

Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

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Mavro and OPEX Forge Strong Relationship

Mavro Imaging continues to ride its maverick streak to success in the transaction processing market. The Westampton, NJ-based ISV was recently named **OPEX's** Reseller of the Year for the 2016-2017 sales year. The award was given based on Mavro generating the highest amount of revenue for the scanner and mail extraction equipment vendor, as well as the greatest number of solution installs. The MavBridge™ Software Suite was originally written to complement OPEX's unique document scanners, and although it runs with other vendors devices (transports and document scanners), OPEX remains Mavro's go-to hardware partner.

"We work pretty closely with OPEX, and we feel their hardware gives us a competitive advantage in the market," said Mavro Founder, President, and CEO George Hayduchok. "In most cases, we go in as a combined force. At Mavro, we recently celebrated our 10th anniversary, and, throughout the years, we've built a level of trust working with OPEX. They know we are not going to substitute another vendor's hardware just to get a deal done. We'd rather walk

away than replace OPEX if we have led with their hardware.

"On the other side of the equation, we bring a lot of leads to OPEX. Even if an opportunity might not be a fit for our software but includes an opportunity for an OPEX extractor or envelope opener, we will offer them the lead. There is a lot of trust and collaboration in our relationship."

As a testament to their successful history with OPEX, Mavro has been among OPEX's top five resellers all seven years the vendor has recognized its leading partners. 2016-17 is the second time Mavro has earned the number one spot. Incorporated into this year's numbers was the largest implementation in Mavro's history. It was with a company in the utilities market, which has historically been Mavro's sweet spot.

"This customer organization has peak volume in excess of 600,000 transactions per day," said Hayduchok. "The implementation is spread out over multiple sites and incorporates some high-volume remittance processing OPEX Eagle devices, as well as

document-focused scanners from the Falcon/AS7200/3600 family. It really demonstrates our ability to scale up. If we need to, we can install our software across multiple servers across multiple sites."

The win involved displacing an incumbent software vendor. "Overall, the payment and transaction processing market is in decline," Hayduchok said. "So, really the only way to grow in that area is to continue to take market share from competitors."

Mavro's primary competition has been payment processing software vendors. "But now, 25-30% of our business is in the document capture space," said Hayduchok. "We are capturing forms like healthcare claims, X-rays, EOBs, and taxes."

In combination with OPEX hardware, Mavro's value proposition involves reducing document prep work and incorporating exceptions into a standard workflow. "Our solutions enable users to create transaction boundaries as they scan and also determine the type of transaction being captured," said Hayduchok. "We can even manage instances where you might



The FalconV is the latest version of OPEX's innovative document scanner models

have multiple transactions in a single envelope.”

“Over the years, Mavro has really understood the OPEX value proposition,” said Jeff Geshay, business alliance manager for OPEX. “Our very public message has been that OPEX scanners offer a one-touch solution. The user opens the envelope and drops its contents on our scanner. Then Mavro’s and our other partners’ software takes the images and meta data that we produce and begins to process them for the customer.”

Hayduchok explained that one of the biggest ROIs associated with combined MavBridge™ and OPEX solutions is related to reducing document prep. “We can eliminate the physical sorting of documents prior to the capture process,” he said. “This is something people often don’t pay much attention to when considering their systems. They always want to start the conversation with scanning.

“But, reducing prep work is a great opportunity. While there are many improvements you can make in scanning forms and capturing data, the real paradigm shift is in being able to scan directly from the envelope, which eliminates the prep labor of separating documents.”

A rich history

As some background, OPEX’s legacy is in mail sorting and extraction. In 2003, in a revolutionary move, it introduced a scanner that could be attached to an extraction device. Hayduchok was working for OPEX at the time and led the team that developed the initial scanner—the AS3600. In 2007, with the aim of helping maximize the efficiencies of OPEX scanners, he launched Mavro.

“From the very beginning, OPEX has always looked for resellers with skin in the game,” said Geshay. “We’ve never gone after box sellers who compete on the price

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of a scanner. We've always encouraged our resellers to sell a solution along with our hardware. One of the hallmarks of our reseller program is that the resellers have to integrate our hardware with their software."

OPEX is now on its third generation of scanners—the Falcon series [see [DIR 5/9/14](#)—and Mavro continues to evolve as well. Last year, we ran stories on Mavro's plans for expansion into the healthcare claims processing market [see [DIR 2/19/16](#)], as well as the Canadian payments space [see [DIR 7/22/16](#)]. Hayduchok indicated that Mavro has enjoyed success in both areas. "The claims market is really taking off," he said. "We've done well with both medical and dental claims and also recently won a big project for processing EOBs. We have developed our own technology and proprietary techniques to facilitate data capture from claims and EOBs. It's an area of high interest for us."

All of this activity helped push Mavro to 21% top-line and 44% bottom-line growth in 2016. This followed 15% and 25% growth rates, respectively, in 2015. "A lot of things aligned to drive that level of growth, including the large deal we discussed," said Hayduchok. "Our team executed fantastically. "

To help its growth continue, Mavro has established a six-person executive leadership team. "That expanded team will help bring depth to our management efforts," said Hayduchok.

Thriving in the future

We asked Hayduchok how Mavro plans to adjust to a future where electronic transactions are predicted to continue to replace paper. "We are not publishing our technology roadmap, but I can tell you that we have taken some interesting pathways toward expanding our business and securing our future knowing that physical payments and transactions will continue to decline," he answered. "Granted, the decline of paper has slowed over the past couple years, but we realize that just because processing paper transactions is going to remain viable for at least the next five to 10 years, we can't just live on that.

"We are already processing electronic payments for some organizations, and doing things like consolidating ACH payments with the accompanying paper. We have the ability to create a consolidated archive of all payments

an organization receives. In a sense, our software can act like a hub for all truncation types. We can process files that are scanned, e-mailed, or sent to a fax server and break them up into transactions. Then, once we get them into the system in a normalized format, our software manages the workflow."

Hayduchok noted that Mavro has so far not seen demand for making its software available as a hosted service. "That has been a hot and heavy trend in the market over the past few years, but we've resisted, and I think it's been the right decision," he said. "We do have a couple customers who have installed our software on private clouds, but we don't manage those sites."

Hayduchok added that he is seeing demand for more distributed solutions, and Mavro's software is able to facilitate that. "More companies are either doing scanning at satellite sites or using third-party capture services," he said. "We have technology for ensuring the secure transfer of data from remote locations to a centralized server."

Hayduchok concluded that Mavro continues to fund its operations through its profits and is not actively seeking outside investment. It also continues to develop its own technology and there are no acquisition plans on the horizon. "I like having control over our software," he said. "That said, we know that to be alive more than 10 years from now, we have to continue to evaluate the market. We are looking to attack some tangential and even some not so tangential markets going forward."

For more information: <http://bit.ly/OPEXMavro>