Ripcord

Founded 2015 | HQ Hayward, CA | <100 employees (est.) | <$5M revenue (est.)

In terms of innovation, Ripcord checks all the boxes, combining robotics with cloud software for capture. But its uniqueness may also be its weakness. For such a differentiated product, the firm has only limited industry visibility. … That said, Ripcord does represent a step forward in the capture, archiving, and records management world: its speed in capturing and processing paper documents sets a new benchmark.

The Company

Ripcord was founded by Alex Fielding in 2015 and is headquartered in Hayward, California. The firm is VC funded and currently at Series B, having raised over $80 million from the likes of Kleiner Perkins, Google Ventures, Silicon Valley Bank, and Icon Ventures.

The Technology

Ripcord's technology combines hardware (robotics) and software to capture and process paper documentation. The hardware units (called Workcells) remove staples and then move documents to the scanner bed, where they are captured by optical character recognition (OCR) software. The resulting digital capture (full-color PDF) is then indexed and uploaded to its cloud-based (Amazon AWS) records management system, called Ripcord Canopy. In short, on one level Ripcord does everything a document scanning bureau

service would do but with fewer humans involved in the tasks, and on another level it adds capture and records management to the mix and mirrors what a business process outsourcing (BPO) service might offer.

Ripcord Canopy is a full-fledged electronic records management system that can be used to set retention policies, auto-categorize records, securely share records, and provide full and auditable reporting. This cloud-based system ensures that records are encrypted both in transit and at rest. In addition, Canopy allows users to sync with external directories and centralize their records management services.

As for the robot side of things, Ripcord has been designed to intelligently recognize an extensive range of document types and sizes. The robot uses over 50 different sensors, ranging from cameras to laser-based measurement systems, to automate the task of document capture and make it as fast and efficient as possible. The physical size of the

Workcells has shrunk over the past couple of years, opening the door for them to potentially be remotely located at client sites.
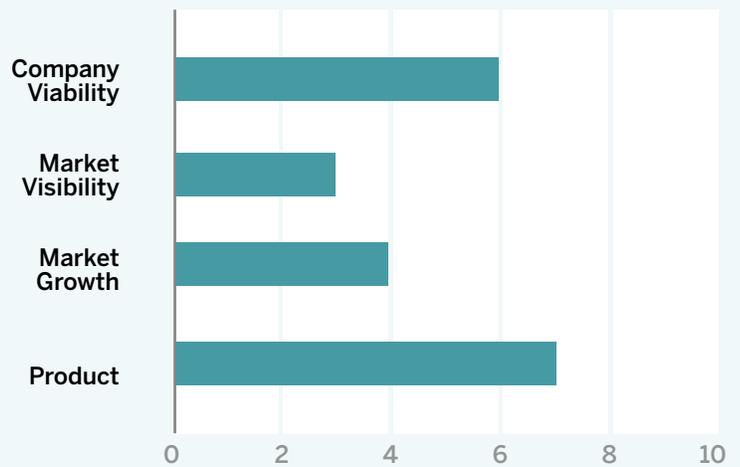
Though it's not in production yet, in 2019 Ripcord started work on leveraging terahertz imaging technology in its products. This is highly advanced technology that utilizes spectroscope imaging to read through layers of documentation, potentially reading entire boxes of documents in a single pass.

Ripcord Canopy is integrated with a range of business applications like Salesforce, Oracle, and NetSuite.

Figure 1
Ripcord Assessment

Our Opinion

In terms of innovation, Ripcord checks all the boxes, combining robotics with cloud software for capture. But its uniqueness may also be its weakness. For such a differentiated product, the firm has only limited industry visibility. Despite Ripcord's obvious potential to disrupt traditional capture markets, few of its current competitors seem worried or impacted by its emergence. That said, Ripcord does represent a step forward in the capture, archiving, and records management world: its speed in capturing and processing paper documents sets a new benchmark. However, one of the biggest challenges to Ripcord is not one of improving dated technology approaches, but the logistical challenge of bridging the gap between the physical location of the paper documents and its robots. Shipping boxes of documents across the US (or the world) to California for capture is not always going to be a practical proposition. Ripcord will need at some point to locate its hardware close to the literal heaps of paper documents sitting in the basements of private firms and government departments. To its credit, Ripcord launched a partner/channel

program in early 2019, which may help expand the firm's footprint and visibility in the market. Figure 1 shows our assessment of Ripcord across four categories.

Advice to Buyers

Ripcord has exciting technology that can help automate currently slow and burdensome digitization work. Large organizations with equally important capture requirements may want to consider this as an alternative to the existing legacy system. The smaller size and potential for portability of the robots may open the door for established capture bureaus to look at using or somehow licensing Ripcord technologies as a technology upgrade.

SOAR Analysis

Strengths

→ First to market
→ Optimized robotics
→ Cloud-based records management

Aspirations

→ Revolutionize records management
→ Challenge the market leader, Iron Mountain
→ Leverage terahertz technology

Opportunities

→ Digitize large volumes of paper documents quickly
→ Provide instant access to records
→ Partner with or sell to existing capture sector

Results

→ Raised around $80M
→ Technology proven and tested
→ Reduced size (and improved potential portability) of the robots

About Deep Analysis

Deep Analysis is an advisory firm that helps organizations understand and address the challenges of innovative and disruptive technologies in the enterprise software marketplace.

Its work is built on decades of experience in advising and consulting to global technology firms large and small, from IBM, Oracle, and HP to countless start-ups.

Led by Alan Pelz-Sharpe, the firm focuses on Information Management and the business application of Cloud, Artificial Intelligence, and Blockchain. Deep Analysis recently published the book "Practical Artificial Intelligence: An Enterprise Playbook," co-authored by Alan and Kashyap Kompella, outlining strategies for organizations to avoid pitfalls and successfully deploy AI.

Deep Analysis works with technology vendors to improve their understanding and provide actionable guidance on current and future market opportunities.

Yet, unlike traditional analyst firms, Deep Analysis takes a buyer-centric approach to its research and understands real-world buyer and market needs versus the "echo chamber" of the technology industry.

About the Author

Alan Pelz-Sharpe is the founder of Deep Analysis. He has over 25 years of experience in the IT industry, working with a wide variety of end-user organizations like FedEx, The Mayo Clinic, and Allstate, and vendors ranging from Oracle and IBM to startups around the world. Alan was formerly a Partner at The Real Story Group, Consulting Director at Indian Services firm Wipro, Research Director at 451, and VP for North America at industry analyst firm Ovum. He is regularly quoted in the press, including the *Wall Street Journal* and *The Guardian*, and has appeared on the BBC, CNBC, and ABC as an expert guest.

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