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# Auriga's Newsletter

December 02, 2008

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## Alexis Sukharev at BITKOM Outsourcing User Forum 2008

On 11-12 November 2008, Alexis Sukharev, Auriga Founder and President, attended the 6th Outsourcing User Forum 2008 in Bad-Homburg (Germany). Together with Siegfried Langer, System z Growth Manager of IBM, Mr. Sukharev presented a joint experience report, on setting up effective offshore outsourcing operations for software development, from both a customer's and a supplier's point of view.

The User Forum Outsourcing 2008 is organized by BITKOM, the German industry association for information technology and is the biggest annual conference in the German-speaking world. Its aim is to offer a common platform for users of outsourcing services and services providers, consultants and scientists, to enable knowledge transfer and sharing hands-on experience and best practices. The event attracted about 450 attendees, and over 80 speakers shared their outsourcing experience in the form of presentations, workshops, discussions and user reports.

The report of Mr. Sukharev and Mr. Langer, entitled "Gaining Maximum Value from High-Tech Outsourcing Partnership" was focused on best practices for establishing a successful software development engagement, and summarized the previous cooperation experience between Auriga and the IBM Development Laboratory in Boeblingen, Germany.

The cooperation case for the report was based on the Remote Engineering Center organized in 2005 for the Hardware Development Lab in Boeblingen. Remote Engineering Center is a proprietary model, offered by Auriga to its clients. This methodology is an evolution of

the Offshore Development Center model, aiming to minimize the ODC-related risks by improving engagement flexibility. Under the REC model, the project management, product quality management, process definition, implementation, improvement and QA are all on Auriga side. As a result, the customer reduces the management overhead, while retaining access to Auriga organizational assets and resources.

The report offered practical advice on setting up offshore outsourcing operations. Both speakers emphasized the importance of following a thorough selection process when choosing a partner and defining a clear management approach for interaction, with unambiguous requirements and measurable deliveries.

When it comes to starting a business engagement, ability to establish effective communication between the parties is as important as technical expertise of the service supplier. As Mr. Langer stated, "The joint workshop approach in defining the detailed project plans and Auriga's strong technical and project management capabilities were the foundations of this successful engagement".

Dr. Mathias Weber, Head of BITKOM IT-Services and Knowledge Management Department and Organizer of the Forum, kindly shared his views on the prospects of the offshoring industry in the current economic climate.

"German market players have been expressing an increasing interest in the nearshoring services offered by companies of Central and Eastern European. Clients are pleased with the opportunity to choose from numerous suppliers from all over the world. Auriga and other providers of software services with R&D centers in the Russian Federation, enjoy an excellent reputation among German companies of the high-end sector. In our opinion, they have chances of winning a larger market share, with their excellent references and a growing presence on the German market. BITKOM membership gives Russian companies such as Auriga a starting point for building ties with customers. Given the bleak economic prospects



of the next year, it is natural that German enterprises are taking a closer look at expanding their nearshoring activities", said Mr. Weber.

### Auriga at MEDICA 2008

November 19-22, 2008, Auriga representatives attended in the 40th World Forum for Medicine MEDICA'08, the annual international medical trade fair in Dusseldorf, Germany.

The MEDICA trade show traditionally covers a wide range of healthcare topics including medical technologies and products, medical equipment, and related information and communication technology. According to the statistics provided by the MEDICA organizers, 4313 exhibitors and 137,000 attendees visited MEDICA this year.

Over the years, MEDICA has reclaimed its position as the leading international event on the medical arena. As expected, one of the popular topics covered by this year's event was medical IT, ranging from telemedicine and "telemetry" (the remote supervision of patients) and workflow management tools such as "electronic patient files", "electronic health cards" and "medical data networks".

Included into the "Best 10 Companies by Industry Focus: Health Care" of the 2008 Global Outsourcing 100 Auriga could not miss the event. Taking into account Auriga's expertise both in embedded medical solutions and system-level components, and health information systems, it is hardly surprising that MEDICA is an important event for Auriga, and is of particular interest for our specialists.

"What MEDICA demonstrated was a stable business atmosphere in medical industry, not affected by the current economic downtime," observed Gennadiy Mahov, Auriga Director of Business Development. "Overall, it was a very good networking event. It was a pleasure to meet up with old friends and partners, and see new people."

Vyacheslav Vanyulin, Auriga Head of Delivery, draw attention to the percentage of new companies represented at MEDICA in 2008.

"We've seen massive companies, whose products have been on the market for many years. But there is also a surprising number of start-ups founded by people who are experts in the subject areas such as chemistry or medicine,

who have a very clear picture of what they want from their software products – at the concept level, but sometimes lack maturity in software engineering. Limited knowledge of software industry best practices may force the team to follow legacy approaches, leading to issues related to system support, reliability and scalability, and causing "guru lock", when all software development depends on the "one and only" in-house guru. The same tasks would be solved more efficiently by a seasoned engineering team of a third-party software R&D service provider."

For over 5 years, Auriga has been serving leading companies in the area of medical devices for patient monitoring, anesthesia, and ventilation. Another aspect of our experience is enterprise management systems and data storage solutions, including healthcare information systems.

As Gennadiy Mahov concluded, recapping the visit to MEDICA, "We've seen that our knowledge, skills and experience are in demand, and we expect that Auriga will continue to strengthen its business within the healthcare industry."

### Russia to spend 530 mln USD on state-wide medical records automation system

According to Russian IT news resource [www.cnews.ru](http://www.cnews.ru), the Ministry of Healthcare and Social Development of Russian Federation has made a decision to allocate 530 million USD (14 billion rubles) on a state-wide patient record automation system.

As the speaker for the Ministry told the press, a pilot scheme for electronic patient record automation system will be introduced in 2009, marking the project launch, and the development and implementation activities are expected to be finished in 3 years, by 2011. The system will allow the medical staff to collect patient data, and will enable data processing and access to the global healthcare records database, along with information sharing between medical facilities.

Russian government plans that by 2011 the communicative network will connect at least 13 thousand medical facilities, including more than 5 thousand stationary and 2 thousand ambulatory care facilities. As Oleg Simakov, the project's mastermind and the director of the Ministry's



IT Integration Department, informed the press, almost 161million USD will be spent on this project in 2009.

The patient data collected across local health facilities will be forwarded to one of the 86 established regional data centers, and then consolidated in the central data center. The software application that the hospitals are planning to use for access to the central data base will be based on an Open Source solution, communicating with the data storage centers via secure Intranet connections. This project can also serve as example for developing GRID technologies in the state wide integration projects.

The arrangement of the patient data flow for the state medical automation system comes out to become a considerable challenge. At present, the network is inconsistent and does not completely cover existing medical facilities, and the software applications implemented in hospitals and clinics are ad-hoc solutions.

The Russian government invests a lot of resources into the development of Russian telecommunications systems, assured that the IT integration initiatives can spur the Russian IT industry and help in strengthening the state economy in the conditions of financial crisis. There are plans to integrate public facilities, and introduce networks ranging from a state-wide network for libraries or museums to the 'electronic government' project, discussed in our earlier newsletter issues.

**About Auriga:**

Auriga ([www.auriga.com](http://www.auriga.com)) is a software R&D and IT outsourcing services provider incorporated in the U.S. that has been operating development centers in Russia since 1990. Auriga was the first to focus on satisfying the specific needs of software and hardware high-tech companies as its driving strategy. Included in CMP's Global Services 100 list since 2006 and in top 10 ITO providers in Central and Eastern Europe according to the 2006 Black Book of Outsourcing, and being one of the 44 companies that made both the Global Services 100 and the Global Outsourcing 100 lists this year, Auriga offers a wide range of services covering all aspects of the entire product engineering area and superb expertise in a rich set of knowledge areas from embedded systems and OS internals to enterprise information systems and Web applications. Auriga's client list includes such industry majors and leaders in their segments as IBM, Draeger Medical, LynuxWorks, NMS Communications, Verdasys, and many others.

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