Comat

**Header: Arguing the case…**

**Strap:** Comat offers its services in the fields of medical and legal transcription. It is focusing on offering legal secretarial work and has also moved into documentation search.

Comat was formed in 1993 as an IT company joint venture with Healthscribe. Healthscribe exited due to capital inadequacy in 2000. Obviously with Healthscribe connections, Comat had to be a medical transcription company. But it has diversified since then mainly into legal work over the last one year. It is also considering insurance.

Comat started in the medical transcription space. From there graduating to other healthcare offerings – insurance claims processing was but a natural extension. From medical transcription, Comat tried to diversify into legal transcription. However, there was a greater opportunity for offering legal secretarial work.

The legal secretarial work functions like this. The lawyer after a day at court would come back and give some work to the secretary. And he would expect the work next day morning before attending the court. If the US-based secretary had to do the work, the person would have to stay after office hours or work late shifts. But this is just the kind of work that can be done from India with the least amount of inconvenience. The end of an American lawyer’s day is the beginning of the Indian secretary’s day and when the secretary finishes work by the end of the day and turns in the work, the American lawyer is ready to start to start off for his work the next day. The paper documents are sent through Internet or email.

From legal transcription, Comat has moved to documentation search. US is a highly litigated society and each case requires thousands of documents. Now searching through each of these documents to get the right kind of document is a painful process. However, there can be technology-enabled indexing for each of the documents. This would allow a quick search over the computer for a particular document – say invoices between particular dates or a document containing certain company information. Enabling the easy location of document would reduce litigation costs considerably.

The disadvantage of working in legal area is that the workflow often is uneven – very similar to the workloads of lawyers and hence workforce needs to be planned properly. The insurance foray into the health sector is getting
diversified into other specialised insurance areas – such as insuring taxicabs for instance. Another diversification is in the area of cheque processing. Scanned cheques arrive and data is entered. However, this activity has to be done to match the real-time cheque processing in the US. Hence the shift hours are from 2 am to 6 am in morning. Apart from this, there is some work in the area of finance and accounts.

The most interesting aspect about Comat is its location. Unlike other BPO companies, Comat has chosen to base most of its operation out of Mysore, with a small presence in Bangalore. The staffing costs are lower and the same is true for attrition rates. It is possible to get better talent, since not many companies are competing for talent. Attrition rates are lower. Indeed, Comat is considering setting up future centres in smaller towns. Dehradun in North India could be a choice. The availability of telecom, communication and power infrastructure could, however, be a major issue.

Though currently 150 people work in the healthcare segment as opposed to 70 in the legal section, greater growth is expected in the legal area. The cheque-processing work requires employees to work at odd hours and this can be a constraint. Insurance could be another growth segment. Though Comat closed last year with revenues of Rs 10 crore, it is likely to reach up to Rs 18 crore this year.

In the legal area, Comat prefers to hire graduates with good English, rather than law graduates with inadequate English. Comat does not have a strong marketing team, preferring to work with front-end legal BPO companies in the US. This not only reduces marketing costs, but also gives confidence and comfort to end-user law firms. Comat has a good software development team and believes that technology can be used to offer higher production solutions.

Start-up Year: 1993  
Area of Operations: eGovernance, BPO operations, including medical transcription and legal work  
Location: Bangalore, Mysore  
CEO: Mr S. R. Rangan  
Approximate Headcount: 300  
Approximate Revenues: Rs 10 crore (2002-03), Rs 10 crore (2001-02)