

Kodak Alaris – INFuse Solution

Founded 2013 | HQ Rochester, NY | 2,000 employees (approx.) | \$223M revenue

At Deep Analysis, we don't typically research document capture products. However, we made an exception for Alaris as INFuse has the potential to positively impact the broader document management and business application market.



The Company

Kodak Alaris has a storied history. After filing for bankruptcy in 2012, the iconic Kodak brand divested itself of three business units that are now owned by the UK Kodak Pension Plan.

These three units are:

- **Kodak Moments** – a consumer-focused imaging company
- **PPF (Paper, Photochemicals & Film)** – focused on traditional photography products
- **Information Management (now renamed Alaris, a Kodak Alaris business)** – commercial document scanning and information management software & services

In 2016 a new business unit was launched called AI Foundry, which develops artificial intelligence products for the banking sector. Collectively, these four business units operate under the name Kodak Alaris and do business in over 70 countries. The recent history of Kodak Alaris, its

ownership, and its structure can be confusing. But what is important to note here is that Alaris, the focus of this report, has revenues of around \$223 million and is highly profitable.



The Technology

Alaris products account for over 25% of the global product scanner market. However, the company's focus over the past few years has been on differentiating itself in this highly competitive market by adding intelligence and connectivity to its products. In addition, it is responding to market demand and gradually moving from a traditional CapEx pricing model to OpEx, pushing its products to the role of an ongoing business service, rather than a one-off equipment purchase. In practical terms, Alaris wants to shift from the perception that its products convert a paper document into a digital file toward being seen as a service that captures paper-based data, which then, in turn, triggers actionable and critical business workflows. This shift in focus is seen in the September 2019 launch of Kodak Alaris' INFuse Smart Connected Scanning Solution.

INfuse consists of three elements:

→ **INfuse Management Software**

This is the user application to enable set-up, remote configuration, etc. The company claims that no training is required and that the system is up and running immediately.

→ **Partner Software Application**

The software allows an Alaris partner to integrate cloud-based business applications such as invoice processing, medical records management, etc. via an application programming interface (API).

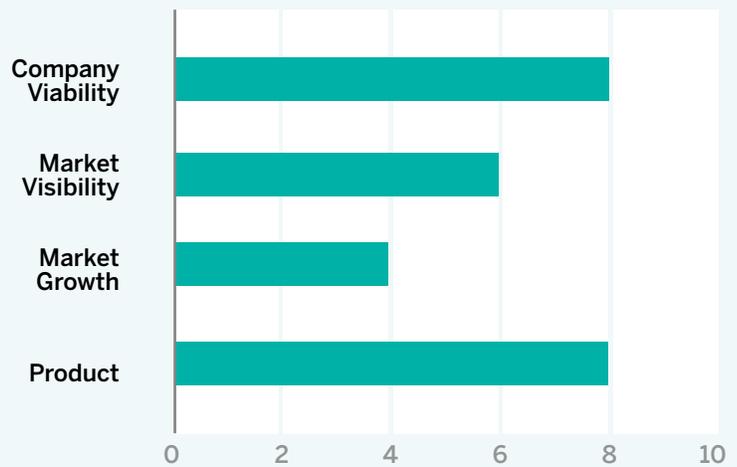
→ **INfuse AX Scanner**

The AX is the firm's smart secure scanning device that does not need to be connected to a driver or PC. It is network enabled to transfer captured data and files to the business application. It's worth noting that the AX also provides a separated data path for confidential data.

INfuse provides a network-connected smart scanning solution that integrates internet-of-things (IoT) functionality into existing business applications and is managed and maintained via the cloud. The scanning hardware devices use embedded processors to communicate over the network to the cloud and utilize the IoT system to remotely control and enable system set-up, configuration, and management. Also, INfuse allows customers and partners to leverage their machine learning and artificial intelligence capabilities to pick up and notify end users of exceptions and errors in the document in near real-time at the point of capture.

Under the covers, there is some advanced tech at work here; for example, the Alaris System-on-a-Chip architecture embeds enough processing power in the scanning hardware to remove the need in many instances for a connected PC. INfuse can also immediately

Figure 1
Kodak Alaris INfuse Assessment



notify users if the document was received and processed at the point of capture. The System-on-a-Chip capabilities, combined with the embedded IoT, move a scanner to become a smart IoT office device, enabling capture directly into the business process.

In principle, all the individual elements of the INfuse platform are available elsewhere. Still, by bringing them together into one platform service, the potential for a significant shift in the market is evident. Enterprises and smaller businesses alike are adopting robotic process automation (RPA) to automate standard task activities, alongside abandoning traditional document management and business applications in favor of cloud-based SaaS solutions. In short, there is a major shift to automation and low-touch applications, yet implementing scanning solutions has remained a messy process involving skilled personnel to install local software and provide training and maintenance. INfuse automates this work or simplifies it to the point where the work can be undertaken remotely. That's potentially game changing.

Our Opinion

At Deep Analysis, we don't typically research document capture products. However, we made an exception here as INFuse has the potential to positively impact the broader document management and business application market. INFuse has the potential to bridge the divide between many content-centric applications that try to avoid paper capture altogether. SaaS firms such as Box, Workday, or Salesforce all operate in environments that manage paper mountains, but to date have done little to address that. At best, they tend to recommend a partner and leave the customer to resolve the situation. There is a good reason for that, as traditional networked and integrated scanning hardware is difficult to install and maintain. INFuse, through its low-touch, low-impact, smart-capture approach, could appeal to these SaaS vendors as a way to effectively engage with the customer and embrace the reality of paper documents more fully.

Advice to Buyers

We would advise SaaS companies and their partner networks to look closely at INFuse as a potential augmentation and growth driver for their digital document businesses. To date, this has been challenging to deal with, but INFuse provides a low-touch, efficient means to pull paper documents directly into digital processes. Similarly, we advise midsized to large organizations that use SaaS business applications to look at INFuse for directly integrating paper-based activities that are excluded or costly to manage into their overall systems.

SOAR Analysis

Strengths

- Automated remote installation of hardware and software
- Cloud-based integration with business process applications

Opportunities

- Expansion and upgrade of existing partner network
- Growth directly into SaaS application businesses

Aspirations

- Transform traditional scanning business
- Be the market leader

Results

- Product launched in 2019
- 2020 Industry awards <http://bit.ly/2NBqCa5>

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.

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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 start-ups 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.