



## Lotus drives into new markets



### Key benefits:

- Focus on core business competence
- A platform for strategic growth and innovation
- Improved efficiency
- Cost saving
- Improved customer satisfaction
- Control of IT spending

Lotus Engineering, a division of sports car maker Lotus, needed to extend its global reach to put its design skills in front of the world's fast-growing automotive manufacturers in Asia. It also needed to strengthen its network across Europe, the US and Malaysia. First, it had to reduce operational costs.

“Lotus was looking for a high-quality, cost-effective and reliable service that included the flexibility required in a dynamic market environment. Logica’s support allows us to react more effectively and efficiently to business demands, as well as expand into new markets, enabling us to maintain our competitive edge.” James Stronach, Group Lotus finance director

### The business challenge

As automotive manufacturing increased in low-cost countries and decreased in traditional higher-cost manufacturing regions, Lotus Engineering realised it had to take its design capabilities and experience into new markets in Asia and South America.

The company’s strategy was to take the Lotus brand into China, India and the Far East, as well as strengthen its market position in continental Europe and the USA. To deliver its world-class design capabilities to its customers, the company needed its engineers, wherever they were in the world, to have seamless communication with headquarters in the UK. First, however, it needed to stabilise and reduce the costs of IT service provision and create a flexible IT infrastructure that would support cost-effective global operations, improved efficiency and innovation.

### The solution

Logica worked in a strategic IT partnership with Lotus to reduce the costs of IT service provision and develop a global network that would deliver design services to engineers any time, any place, anywhere. Under the terms of the recently extended contract, Logica initially used its procurement power and IT knowledge to refresh much of Lotus’ IT infrastructure. IT costs were then reduced by moving some IT services, such as network and server management, from Lotus premises to its off-site

facility in Bridgend, Wales. By using Logica's blended service delivery model, Lotus benefited from scale and the shared service centre concept to reduce operational costs. To give Lotus engineers access to design information anywhere and at any time, Logica used its experience as a global IT services supplier to build an infrastructure of networks, telecommunications and central processing that supported the delivery of services required by Lotus engineers across the world.

The infrastructure and applications are managed by Logica using its global capability, giving Lotus Engineering access to new car manufacturing markets and enabling the company to focus on its core business of engineering design and innovation. Today, Logica manages IT services for over 1,200 Lotus users and supports supercomputers and sophisticated design and engineering workstations for 200 users.

“The challenge presented by Lotus Engineering was at the heart of Logica's competence. As a global IT services supplier with deep automotive industry knowledge, we helped the company position itself for growth into new markets and to enable roll out of its global brand strategy. We continue to work with Lotus to meet – and exceed – its business goals.” Phil Aspinall, Logica

## The result

Lotus Engineering is building its brand on a global scale and promoting its capabilities in Asia, the Far East and Europe. It has signed design contracts with a car manufacturer in China and is working with the customer locally, but using design information delivered over the global network.

It is achieving its aim of lowering operational costs by taking advantage of Logica's blended global services delivery model and it is well positioned to move on to use the company's offshore facilities to further reduce costs. By working with Logica, Lotus Engineering is rolling out its global brand strategy, while maintaining pole position in the market.

Logica is a leading IT and business services company, employing 39,000 people across 36 countries. It provides business consulting, systems integration, and IT and business process outsourcing services. Logica works closely with its customers to release their potential - enabling change that increases their efficiency, accelerates growth and manages risk. It applies its deep industry knowledge, technical excellence and global delivery expertise to help its customers build leadership positions in their markets. Logica is listed on both the London Stock Exchange and Euronext (Amsterdam) (LSE: LOG; Euronext: LOG). More information is available at [www.logica.com](http://www.logica.com).

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IDT/Lotus/Ab/0308/CS

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