

## Gem appraisal firm shrinks overhead, speeds document retrieval with Kodak

### SITUATION

An international firm, appraising precious gemstones and jewelry, needed to find an electronic file system to manage the worksheets and paperwork that track the history of each valuable item.

### OBJECTIVE

Scan warehoused files and future documents to move from a paper-based filing system to an electronic one, reducing storage space and filing burdens — while speeding turnaround time.

### SOLUTION

**Kodak** Capture Software, **Kodak** i280 Scanner, **I.R.I.S.** OCR Server, and **DocuLex** WebSearch.

### COMMENT

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~ Bob Molinari  
President of Operations,  
1st Run Computer Services, Inc.  
[Reseller]

### Paper filing system requires massive warehouse space

This international wholesale gem appraisal company reviews 4,000–5,000 pieces of jewelry, updating up to 1,000 gemstone certifications each day.

With a global staff of more than 450 professionals based in locations all over the world, the company issues more than one million reports each year.

Its customers include thousands of jewelers, retail stores, insurance companies, Internet sales organizations, mail order catalog companies, accounting and securities firms, and consumers. All of these parties rely on the firm's reports to verify the quality and value of precious gemstones and jewelry.

Each item has a file history — including information such as its original identification and appraisal, when it was mounted or remounted, cut or recut, and bought or sold.

These worksheets track the gemstone's quality and value, along with historical information such as where the gemstone was found, who extracted it, who polished it, and the name of the dealer.

Consumers, retailers, and insurance companies count on the reports to help determine appropriate prices, true value, and retail replacement value.

Until 2005, the company housed all of its reports for millions of gemstones and pieces of jewelry in an 11,000 square-foot warehouse. This required a staff of ten file clerks to manage all the documents and files.

"When one of the firm's customers had a question about a piece of jewelry, a warehouse employee had to literally search the storage facility for the right file cabinet, pull the precise file, and then fax the documents to the customer. This could easily take half a day," says Bob Molinari, President of Operations, 1st Run Computer Services, the Reseller that implemented the solution for the gem appraisal firm. "They wanted to reduce warehouse space and the number of employees required to man the warehouse, while speeding document retrieval and turnaround time."

### A five-year search for a solution

In 2000, the company began looking for an electronic system to help manage its documents.

"They tested a few solutions but none of them worked to their satisfaction, primarily because the pages in gemstone histories don't fit into any predictable format. A history might contain five pages of regular paper, one label sticker, one photograph, and one strip of film, for example. And the pages are usually crumpled, creased, folded and difficult to scan," notes Rhea Schultzberg, Vice President of Operations for 1st Run Computer Services, Inc.

"At one point, the firm asked another company how much it would cost to scan the entire backlog of files. They were told it would take three years and would cost 1.5 million dollars just to scan the existing files into a system. And that's not even including a scanning system for future documents!" The gem appraisal firm continued searching for an electronic file system into 2005 when they met with 1st Run Computer Services Inc. of New York, NY.

## From hours to seconds: Kodak Capture Software speeds retrieval time

Working with 1st Run, a solution was implemented including **Kodak** Capture Software, a **Kodak** i280 Scanner, **I.R.I.S.** OCR Server, and **DocuLex** WebSearch Software.

The gem appraisal company began using its **Kodak** i280 Scanner to scan new and updated gemstone worksheets into the system, interspersed with their backfile. After the documents are scanned, **Kodak** Capture Software reads and captures the images (including color photographs of the jewelry and gemstones). The **Kodak** Capture Software recognizes color bar code numbers (identifying each individual gemstone), creates PDF files for each item, and automatically indexes each file according to its bar code.

"The OCR text recognition capability is probably the most valuable feature for them," says Molinari. "Instead of their employees having to manually type in the bar code information, **Kodak** Capture Software recognizes the bar code numbers and automatically creates PDF files, and then indexes them for our client. **Kodak** Capture Software also recognizes the text on the pages and converts it into searchable database information, so people can look for information about their gemstones online."

## Advantages for real-world performance

Now that they have scanned their entire backlog of documents and no longer rely on a paper and file cabinet system, the appraisal

firm has been able to reduce its warehouse space from 11,000 to 200 square feet and file clerks from ten to four. The cost savings on overhead alone resulted in an immediate return on investment.

When a customer buys a diamond ring, for example, it comes with a certificate. The customer sends this certificate to his or her insurance company to have the ring insured. The insurance company may write back and request that the customer have the ring reappraised for the following year's insurance policy.

In the past, the customer would have to call the appraisal firm, give them the gemstone number, and then wait up to a week to receive the gemstone's updated value.

During this time, the firm's employees placed calls to the warehouse, file clerks searched for the right file cabinet, hunted down the proper report, faxed it to the appraiser who then made the appraisal, printed it out, and mailed it to the customer. This typically took five to seven days.

Now, with **Kodak** Capture Software, the **Kodak** i280 Scanner, **I.R.I.S.** OCR Server, and **DocuLex** WebSearch (which puts the files onto the Internet), the firm's Web site allows a customer to enter his/her gemstone number (that correlates to the scanned and recognized bar code number) and the report appears on screen. The customer follows a simple step-by-step process to update the gemstone's appraisal and prints out the new appraisal right away — instead of waiting for days.

## Improved turnaround time improves an already fine reputation

"Along with the appraisal firm, we looked at a lot of competitive solutions but only **Kodak** Capture Software could read a color bar code image, eliminating the manual data entry of index information.

**The Kodak i280 Scanner, in turn, provided the high image quality and speed needed for the company to stay competitive," says Molinari.**

"We did the research and tested the application. Kodak earned the best reputation for exceptional image quality, faster scan and feeder tray speed, color bar code recognition, lowest scan rejection, and lowest number of service calls on record."

Schultzberg adds, "Before, if the appraisal company wanted to retrieve a document, it would take half a day. Now it takes two to 20 seconds. There's just no comparison. They can even grade a gemstone and enter all the new data in four days while it takes their competitors at least five. This has improved 1st Run's reputation — and reinforced why this solution featuring **Kodak** Capture Software and the i280 Scanner has proven to be a clearly outstanding, highly beneficial choice."

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