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## WHY SOFTWARE COST SHOULD NOT BE A FACTOR IN YOUR CAT SELECTION

by Daniel Glassman



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One of the things I find in the reporting business is that when it comes to buying CAT systems, reporters often focus on price as the first and most important criteria for making their buying decision. And, to a certain extent that may make some sense, particularly when buying a bunch of bananas or soccer balls. But, when it comes to buying CAT software, in my most humble opinion it makes no sense at all. There is **no** price difference between the CAT companies that is sufficient to make me use that as even secondary-level decision criterion.

Hold the shocked looks for a second and I'll put on my Ross Perot hat. You want to go through the charts with me or are you willing to do some of the homework yourself? Granted, I'll have to do something about the ears, but outside of that, the numbers are a lot simpler than you'd think. The real problem is that most people don't think creatively about their work and buying of professional products.

Bear with me for a minute while I review a little history in the CAT business. When I started selling for Stenograph in the early '80's, CAT systems with less than 2 MB hard disks were selling for \$32,000. Let me repeat that. \$32,000. And there were a few others out by BaronData that were one heck of a lot more expensive. So, when the equipment changed and the prices dropped into the mid teens of \$\$\$, everyone thought they were getting a great deal. And, by comparison, they were.

With the evolution into and increased functionality brought about by PCs and their subsequent growth in storage, power and efficiency and the introduction of intuitive operating systems, the costs of CAT systems again dropped into the \$5,000 range. Since then, prices have eroded into the \$3,000 to \$4,000 range. But, for all practical purposes, prices have remained fairly stable in that range for the past decade.

So, if people were willing to pay \$15,000 for CAT systems in the late 1980's and they can get them now for, say, \$3,500, why the apoplexy over a couple hundred dollars difference in price between CAT software? If somebody, for example, buys brand C instead of brand E because they saved \$500, is that a good deal?

At first blush it may seem so, till one realizes that perhaps audio synchronization doesn't come with the quoted price of C and now they have to pay extra for it. But, forget about all that stuff for a minute. What I'm talking about here is efficiency. Productivity. Time. What the software will do for you vs. what you're going to have to do on the software to get your transcripts done. And here's where Ross Perot walks in.

Simple math folks. If you pay \$3,700 for E and (let's get crazy here) \$2,500 for C and \$1,500 for S and \$995 for T, let's take a look at the numbers from a position "outside the box" for a min.

	Sales Price	Cost Per Day (Based on 365 days)	Difference from Prior	Difference from High Price
E	\$3,700	\$10.14		
C	\$2,500	\$ 6.85	\$ 3.29	\$ 3.29
S	\$1,500	\$ 4.11	\$ 2.74	\$ 6.03
T	\$995	\$ 2.72	\$ 1.39	\$ 7.42

The assumptions I used here are that you're buying the software and paying it off totally in one year. Now, you can argue the number of days you actually work and all, but, you're still arguing over a buck here and a buck there. So, for purposes of the illustration, humor me for a moment.



What this means is that because you got a CAT software program for \$995 you got a real bargain and whoopee! Look at all you're saving as a result. And the poor guy down the road who paid \$3,700 really got taken. Now then, let's look at what you got for your money. Did you get software that translates in some form then dumps into MS Word or WordPerfect for your editing? If you did, I can tell you now how much more time you're going to spend editing than if you got CAT software that does the automatic formatting that most CAT programs can do if they've been around for very long.

If you got lucky and bought a middle-of-the-road CAT system (price wise) you're still getting a CAT program that is using the design and translating methodology that comes out of the 1970's and 1980's. So, if you paid the whole \$3,700 should you be feeling bad that you got your wallet lifted? Not a chance!

Talk to any E user today and you'll find that a huge portion of them have come from other CAT systems and I doubt that you could find one who had been trained and knew the software who wouldn't go on and on about how much more efficient the software is and how much more productive they are now and how much more time they have to do more work or other things they'd really like to be doing.

Notice here, that I'm not getting into a feature dump or product comparison at all. I'm only talking about looking carefully at what the CAT software will do for you versus what you'll be doing on it. Does the CAT software know we're working in a language-based business? Does it recognize the difference between a noun, an adverb, a conjunction, a preposition and a declarative versus an interrogatory sentence, for example. If it doesn't, I can tell you now that you'll be doing a lot more work on your software to accomplish the same thing that E users will do in a fraction of the time.

So, if you haven't figured out by now where I'm going with this and if you haven't been overcome with the head-banging "duh" of enlightenment, let's take a look back at the numbers ever so briefly.



Taking the extremes, from the most expensive to the least expensive, you're saving all of \$7.42 per day (remember this is only for one year as after that the CAT software is paid off). What's your time worth? How much do you get paid per page? How many pages would it take to make up that \$7.42? What this really means is that if your time is worth, say, \$40 per hour, if you spend just 11 minutes more per day editing your work than the person on E, you've lost out. And, it also means that after that first year, after which the software is paid off, the cost to you in inefficiency does nothing but go up and up.

The CAT user who uses the fill-in-the blank features while completing title pages, appearance pages, the automatic indexing and other features like that (even without getting into the real stuff of increased editing efficiency and improved quality of raw translation you get to edit) will experience huge gains in efficiency over reporters using less 'smart' software.

So, if you or someone you know considers your time of any value at all, you'll make sure that what counts in your software selection is what the software does, not what it costs.