international locales suggested that Laserfiche was very end-user focused and provided them with a host of resources to ensure the success of their implementations. It was refreshing to hear such positive comments when traditionally, as analysts, we are exposed to both affirmative and negative feedback. Ongoing discussions with Laserfiche senior management suggested a commitment to helping its channel become more successful from a variety of traditional and "out-of-the box" programs. Ongoing field support and training represent traditional support programs while the Luminaries and ACE programs suggest a more out-of-the-box approach.

FUTURE OUTLOOK

In a much crowded field of legacy content/document management companies and new market entrants, Laserfiche stands out as a company that IDC believes will continue to be successful even in these difficult times. Adjusting to the growing need for both autonomy and control in deploying its solutions and continuously leveraging Microsoft infrastructure and technology should enable the company to cut a direct path to enterprise IT management. In addition to its portfolio offering, the company has acted adeptly in building out its international presence through an aggressive reseller and systems integrator recruitment plan.

Although domestic recognition of the Laserfiche brand still presents opportunities, the company's commitment to its user community should yield continuing results in the future.

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