

Tom Linhard
President
FaxCore



In the CEO Spotlight section in *Internet Telephony*[®], we recognize the outstanding work performed by exemplary companies. Each month, we bring you the opinions of the heads of companies leading the Internet telephony industry now and helping to shape the future of the industry. This month, we spoke with FaxCore President, Tom Linhard.

GG: Fax has been around for a long time. Why has fax continued to be a viable communications technology in today's sophisticated market where fax competes with e-mail, IM, and the Internet?

TL: A Scottish inventor, Alexander Bain, was granted a British patent for a facsimile device in 1843. Bain's idea was to create a transmitter that would pick up images that would then be transmitted using a telegraph wire and translated to paper images on the receiving side. Although the technology has changed, the fundamental idea is still intact. E-mail and IM are text-based and fax is an image. It is the key reason why fax continues to be an important technology for communicating information and, for non-technical people; it doesn't get much easier than putting a piece of paper into a fax machine and dialing a phone number.

GG: Good points, but that same image could also be scanned into a computer and sent as an e-mail attachment, so why hasn't e-mail replaced fax?

TL: Certainly, for many documents, e-mail can replace fax but there are several limitations with e-mail. First, you need a scanner and a PC with connections to the Internet for e-mail. In its simplest form, fax only requires a phone line and a fax machine. Also, as opposed to e-mail, a fax transaction provides the sender with a solid confirmation of a complete successful send or a failure. The second key reason is that a fax is considered a legal document in most countries around the globe. An e-mail has very limited legal status for banking, legal, medical, financial, and other major industry segments, so fax remains the technology of choice.

GG: So e-mail and the Internet are not threats to the success of fax and FaxCore?

TL: On the contrary, e-mail and the Internet plus IP communications have breathed additional life into fax.

Many information workers have become accustomed to sending and receiving documents by e-mail rather than fax. On the upside though, faster and more reliable computing platforms have enabled the processes around document delivery to be moved from manual processes to e-mail, the Internet, and fax servers. This is a situation where the phrase "a rising tide lifts all boats" truly applies. The explosion of messaging has renewed enterprise focus on which communications technique best fits specific types of documents. Add in increased regulatory compliance requirements, such as Sarbanes-Oxley and HIPPA, and you have legal requirements that are best satisfied by fax servers. Sending and receiving from a fax machine is easy but difficult to track. A fax server logs what was sent, who sent it, when they sent it, and where they sent it. At FaxCore, we realized that enterprises are also focusing on productivity and mobility, so we designed a product that placed top priority on these two key criteria. Our customers can have both a mobile workforce and the security of central control.

GG: A lot of vendors are looking for the ideal architecture/feature set to address mobility and productivity. What advice can you provide?

TL: The concept is actually quite simple: Build a product that integrates easily and seamlessly into the enterprise with maximum reliability. Plus, use components that today's enterprises demand and make all these features standard.

FaxCore is built on .net and our SDK offers fast and easy application integration while our SQL-based database and workflow engines make it reliable. FaxCore also supports Active Directory, includes tight integration with Outlook/Exchange, incorporates a pure Web browser, and integrates with VoIP solutions, like Cisco's Call Manager, via SIP. Every day, more mobile workers are connecting their laptops from home or WiFi hot spots. Mobility is just as important for fax as it is for VoIP, so creating, viewing, sending, and receiving faxes in a mobile environment is a must.

GG: Okay, fax has evolved from a simple telegraphic transmission to today's IP world. We are in the midst of a colossal and accelerating shift from circuit-based to packet-based communications. How will fax communications be impacted by this? What does the fax the industry have to do to stay around for another 150 years?

TL: 150 years may be pushing it a little, but another 20 years is more than reasonable. VoIP is not yet the indispensable telecom solution, but it is well on its way. A recurrent theme expressed is that IP telephony plus converged IP communications are driving the market. Many companies that planned on a single connection for all their VoIP, data, and other communications quickly realized that they had to roll the fax machines or fax servers back to the traditional PSTN connections. Our work, in cooperation with leading vendors, like Cantata, allows companies to move all fax traffic onto their VoIP network and truly have a pure IP voice and converged communications system. As long as the fax industry vendors continue to keep pace with the needs of their customers, fax will remain a viable communications solution. **IT**



Richard Minervino, Sr.
Chairman and CEO
Profitec Inc.

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GG: What is Profitec's mission?

RM: Profitec's mission is to be the preferred provider of integrated billing and OSS solutions for communications related endeavors. To help us achieve that goal, we have created a large data processing center with in-house print facilities, we develop all of our own software, and we have a back-office services division, which is open 24x7x365, capable of handling everything from order entry to customer service and provisioning, to facilitate handling of end user requirements.

GG: What is your vision for Profitec and how is the company positioned in the next generation telecom market?

RM: Profitec will continue to grow and evolve its software applications in support of new product offerings while we maintain our commitment to legacy applications provided to current and future customers. Profitec will continue to maintain our commitment to be a single source vendor, regardless of our clients' underlying resale platforms, thereby allowing for fully convergent billing. Relative to IP-based customers, Profitec's products fully support this new technology including billing, customer service, activations, and fulfillment. Profitec can handle present and future taxation and USF requirements. We currently support dozens of VoIP providers processing data from a wide variety of underlying IP-based switching equipment.

GG: Now that it appears that growth and opportunity are the trends in the VoIP industry, what possible hurdles do you see that might upset this momentum?

RM: Currently, much of the country does not yet have access to high-speed broadband, which limits the available marketplace for IP-based services. Also, the government is increasingly extending taxes and surcharges, which formerly applied only to traditional telephony-based services. Limitations on available markets and taxes and surcharges, which diminish margins, will both serve to potentially force communications providers to maintain some traditional telephony-based services in their product portfolios. It is for these reasons, among others, that Profitec will continue to provide an integrated solution that spans underlying technology platforms.

GG: What are some of the technology areas where Profitec is increasingly focusing, and why are these areas important to the future of your company?

RM: Profitec is increasingly focusing on evolving our existing Web-based applications, which facilitate e-commerce activity and real-time rating and on-demand activations. Increasingly, communica-

tions providers are dealing with diminishing margins and wish to limit their revenue exposure against unsecured customer activity. Point of sale revenue generation, usage threshold monitoring, and expedited revenue generation from new business will help companies retain their competitive advantage. By extension, Profitec's support for these new perspectives will be instrumental to our long-term viability. Profitec has been thriving for over 20 years, providing support solutions to the communications industry because we have studied the marketplace, listened to our customers, and have a total commitment to the industry. Profitec is a privately held family owned business, which has been succeeding against much bigger competition because of our unique dedication to our chosen field of endeavor. **IT**

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