

## Study visit report\_SOITRON

*With history dating back to 1991, SOITRON is now a leading Slovak ICT company with subsidiaries in seven countries, including Czechia, Bulgaria, Romania, Turkey, Great Britain and Poland. SOITRON is now among market leaders in Slovakia in provision of complex IT infrastructure services, using hardware and software of first-class vendors.*

Meeting was conducted with SOITRON CEO Ondrej Smolar as well as M&A Director Peter Hornak. Mr. Smolar introduced the **activities of the company**, which are based on three pillars: 1) **international system integration**; 2) **managed outsourcing services** (for clients such as HP, AT&T or IBM); and 3) **special solutions** (IoT, security operation centres, AI, bots and automation, mobile systems). When implementing innovative solutions in the fields of infrastructure, unified communications, contact centres, security or network services, SOITRON is certified to use hardware and software of world class companies such as CISCO, Microsoft, IBM, Avaya or hp.

Entering Turkish market was part of SOITRON's international expansion strategy. Becoming international was a strategic decision of the company since, on one hand, Slovakia is a very small market, and on the other hand, SOITRON also wanted to offer its employees international career development possibilities and deliver high-quality innovative and internationally competitive products.

**SOITRON bought majority in local Turkish company in Istanbul and Ankara 6 years ago** and later acquired one more local company. The idea was to combine know-how of a local company and that of SOITRON. Currently, most of its customers in Turkey are from private sector (well-established cooperation and projects with Turkish telecom operators) but SOITRON is also strengthening salesforce in public services sector with goal of enlarging its hardware and software business also in this area. Furthermore, **it is partnering with local development centre on R&D activities, thus bringing also higher added value activities to Turkish economy**. One of research projects SOITRON is working on, for instance, is related to Internet of Things and predictive maintenance to limit production outages during manufacturing process in factories.

When entering Turkish market, SOITRON contacted the international hardware and software vendors it cooperates with to gain more information about local IT market. After identifying suitable company for partnership, it engaged local legal advisors for the acquisition process. Generally, Mr. Smolar evaluated the whole negotiations process as a very positive experience with very clear and open communication and without any problems solving contentious issues. **As the main challenge of doing business in the EU and Turkey, Mr. Smolar mentioned moving workforce across borders**, especially as SOITRON focuses on outsourcing services. The whole process is administratively demanding but luckily, Slovak Embassy in Ankara has been helpful in solving visa issues. **Second issue is a lack of qualified workforce in ICT sector** as there is a lot of demand and not so many resources. However, he mentioned the situation was still better in Turkey than in Slovakia, which struggles with insufficient number of ICT professionals.

In addition to this, TÜRKONFED's delegation discussed with SOITRON current macroeconomic situation, including stabilized inflation rate and expected renewed growth driven by internal consumption. It introduced TÜRKONFED's structure and role in offering networking, capacity development and business development. SOITRON has also presented its unique project of intelligent police car, which was launched in Bulgaria, and which equips police cars with video recording, license plate recognition, real-time messaging and collaboration with dispatch service, ID control or fine management. SOITRON writes the software itself, what makes the platform easy to adapt and customize according to customer's needs.