

Paper cut: More businesses going the way of consumers by conducting transactions online

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Like day-planner refill pages, accordion folders and manila envelopes, the filing cabinet soon may be added to the office furniture endangered species list.

With improved cyber security, faster connection speeds and increased memory capacity, online business transactions are finding their way into even the most storied professions.

General consumers have turned away from paper for nearly 10 years -- think bank statements, insurance payments and online billing. According to research group Harris Interactive Inc., more than half of the U.S. households with Internet connections are paying most of their bills online.

But the line between the consumer and commercial markets has held tight when it comes to legal contracts, land title documents and general storage. No matter how tedious it may be, having paper trails allows for better oversight.

Still, technology is changing even the most paper-intensive industries.

"Going paperless is a must for business now," said J.P. Dahdah, president of Entrust Arizona Retirement Plan Administration LLC. "By going paperless, we've been able to maximize our office space and employees aren't searching around for files."

Dahdah estimates the company has saved up to three full-size file cabinets since turning to Phoenix-based Express Digital Solutions LLC. The company specializes in hosted document management solutions, replacing faxed and mailed transactions with a secure Internet portal.

"To stay competitive, (companies) need to find a way to streamline things in the office," he said. "You want to know where the money is going and coming from, but you don't want to have to search through a file cabinet to find it."

Local businesses are following a worldwide trend, according to research firm Gartner Inc. The total value of commercial transactions made on the Internet will top \$70 billion next year.

The move to Internet-based transactions saves more than just time. A study by IBM Global Services shows American businesses spend up to 12 percent of their revenue on document management costs each year.

The study also found that American companies make 19 copies of every document and spend \$20 in labor to file them. If a document is lost, companies spend nearly \$250 re-creating and reorganizing it.

IBM's most alarming finding, however, is that for every dollar most American companies spend to create a document, they spend \$18 to manage it.

"In a conventional office, everybody files things with their own little scheme," said John Principale, chief technology officer of Express Digital. "In this system, everything goes into a locked and sorted way."

At **Thomas Title & Escrow LLC** in Scottsdale, clients are finding access to information previously unseen in the industry, said President **Frank Busch**. Unlike other title and escrow firms, which are "comically drowning in paperwork," Thomas uses its secure Web portal to allow clients to view the details of their deals.

Using software from Dallas-based RamQuest Software Inc., the firm brings clients into the process, allowing them to access transaction details and file status while allowing them to upload or download documents at any time.

"In an industry notorious for its lack of communication and accountability, the firm's clients can get documents and answers with the click of a mouse instead of waiting for a fax or call back," Busch said. "Clients have the ability to access their orders 24 hours, 7 days a week."

Express Digital Solutions: www.edsaz.com.

Thomas Title & Escrow: www.thomastitle.com.

RamQuest Software: www.ramquest.com.