

Research Bulletin

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BB-DATA—Expanding in Eastern Europe

BB-DATA is a subsidiary of Bankgesellschaft Berlin. The company has been expanding rapidly in recent years, though the total revenues shown in Exhibit 1 include a sizeable contribution from captive revenues derived from elsewhere in the Bankgesellschaft Berlin Group.

Exhibit 1	Revenues		
	1990	1991	1992
Revenues (DMm)	85	116	177
Growth (%)	26	36	53

Source: BB-Data

BB-DATA is divided into a number of subsidiaries as shown in Exhibit 2.

The bulk of BB-DATA's revenues are derived from processing services. However, the company also specialises in business solutions for a number of industry sectors, and is now targeting open systems-based client/server environments. The breakdown of BB-DATA's non-captive

revenues by industry sector is shown in Exhibit 3.

For the manufacturing sector, BB-DATA offers production management and CAD software. The company also specialises in front and back office systems for hotels and casinos.

However, BB-DATA has been most successful in providing outsourcing and processing services to the financial services and public sectors. Examples of contracts of these types are listed in Exhibit 4.

Processing services account for the majority of BB-DATA's revenues as shown in Exhibit 5.

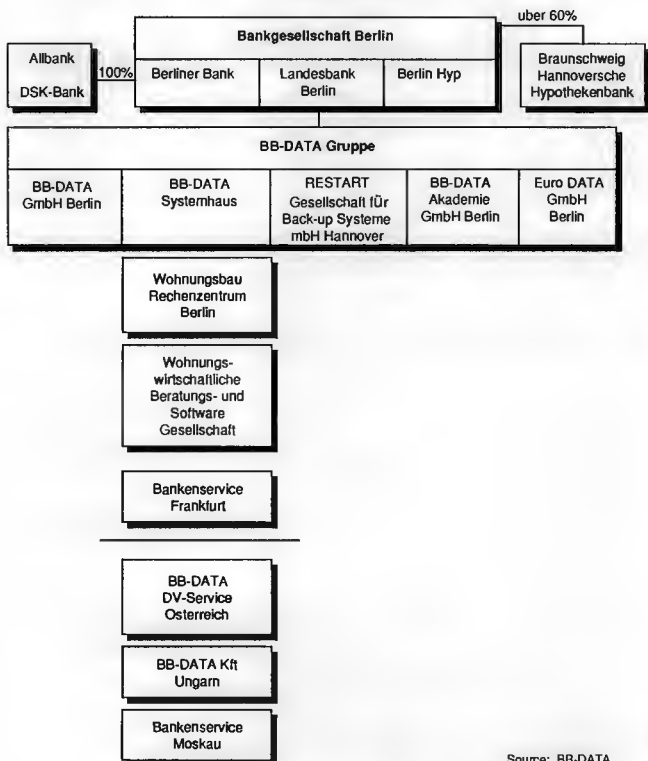
The company would like to expand its presence in the Frankfurt region to gain access to the German banking capital.

BB-DATA's data centres are currently located in:

- Berlin (2)
- Hannover
- Cologne
- Aachen.

Exhibit 2

Organization Structure



Source: BB-DATA

Exhibit 3

Industry Breakdown of Non-Captive Revenues

Sector	Revenues (DMm)	Proportion of Revenues (%)
Government	31	28
Casinos	26	24
Manufacturing	23	21
Banking	19	17
Hotels	11	10
Total	110	100

Source: BB-Data

The company has also recently established a subsidiary in St. Pölten, Austria called BB Data Systemhaus.

However, BB-DATA has been particularly active in Eastern Europe. In 1993, BB-DATA founded Bankenservice Moskau in Russia in cooperation with Sper Bank.

The company has also established two subsidiaries in Hungary:

- BB-DATA targeting the banking and insurance sectors
- EuroData offering satellite transmission services.

Exhibit 4

Client Examples

Organisation	Contract Length (Years)	Annual Contract Value (DMm)
Allbank	6	13
Bundesministerium der Finanzen	3	7
Staatsbank	3	5
Volksbank Hannover	2	2
Land Thüringen Innenministerium	3	2

Source: BB-Data

Exhibit 5

Revenue Breakdown by Activity

	Revenues (DMm)	Proportion of Revenues (%)
Processing services	125	70
Systems planning	26	15
Software products	26	15
Total	177	100

Source: BB-Data

This profile is issued as part of INPUT's Outsourcing Information Systems Programme for the information services industry. If you have any questions or comments on this profile, please call your local INPUT organisation or Peter Lines at INPUT, 17 Hill Street, Mayfair, London W1X 7FB England.

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CUSTOM PROJECTS

For Vendors—analyze:

- Market strategies and tactics
- Product/service opportunities
- Customer satisfaction levels
- Competitive positioning
- Acquisition targets

For Buyers—evaluate:

- Specific vendor capabilities
- Outsourcing options
- Systems plans
- Peer position

OTHER SERVICES

Acquisition/partnership searches

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