

# NextAce still growing as it reaches milestone order

*Industry News*

Wednesday, October 24, 2018

After processing its 10 millionth order and celebrating 15 years in business, NextAce President and CEO Don Cantral told The Title Report the best is yet to come for the company.

Cantral sat recently to discuss the company's evolution from its beginnings as an idea on the back of a napkin in 2003. When the company started, he said, it was handling 200 orders a day. Today, NextAce processes about 6,000 title search orders a day.

"We originally built the platform to process refinance orders. Today about 70 percent of orders are purchase sales, and of the last 30 percent, about half of that is commercial," he said. "That's changed as the market has changed. It's completely different than we expected."

The growth has been exponential. Seven years after launching, NextAce recorded its 1 millionth transaction. As it marks the 15th anniversary this year, NextAce is handling 2 million transactions a year.

To build the company, Cantral first had to persuade the industry of the need and advantages of automation in title search. That's a process that took time, he said, spinning a story of map searches to illustrate his point.

"It's acceptance. When MapQuest began it was everywhere. You'd go find your route, go to the printer and take it with you. But then I was able to get that on my phone instead, and now Google Maps and Apple Maps are ubiquitous. It takes a long time to embrace change," he said.

Automation was allowing companies to gain efficiencies by not requiring as much staff to handle tasks manually in searches, which Cantral said was well-received at the top executive level. But managers in the production areas of companies were concerned over the future of their staffs.

As the financial crisis forced companies to look for efficiencies where they could, including moving search work to third parties, the dynamic around automation changed.

"Going offshore changed those dynamics, because they weren't looking at people in their office who would be repurposed," Cantral said.

The crisis also allowed NextAce to show its strength in handling transactions for foreclosures or real-estate owned properties which burgeoned at the time.

Doing so, however, required more than just software to make NextAce stand out.

"I thought the only thing we'd need would be tech programmers, but the title companies wanted the searches to be perfect, as you'd expect them to, so we got 50 examiners in to look over the technology and make sure it was," he said. "So we kept hiring SMEs (subject-matter experts). While we no longer staff them to review the technology, we still have SMEs today. We call them customer advocates – not for software support, but for use support."

The breakthrough occurred as NextAce began to examine the way in which it customized its technology for customers.

"What's changed is we used to only deal with the largest of customers because the integrations were so expensive and time-consuming," Cantral said. "If you had a smaller company, we couldn't afford to do it – the cost for us and for the company just didn't make it worthwhile."

But NextAce examined more than 2 million orders and tracked almost a billion changes made in the settings and customization for technology and came to a startling conclusion.

"We noticed that there were 300 settings that were specific and unique for one company or another, but the rest were almost universally shared," Cantral said. "Now we've created standard forms and customers are able to get setup and start running orders in about 15 minutes. There are thousands of agents out there and we can help them compete. Today our smallest customer opens 50 orders a month– at the beginning of the year, our target was 1,000 or more."

The result is the ability for companies large and small to pick up efficiencies from automation with NextAce's service. The return on investment varies, but Cantral said companies who take advantage of those efficiencies can see a difference on their bottom lines.

"You can gain from the efficiencies our report provides. Our studies show big companies can save up to 50 percent," he said. "But it's on you to take advantage of those efficiencies – if you don't change any of your operations then you won't realize the advantages of automation."

Fifteen years after founding NextAce, Cantral said his company is continuing to change as well. He sees a move to the cloud in the company's future, moving away from its own infrastructure.

"Our software as a service model allows us to expose a lot more information to our customers, and our new website includes greatly expanded online tools," he said.

And although a slowdown in the housing market has been forecast, the diversity of business NextAce has gained will help the company continue to grow moving forward, he said.

"When the market changes, if it changes, we'll be ready. We can do sales and refinances, home equities and foreclosures, and they're not all going to be down at the same time. How it all comes together, even when volumes are down, is that other areas help support the market," he said.

"Our objective is to automate as many orders as possible, which will immediately impact the easier orders so you can use your labor staff more efficiently on complex orders."

