

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 > VSOF

22 > WSFS FINANCIAL CORP.

23 > VERINT

24 > HARLAND'S

CreditQuest

25 > BOTTOMLINE TECHNOLOGIES

21. VSOFT



ONE OF THE BURGEONING FINANCIAL-TECHNOLOGY BUSINESSES OF this early century is handling vestiges of the last one, in the ongoing shift to digitize the 98 million-odd paper checks that American consumers write every day. With one leg in Georgia and the other halfway around the world, the imaging and data firm VSoft is making a name for itself not with glitzy solutions, but by becoming a checkpoint at the community level in all the discrete points of presentment.

The firm's new COO, poached from Metavante in early spring, figures VSoft's success in community-banking industry and data centers is creating word-of-mouth momentum. "Checks are captured at multiple points—in the branch, at the teller, behind the teller, in the back office, inside an imaging-enabled

ATM," Vijay Bilakrishnan says. "The evolution of VSoft addresses all these remote points of capture as well as extending applications further into the back office."



What's driving innovation: Speed to market; scalable links between clients and banks' back offices

for check payments

Noteworthy: Its work with NCR and Diebold on image-enabled ATMs

Customers include: Bank of Tennessee, SunTrust, Cathay Bank, Farmers National Bank

In other words, VSoft is on the move. This year brought two points of interest—one is the creation of a digital dashboard so that bank clients can have an overall view of what's going on using VSoft data on check presentment at branches and cash machines. The other is a partnership with Diebold, which matches one the firm has with NCR and allows the firm's software to integrate with Diebold machines built with check-imaging capabilities. Now VSoft clients which use the Diebold machines can speed automated deposits and further automate ATM-

balancing workflows.

VSoft clients range from the \$571 million-asset Bank of Tennessee, the \$3.3 billion-asset Middlesex Bank of Massachusetts to \$180 billion-asset SunTrust. But it may be that wiring the small-town bank is where things get interesting, being that there are still 8,000 banks in the country.

"VSoft's solution has completely changed the face of our one, little branch," says John Charette, vp of finance and business technology at the Independence Bank of Rhode Island. "We've greatly increased our reach to include five states, which has increased our core deposits by over \$6.5 million. Because of these results and because of how simple it is for our customers to open remote accounts with us, we have no need to build any other branches."

For VSoft, these kinds of results mean growth—the private firm has doubled in size in the last two years and brought in revenues of \$11.2 million in 2006. **(MD)**