

Government contract; business benchmark

by Naomi Dummett

Ontario contract just the beginning for Teranet

ON A WARM SUMMER day, several transactions take place simultaneously all across the country.

A man, having felt the thrill of a fast drive through the British Columbia mountains, now feels the sting when he pays for the resulting speeding ticket online.

At the same time, a Calgary fraudster is foiled in his attempt to steal the ownership of a house when a mortgage lender notices the exaggerated value placed on the house.

A Winnipeg reporter quickly accesses background information on the population of Flin Flon for a breaking story, buying it over the Internet from Statistics Canada.

A family is taking their first swim at their new Muskoka cottage. The purchase of the cottage closed today using Ontario's automated land registry.

In Ottawa, a girl arrives home from the hospital after breaking her leg. Her father uses his computer to pay for the crutches.

A Nova Scotia mortgage lender runs a routine check on the lawyer presenting her with an opportunity that seems too good to be true. The check confirms this lawyer has been involved in a number of alleged frauds.

From coast-to-coast, the above exchanges have one thing in common – Teranet, which as a provider of secure e-services, is behind many transactions with governments, banks, consumers, lawyers and real estate agents. You just can't always see it.

Known primarily for the development of Ontario's electronic land registration system, Teranet has expanded its influence across the country. From its origins as one of the first and few successful public-private partnerships (P3s), Teranet is a case study in organic growth through the expansion and reuse of technology.

In 1991, Teranet struck upon a very simple, but original, model for success. Working in partnership with the Ontario government, it undertook the revamping of Ontario's land registry system. The goal was to automate a large amount of data and create the world's

first electronic land registration system. It was a bold initiative, one that would challenge convention and push the front-edge of e-government.

Updating a complex paper-based system that had been in place for over 200 years involved organization and a clear understanding of client expectations. The sheer volume of material was enormous – over four million parcels of land and millions of paper documents associated with that land. Moreover, remote electronic access was an unfamiliar concept for most. Once launched, however, the benefits were clear and the support immediate. A system once regarded as archaic, time-consuming, and inefficient resurfaced as a streamlined, accessible and secure operation. Lawyers, conveyancers, financial institutions and other users were no longer required to actually visit local land registry offices (LRO), but could instead access land title information electronically. All stakeholders benefited and Teranet emerged as a company with proven talents and ambitious goals.

Initially, the system was conceived for lawyers to submit documents for registration to the Ontario government. Some creative thinkers saw other possibilities. Commercial enterprises such as RealNet Canada Inc. and Monarch Corporation found that accessing ownership information online provided strategic advantage in their businesses.

RealNet Canada, whose mission is to help clients make better real estate decisions, uses Teranet's services in their commercial research department. "It saves us time in our research process by avoiding the need to reference white prints and street maps to identify the location of a property," says RealNet President, George Carras. The integration of parcel fabric with aerial imagery within this service provides a greater understanding of the property in question.

Similarly, the efficient gathering of property information enables Monarch Corporation to make purchasing decisions at a moments notice. "When initially looking at

a parcel of land, we no longer have to make assumptions; instead we can simply access the information," says William Liske, associate legal counsel for Monarch.

Municipalities have similar needs. Much of the work to administer land development, road construction, water and sewer requirements and planning initiatives involves searching and registering title or property documents through the land registry office. Traditionally, municipal clerks would travel to the LRO to do this work in person, often encountering costly delays.

Mary Jessup, the law clerk for the Town of Oakville, used to travel to the LRO twice a week. "Now I can do a search everyday or right now if they need the information immediately. You just press the button to search or submit for registration – no waiting and you are sure to get your work done," she says.

Land information and registration was the starting point for the company but, in accomplishing this task, Teranet developed networks, software functionality frameworks and database management that could be useful elsewhere.

For instance, transaction management for the land registry service meant that technology to process multiple payments and taxes securely in an online environment was a given. It's a small step to offering that same service to others to process payment for speeding tickets, online stores or crutches over the Internet. Partnering with RBC, Teranet developed a parking and speeding ticket payment service known as paytickets.ca.

"The convenience and confidentiality offered by this service is an asset to our constituents," says Ken Hughes, manager of revenue for the City of Ottawa. "Every person who pays online is one less person standing in line."

The same sort of service is used by the federal government, health care facilities and professional associations. To facilitate their online services, Statistics Canada and Ottawa's Queensway Carleton Hospital rely on

Teranet to provide their e-commerce engine. Patricia Renaud, the manager of financial services at Queensway Carleton Hospital, finds Teranet's help in delivering their online payment service to be "an excellent way of getting accounts receivables cleared up faster."

Delivery of land information and transactions requires transaction management but Teranet also offers risk management solutions for the financial sector. With the automation of the electronic land registration records, a next logical step was a collaborative effort with the financial community to coordinate lending information. The mortgage industry is big business and like any business is susceptible to fraud. Having an accurate assessed value of property is an important aspect of minimizing the risk of fraud. Since Teranet already had access to the prices of houses sold as well as the prices of neighboring houses, and the network knowledge to collate that information, it made sense to use that data to offer lenders an automated property valuation system to help prevent fraud.

Risk management requires that the value of property is correctly assessed but it also requires that the people you are doing business with can be trusted. Again, Teranet turned a risky situation into a safer one. They created a registry where mortgage industry subscribers could share information about professional misconduct and misrepresentation by professionals or organizations in the legal and financial services industries.

Over 5.5 million electronic land registrations have taken place since the first one occurred on January 25, 1999 – that's, on average, more than 2,000 land transactions per day. Canadian municipalities have collected over \$8.2 million online from *Provincial Offences Act* fines; \$3.8 million in parking fines; and Statistics Canada has completed over 70,000 transactions with a value of almost \$700,000. These figures continue to grow.

"We have taken every opportunity to develop solutions for government that create efficiencies and economies. Applying this knowledge for other markets continues to be a great journey," says Mike Power, executive director of Teranet's eGovernment services. 

Naomi Dummett is a corporate communications specialist. She can be reached at naomi.dummett@teranet.ca.