

THE *th* ANNUAL

INNOVATIONS

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RANKING



IF THERE'S AN ETHOS

that ties technologists together, it's the notion that the status quo poses far greater risk than not pushing forward. Among some of this year's Innovators there's an almost militant insistence that banks not shirk.

"Innovation or death" is the motto of Pete Cittadini, the CEO of Actuate, one of 2007's most innovative people. Looked at another way, it has been observed by Peter Drucker that "the best way to predict the future is to create it," a sentiment the 25 most advanced people, companies and technologies in *BTN's* ranking certainly share. Those who do not embrace new technologies that effect positive, if not disruptive change risk being swept aside by more progressive competitors.

This is a list of success stories in the industry, and so a certain degree of brio is to be expected. But there are lessons here for all players. The Innovators show how an aggressive, well-conceived technology strategy can boost revenue through untapped avenues, lower costs through operational efficiencies and differentiate a financial institution from its competitors in the minds of customers and investors.

It's key testimony to why long-range, creative thinking about ways in which to redefine the technology landscape must have equal footing with the short-term drive to hit annual financial and market share targets, all the while serving the interests of customers.

Equally impressive as the financial results this year's Innovators have enjoyed is the breadth of their technological advances. The technological strides featured in the ranking include next-generation payments and mobile banking, improved data analysis, more sophisticated credit risk assessment, open-source-based business intelligence, advanced remote-deposit capture, branch automation, regulatory compliance, core banking, and Internet security.

Of course, innovation in the financial services industry continues at a breakneck pace, and institutions are eager to put these advancements to good use. The Innovators in this issue—stand outs in a crowded field—have stories particularly worth telling. In all cases, what's striking is not just how great an impact these 25 companies have had on their customers and the industry over the past year, but the extent to which they light a path forward. That, in the end, is true innovation.



THE INNOVATORS 2007

1 > JEFF YABUKI

President and CEO, Fiserv

2 > BANK OF AMERICA

3 > TRIPP RACKLEY

CEO, Firethorn

4 > RBC FINANCIAL GROUP

5 > LOUIS HERNANDEZ

Chairman and CEO, Open Solutions Inc.

6 > CHECKFREE'S

Web RXP

7 > PRIMEREVENUE

8 > FRANK MARTIRE

President and CEO, Metavante Corp.

9 > ART COVIELLO

President, RSA, the security division of EMC

10 > JOHN WOOLBRIGHT

SVP and CTO, Synovus

11 > ORACLE

12 > JUNE FELIX

general manager, global banking solutions and strategy, IBM Corp.

13 > PANINI

14 > MICHAEL R. COTE

President & CEO, SecureWorks

15 > PETE CITTADINI

CEO, Actuate Corp.

16 > ACTIMIZE'S

Employee Fraud Solution

17 > IDENTRUST

18 > WINCOR NIXDORF'S

Bulk Check Deposit

19 > NCR

20 > MFOUNDRY

21 > VSOFIT

22 > WSFS FINANCIAL CORP.

23 > VERINT

24 > HARLAND'S

CreditQuest

25 > BOTTOMLINE TECHNOLOGIES

13. PANINI



MORE THAN 4,000 INSTITUTIONS HAVE ADDED REMOTE-DEPOSIT-

capture services on the commercial-banking menu. Why they did so at this time seems to be a curiosity, since the average bank has deployed RDC seat license to just 38 clients. Take out the aggressive promotion from the top 10 banks (like Wells Fargo), and that number drops to 19, according to figures from research firm Celent.

Much of the slow movement last year was attributed to scanner-equipment shortages, but an underplayed reason were unknowns of how RDC fits into a small-business banking relationships. How many monthly check items make it worth the equipment cost? And how is exceptions handling worked into the mix? Panini North America, already a hardware staple in check processing at two-thirds of top-100 U.S. bank back offices (with 200,000 units sold globally), is bridging the deployment gap.

Panini has expanded its product lineup with last year's introduction of the single-feed MyVisionX SD scanner and a new market strategy this year to fish in smaller ponds where checks are counted in the dozens instead of the thousands. "Small business is really the next frontier in distributed capture," says Doug Roberts, CEO of Panini North America, "and [banks] want to be able to offer a simplified device for a lot less cost."

Whether seeding the RDC growth or resulting from it, the small-office features are coming just as the demand for distributed capture catapults. Roberts, who joined Panini in 2002, says Panini's orders for December are expected to be four times higher than in September, and will boost to six times the fall figure in January. "Panini has significantly invested in marketing, sales and R&D," says Celent senior banking analyst Bob Meara.

While privately held Panini, a 13-year-old subsidiary of the Italian parent that pioneered the desktop check scanner, does not release revenue figures, officials confirm a 139 percent jump in 2007 revenues, following a 50 percent growth in 2006. **(GF)**



What's driving innovation:

A growing demand for remote deposit capture

Notable achievements:

Opened MICR testing and qualification center to advance standards in low-speed MICR reading in distributed capture

Customers: SunTrust Banks, Wells Fargo, JPMorganChase, US Bank, KeyBank, BB&T, First Horizon, HSBC, Northern Trust, Compass Bank, Merrill Lynch



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