

THE BACKGROUND

Senior Account Executive Ed Vizdos joined Relizon (formerly Reynolds & Reynolds) in 1970 as an account executive in Cleveland, his home town. Over the course of his career, he has concentrated on four areas: document management, labeling, traditional transactional business, and software compatible forms.

Ed's interest in Charter One goes back about 15 years, when he discovered the institution in a small sandstone building in an industrial area of Cleveland. Then known as 1st Federal Savings and Loan, the thrift institution began a sustained period of growth, acquiring weak savings and loan institutions in the fall-out from the S&L crisis of the late 80s and early 90s. Currently, Charter One is the 11th largest banking institution in the U.S., operating more than 25 subsidiaries with more than 340 branches - and it is still expanding.

THE OLD PROCESS

Ed shared the forms business at Charter One with one other vendor. When the growing bank relocated to downtown Cleveland, it adopted a number of technology solutions to cope with the growth. Unfortunately, the portion of the business that Ed held at the time, primarily in the mortgage department, was a casualty of that technology. But Ed continued to maintain his relationships at Charter One, and as his contacts moved on or upward, he developed new relationships with their replacements.

When new vice president Jerry Hourigan was appointed, he identified various problems associated with centralized document handling for the large number of subsidiary banks. Unwilling to settle for the old ways, he wanted a streamlined back room and he wanted reduced operating costs. Ed began consulting with Jerry and members of his staff, and after about a year and one-half, he was allowed to present a coordinated document management solution for all of the subsidiaries and their branches - 300 at the time. On a basis of that proposal, Relizon became Charter One's sole document management solution provider, as of February 1998.

Then, in July 1998, Charter One presented Ed with a new challenge. Although check processing and internal reports for all 25 subsidiaries had been centralized at the Cleveland location, their accounts payable procedures still used separate bank accounts, check forms and signatures. Management wanted a way to simplify and streamline this process.

"There were 25 multi-part continuous check forms to purchase, inventory, control, load and change in the impact printer," says Ed. "There were 25 signature plates and 25 bank accounts to manage. With the acquisition program continuing, the process was increasingly complex and accounting was overwhelmed."

THE SOLUTION

Ed knew that Relizon had recently entered into an alliance with ACOM, the Long Beach, California provider of integrated MICR laser check-processing solutions, but he knew little about ACOM and its solution. However, Ed was aware that Standard Register (SR), which had its own MICR laser check solution, planned to compete for the project, so even with his limited knowledge of the ACOM solutions, Ed could see that ACOM represented his only opportunity to compete for the new accounts payable system. And given the time and effort he had put in to land the Charter One Bank business, there was no way Ed was going to let SR penetrate his account.

Ed called ACOM and was put in touch with Regional Manager Jason Pisetsky. Jason briefed him on the ACOM integrated solution, a turnkey payment processing system, which consists of the following:

- EZCheck check processing software (formerly known as QuickCheck)
- QuickForm check form design software
- A range of MICR-enhanced Xerox DocuPrint Network Laser Printers
- Stuffing and sealing equipment
- Specially engineered MICR toner
- Secure-A-Check blank safety-check stock
- Other laser printer consumables.

ACOM software interfaces with all financial management software and runs host-resident on the IBM iSeries/AS/400 computer or in the Windows NT/98/95/3.X environment.

"Ed was a quick study," Jason says. "I explained how the solution works and he immediately understood it would fit with Charter One's J.D. Edwards Real World accounting and financial software."

Jason faxed a two-page questionnaire to Ed's Cleveland office to obtain details of the bank's accounts payable requirements - number of checks written, payment scheduling, check books, etc. Ed and Charter One's Accounting Manager Linda Giesen completed the questionnaire, which provided Jason with all of the information he needed to structure a presentation.

Jason made two remote presentations of the ACOM system to Charter One staff and managers, demonstrating the system on the Internet while concurrently walking the groups through the system over a speakerphone. A first presentation enabled Linda and a dozen or so of her staff members to evaluate the appropriateness of the ACOM solution to Charter One's situation. The second presentation was given to a group of about 12 accounts payable people who would actually use the system on an ongoing basis.

Charter One stores its payables data in 25 electronic bank accounts in the Real World software system. Residing on a Windows NT computer, ACOM's EZCheck software accepts the payables data from Real World and formats it using stored electronic check forms. The electronic forms contain all company information, logos, MICR lines and signatures for each subsidiary. Finally, EZCheck spools the files out to two Xerox DocuPrint N17 Network Laser Printers (MICR-enhanced by ACOM), which produce the complete checks on 8 1/2" x 14" blank safety paper, in a single pass, printing two 8 1/2" x 7" checks per page.

- Storing and handling the multi-part check stock and post-processing tasks such as bursting, decollating, sorting and signing have been eliminated, resulting in significantly lower personnel involvement and estimated annual soft dollar savings of \$18,000.
- Since inventory consists solely of maintaining the blank safety-check stock supply, form obsolescence has been eliminated, and check form designs that allow use of double window envelopes have simplified the mailing process.

Ed and Charter One predict that the ACOM system paid for itself in less than a year.

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ACOM VERSUS THE COMPETITION

Relizon's primary competition for the accounts payable system was Standard Register (SR). SR's system is a closed, proprietary system, while the ACOM system is open, with broad compatibility. Both Ed and Jason stressed the advantages and flexibility of the ACOM approach. Moreover, they stayed close to Linda and her staff through every stage of the contract and implementation processes, and currently Ed checks in with Linda monthly to assure her continuing satisfaction. Linda is, he says, "... delighted with ACOM's software support and the entire system."

And as for working with ACOM's Jason Pisetsky, "...he made it easy for Charter One to acquire an ACOM check-processing solution, always helpful and concerned with their success."

"Overall, its open architecture, security, efficiency, control and cost-saving benefits made the ACOM Integrated Check-Processing System a valuable solution to a growing operational problem at Charter One."

SUCCESS!

Charter One has realized several major benefits from the ACOM Integrated MICR Laser Check-Processing Solution:

- Cost of check stock has been reduced from more than \$8,600 per year to less than \$3,000 per year.