



World

The S&T Group's International Customer Magazine • 02/2009 Issue

Global Harmony: Worldwide standardization of processes

Focus Trade™: a truly “delicious” solution

Virtual Data Centers? The hot theme on the market

A close-up photograph of a large pile of sharpened wooden pencils. The pencils are in various colors, including red, green, yellow, and blue, and are scattered across the frame, creating a sense of depth and texture. The background is dark, making the light-colored pencils stand out.

Not a child's play

**Efficient outsourcing provides benefits
on all levels and helps save costs**

Cisco's new unified data center

If the Internet is the circulatory system of the global economy, the data center is its beating heart.

The explosion of web applications, social media, video sharing, and software as a service has propelled the data center out of the back office and dropped it in the middle of the boardroom table. In short, the data center matters to every enterprise, economy and society keen to participate in the information revolution.

The data center has to change to deal with the relentless flow of data. On March 16th 2009 Cisco unveiled a Unified Computing System (UCS) with an architecture designed for today's world.

It's broke. Let's fix it.

In a world where every vendor has its own data center road-map, just about everybody agrees on one point: today's data center is not up for the challenges of the next year, never mind beyond:

- ▶ It's inefficient - taking up far too much power, cooling, space and attention.
- ▶ It's expensive - demanding significant over-provisioning of servers, storage and network bandwidth.
- ▶ It's inflexible - constraining innovation and inhibiting the agility that the real-time economy demands.

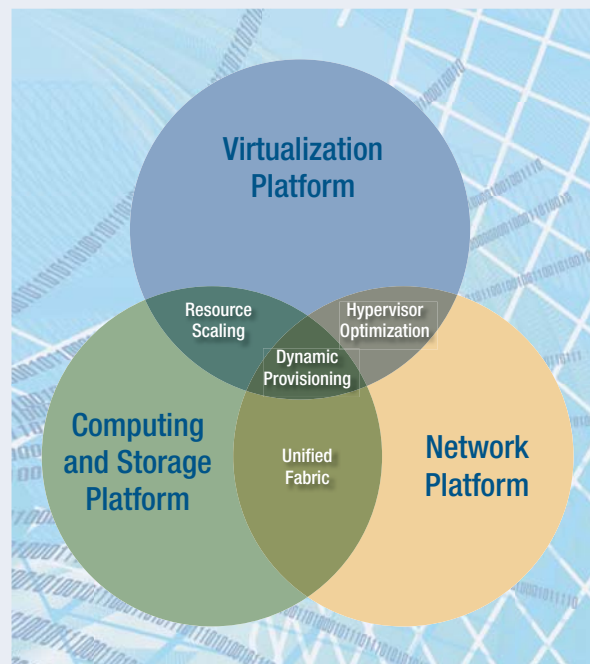
Clearly, it's time to re-think and re-design the data center to better match the demands, expectations and constraints of tomorrow. And the essential piece of the puzzle is right in front of us: virtualization.

Introducing unity.

The Unified Computing System is the next-generation data center platform that unites computing, networking, storage and virtualization into a cohesive system that does three things:

- ▶ Drives down data center costs
- ▶ Dramatically improves energy efficiency
- ▶ Increases any enterprise's ability to change and innovate

Unlike the 'virtualized silos' seen in any data center today, UCS orchestrates all of the resources necessary to deliver any application. UCS is the crucial enabler of the cloud computing infrastructures and it delivers dynamic provisioning to bring new ideas and applications to the user. It's a pre-integrated



infrastructure that replaces the system jumble that forces data center managers to be full-time integrators.

Who but Cisco?

It makes sense for the vision to come from the network. It's always been at the heart of the data center's ability to provide information anytime, anywhere, to anybody. It is, however, a shared vision

UCS brings together a formidable partner portfolio to create the reality. Microsoft, EMC, BMC, VMware, Intel and Accenture, amongst others, have thrown their weight behind the UCS vision. The result: a simpler, greener, more agile data center that unites computing, storage, networking and virtualization into a single management plane - with optimization dividends that pay the bills. As a top blogger given an early peek of UCS puts it, "This is where virtualization was taking us all along. We just didn't see it until now."

For more information please visit: www.cisco.com/go/ucs ▶

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Editorial

Our clients count most



Dear readers,

the global economic downturn did not leave S&T unscathed and had an effect

on our business results. Still, we managed to maintain our market share and have been named by the Gartner Group as the leading IT consulting company in the CEE region, leaving behind all the big international players in this field. Despite one certainly has to cautiously evaluate the economic development we definitely want to continue the S&T success story. We believe it is the right time to invest again in sales and marketing. Crisis or no crisis - we always strive to support our clients to do better business.

This issue of S&T World focuses on outsourcing and application management. S&T has long been a competent and reliable partner for storage-, network-, server- and desktop management, as well as for the service and advancement of SAP applications. National and international clients trust in S&T so they can concentrate on their core business while they benefit from more transparent predictable costs and optimized processes.

I wish you a lot of success for the rest of 2009 to come. And enjoy reading.

With best regards,

Christian Rosner

CEO S&T Group

Imprint

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SAP for Magma

Considerably improved efficiency and transparency.

S&T planned and implemented a comprehensive SAP project for the leading Croatian distribution and retailing business Magma d. d. over the course of just seven months. The solution catered for 100 branches and more than 1,400 employees provides modules for financial and cash management, controlling, travel management, personnel, wages and salaries and also purchasing.

“The realization of the SAP solution is a very important step for Magma as it ensures a significant improvement in quality as well as modern administration methods for accounting processes, planning and budgeting. The system will considerably improve our efficiency and transparency”, comments Magma’s management board director and Head of Business Process Development Višnja Lovrek. The system can be flexibly adapted to new organizational requirements



and permits the implementation of new sub-systems without imposing restrictions on daily business activities. »



S&T Croatia

A strong VMware partner!

VMware was able to welcome numerous IT experts, business representatives and partners to the “VMware vSphere Forum 2009” in Zagreb. As part of its Eastern European Road Show, VMware made a stop in Croatia in order to present its new software package-vSphere4.

As a long-standing VMware partner, S&T informed the diverse audience about the benefits of IT infrastructure virtualization using VMware. S&T is the largest VMware partner in Croatia, as well as being the first company to have already successfully implemented VMware vSphere4 for a client. »

A Very New Deal(er)!

CARBON implementation for LUEG.

Yet another giant in the German car dealer sector, LUEG AG, has put its faith in CARBON, the Dealer Management System from IMG - Consulting Services of the S&T Group. The SAP business all-in-one solution will be put into operation at the LUEG head office and at all 17 other locations in early 2010. The CARBON implementation will start with Mercedes-Benz, Ferrari und Maserati, with smart following after 2010 and Opel being integrated in a third stage. »



Finally, the Euro!

S&T Slovakia realizes 54 SAP projects.

During 2008 and the first half of 2009, most SAP projects implemented in Slovakia were related to the country's conversion to the Euro currency. By the end of June 2009, S&T Varias had realized Euro conversion projects at all 54 of its SAP clients, with a total contract volume of more than 2 million Euros.

The companies that S&T has assisted in converting completely to the new currency include: Aquachemia, Avnet, BASF, Datalogic, Duropack, Duslo/Istrochem, Embraco, Grafobal, Heineken, four companies in the Hella Group, Knaufl, Nexis, Orange, Palma, Panasonic, Sperian, Tubau, Volkswagen Slovakia, VVS Košice, Wertheim and nine Slovakian universities. »



Innovation in Focus

S&T and the St. Gallen University take off.

The cooperation between IMG - Consulting Services of the S&T Group and the Institute for Information Management (IWI) at the University of St. Gallen in Switzerland has now led to the pursuit of new goals. The core focus of their cooperation in future will be the subject of Business Innovation. "The partnership involves the development of publications, the organizing of joint workshops and studies for clients as well as activities for CIOs", explains Georg Komornyik, COO BS S&T. In addition, S&T and the University of St. Gallen will carry out joint research and consulting projects on Business Innovation. »

On the Fast Lane

Winner Automotive speeds up its sales.

One of the leading car dealers in Ukraine, Winner Automotive, has realized a transparent and user-friendly CRM system in cooperation with S&T for standardizing and optimizing marketing and sales processes. It is based on Microsoft Dynamics CRM. Together with the CRM project, S&T has also implemented and upgraded other IT services. These include a uniform mail system across the whole company, data storage facilities, a centralized backup and recovery system for CRM, an update of the database management system and a secure solution for remote access. »



“Global Harmony”

The Andritz Group aims to standardize its processes throughout the world. International development, production and delivery networks require harmonized and interlinked IT systems.

Only in this way can workflows be fully optimized and centrally controlled. The Andritz Group has been supported by IMG - Consulting Services of the S&T Group, in harmonizing a total of 19 ERP systems as well as a multitude of local solutions. Such a strategy has already been successfully implemented in numerous previous projects carried out by S&T. Corporate growth is an essential component of success but can also create countless problems, not least for IT departments. This has certainly been the case for the Andritz Group, a leading global supplier of tailored installations, systems and services for sectors such as the paper, pulp and steel industries. Since the 1990s, the group, which is based in Graz in Austria, has taken over a number of companies in countries such as China, the USA, France, the Netherlands and Germany, as well as in Scandinavia. Its IT infrastructure has thus developed into a veritable jungle, with no less than 19 different ERP systems and a multitude of local solutions being used.

Teamwork with an ambitious goal

Such a fragmented system infrastructure represents a serious problem as it considerably slows down corporate processes. The time was therefore ripe for a completely new solution. This was to be created by a team of skilled partners with the required expertise for the design, preparation and implementation phases. The Andritz Group responsible IT managers selected the

Information Management Group IMG, Consulting Services of the S&T Group, for the task. A joint research was conducted to identify the ideal solution, which ended up being mySAP ERP. This was then to be installed in a uniform way in all the subsidiaries and branch offices around the world. The aim is the full connection of all the remote locations to the headquarters in Graz by 2013 - thus enabling globally harmonized business processes throughout the group.

Two phase implementation

After using an ERP prototype to conduct a thorough analysis of the capabilities of the desired solution as well as the ability of SAP R/3 to provide the required coverage, the global SAP project was initiated. The Business Blueprint Phase involved primarily working with the macro processes, such as project and order processing and execution as well as the field of after sales and service. These were then integrated with the other processes, such as engineering, logistics and production workflows, and financial accounting. The most important step in this phase was the implementation of the global SAP template. Following intensive prototyping with regular test cycles and reviews, the global SAP rollout project began. Finland, with one of the larger national subsidiaries, was first on the list for the rollout process. The ultimate goal is to implement the global SAP template in all the Andritz subsidiaries.

“Customers expect their suppliers’ business processes to work smoothly and efficiently.

IMG’s methods have been put to use with great success in many projects and provide support to businesses for tasks ranging from designing optimal processes to operating implemented solutions”, is the unanimous opinion of Wolfgang Hornung, Head of BS Consulting Services S&T DACH (left) and Wolfgang Käferböck, Director BS Industry Manufacturing S&T Group.





© Andritz (3)

The challenges faced by the manufacturing industry today are not getting any smaller: globalization, increasing competition from Asia as well as rising innovation and cost pressures increase the need for harmonization and optimized systems.

Harmonization of master data

A second core area of focus, which was no less important than the first, was the development of efficient data management procedures. The key issue in this respect was the harmonization of the group's master data, so that only one single globally valid master record was in circulation for each material master. A methodology established exclusively for this purpose ensured that material texts were uniform and that no duplicates existed. The SAP-supported material master concept will now simplify project execution considerably, although there were a number of challenges that had to be overcome which resulted from the different business models and data legacies in the individual Andritz subsidiaries. With regard to the planning of and preparations for the data migration, the responsible managers also had to take into account the size and production volumes of each corporate plant.

Finally, the result of the realization of the comprehensive process harmonization measures: The Andritz Group is not only more efficient in its production worldwide now due to the realization of synergy effects, but it is also much more confident

»Design the future.
Set standards.
Ensure advantages.«

with regard to integrating potential new acquisitions. The group also benefits from optimized customer support and greater transparency of available data. In other words, the considerable efforts of Andritz made together with IMG have paid off in a variety of ways.



Outsourcing for greater flexibility.

Outsourcing in Slovenia

S&T Slovenia supported Zveza Bank to launch its first online banking.

Comprehensive skills and expertise in the financial sector as well as wide ranging experience mean that S&T is a highly competent partner for banks and other credit institutes. The main focus of the outsourcing project for Zveza Bank was “Diba,” the first entirely online banking model in Slovenia. “By choosing an outsourced solution, we have kept the door open for a wide range of upgrade and growth possibilities”, explains Ivo Pilic, IT-Manager at Zveza Bank. “We decided on outsourcing in order to be able to ensure constant and cost-transparent access to up-to-date knowledge and the best methods from the field of IT services.”

Greater flexibility for Zveza Bank

One of the biggest challenges in the project was adhering to the timetable, as some of the existing banking applications and services were also transferred to the new data center operated by S&T. S&T Slovenia provided Zveza Bank with state-of-the-art technology that is maintained by highly skilled professionals. The project was planned in a way that the migration did not lead to interruption of any business processes.

“In summary, we have provided improved scalability as well as greater flexibility for Zveza Bank at all levels of business”, comments Roman Blagsic, Head of the Outsourcing Department at S&T Slovenia.

Innovative e-banking model

The innovative product offered by Zveza Bank is based on a completely new business model for Slovenia. Using the online

platform www.diba.si customers get full access to banking services - 24 hours a day. This enables the bank to focus on other online services in Slovenia and to enter new markets in this region. By choosing S&T’s outsourcing infrastructure and maintenance & upgrade services, the bank is able to reach its potential customers across any geographical boundaries.

The Zveza bank is an Austrian bank, operating in Slovenian and German language, with an 85-years-old-tradition. Their locations are in Austrian Carinthia and Ljubljana, though the clients come as well from Croatia, Italy, Germany, etc. The branch in Ljubljana was Slovenia’s first bank with entirely online banking model. **»**

From IT consulting to process consulting

The extensive S&T Slovenia portfolio includes business information systems, banking and eBusiness solutions, document management and archiving, business intelligence and CRM, storage systems, security and network solutions and also the sale of hardware and software. The company’s customers are primarily large and medium-sized Slovenian businesses active in the fields of, financial services, trade, manufacturing, public sector and defense industry. These include Nova Ljubljanska banka, Banka Sparkasse, RTV Slovenija, Geoplin plinovodi, Perutnina Ptuj, Ljubljanske mlekarnarne, Mercator and Merkur.

Energize and Save with VMware

In cooperation with VMware, the world's leading manufacturer of virtualization solutions, S&T Croatia has virtualized PBZ's x86 platform.

This is, without a shadow of a doubt, a credit institution with an impeccable reputation: Privredna banka Zagreb has already received a host of prestigious, international awards for the quality of its services. With more than 230 branches and around 550 ATMs, the PBZ bank is represented throughout Croatia.

This especially important project to virtualize the x86 platform was, therefore, a real matter of honor for PBZ bank. "The large number of users and the corresponding demand for optimal operating conditions meant that the platform was costing us a lot," states Saša Obajdin, Director of Telecommunications and Networked Systems at PBZ. And this is where VMware came into the game with its virtualization.

"VMware has really proven itself!"

The high-tech, Palo Alto-based company has turned virtualization into a pivotal global factor in the world of IT. Obajdin adds: "An invitation to tender was issued to the main VMware partners in Croatia with regard to certified experts. S&T has been a PBZ partner for many years now and it definitely came up with the most attractive offer." The VMware system in question has been on the market for a number of years, has proven to be a fantastic success, is stable and secure and is described by the Gartner Group as "unique in the Leaders Quadrant."

Once the x86 server had been inventoried and a cost estimate had been drawn up with regard to system resources, a decision was made at PBZ to go with a virtual VMware system consolidation. Tendering documents were created for the procurement and maintenance of an x86 server (including blade servers) as well as for the procurement and implementation of a VMware system. During the pilot phase, the full potential of the system was tested, the required software was selected and the monitoring devices, discs and back-ups were configured. Finally, the "production phase" involved migrating the existing hardware server to a virtual environment.

"It took less than three months for the project to be completed, from the point at which we awarded the tender and the hardware was delivered," comments Obajdin satisfied. "After the



PBZ is the second largest Croatian bank.

outstanding realization and complete fulfillment of our expectations, VMware invited us to present this showcase project to other interested parties. We took up this invitation and explained the advantages of virtualization using the VMware system to a full-house at the 2008 European VMware Conference. Of course, we also highlighted the positive experiences with our partners S&T Croatia and HP."

VMware is recognized as a worldwide partner for the virtualization of everything from desktops to computing centers. VMware is the proven choice for virtualization from the desktop to the datacenter. Customers of all sizes, including all of the Fortune 100, trust VMware as their virtualization infrastructure platform. More than 85% of customers use VMware solutions in production environments. To learn more visit: www.vmware.com. **||**

Strategically planned outsourcing or application management allows businesses to benefit in many ways, such as the achievement of more transparent and predictable costs and uniform, standardized end appliances, as well as the chance to focus on core business activities and the availability of measurable quality parameters for IT processes.



Not a child's play

Efficient outsourcing provides many benefits. S&T leads the way to lower costs and optimized processes.

There are many terms for it and these can often differ not just from company to company, but also even within individual companies: some people call it application management, others prefer outtasking and/or managed services while another group sticks with the plain and simple term outsourcing. But whatever the exact term one gives to the process, the bottom line involves reducing costs while improving transparency and increasing know-how.

“Along with the classic concept of outsourcing, which describes the transfer of entire areas or units, businesses across Europe are increasingly looking at flexible alternatives”, explains S&T CEO Christian Rosner. “The transfer of precisely defined processes to external service providers such as S&T saves process and investment costs while ensuring a specific and contractually agreed level of service quality, as well as allowing better planning and more rapid adaptation to situations by virtue of tight link-ups and short contract periods.”

Strategic areas of growth on track

The most sought after strategies are managed desktop services and the operation of ERP applications such as SAP. “Managed Services and Application Management are among S&T’s main strategic areas of growth”, comments Rosner. The group currently already achieves more than half of its total sales in these areas, and is aiming to increase this proportion to approximately 60% by 2011. The financial results from the 2008 business year provide a solid basis for such expansion: the company experienced growth of 21 percent in the Managed Services field of business, to 104.9 million Euros (2007: 86.5 million Euros), and

S&T has a long history of success in the field of IT services, such as service, storage facility, desktop application and network management. “A core element of the Managed IT Operations are Service-Level-Agreements (SLAs), which are used by customers to transfer responsibility for their IT environments to us, and on the basis of which S&T provides services in a consistent and transparent way”, explains Richard Neuwirth, Director of Infrastructure Solutions, about this field of business. S&T

»Cost reductions, new technologies, transparency, flexibility and more quality.«

Managed IT Operations focus on desktop and computing center services as well as services such as the leasing of experts, outtasking and outsourcing projects. According to Neuwirth, decentralized systems form the majority of the S&T business, with a share of 70-80%, while the remaining 20-30% is divided equally between Data Center Services and Application Management Services (primarily SAP).

The successful global chemical specialist Brenntag placed responsibility for the supply of hardware to a large part of the group (more than 50 locations in 14 countries in Central and Eastern Europe) in the hands of a “central source” operated by S&T. All the Brenntag branches in Western Europe and in the CEE countries now order the hardware for their IT workstations online at the S&T Austria eShop. Shipments are coordinated by

IT outsourcing provides a range of benefits

- » Users and IT officers are relieved of duties not directly related to their fields of work.
- » For customers, IT outsourcing provides a reliable and effective way of executing IT functions as well as simpler and more rapid access to ultra-modern technology. All of which can give rise to significant competitive advantages!

S&T and take place directly from the manufacturer via the most efficient route. Country-specific requirements can also be met. "Responsibility for the entire hardware procurement process, logistics, servicing and maintenance of appliances, as well as installation and asset management, resides with us", comments Neuwirth. S&T thereby provides support for 1,200 workstations in Central and Eastern Europe, perfectly demonstrating its extensive geographical presence and dominance in the CEE region compared to other suppliers. In addition, Brenntag has also sourced 4,000 desktop end devices in CEE via S&T.

The objectives for OMV Global Solutions, the OMV AG IT Provider, were to reduce IT costs and free up resources for the core business activities at Austria's largest public company in the industrial sector. The cooperation with S&T, which is governed by a desktop services agreement, facilitates administration, optimizes cost structures and ensures that the most up-to-date communications technology is used at OMV. "The project covers activities in 14 European countries and is one of the most important contracts in our corporate history", states Neuwirth. The four-year contract includes aspects such as consultation for roll-out activities, provision of on-site services, service desks, implementation of and adherence to international standards, monitoring and fine-tuning of security measures, centralized asset and change management, and cost and performance controlling. The availability of centralized data and services is ensured by S&T by means of three data centers, in Zilina, Laibach

und Zagreb. These centralized elements include the management of backup systems, mail environments, security components (firewall, virus protection systems, and authentication), office applications (such as mail, file, print and remote access services) and critical business applications such as CRM and

»S&T outsourcing guarantees flexibility and optimal customer-business-support.«

ERP. "As part of the data center outsourcing, we of course ensure the safety and security of all user data, the provision of virus and spam protection, the physical security of server rooms and the provision of BC/DR concepts and solutions", explains Neuwirth, with regard to the comprehensive S&T data center strategy that has recently been put in place for OMV.

AMS eases pressure on resources

In many companies, the ERP system works as a center of operations in order to provide a link for business processes between various departments. But the constant need to balance project work with troubleshooting at short notice pushes many IT departments to their limits. A lack of transparency, budget pressures and heavy workloads for staff are problems with which IT

Reduce costs, create growth: the three most important tips from MATTHIAS HORX

- ▶ **Transfer tasks but maintain control!** The outtasking of various IT sub-areas leads to rapid cost reductions. As an alternative to classic outsourcing, clearly defined tasks are allocated to external service providers rather than complete units. This means that the customer retains even more control and flexibility.
- ▶ **Use IT as a business enabler!** Beyond its classic areas of application, IT also has a direct influence on core business processes and should thus be treated as a driver of sales rather than purely as an operational necessity. Using IT as a business enabler helps optimize internal company workflows, creates streamlined processes, accelerates sales channels and, as a result, saves costs (rapidly). S&T assists its customers with change processes in the role of a Business Innovation and Transfor-

mation Partner (BITP) and as an outsourcing and out-tasking specialist.

- ▶ **When it comes to billing, it is often recommended to use a leasing model, which allows the costs for the services that are purchased externally to be distributed throughout the entire duration of the contract, thereby avoiding unnecessary budgetary strains.**

The internationally renowned writer, and trend and future researcher Matthias Horx deals with issues such as the future of the labor world and describes a shift in values in terms of education, consumption and leisure activities. He was the keynote speaker at the Austrian S&T series of events entitled "Leading lights discuss - Innovation for the Future".



Efficient outsourcing generally leads to win-win situations.

managers are constantly faced. This is where Application Management Services (AMS) come into play. This outtasking approach involves the customer transferring management of its core business applications to S&T and thereby giving the IT department more time to work with daily troubleshooting issues. The resources thus freed up are then available for other important tasks. "In some cases we also assume responsibility for the relevant staff as well", comments Neuwirth - which is a real win-win situation as this often means that they become involved in an attractive field of work. On demand billing in accordance with requirements provides the greatest possible efficiency and economic flexibility. It is, thus, possible to combine a fixed monthly rate with an agreed time contingent, for example. The fixed monthly sum includes the complete AMS infrastructure, including customer service, service level guarantee and monthly reporting.

In contrast, the time contingent can be adapted to suit current business needs on a quarterly basis, and unused support volumes can be used later on, within a certain framework. Full

transparency is provided for customers by means of detailed documentation in monthly reports about all activities. This allows cost savings of up to 30 percent to be realized.

For globally active companies, AMS is the only way to successfully ensure effective SAP assistance, even for newly established international branches with small staff numbers and relatively low support demands. For example, the German TRUMPF Group, a leading manufacturer of sheet metal machinery, laser technology and medical appliances, provides its own support to a team of specialists based in the USA. However, such infrastructure was not deemed sustainable for its teams in China and Taiwan and so TRUMPF decided to contract an external AMS team from IMG - Consulting Services of the S&T Group, based in Shanghai, to provide such support services.

"The consultants provide support to TRUMPF staff regarding issues relating to system usage and with end user support", states S&T CEO Rosner. "The support team allows language and resource availability issues to be solved to the full satisfaction of users."

»

The (r)evolution is called “VDC”

Virtual data centers are the hot theme on the market and promise considerable cost savings.



The term “VDC” describes a fusion of traditional data center infrastructure - storage network, server environments and applications - to form an architecture that is completely virtualized and thereby brings with it considerable potential for savings. Companies such as VMware implement virtualization technologies to provide a range of benefits, such as lower hardware costs, less work for cooling systems, reductions in energy consumption and more flexible use of free capacity. Virtualization also poses fresh IT management challenges in terms of complex interactions between virtual and physical systems.

Virtual data centers mean that manufacturers, and therefore also end customers, are breaking new ground. The concepts for VDC solutions have existed for some time, although mature systems for the wider market are still rare. “If all the systems are bundled in a central data center, cost controls can be implemented more efficiently, administration is reduced and IT outsourcing can be achieved rapidly”, explains Michael Clemens Fritz, Director of Networking & Security at S&T. In order to really achieve all the hoped-for optimizations, timely and exact plan-

ning is essential. An important point in connection with VDC is the consideration of all the areas of technology involved, as all the systems are connected to each other and must therefore be designed together. This requires top specialists from all disciplines, which is why S&T has created a task force to work on the latest VDC developments.

Convincing arguments

“Virtual data centers save time and allow customers to concentrate on their core areas of business”, summarizes Fritz. “They can develop and promote their business activities without having to be concerned about the underlying technology involved. We at S&T are convinced that we took a crucial step in the right direction with the evolution of virtual data centers and we provide suitably comprehensive analysis and consulting services.” By virtue of its extensive expertise in consulting, development, implementation and operation of tailored IT processes and systems, S&T is a pioneer in Central and Eastern Europe in the field of system integration and, therefore, in the virtual data center sector as well. This enables the company to provide top quality solutions. ■

In focus: The client

Alfonso Di Ianni, Vice President for the EE and CIS Region of the world's largest software business, reveals the latest Oracle strategies.

What plans does Oracle have at the moment in CEE?

Alfonso Di Ianni (AI) Two strategies. Firstly, make our products available to organisations of all sizes - large and small. The EE-CIS region has a large number of mid-sized companies, but equally, we have seen an expansion over the last few years of larger enterprises and multi-nationals in the region. Secondly, partnering. We focus on partner excellence, and we believe that local partners have the best market knowledge, local expertise, and can best meet customers' needs. So in EE-CIS, partners are our key priority. We encourage our partners to specialize. Specialization breeds expertise, and expertise is a strong positive differentiator when winning those key customer accounts. Over the long term, it can be the ultimate critical success factor.

What can and will S&T contribute?

AI Our partnership with S&T dates back many years, during which we have seen S&T grow into a very important IT player in Central and Southern Europe. The ever-expanding ecosystem that Oracle creates, through its broad portfolio of database, middleware and applications, creates a wealth of abundant business opportunities to partners. Our partner strategy is to help our partners build their businesses, to help them be successful. As the S&T business model evolves, Oracle is ready to help S&T maximise all the Oracle products and solutions through our comprehensive PartnerNetwork resources including premier products, education, technical services, marketing and sales support. Together, we can leverage the strengths of both companies.

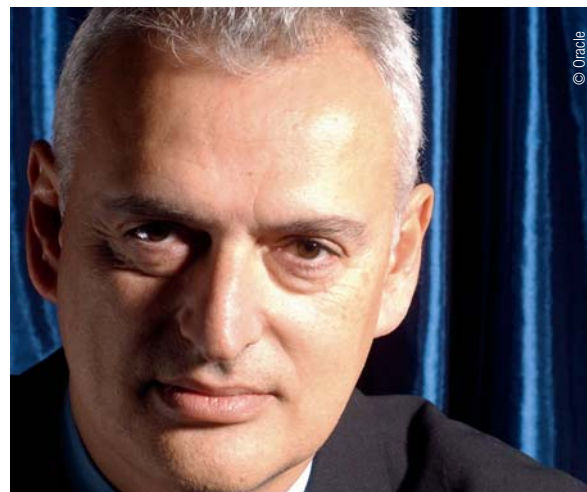
Where do you see areas that can be improved at Oracle and what possibilities are there for expansion?

AI Well, an area that is gaining a lot of interest is software-as-a-service (SaaS) or cloud computing. In the EE-CIS region, we have a lot of mid-sized and even small companies. Many don't have the capacity to invest in large-scale IT implementation, but we believe at Oracle that they should still benefit from the latest

solutions. Delivering these solutions 'on demand' is our approach and this model can actually deliver very rapid ROI with no hardware expenses at all. It is possible to start with very small projects that can be operating in a few weeks, and then scale them as the company grows. Oracle On Demand customers typically achieve 30%-80% lower total cost of ownership. And this model is not just for midsized or smaller organisations. Many larger enterprises are now seeing SaaS as the smart way to get the IT services they need in a cost-effective way. Already we offer our CRM products On Demand, and other applications will follow.

And what is your recipe for success?

AI Stay focused on your market goals and strategy, and be perseverant. Take key decisions as early as possible, don't let doubts pollute your ability to reach results faster. **||**



In Focus

Alfonso Di Ianni, Vice President Oracle EE und CIS
Alfonso Di Ianni is responsible for the Oracle license and consulting business in the European Enlargement and CIS region. He joined Oracle 1997 from Digital Equipment, where he held various European management roles in Consulting and Product development.

A truly “delicious” solution

With Focus Trade™, S&T has created an up-to-date and extremely “tasty” product for food and beverage wholesalers.

S&T has for many years been providing highly successful support to mid-sized food wholesalers such as Dukat, Karolina, Atlantic grupa and Vivera (all Croatia), Coop Hungary, POLOMarket (Poland), AMRest and BOHEMIA Sekt (Czech Republic), Bon Appetit Group, Campari Deutschland, Coca Cola Hellenic Bottling, FRISTO and Zott (all Germany), Droga Kolinska and Ljubljanske Mlekarne in Slovenia, the Compass Group in the entire DACH region and Pfeiffer Handels GmbH in Austria.

“Razor thin margins, increasing costs for planning and logistics, together with intense competition, have made it necessary for wholesalers to achieve greater transparency and control with regard to processes, as well as technical superiority“, comments Roland Schmid, the responsible industry manager for TRADE at S&T. “In order to meet such challenges and to maximize returns, we have developed a new industry standard in the form of a pre-configured software solution that is perfectly aligned with customer requirements in this sector and which can be implemented rapidly and cost-efficiently.“

This is really the ultimate solution

This is demonstrated by the new Focus Trade™ Food & Beverage Wholesale Solution, which is fully integrated into SAP and can be easily embedded in other IT environments. The product is based on SAP Best Practice industry solutions and offers complete transparency for all (core) business processes, can be

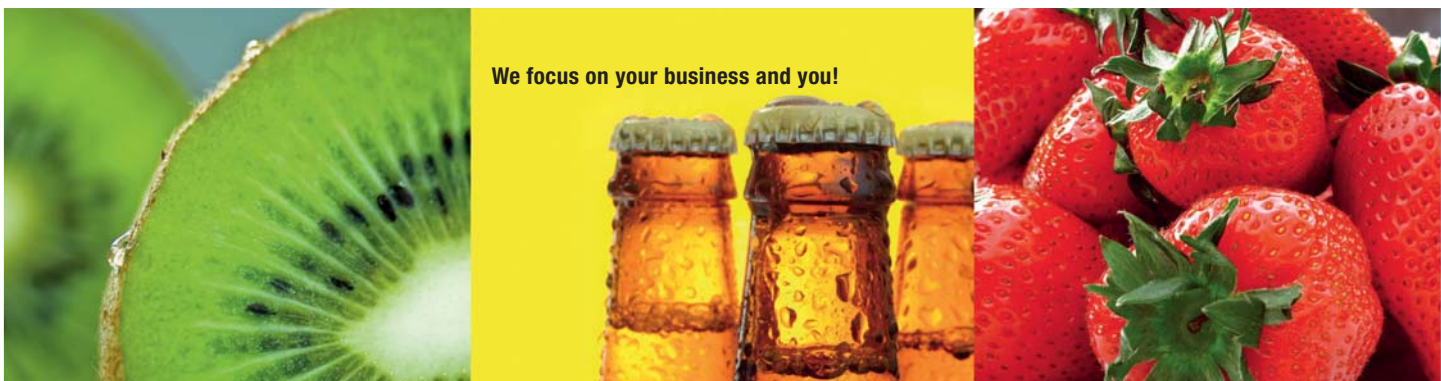
used as a pre-configured application and ensures seamless integration into a modern and state-of-the-art environment. The Focus Trade™ Food & Beverage Wholesale Solution has been developed to cater for the particular needs and requirements of wholesalers - covering suppliers, customers, traders and even the financial administration - and it increases controlling efficiency and margins:

- ▶ Income and profitability increases
- ▶ Significant cost reductions and increased efficiency
- ▶ Improved transparency across the business
- ▶ Long-term increase in the quality of customer services

What Focus Trade™ offers

“Wholesaling is a business with large sales volumes but small margins”, says Schmid. “The most important elements for long-term success are transparency in business processes as well as implementation and control discipline.”

The Focus Trade™ Food & Beverage Wholesale Solution enables better planning of supply and demand, accurate recording of inventories, timely negotiation of discounts, efficient customer services, rapid response to customer requests, seamless integration of financial modules and compliance, warehouse and empties management, optimization of sales and supply processes, quotation and contract administration for potential customers and many other elements of business optimization. ▶



Technology as Business Catalyst

S&T has been present in Romania for already 15 years and employs a team of approximately 200.

Already in 1994, S&T Romania was established as one of the first group subsidiaries and is now celebrating its 15 year anniversary. “We have never been just a pure provider of hardware and were well prepared, even at that early stage for the local market, to take the next step in the direction of efficient IT business solutions and services”, recalls Country Manager Bogdan Cocora. The company has strong partnerships with regional and global IT providers and S&T Romania has developed to become one of the leading businesses in the area of IT system integration, particularly in terms of ERP solutions (see box below). It supplies high-performance IT business solutions and services for companies in the public administration, telecommunications, production, financial services and public utilities sectors as well as for health service providers. One of the largest projects carried out has been the World Bank financed Emergency Management Information System - EMIS, with a contract value of approximately 7.5 million Euros. EMIS is an integrated national information system for emergency situations which links all the relevant agencies and institutions with each other. The system is used in all phases of emergency management, such as prevention, planning, response and return to normal status.

The market environment in Romania

According to the Romanian Communications Ministry, the local IT market grew constantly between 2004 and 2008 from just over 900 million Euros to well over two billion Euros. After this five-year period of continuous growth, with cumulative annual growth rates of approximately 20 percent, the market in 2009 is however faced with significant declines in investment, particu-



Bucharest, once named the “Little Paris” proudly displays beautiful French architecture.

larly in the area of hardware. Software and IT services are less severely affected and should “only” decline by about five percent.

S&T operates its own HP Software Competence Center and a Customer Concept Center in Romania. “All our decisions are critically influenced by the goal of generating sustainable added value for our customers’ businesses by making optimal use of professional IT services and best-of-breed solutions”, states Cocora. **II**

Number 1 for ERP services

S&T is the top provider of services and integrated ERP systems in Romania, a fact that is confirmed by the “ERP Romania 08” study carried out by Pierre Audoin Consultants (PAC). This study has drawn up a ranking list of companies that market ERP applications and provide related services. The survey found that, in the Romanian market, S&T is also in third place in the list of full-service providers of ERP products and services, behind only software manufacturers SAP and Oracle.

No. 1 consultant in the CEE region!

Ahead of Deloitte, IBM, Ernst & Young and Accenture.



A success for the S&T Management Team.

Pleasing news from an entirely objective source: The latest Gartner Group study, "Dataquest Insight: Top 10 Consulting Providers' Market Share, Worldwide and Regional, 2008", lists S&T as number 1 in Eastern Europe.

The study showed that S&T had an almost ten percent market share last year and sales of 150 million US dollars, meaning that it was ranked well ahead of Deloitte (7.9%, 128), IBM (5.7%, 82) and Ernst & Young (4.6%, 75 million dollars). The other places in the list were filled by Accenture, Alcatel-Lucent, Pricewater-

Top 10 Consulting Service Companies			
Rank	Vendor	2008	Market Share (%) 2008
1	S&T	150	9.2
2	Deloitte	128	7,9
3	IBM	93	5,7
4	Ernst&Young	75	4,6
5	Accenture	74	4,5
6	Alcatel-Lucent	66	4,1
7	PricewaterhouseCoopers	61	3,7
8	SAP	50	3,1
9	KPMG	41	2,5
10	Oracle	39	2,4
	Other Service Vendors	39	52,3
Total Market		1,630	100,0

Source: Gartner Group (June 2009). Revenue 2007–2008 in millions of dollars

houseCoopers, SAP, KPMG and Oracle.

Which signifies that S&T is not only a market leader in many technology areas in Central and Eastern Europe, but is also a leader there in the field of IT consulting. **||**

Sunny prospects in China

S&T implements SAP solution for solar energy company.

The high-tech business Baoding Tianwei SolarFilms is located in northern China and specializes in the design, production and installation of thin film solar modules. It is aiming to achieve a production capacity of 500 MW by 2015 but there were initially no clearly defined business workflows and processes for its completely new production facilities. IMG - Consulting Services of S&T therefore planned these for the entire manufacturing chain, as well as for purchasing, financial accounting etc.

The implementation of SAP ECC 6.0, with SAP NetWeaver 7.0 as the platform, was completed in a very short space of time - from February to the end of August 2009.

A considerable challenge for the IMG consultants was also posed by the realization of an interface with the production department's Manufacturing Execution System (MES). Thanks to its expertise and extensive experience with the realization of



IMG provides support to Baoding Tianwei.

SAP projects, IMG could prevail and win the Baoding Tianwei SolarFilms project ahead of a range of (inter)national competitors. Follow up projects are also being planned. **||**



The top event

Business Innovation in Zurich.

Innovation is of crucial importance to companies wishing to achieve sustainable success. But is innovation “allowed” when the business cycle dips and times are hard? And if it is allowed, in which corporate areas and thematic fields? What role do CIOs play in this respect? How does innovation work and what is it that companies that achieve more success with innovation are doing so right?

Business Innovation was the focus of an executive dinner hosted by IMG - Consulting Services of S&T in the Dolder Grand Hotel in Zurich. Following the welcome drink, Georg Komornyik, COO BS S&T, welcomed the numerous guests that attended. In between the culinary delights, speakers such as Prof. Dr. Walter Brenner, St. Gallen University and Martin C. Wyss, ABB Turbo Systems, examined this subject from a range of perspectives. The participants included Sylvia Steinmann, COO Information Technology, Johnny Gschwend, CIO Implenia Management AG, Benno Baschung, CIO TECAN AG, Daniel Tschudi, Executive Vice President of Wicor Holding AG, Bernard Frossard, CEO Connectis AG, Daniel Woesch, CIO Huber + Suhner AG, Roland Bossy, ABB Turbo Systems AG. **»**



Media coverage

“With Austria’s bosses in Eastern Europe”

Format joins Christian Rosner in Kiev.

“Confidence in local expertise is an absolute priority. The Vienna head office only gets involved in terms of providing advisory and management functions. This approach has served us well and nobody knows the local markets better than the local managers”, comments CEO Christian Rosner about the decentralized management strategy of the S&T Group.

FORMAT, AUSTRIA

S&T Group achieved sales of 513 millions Euros in 2008.

“We have expanded our skills in the field of integration and SAP service, increased sales and achieved a satisfactory profit. We are continually growing our portfolio of services for the energy sector. There is currently increased interest among our customers in outsourcing and outtasking projects, acknowledging our expertise and strong market position in this field,” comments Magdalena Taczanowska, Country Manager at S&T Poland, about developments at the Polish branch of the S&T Group.

COMPUTERWORLD, POLAND

Did you know that ...?

... **175** million people manage their friendships on the Facebook Internet site? Source: brand eins

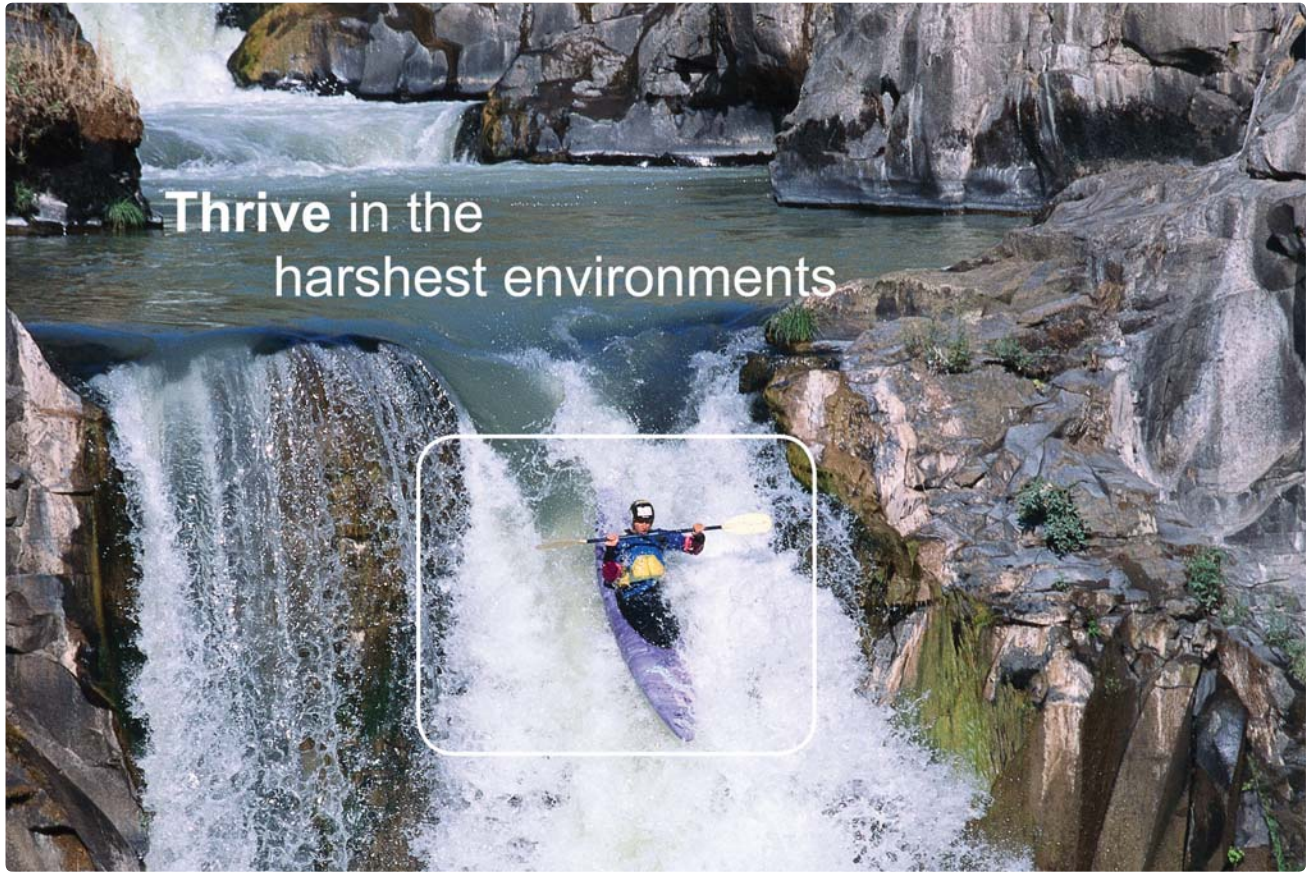
... the S&T Group employs over **1,000** SAP consultants and is among the **Top 3** SAP partners in **12** countries?

... the illiteracy rate in the Czech Republic is **0.01** percent, which is the lowest in the world?

In comparison, the level in the USA is **1.0** percent.

Source: welt-in-zahlen.de

... PROMET, the S&T Group’s PROject METHodology, has proven its worth in **1,000** projects over the course of **15** years?



Need to boost productivity, cut costs, and adapt to new demands?

With S&T and EMC, the numbers are in your favor:

- Realize a 25% reduction in storage TCO in less than a year
- Reduce backup data and time by 90%
- Reduce data center space, power, and cooling costs by 70-80%
- Reduce e-mail operational costs by 50%
- Lower cost of compliance by 30-70%
- Decrease security spending by 150%
- Manage 3-4 times more servers, storage, and network devices without adding headcount

S&T and EMC are uniquely qualified to help you take a holistic approach that enables you to address IT challenges one at a time or across your entire information infrastructure. Our unmatched expertise and experience combined with the broadest range of industry-leading solutions will enable your business to thrive and to emerge from today's economy stronger than ever.

Visit us at www.emc.com

