



Project "Promoting the advantages of investing in Bulgaria"
BG 161PO003-4.1.01-0001-C0001, with beneficiary InvestBulgaria Agency, has been
implemented with the financial support of the European Union through the European Fund
for Regional Development and the national budget of the Republic of Bulgaria.



BUSINESS PROCESS OUTSOURCING IN BULGARIA





CONTENTS

1. Introduction	4
2. Overview of Bulgaria	8
3. Overview of the Bulgarian BPO sector	14
4. Human Resources	22
5. Infrastructure and Real Estate	32
6. Success Stories	46

Within less than 10 years Bulgaria has established itself as a leading global destination for outsourcing and nearshoring

“The winners in Europe are Bulgaria and Romania, which continue to stay comfortably in the upper half of the index, at 17th and 25th, respectively. Members of the European Union but with lower cost profile than most other member states, they are the new offshoring stars in Europe.

Shifting Geography of Offshoring, A. T. Kearney Global Services Location Index™, 2011”

According to the Yearbook data of the British National Outsourcing Association (NOA) Bulgaria once again is among the stars in the off shoring and outsourcing industry, this time as a popular destination for the pharmaceutical sector.

- Employees in the Bulgarian BPO sector grew from 0 to 15 000+ over the last 10 years
- Clients in Western Europe, North America and Asia are served from the BPO sector in Bulgaria – the majority being Fortune 500 or Fortune 1000 companies
- The average BPO company presented in this brochure provides services in more than 25 languages

...due to a qualified and talented workforce, competent in many languages and technical areas...

“

...If you want first-class mathematicians, try looking in Bulgaria.

William Fitzsimmons, Dean of Admissions & Financial Aid, Harvard College

With an abundance of educated and multilingual prospective employees, Bulgaria is certain to continue to make inroads into global business process outsourcing.

Datamonitor

Sofia GDC is considered a strategic location for IBM. The qualified young team has allowed it to innovate and establish best practices that are implemented across the IBM network of global delivery centers.

Joseph Lazarus, General manager, IBM GDC Bulgaria

”



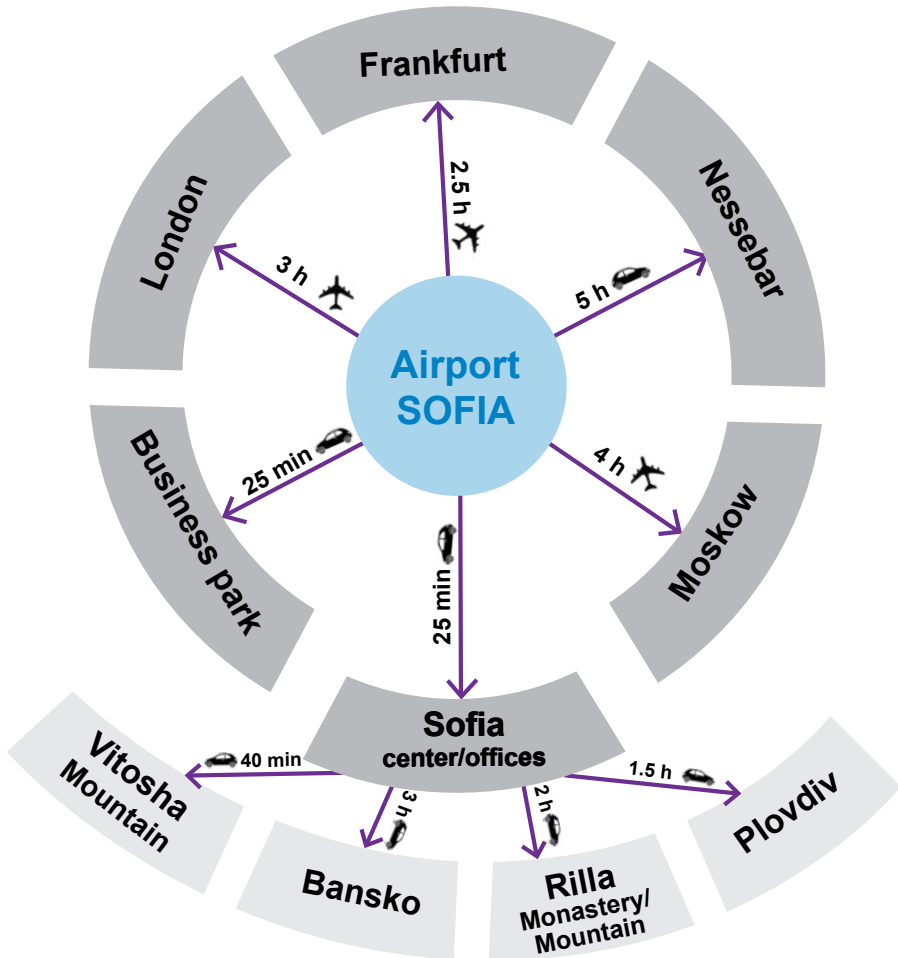
Bulgaria prides itself on the system of foreign language secondary schools where after a year of intensive study of a foreign language students switch to studying main subjects in the respective foreign language.

BPO industry in Bulgaria has significant growth potential



- Besides **Sofia**, other major cities such as **Plovdiv, Varna, Burgas, Veliko Turnovo, Blagoevgrad and Ruse** have excellent university programs and significant BPO potential
- About **60 000 students graduate annually** from all Bulgarian universities. About 50% of the graduates obtain degrees in majors suitable for the needs of the BPO industry
- Estimated **80 000 Bulgarian students study abroad** and present a major labour source for BPO companies in Bulgaria
- **Costs of doing business in Bulgaria are the lowest in SEE** with average salary of € 327/ month and office rent price of €9-19/sq.m.
Cost of labour and real estate are likely to remain relatively low in the medium term

Bulgaria is just a short flight away from the main destinations



Vitosha Mountain



Rilla Monastery/
Mountain



Nesebar



Plovdiv

Bulgaria has a strategic location, political stability and low costs of doing business



Bulgaria is strategically located and provides access to the following markets:

- South-East Europe – a 122 million inhabitant, high growth market
- European Union - Bulgaria offers the lowest cost access to a market of 500 million consumers
- Russia/CIS, Middle East and North Africa

Bulgaria offers a combination of political and macroeconomic stability and incentives for doing business:

- Stable parliamentary democracy, EU, NATO and WTO member
- Bulgaria's currency is fixed to the Euro under a currency board arrangement
- Lowest tax rate and one of the lowest labour costs in the EU coupled with special incentives for investors
- EU funding – more than €10 bln in EU funds over the next years

Bulgaria: Summary Statistics

Population:	7.4 million
Labour force:	3.4 million
Urban Population:	73%
Capital:	Sofia
Time zone:	EET (UTC+2)
Summer (DST):	EEST (UTC+3)
Total area:	110 879 sq. km
Land area:	108 489 sq. km
Water area:	2 390 sq. km
Climate:	temperate
Languages:	
Bulgarian (official)	85.2%
Turkish	9.1%
Roma	4.2%
English, German, Russian, French:	widely spoken
Religions:	
Christian Orthodox	76%
Muslim	10%
Other	14%
Currency:	Lev (BGN)
Fixed exchange rate:	€1 = BGN 1.95583
Corporate income tax:	10%
Personal income tax:	10%
VAT (standard):	20%
Government type:	Parliamentary Democracy
Supreme legislative power:	Unicameral 240-seat National Assembly
Executive state body:	Council of Ministers, head: Prime Minister
EU member since 2007	
NATO member since 2004	
WTO member since 1996	

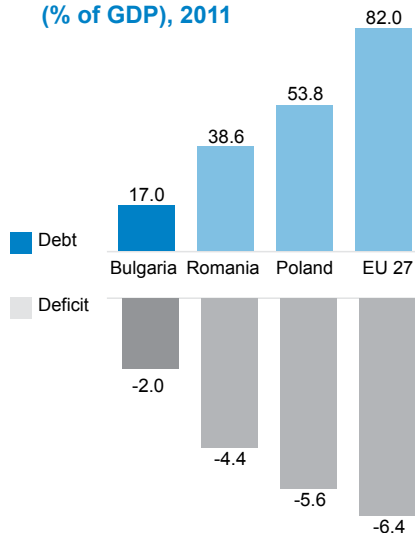
Bulgaria has exemplary macroeconomic fundamentals

2012 Economic Snapshot:

GDP (€ bn):	39.7
Exports (€ bn):	26.5
Net FDI (% of GDP):	3.5
GDP growth (%):	0.8
Unemployment (%):	11.4
Inflation rate (annual change, %):	3.7
Government deficit (% of GDP):	-0.5e
Government debt (% of GDP):	18.9
Current account balance (% of GDP):	-1.3
Long-term credit ratings:	
Moody's:	Baa2 stable
S&P:	BBB stable
Fitch:	BBB stable

Source: Bulgarian National Bank, National Statistics Institute, Ministry of Finance Bulgaria

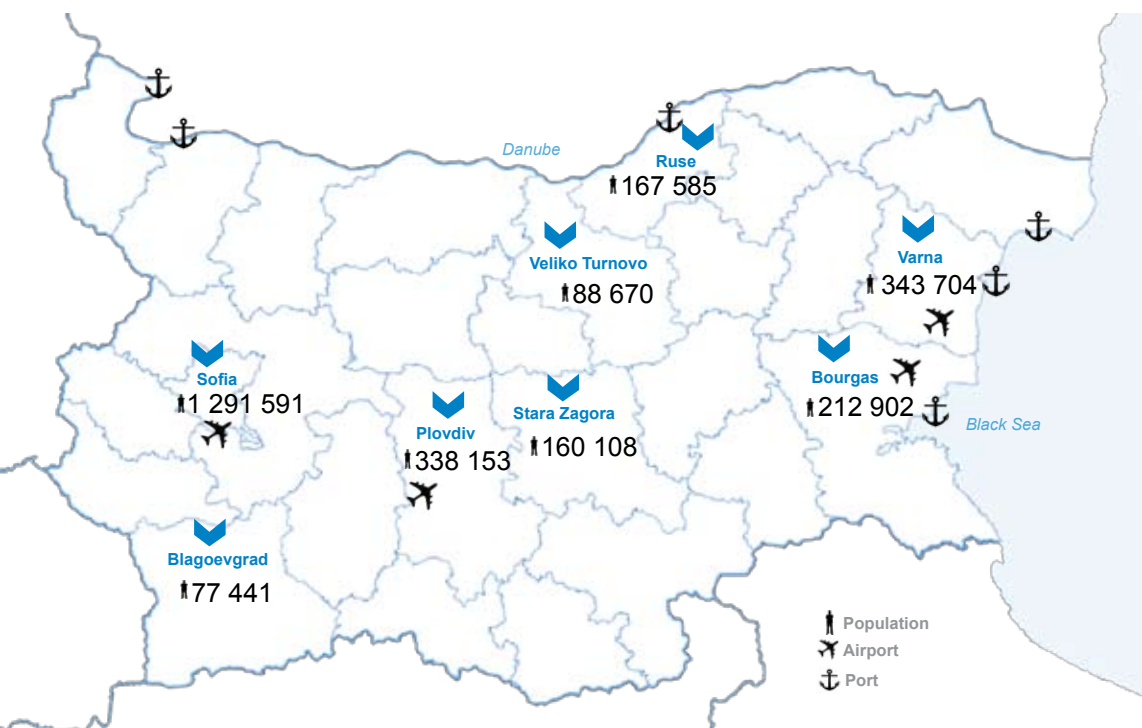
Government debt and government deficit in Bulgaria, Romania, Poland and EU 27 (% of GDP), 2011



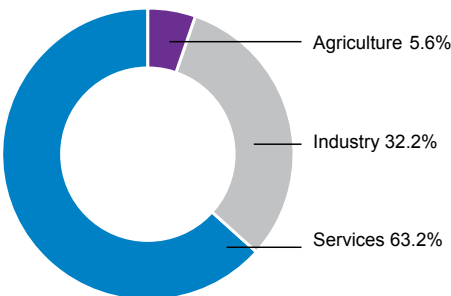
- The Bulgarian economy had a constant growth of above 6% in the period 2000-2008
- The economy stabilized in 2011 with GDP growth of 1.8% for 2011, and 0.8 % in 2012
- The budget deficit in Bulgaria is one of the lowest in Europe for 2012: -0.5e%
- There are no currency fluctuations due to a currency board, introduced in 1997 – the Bulgarian Lev is pegged at 1.95583 to the Euro
- Bulgaria has the lowest government debt to GDP ratio in the EU27 in 2012



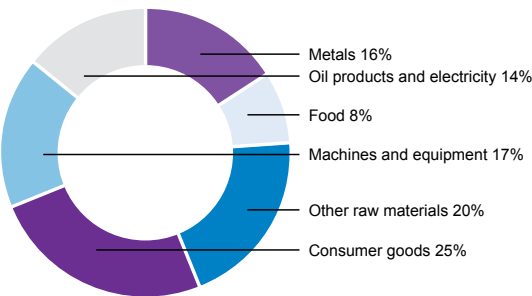
Bulgaria is the only European country with an increased credit rating by Moody's since the beginning of 2010.



GDP Breakdown, 2012



Exports Breakdown



Source: National Statistical Institute

Bulgaria offers a unique lifestyle experience within easy reach of Sofia...



...vibrant cities with many art galleries, festivals, concerts, museums



...emerging world-class golf courses

...beautiful coastline with white and golden sand beaches

...numerous spa resorts



...ski resorts including the 2012 World Cup host town of Bansko

...hiking and adventure sports in the beautiful Rila, Pirin, Rhodopes and Balkan mountains

...fine cuisine and boutique wineries



Bulgaria is an attractive destination even for outsourcing of Hollywood productions starring actors such as Arnold Schwarzenegger, Sylvester Stallone, Bruce Willis, Chuck Norris, Scarlett Johansson.

... and boasts some of Europe's greatest historical treasures

...Thracian and Roman ruins and artifacts



...Medieval fortresses and artifacts from the time of the First and Second Bulgarian Kingdoms



...monasteries and temples dating back as far as 4th century AD

...picturesque villages from the period of the Bulgarian National Revival



Sofia is among the oldest capital cities in Europe and the only city besides Jerusalem with an Orthodox church, a Catholic cathedral, a mosque and a synagogue within a square kilometer.

Bulgaria appeared on the global outsourcing map about 10 years ago...



...but has already attracted leading multinational companies

2008



60K started its activity with three international projects.

2010



Bulgaria became one of the six designated HP delivery hubs.

2012

Ingram Micro, one of the world's largest provider of IT products and supply chain services in the world, moved part of its business to Bulgaria

2013

Coca-Cola Enterprises Inc.

Coca Cola Enterprises moved to Bulgaria its F&A operations covering around 170 million customers in Western Europe

2009

ATKEARNEY

Bulgaria was ranked 13th in the world and 1st in Europe in A. T. Kearney Global Services Location Index™.

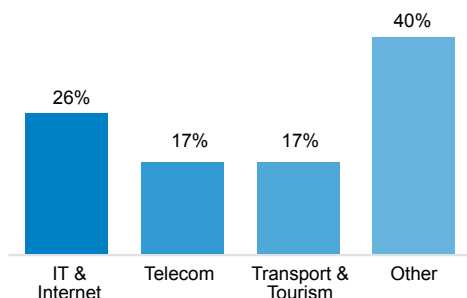
2008

SUTHERLAND
GLOBAL SERVICES®

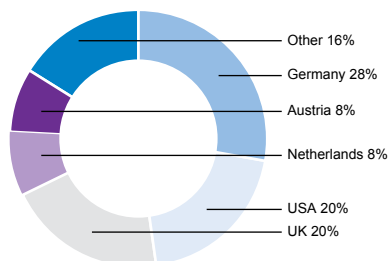
Named one of top 10 best performing BPO companies globally in 2011, Sutherland Global Services established its office in Sofia back in 2008.

The Bulgarian BPO industry serves clients across the globe in more than 25 languages...

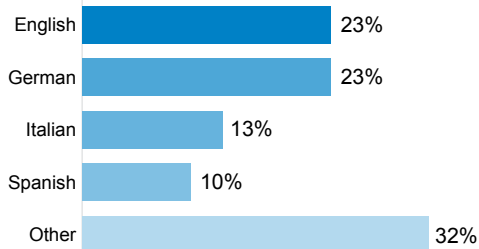
Expected biggest source industries for new contracts in Bulgaria



Expected biggest source countries for new contracts in Bulgaria



Expected language demand in the industry in Bulgaria



- Most BPO firms expect the size of the Bulgarian outsourcing market to increase up to 100% over the next 3 years
- Call center operations, customer support, followed by market research are expected to be with highest demand



The Bulgarian BPO sector employs more than 15 000 and generates more than €200 million in revenues.

...which offer a full range of BPO services.

Company	Year	E*	CIS	BOT	IT/ SO	F/AS	HR S	KS	L
60K	2008	400	✓	✓					all European
Adecco (Ajilon)	2005	1400	✓	✓	✓	✓	✓		all European + Latvian
All Data Processing	2003	290	✓	✓				✓	German, Portuguese, French, Italian, Dutch, Greek, Romanian
C3i	2005	350	✓	✓					all European, Turkish, Arabic, Korean, Chinese, Japanese
Call Point New Europe	2004	1000	✓	✓					all European
Coca Cola HBC	2005	1248	✓			✓			English
CSMS	2008	300+	✓	✓					all European
Euroccor (IMRO)	2005	450	✓	✓		✓		✓	English, German, French, Dutch & Flemish
Hewlett-Packard	2006	4000	✓		✓				English, German
IBM	2007	500	✓	✓	✓	✓			all European
Moneybookers.com	2008	200	✓	✓		✓			German, French, Spanish
OB10	2007	250				✓			all European
EXL (OPI)	2006	125	✓	✓		✓			all European
PlusServer	2004	50	✓	✓	✓				German
SITEL	2006	600	✓	✓	✓	✓			all European
Sofica Group	2006	750	✓	✓			✓		all European
Stream Global Services	2007	300	✓	✓					all European, Russian, Turkish, Ukrainian
Sutherland Global Services	2008	300	✓	✓					all European, Turkish, Arabic
TaxBack.com	2003	460	✓			✓			English
TravelStore Maker	2000	60	✓	✓		✓			all European, Chinese
Sutherland Global Services	2008	260	✓	✓					

E - Employees - *InvestBulgaria Agency estimate

CIS - Customer Services

BOT- Back Office Transaction

IT/SO - IT/Software Operations

F/AS - Finance/Accounting Services

HR S - HR Services

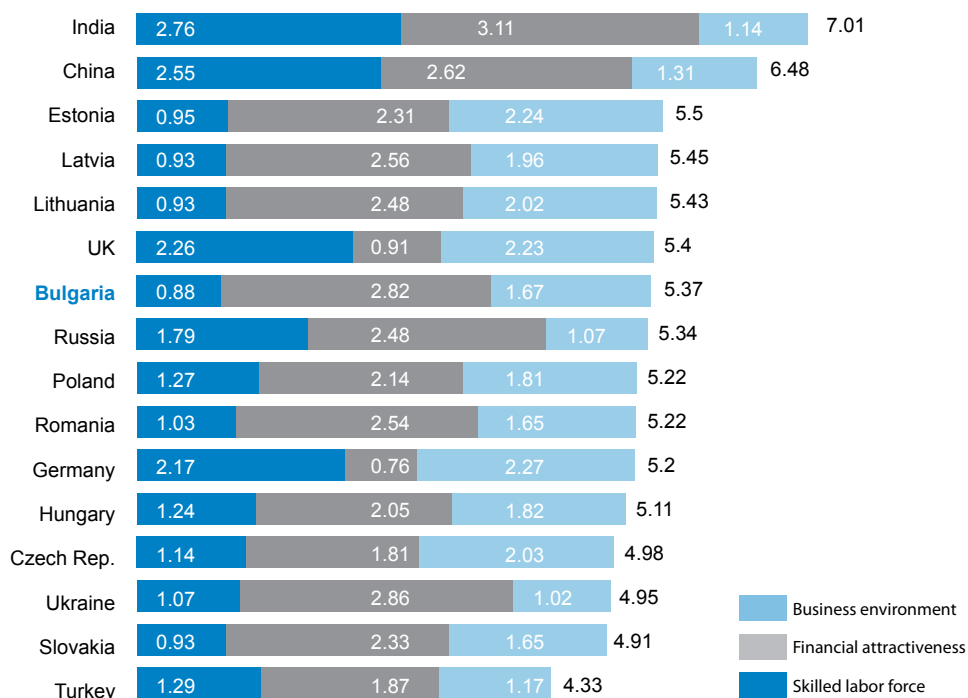
KS - Knowledge Services

L- Languages

Note: A selection of companies operating in the BPO sector in Bulgaria are profiled in Section 6. Please also refer to Bulgaria's IT and engineering outsourcing brochure for further case studies of success stories.

Bulgaria ranks among the top outsourcing destinations in the world in terms of attractiveness...

- According to **Global Opportunities Amid Economic Turbulence – the 2011 A. T. Kearney Global Services Location Index**, Bulgaria ranks **17th in the world**, with an overall index score of **5.37**
- **Bulgaria ranks number one** compared to all countries in SEE and number five from the countries in the EU



BULGARIAN ASSOCIATION OUTSOURCING

The BAO is a branch organization which aims to consolidate the interests of companies that offer outsourcing services, boost the competitiveness of the environment and create additional conditions to bolster foreign investments in the sector.

Key facts:

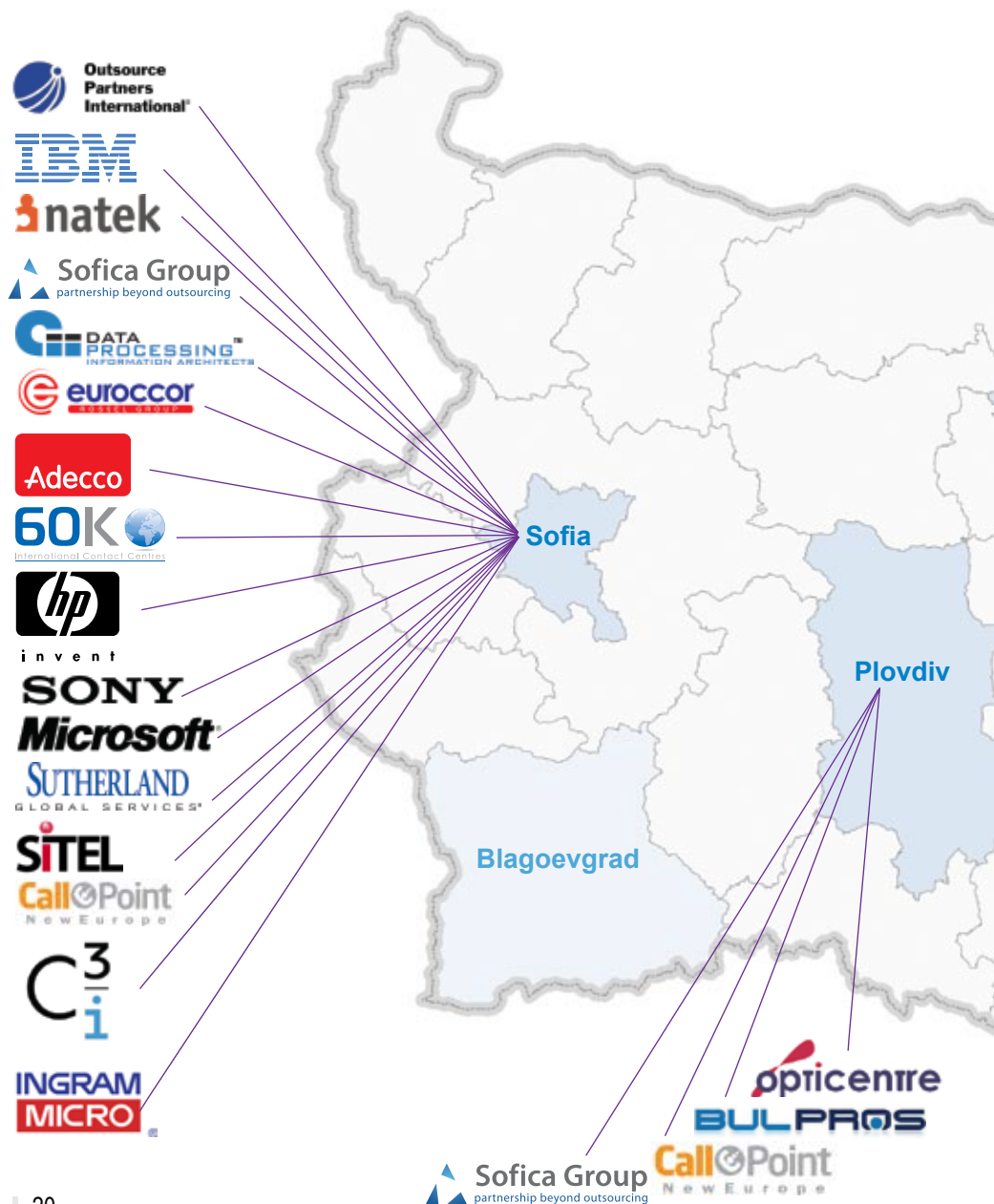
- Founded – November 2012
- Founders – All Data Processing, ATOS, Bulpros Consulting, Coca Cola Hellenic, Sofica Group

Main goals:

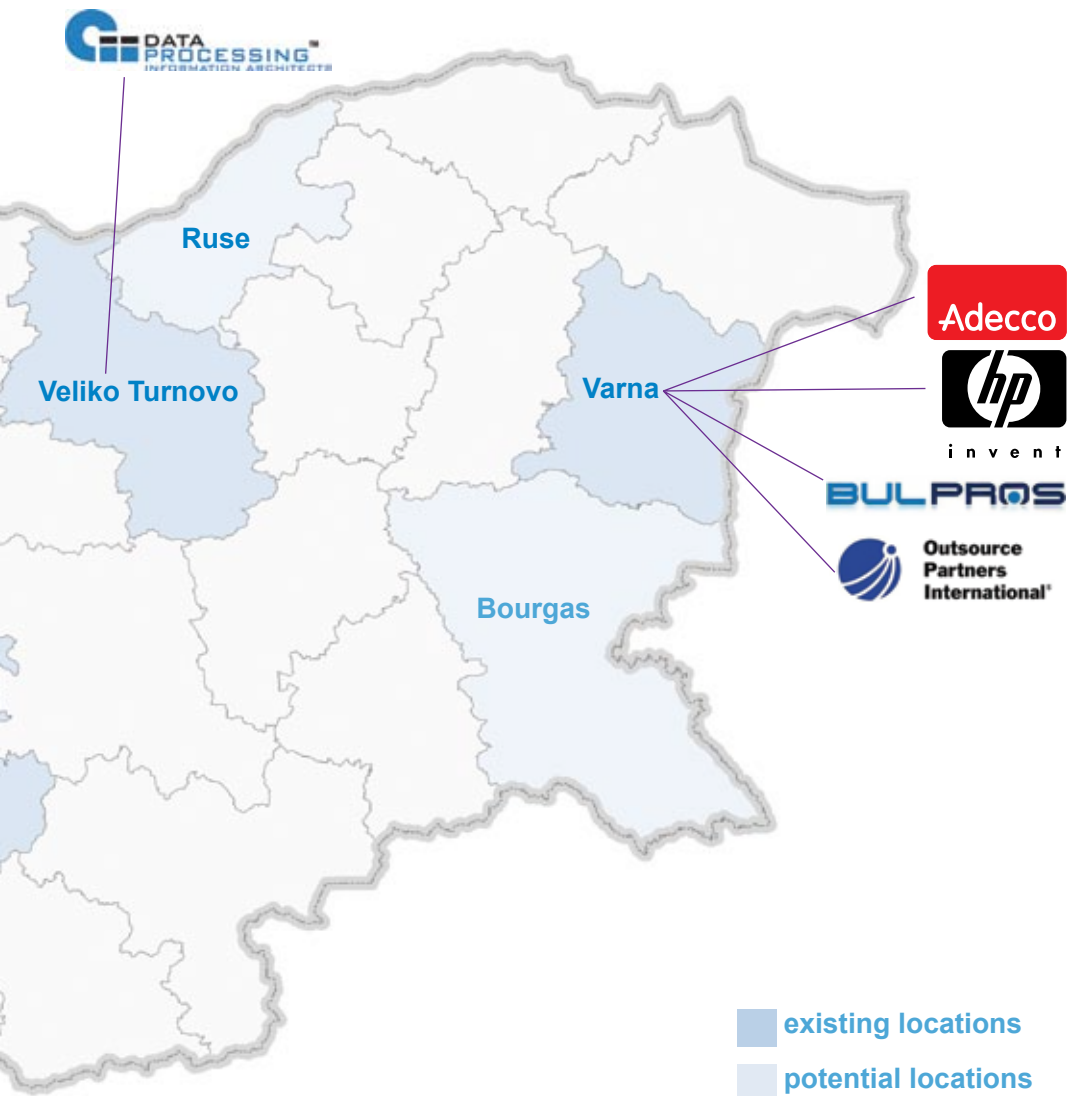
- Positioning Bulgaria in TOP 10 Outsourcing destinations world wide
- Creating outsourced centers in Tier 2 cities in Bulgaria
- Building mutually beneficial collaboration with the universities all over the country
- Supporting the existing outsource centers via sharing Best practices



The industry is concentrated mainly in Sofia



but other cities are starting to attract BPO firms as well



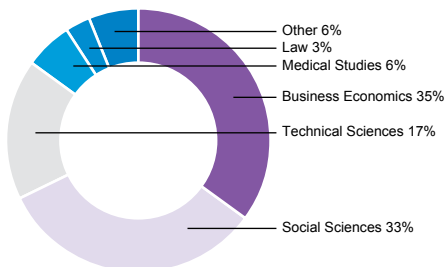


HUMAN RESOURCES

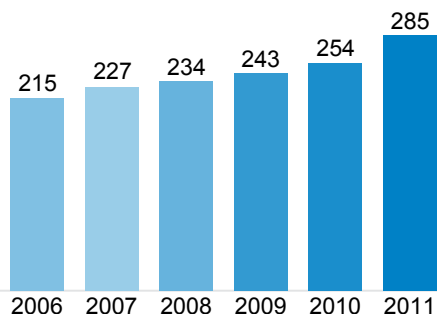


Bulgaria's educational system is particularly well suited for the needs of the BPO sector

2011 University and college graduates by field of study



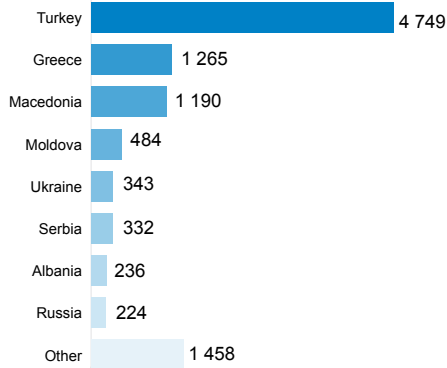
Number of students enrolled in universities and colleges, ('000)



In 2011 there were about:

- 64 000 graduates from 53 universities and colleges
- 30 000 graduates potentially suitable for employment within the BPO industry – Business, Economics, and certain Social and Technical science majors
- 10 200 foreign students enrolled in Bulgarian universities, the majority from South-East European countries

Number of foreign students in Bulgarian universities, 2011



Each year approximately 15 000 students pursue a university degree in language studies including Chinese, Japanese, Hindi, Scandinavian, and Slavic languages.

Sofia University

- 25 000 students
- Won prestigious regional and global competitions
- Laboratories run by IBM, Oracle; affiliate center of Harvard University
- Faculties of Modern languages, Philosophy, Law, Pedagogy, Journalism and Communication, Economics and Business Administration, Mathematics and Informatics, Natural Sciences
- Double diploma programs with Paris Sorbonne and Bordeaux IV, City University of Seattle; Business and technical majors taught in English, French, or German



www.uni-sofia.bg

University of National and World Economy-Sofia

- 16 000 students
- Faculties of Economics, Business, Management and Administration, Finance and Accounting, Infrastructure and Economics, International Economics and Politics, Law, Applied informatics and Statistics
- The specialized center for language studies assures the students' proficiency in business or diplomatic English, French, German, Russian, and Spanish (each student chooses a first and a second language of study)



www.unwe.bg

Varna Free University

- 12 000 students
- Departments of International Economics and Politics; Administration and Management; Informatics; Law; Psychology
- 12 Languages offered in the curriculum
- Hosts the first Balkan Russian center, as well as a large Media Center, comprised of TV and radio studios and an information agency working with regional agencies and news outlets



www.vfu.bg



www.ue-varna.bg

Varna University of Economics

- 12 000 students
- Faculties of Finance and Accounting, Business, Management, Informatics, Modern Languages
- The department of language studies offers training in English, German, French, and Russian to all bachelor and masters students, as well as optional courses in Japanese, Korean, Spanish, Italian, Dutch, and Danish



www.uni-ruse.bg

Ruse University

- 8 000 students
- Works with Cornell University in a Special Partnership Program
- Faculties of electronics, business and management, transport and logistics, law, natural sciences; optional English, Russian, French, or German courses
- Except for the numerous national and European projects and initiatives carried on by the University, there is a special focus on cross-border cooperation with Romania



www.uni-plovdiv.bg

Plovdiv University

- 12 000 students
- Faculties of Economic and Social studies, Mathematics and Informatics, Modern languages, Law, Philosophy and History
- The University collaborates with other educational institutions from the EU, India, Indonesia, Canada, Columbia, Mexico, Russia, and Turkey, among others



www.uni-svishtov.bg

Svishtov Economics Academy

- 10 000 students
- Faculties of Economic Accounting, Finance, Management and Marketing, Production and Commercial Business, IT
- The Academy takes part in Programs of the European Union in collaboration with European Universities

American University in Bulgaria, Blagoevgrad

- 1 200 students
- A hub for gifted students from the region (63% international students)
- Departments of Languages and Literature, Business, Computer Science, Economics, Journalism and Communication, Mathematics and Science, Political Science



www.aubg.bg

Veliko Tarnovo University

- 14 000 students
- Renowned for its faculty of Modern Languages
- Faculties of Economics, Law, Mathematics and Informatics, Philosophy, History
- Hosts international cultural and language centers for advanced studies



www.uni-vt.bg

Burgas Free University

- 6 000 students
- Centers for economic and management studies, informatics and technical studies, humanities, law
- Takes part in major international academic and research programs, hosts a CISCO academy and partners with major Bulgarian and international banks and companies for career placement



www.bfu.bg

An estimated 80 000 Bulgarian students abroad add to the talent pool for the BPO sector



Yana Raynova

HR Consultant

Education:

MPhil in Management,
Cambridge University, UK
BA in Economics, University
of Manchester, UK

"I strongly believed that in Bulgaria I could find the professional development that I was looking for after my graduation. I came back and I found it possible to use my education and challenge myself, while working in a motivated and enthusiastic environment."



Mariya Panayotova

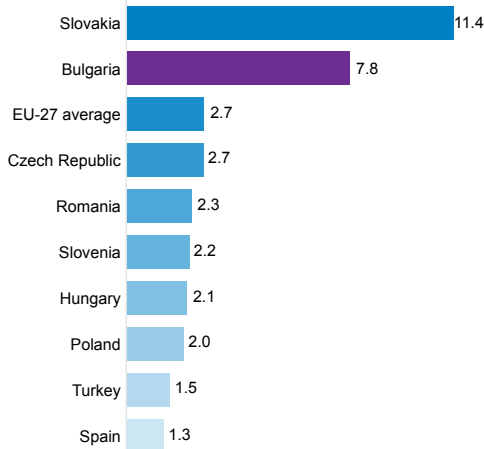
Financial Analyst

Education:

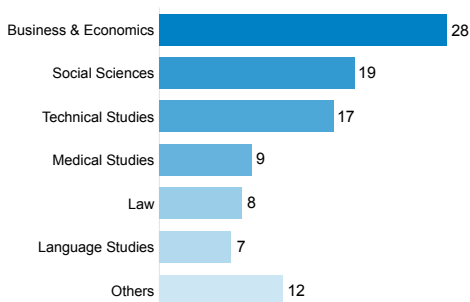
BA in Economics and
Mathematics, Vassar
College, USA and London
School of Economics, UK

"I always wanted to come back to Bulgaria after studying abroad, for I knew the service sector offers many opportunities. I was lucky to find a job in my field and I feel more young Bulgarians who study abroad could find their dream jobs here."

Students in another EU / EEA country, (% of all)



Breakdown of students who returned to Bulgaria by university majors, 2006-2010 (%)



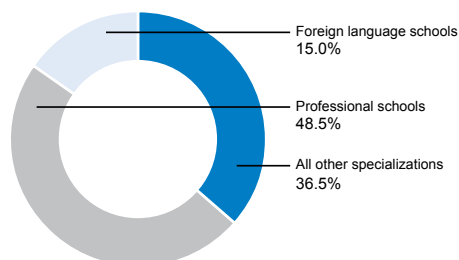
According to Deutsche Welle, Bulgarians represent the second largest foreign student community in Germany, after the Chinese

Bulgaria's specialized secondary schools are an ideal base for development of the BPO sector

- There are 1 145 secondary schools in Bulgaria
- 98% of the students enrolled in secondary school in Bulgaria study a foreign language, 73% study at least two foreign languages
- About 230 300 students speaking foreign languages are expected to graduate from selective secondary schools over the next 4 years
- There are over 100 specialized language schools (about 10 000 graduates per year) with Western European or other foreign languages of instruction
- Other languages taught in Bulgarian secondary schools include Portuguese, Japanese, Chinese, Arabic, Romanian, Swedish, Hindi, Hebrew, and Turkish
- Over 544 vocational secondary schools offer concentrations in business, technology, arts and crafts or related degrees. They have over 30 000 graduates per year

Students in selected secondary schools by language course, 2011/2012	
English	118 620
German	56 560
Russian	16 517
French	15 423
Spanish	12 247
Greek	6 133
Italian	3 480
Other	1 285

62 975 school graduates in 2011



Bulgarian specialized high schools path the way to prestigious universities



German Language High School, Sofia

- About 140 students per grade, the best 50 receive a German diploma, the rest – a Sprachdiplom (Certificate for German Language Proficiency)
- Classes taught by German professors, study trips in Germany
- Best students awarded with prestigious scholarships for prestigious German universities
- Advanced courses in English as a second language; first places in national Olympiads in English



Sofia High School of Mathematics

- Over 150 golden, silver and bronze medals in international mathematics Olympiads since 1970
- Medals also in international Olympiads in Informatics, Mathematical Linguistics, Physics, Music
- Graduates continue their education in world's top universities
- Focus on English and German – 5 classes per year study English and Mathematics and one class – German and Mathematics



First English Language School, Sofia

- All subjects except Bulgarian language and literature are taught in English
- UNESCO associated school since 1978
- Regular Open Society and Fulbright scholarships for tertiary education in the US and UK
- International students from Albania, Moldova, Romania, Russia, Turkey, Vietnam, etc.

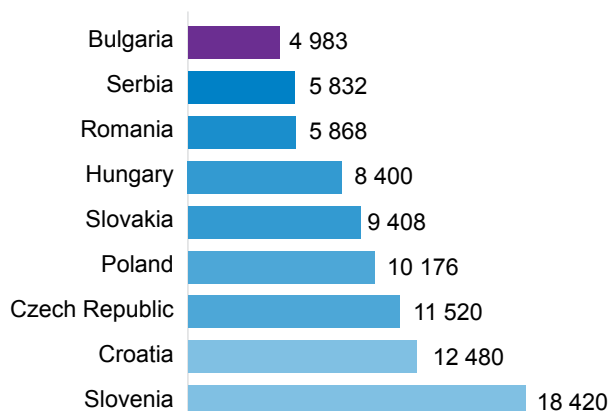


National Trade and Banking High School, Sofia

- Established in 1912 by Sofia Chamber of Commerce
- The largest economic professional school, 1200+ students
- Offers Professional Diploma in: Banking, Commerce, Customs and Tax Administration, Operational Accounting, Business Administration, Informatics
- Internships in large banks and companies
- Students have won 93 team and individual awards in the US, Switzerland, France, Germany, Finland, Slovakia and Bulgaria between 2001 and 2012

Wage costs in the sector and overall in the economy remain competitive

Annual country average wage,
2012, (€)



Average salaries in customer
service, (€/month)

Experience	English	English and German
0 years	547	675
1,5 – 2 year	675	994
3 years	1 525	1 690
5 years	1 800	2 022

Average annual salaries in Shared
Services Centers (F&A), (€)

Experience	Salary range
0 years	6 564 - 11 928
1,5 – 2 years	8 100 - 15 996
3 years	18 264 - 21 600
5 years	21 600 - 25 596



INFRASTRUCTURE AND REAL ESTATE



Bulgaria has seen a surge in top-quality office real estate



Business Park Sofia is the largest office park in Southeastern Europe with a total built up area of 300 000 sq.m. It is a genuine multifunctional high-tech business park, located within 15 minutes' drive from the city center and Sofia Airport.



European Trade Center in Sofia, Bulgaria, opened in 2010 and has an office area of 72 300 sq.m. It is located at a 10 minutes' drive from Sofia city center and just a few minutes drive from Sofia Airport.



Business Park Varna is a multifunctional office buildings complex located on an area of 67 430 sq.m. It has a unique design and excellent infrastructure. Its location is within 5 minutes' drive from Varna Airport and 10 minutes' drive to Varna city center.

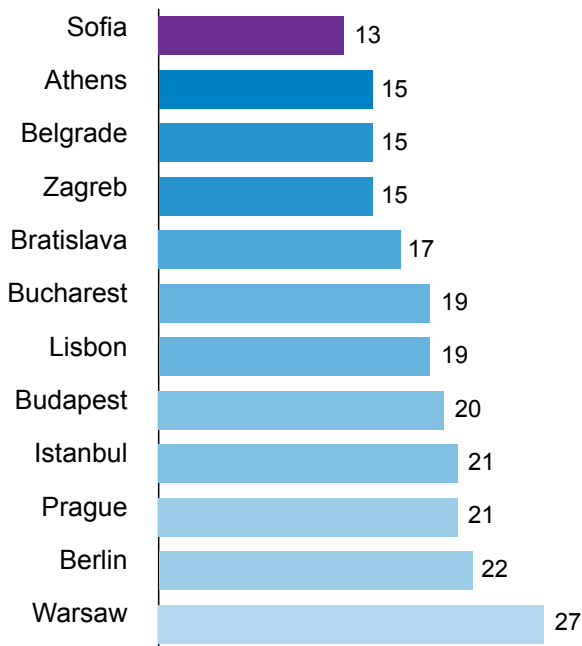


Spharma Business Towers is one of the newest office and retail buildings in Sofia with an area of 11 000 sq.m. It has remarkable architecture and offers high-tech office space using the energy of the sun, wind, the natural temperature of the soil and ground-water.

Office rents in Sofia are the lowest in the region...

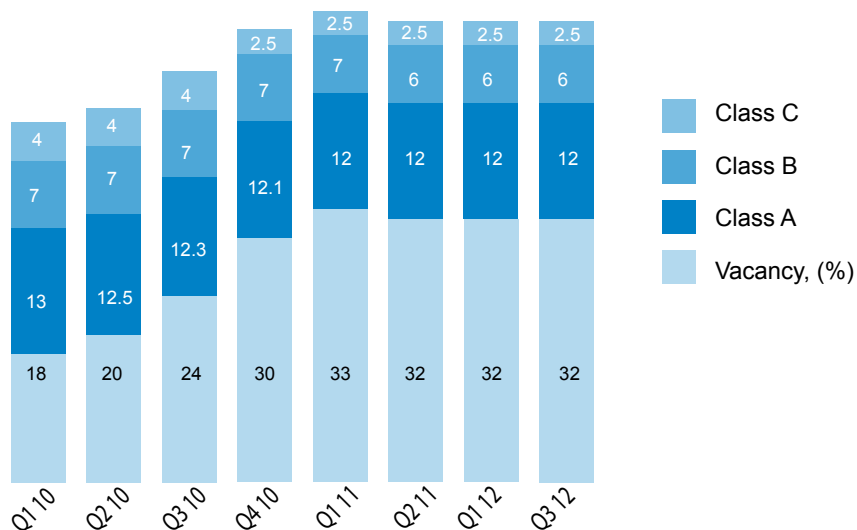
- The modern office stock in Sofia is 1 533 000 sq.m. of which 45% is Class A
- The office space under construction stands at 306 000 square meters
- Pipeline in next 1-3 years stands at ~ 378 000 sq.m.
- Vacancy in Sofia is 30%

Office rents across Europe, June 2012,
(€/sq.m/ annum)

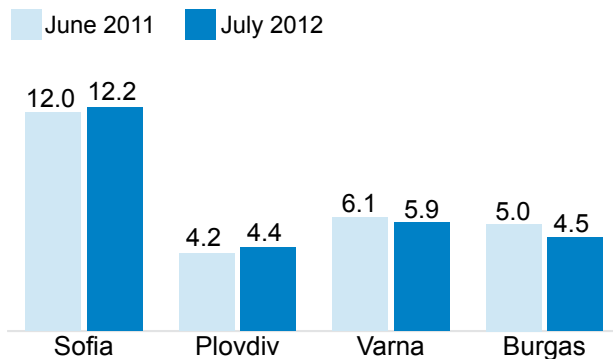


...and are likely to remain low due to oversupply of office space

Office rents (€ per sq.m. per month) and vacancy in Sofia, 2010 - 2012



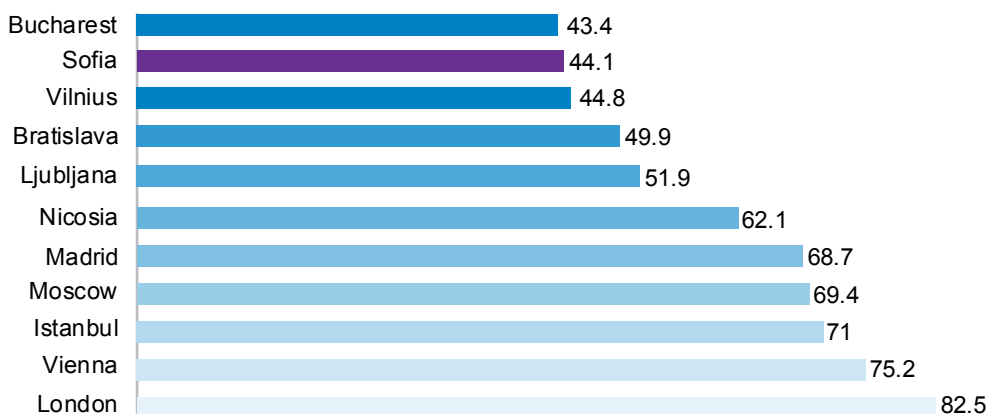
Average office rent, Sofia compared to other Bulgarian cities, (€ sq.m./ sq.m per month), 2011 vs. 2012



Post-crisis residential property prices are down by 32% and no significant changes are expected

- After peaking in mid-2008, residential property prices in Bulgaria continued to fall throughout 2011
- Despite some evidence for recovering demand, Sofia's residential real estate prices are still among the least expensive in Europe
- Residential rent levels for a two-bedroom apartment in Sofia are approximately €300 per month and between €240 – 290 in other cities
- Sofia ranked 11th least expensive out of 73 cities in a survey of UBS Wealth Management Research, comparing cost of living based on a weighted shopping basket of goods geared to western European consumer habits

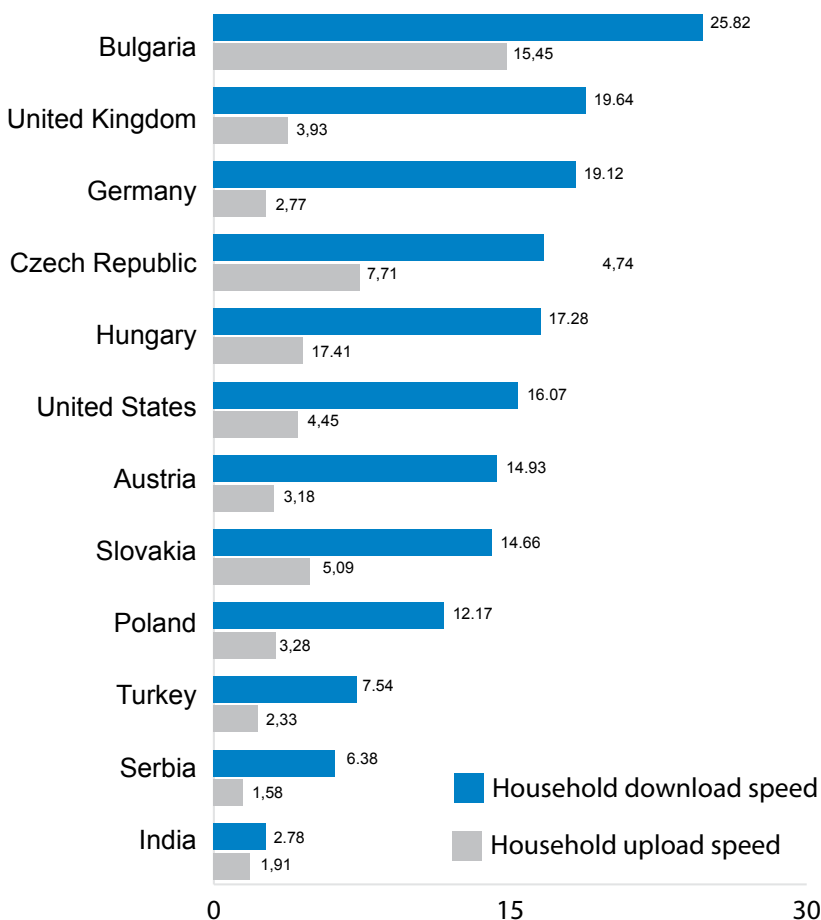
**Price level (New York = 100, including rent):
Sofia compared to other European capitals**



Bulgaria has a very well developed Internet infrastructure

- Bulgaria is ranked the 7th fastest place in the world by both household download and upload speed according to Netindex

Download and upload speed, Bulgaria compared to other countries, (Mbps, as of March, 2013)



Sofia

General Information:

- Population: 1 291 591
- Center of the legislative, executive and judiciary power (the National Assembly, the Presidency, the Council of Ministers and the Ministries, etc.)
- Financial hub, home of the Bulgarian National Bank, the Bulgarian Stock Exchange, the Financial Supervision Commission
- Well-developed transport infrastructure with bus, tram, trolleybus and underground public transport, an international airport with two terminals, and a strategic location and important centre for international routes
- Outsourcing destination for multinational companies, among which IBM, Hewlett-Packard, SAP, Siemens, Software AG, CISCO

Educational Snapshot:

- 16 language schools with business curriculum
- 18 language schools with IT curriculum
- 21 universities
- 26 000 graduates per year



Varna



General Information:

- Population: 343 704
- Situated on the Black Sea. A major tourist destination, and a business and university centre
- Headquarters of the Bulgarian Navy and merchant marine
- Varna region produces 5.4% of the national GDP. The province is third in the country by foreign investments per capita
- Well-developed transport infrastructure including an international airport and a heliport
- Major roads include European routes E70 to Bucharest and E87 to Istanbul, and Pan-European corridor VIII
- Approximately 7% of the total BPO sector employment
- Existing operations: Keppel Fels Baltech, SysMaster, TaxBack, OPI (acquired by EXL), HP, AT Consult

Educational Snapshot:

- 12 language schools with Business, Mathematics and IT curriculum
- 8 technical educational institutions
- 5 universities and higher schools
- 9 400 graduates per year

Plovdiv

General Information:

- Population: 338 153
- Major administrative, industrial, transport, educational and tourist centre
- Well-developed transport infrastructure including an international airport
- Three of the ten Pan-European corridors pass near the city (IV, VIII and X)
- The International Plovdiv Fair, organized since 1892 is one of the most important trade events in Southeast Europe



Educational Snapshot:

- 2 universities
- 3 language schools
- 10 000 graduates per year



The Ancient Theater was built in I-II century.

Due to the good acoustics, owing to the specific architecture of the theater, it is still used for concerts and other events with a capacity of around 5 000-7 000 spectators.



Ruse



General Information:

- Population: 167 585
- The biggest Bulgarian river port and a big industrial centre (automotive industry, ceramics and chemistry)
- One of the first industrial parks in Bulgaria, hosting international companies such as Montupet, Keros Bulgaria, MBM Metalwork, etc.
- Located along Pan-European corridor IX and the Danube Bridge - the major road and rail connection between Bulgaria and Romania
- Attracts talents from nearby locations in Romania, as well as from Veliko Tarnovo, Silistra, Svishtov and Shumen

Educational Snapshot:

- 1 university
- 3 language schools
- 2 000 graduates per year

Burgas

General Information:

- Population: 212 902
- Situated on the Black Sea coast
- Major tourist destination as well as a major administrative, industrial, and educational center
- Well-developed transport infrastructure, including international airport
- The Pan-European corridor VIII (Durres - Tirana - Skopje - Sofia - Plovdiv - Varna) passes through the city
- Burgas port is the largest one in Bulgaria. It operates 28 vessel berths featuring dwt of 125 000 t to be handled

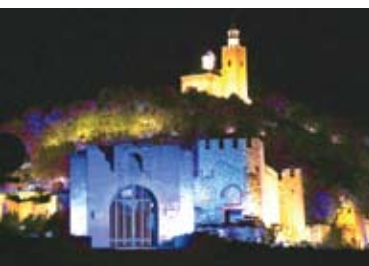


Educational Snapshot:

- 2 universities
- 4 language specialized schools
- 3 500 graduates per year



Veliko Tarnovo



General Information:

- Population: 88 670
- One of the oldest settlements in Bulgaria with rich history and culture
- Major tourist destination, featuring a well preserved Medieval fortress
- Well developed transport and communication infrastructure
- Major roads: European route E85 connecting Edirne with Bucharest and E772 connecting Sofia with Varna

Educational Snapshot:

- 2 universities and 18 high schools
- 8 500 graduates per year

Sound and Light

The audiovisual performance “Sound and Light,” which conflates colourful lights, sound effects and verbal narrative is a historical narration of the most important moments of the Bulgarian history. It first took place in 1985 and still is the city's main tourist attraction.



Blagoevgrad

General Information:

- Population: 77 441
- Educational, administrative, transport, agricultural and tourist centre (famous for nearby cultural and natural landmarks, as well as for the nearby Bansko ski resort)
- Located along Pan-European Corridor IV. A new highway connecting West European destinations with Greece is under construction
- Railway line connecting Sofia with Thessaloniki

Educational Snapshot:

- 2 universities
- 3 language and several business high schools
- 3 000 graduates per year





SUCCESS STORIES





Established: 2006
Personnel: 4 000
Languages: 15
Activities: Customer Interaction Services, IT/ Software operations

- HP Global Delivery Centre was officially opened in May 2006 and serves as a delivery platform for support, engineering and IT outsourcing services for HP customers in EMEA region
- Bulgaria was chosen among 14 other countries – candidates for the investment
- In 2010 Bulgaria became one of the 6 designated delivery hubs that support client demand for cost-efficient, scalable services that effectively meet business needs



More than 500 young Bulgarian professionals returned from abroad to work in HP Global Delivery Centre.

Customers include 21 companies from 2011 Fortune Global 500.

case study

On 19 April 2012 in Bulgaria started the world's second HP Command Center (Mission Control Center) for monitoring and managing of critical processes with a capacity of 150 jobs.

The command center is unique both because of the high technologies and of the fact that highly qualified Bulgarian specialists will manage the flow of processes critical to the operation of global financial, industrial and telecommunications companies. It is equipped with modern hardware and software technologies to analyze and summarize data and to share information in real time with HP's other centers in the world. The facility also gives the company a better insight into customers' IT environments.



Bulgaria is a strategic site for HP Global IT Outsourcing operations. As one of our core delivery centers globally, we place a significant amount of critical operational responsibilities in Bulgaria. We are extremely satisfied with the quality of talent, productivity, and the passion for customer service of the Bulgarian employees who have joined the HP family and look forward to even more contributions in the future.

Pete Karolczak, SVP, GM IT Outsourcing, Enterprise Services at Hewlett-Packard HP's University program in Bulgaria

The opening of HP Global Delivery Centre in 2006 put Bulgaria on the BPO&ITO investment map of the world. The selection of Bulgaria as one out of the six HP strategic hubs in the world in 2010 reconfirmed the quality of Bulgarian specialists.

Sasha Bezuhanova, Public Sector Director,
HP Central and Eastern Europe



HP Global Delivery Centre exported services for €110mln. in 2011



- The largest employer in the Bulgarian BPO sector – 80% of the employees are highly educated and qualified specialists; 30% on managerial positions, 41% - women; average age of employees - 30 years
- Received “Investor of the Year” award in 2008 and 2011 by the Bulgarian government



Established: 2007

Employees: 500

Languages: 27

Activities: Customer Relationship Management, Finance & Administration

- The Bulgarian Procurement Center started its activity in 2006 with just 25 employees
- In 2007 IBM opened a Global Delivery Center in Bulgaria. Out of Sofia, IBM currently provides end-to-end business process services for IBM needs in the region and all over the world
- The procurement team processes all purchase orders of office stationary and equipment for IBM offices in the entire CEE region

Customers include:

- Bulgarian National Bank
- National Social Security Agency
- National Revenue Agency
- Ministry of Defense
- Ministry of Finance
- National Customs Agency
- Coca Cola Bulgaria
- Xerox
- Skype



30+ Nationalities represented in Bulgaria.

Sofia GDC is considered a strategic location for IBM. The qualified young team has allowed it to innovate and establish best practices that are implemented across the IBM network of global delivery centers

Joseph Lazarus

General manager, IBM GDC Bulgaria



I am proud to be part of IBM GDC Sofia because my company gives young people the opportunity to apply their knowledge in practice, supports their ideas and empowers them to learn and be innovative.

Nadezhda Syarova

Team Leader, IBM GDC Bulgaria

Our experience in the Bulgarian labour market pool is not only that we have been able to attract very educated and talented, multilingual individuals but also that most of those individuals possess an immense drive for their own growth and self-development.

Boyka Docheva

HR Partner, IBM GDC Bulgaria



On November 1st 2011, IBM Bulgaria and the Ministry of Labour and Social Policy made an agreement to collaborate on education and training initiatives to help stimulate employment opportunities in Bulgaria.

“The best that Bulgaria has to offer for our business are the people. Visitors to the center are always impressed after they spend time with our talented, energetic, youthful and diverse team of people, focused on achieving success for themselves and our clients.”



Established in 2008

Personnel: 400

Languages: 17

Activities:

Customer interaction
services,

Back office transaction

- In May 2008 began its activity with three international projects and investment of over €1.2 mln.
- Second office in Sofia opened in September 2011

Sofia was chosen for 3 main reasons:

- the convenient location of the airport
- the availability of highly motivated and educated labour
- the quality of the buildings and technical infrastructure



60K maintains links with universities in Sofia. The company CEO leads lectures at Sofia University.

“ We are currently looking at setting a third call center here, probably in one of the other major cities such as Plovdiv, Varna, Burgas, Veliko Tarnovo

John Gladwish, CEO, 60K ”



Annual attrition rate is less than 3%, as compared to European and Global average of 24%.
(Times News New York)

Customers, served from Bulgaria, include:

Seatwave – fan to fan ticket exchange service.

Be Unlimited (part of O2) – Broadband services for end customers and wholesalers.

Thomas Cook- Package holidays at affordable prices.



Inbound Services provides Contact centre Technical support, Answering services, Order Taking services, Help Desk & Customer Service

Outbound services include Debt Collection, Lead Generation, Research Surveys for Telecom Industries, Insurance, Information Technology, Travel and Airline companies, etc.



Bulgaria has a lot of potential with respect to technical infrastructure, human resources, location in comparison to the UK and mainland Europe and legislation here is favourable to investment.

John Gladwish, CEO, 60K





Established: 1999
Personnel: 290
Languages: 30+
Activities:
 Knowledge Processes
 Outsourcing

Besides in Sofia, the company is also located in Veliko Tarnovo, where it has an ongoing internship program in the local university.

Boasting one of Southeast Europe's most stable monetary systems, Bulgaria is in prime position to offer a sustainable macroeconomic environment, low risk levels and solid economic growth.

Iliya Krastev, CEO, All Data Processing

case study



is a business and financial news and information provider which brings access to detailed coverage on the fast-growing companies, economies and markets of ten Southeast European nations. It allows you to access major index data including index pricing, indices' constituent lists and top indices' gainer and loser data, company, price and other market information from all active stock exchanges in the region and spot and cross rates for all SEE currencies.

Customers:

All Data Processing has customers from over 75 countries:

- News Corporation
- Thomson Reuters
- Bloomberg
- APA
- LexisNexis
- Reed Elsevier
- EBSCO, etc.

The activity of the company is concentrated in three business lines:

- **Information services** - development and delivery of information, analysis, reports, interviews, news and information
- **Data processing** - coding, classification, taxonomy, transfer and processing of data and sources
- **Business services** - sales, telemarketing, credit control, debt collection, management reputation

Services are provided either as outsourcing, or as own products, under the SeeNews and ADPnews brands

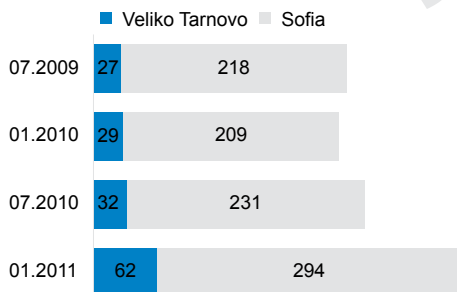
1999 - Started with 10 employees and began to index information about Reuters' business products (Editorial Outsourcing),

2004 - Launched SeeNews, a real-time newswire covering business and financial news from ten countries in Southeast Europe.

2008 - Opened an office in Veliko Tarnovo, which currently employs around 60 foreign language students of Veliko Tarnovo University

Sofia is not Bulgaria. Many knowledgeable young people study and live outside the capital. This is an untapped resource.

Iliya Krastev, CEO, All Data Processing





Established: 2004

Personnel: 1 000

Languages: 20+

Activities:

Customer Interaction Services,
Transformation Solutions,
Financial and Accounting
Services

➤ Bulgarian BPO company, 3 office locations

➤ 50+ clients from the EU and the USA

2004 - Founded by Philippe Ougrinov and Xavier Marcenac in Sofia

2009 - Opened Plovdiv office

2011 - EBRD becomes shareholder in CallPoint. This is the first investment for the bank in business process outsourcing in BG

2012 - TELUS International, a global BPO company and wholly-owned subsidiary of Canadian headquartered TELUS Communications, partnered with CallPoint New Europe, a European contact center group with four delivery sites in south-eastern Europe.

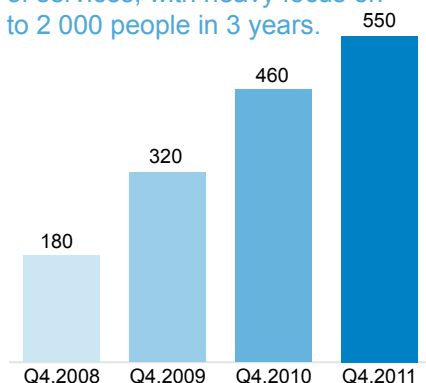


Aims at expanding its portfolio of services, with heavy focus on F&A services. Plans to hire up to 2 000 people in 3 years.



Bulgaria is a small, boutique country, with very flexible legal framework and no restrictive regulations for this business at all.

Phillipe Ougrinov, CEO, CallPoint New Europe



Services:

- Multilingual Customer Care via Phone E-mail, Chat and Fax in 4 Industry Verticals
- Multilingual Social Media Monitoring
- Quality Monitoring of Multilingual In-house Operations
- Mystery Shopping

Bulgaria – a place with a huge untapped potential – talented and educated young people, viable and attractive cost, a politically stable and safe place with more than 300 sunny days a year!

Phillipe Ougrinov,
CEO, CallPoint New Europe

Rightsourcing

CallPoint site in Sofia focuses on English, German and Eastern European languages and specializes in Travel & Leisure and High-Tech industries. Plovdiv site acts as a platform for multilingual back-office activities in different verticals



2010 in Numbers

10 million	Customer interactions processed
200 000	Outbound calls per month
600 000	Inbound calls per month
100 000	Handled e-mails per month
65%	CAGR (for the past five years)





Established: 2006

Personnel: 600

Languages: 22

Activities: F&A, Technical support, Customer Care, Back office

- Bulgarian office received an award for best operating company location in Europe (the Mean More Award, based on quality/cost analysis, value added, employee satisfaction, and operational depth)
- Received Sitel President Award for Q1 2011
- Started in 3 countries and 125 employees
- 5 years later expanded in 23 countries and 530 employers

Cooperates with foreign cultural institutes in Bulgaria, as well as with:

- Sofia University
- Technical University Sofia
- University of National and World Economy
- New Bulgarian University
- AIESEC

“The education system in Bulgaria is well structured and gives still good basis. This assures the faster assimilation and learning of new skills
George Uzunov,
Site Director, Sitel Bulgaria



Sitel provides services from Bulgaria to:

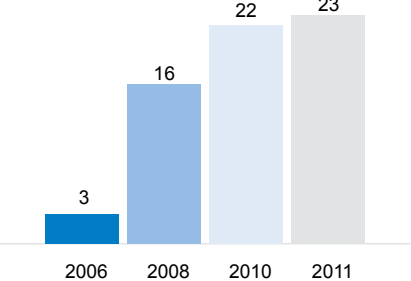
- One of the largest world mobile phone producers
- Global software leader
- German leading financial service provider
- Leader in Health care services
- Professional printing technology leader
- Global leader in money transfer services

“Bulgarian people are highly motivated for working in an international environment and give their best at the job, since these companies offer career development opportunity.”

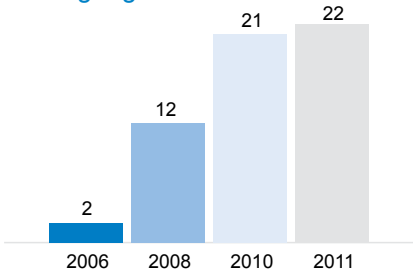
George Uzunov,
Site Director, Sitel Bulgaria

Performance and Growth

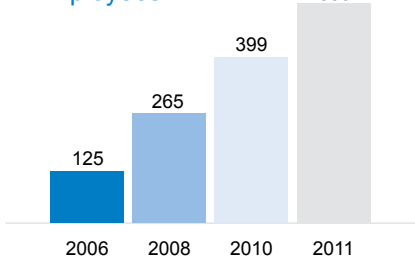
Countries served



Languages served



Employees





Established 2004

Personnel: 750

Languages: 15

Activities: Contact Center Services, HR Outsourcing, IT Outsourcing and Hosting services

- The Bulgarian outsourcing company with the widest portfolio of services
- Member of ISO/PC 259 of ISO 37 500: A guide to outsourcing
- Forecasted CAGR for the period 2012-2014 – 25%

“We receive feedback from our clients that our productivity is higher than in other European countries – price and quality!”

Customers:

Hewlett Packard, Oracle, Coca-Cola, Stream Global Services, Microsoft, Telecom Austria Group (in Bulgaria, Serbia and Macedonia), UniCredit Bulbank, DSK Bank (OTP Group), AIG and Allianz

History Milestones

- The first International client – 2007
- Acquisition of BTC Contact – the first international outsourcing center in Bulgaria – 2008
- Certification of ISO 9001 and ISO 27 001 - 2009
- Opening of the first international location – Skopje, Macedonia 2010
- Interactive Intelligence Elite Partner – 2010
- Opening second site in Bulgaria in second biggest city – Plovdiv

Services

Sofica provides the following portfolio of services :

- Business Process Outsourcing Services - broad range Customer Relationship Management services such as: customer support, transaction support, telemarketing and telesales, back office activities, F&A and procurement services. Our system supports all of the communication channels including social media.
 - HRO services – the full stack of HR services from recruitment and leasing of personnel to managed services of extended teams
 - ITO services – desktop and application support – offsite and onsite, CCaaS (contact center as a service), Build Operate Transfer Model
- For the last 3-4 years the company was focused on building expertise in IT, Telecom and Finance industries where it provides end to end solutions.



We partner with our clients, by offering a stable operational environment where they can outsource processes to optimize their costs and improve on business results.

“The unique combination of geography, political and monetary stability, quality of human resources and infrastructure, makes Bulgaria the best choice for Business Process Outsourcing in Europe”

Stefan Bumov,
CEO Sofica Group



Established: 2008

Personnel: 300

Activities:

Customer interaction service,
Back office transactions,
F&A

**Finalist of the UK Award for Operational Excellence 2011,
organized by the National Outsourcing Association**

Clients include:

- Leading anti-virus companies
- Leading PC hardware manufacturer
- Leading banking and insurance company
- No.1 North America e-learning company

Sutherland's plan in the next 18 months is to continue with the expansions in Varna and 2 other cities in Bulgaria

75% of clients are in the Fortune 500 space

“Bulgaria is the top performing geography of Sutherland with 100% referencable clients and best talent when it comes to technical capabilities. Smaller Delivery team compared to our own delivery locations like Philippines, US or India but services provided are with higher complexity with a stress on language, skill and medium.”

Satish Ramachandran,
Senior Director – Service Delivery,
Sutherland

➤ Sole provider of customer service in Europe for one of the largest international telecom companies.

➤ Sutherland's headcount has grown 7 times since 2008. 40% of the current middle management are home grown.





IBA Services:

- Macroeconomic information
- Legal advice
- Information on operational costs
- Regional data on unemployment, availability of skilled labour force, level of education, infrastructure, foreign investors and industrial zones
- Recommendation of vacant land
- Identification of potential suppliers, subcontractors or joint venture partners
- Individual administrative services
- Contacts with the central and the local authorities
- Contacts with industry chambers, local universities and NGOs organizations



Project "Promoting the advantages of investing in Bulgaria"

BG 161PO003-4.1.01-0001-C0001, with beneficiary InvestBulgaria Agency, has been implemented with the financial support of the European Union through the European Fund for Regional Development and the national budget of the Republic of Bulgaria.

InvestBulgaria Agency

- 31 Aksakov Street
- Sofia 1000, Bulgaria
- Tel.: +359 2 985-5500
- Fax: +359 2 980-1320
- E-mail: iba@investbg.government.bg
- www.investbg.government.bg