Cigarette firm draws multinational operations together with integration servers

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>
> Dragomir Marinov, IT manager, Bulgartabac Holding

Steady growth by Bulgartabac Holding had resulted in a group that has diversified beyond processing tobacco and making cigarettes in its home country Bulgaria, to manufacturing and trading in much of Eastern Europe and further afield. To grow further, it needed to integrate better its many businesses, by boosting communication between its about 4,000 employees. It also needed to improve security of communications.

Customer: Bulgartabac Holding
Website: http://www.bulgartabac.bg/en/
Customer Size: 4,000
Country or Region: Bulgaria
Industry: Tobacco
Partner: CAD R&D Center PROGRESS

Customer Profile
Bulgartabac Holding of Bulgaria is a tobacco trader and cigarette producer, with 85% of its domestic cigarette market and thriving operations in other countries. It employs about 4,000 people.

Software and Services
- Windows Server 2008 Standard
- Windows Server 2012 Standard
- Windows Server 2008 Datacenter
- Windows Server 2012 Datacenter
- Microsoft Exchange Server 2010 Standard
- Microsoft Exchange Server 2010 Enterprise
- Microsoft Lync Server 2010 Edge Server
- Microsoft Office 2010 Suites
- Microsoft Office 2013 Suites
- Microsoft System Center 2012
- Microsoft SQL Server 2008
- Microsoft SQL Server 2012

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Business Needs

Bulgartabac has expanded strongly from its base in Bulgaria into an international group, with 83 per cent of its turnover now coming from abroad. It buys and processes tobacco and turns it into cigarettes in three Bulgarian factories, which it sells at home and in other 25 countries in 3 continents. It also manufactures cigarettes in countries such as Bosnia and Herzegovina, Russia. Bulgartabac, which is the biggest cigarette company in many of its markets, is focused on growth. "Bulgartabac is very keen to penetrate the international markets," says IT manager Dragomir Marinov. However, to achieve its ambition, Bulgartabac realized that it needed to tie together more effectively its businesses, which are spread around many countries, to improve the flow of business information and its operations. The businesses had adopted a mix of IT systems. Bulgartabac decided that, if it were to become a world-standard international group, it would need a world-standard IT system, with seamless integration of its diverse activities. The company was using open-source mail and file sharing servers with VMware server virtualization but with few links between its businesses. "There was no integration," says Marinov. "There was no active directory. There were separate mail and file servers for each company." Bulgartabac was using Linux and Zarafa open-source mail servers. The company also saw a strong need for more advanced IT systems such as instant

messaging. An equally important reason for an IT upgrade was the company's wish to improve its system security, particularly following some problems that it had experienced with email.

Solution

Bulgartabac knew what it wanted, says Marinov: "Microsoft is the leader for such international standards for big companies. Microsoft is the true leader for such integration."

Therefore, in November 2012, Bulgartabac launched an IT integration project, with a local Microsoft partner.

After some workshops and tests, Bulgartabac opted for a Windows Server 2008 Datacenter and an Exchange Server 2010, with a virtual machine for Microsoft's Lync video-conferencing and instant messaging system.

It had originally started with Exchange 2007 before moving to Exchange 2010, with a lack of skills making a move to the 2010 version slightly tricky but a matter of only a few hours of downtime. However, Marinov says: "We intend to migrate to Exchange 2013."

Bulgartabac also continues to use VMware for some servers and SAP systems.

Bulgartabac praises the professionalism of Microsoft partner CAD R&D Centre PROGRESS, which developed the integration strategy and helped with its implementation, and the support from Microsoft.

Marinov is also happy with the project cost, which he says was not high, thanks in part to the sharing of a group data center. However, he adds: "We negotiated very good prices for Microsoft licenses." He puts that down to Microsoft's willingness to support customers big or small and to be a partner.

The success of the implementation, which was completed in February 2013, has also allowed Bulgartabac to plan for further improvements. On the cards for 2014, for example, were further security upgrades and, early in the year, the addition of the Microsoft SharePoint collaboration software, says Marinov.

Microsoft training to get the best out of the new systems was also planned. That is something that Marinov takes seriously: "It is very important for me to develop management skills related to Microsoft technology."

Benefits

The integration project allows Bulgartabac to move ahead on its aim of becoming a "very flexible, agile organization", says Marinov. "I cannot imagine that this will happen without the integration." The group is now coordinating its diverse operations more effectively and serving customers better, with lower IT management costs and better security. The project has yielded a good return on investment, says Marinov: "We are getting enormous benefits."

• **Better integration**
The Microsoft systems have allowed Bulgartabac to manage its communications and data flows more efficiently internationally, tying together operations such as buying tobacco, making cigarettes and selling the final products in many markets.

• **Communication**
Bulgartabac employees are now able to communicate by cell phone more readily; an important benefit because of the wide geographical spread of businesses.

• **Better security**
The new software has improved Bulgartabac's system security. For example, system users around the group now use

single passwords, which also makes life easier for them.

• **Easier IT management**
The Microsoft servers and software have reduced the amount of work needed to manage IT around the group.
In the longer term, the Microsoft systems should also allow the easy adoption of more advanced production systems at its processing plants and factories, says Marinov.

• **Cost-effective investment**
The projects were relatively cheap, thanks in part to a good price negotiated by CAD with Microsoft, coupled with the ability of Bulgartabac to undertake some of the integration work internally.

• **Customer benefits**
The greater IT integration and has had the knock-on effect of improving Bulgartabac's relationships with its customers. "Integrated communications are a part of that," says Marinov. "I'm sure they see a very positive impact."

Microsoft