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## GRAND PRIZE GOES TO COMPANY AVERSI



### MEDIA SELECTED BY BUSINESS - TV PIRVELI



EXPERT'S FAVOURITE AWARD WENT TO - GEORGIAN PRODUCT AND DAVID BARDAVELIDZE



JOURNALISTS BESTOW AWARD WENT TO - GEORGIAN OLIVE AND GIORGI SVANIDZE

## DREAMLAND OASIS RECOGNISED AS BEST INVESTOR OF THE YEAR



### MALKHAZ GULASHVILI

"I believe that the 19<sup>th</sup> Business Awards, like the previous ones, were a positive experience. Within the scope of the ceremony, 282 companies have received some sort of award. This means that The Georgian Times always has supported Georgian business sector and promoted its recognition."





# Company Averssi and DreamLand Oasis Wins at the 19<sup>th</sup> Georgian Times National Business Awards

## We Did It Again!

The 19<sup>th</sup> consecutive **Georgian Times Media Holding** and **GORBI** Georgian National Business Awards gala event was held on December 14<sup>th</sup> in Tbilisi Garden Hall.

This traditional annual event is an occasion for the business elite to assemble. It may also be called a business club, at which the best businessmen can celebrate their success in an informal atmosphere.

Company **Averssi** won the grand prize, the Bolnisi Cross.

**DreamLand Oasis** was named the best investor of the year.

**Nana Gagua**, Publisher of The Georgian Times Media Holding, told us:

“We set the goal of making this not only an assembly showcasing empty figures and data but a celebration of the business sector, where all businessmen would be able to present their activities and learn about the success of their counterparts. On this day, businessmen meet one another in the least businesslike of environments, where they meet as friends and congratulate each other on their achievements.

“The promotion of start-up businesses is of paramount im-



Malkhaz Gulashvili, Founder and President of The Georgian Times Media Holding; Merab Pachulia, GORBI



Nana Gagua, Publisher of The Georgian Times Media Holding

“When the idea of a Business Rating gathered momentum in 1995, we believed business needed media support, promotion and stimulus. The idea has developed over the years, and a small-scale event has become a wide-ranging ceremony. Today it traditionally brings together the most successful businesses once a year.

portance. We deeply believe that the coexistence of small and large-size businesses, and their gathering in one space once a year, will create a basis to develop their relations and share their success with each other; and if these start-up businesses expand and develop further, we will think we have made a contribution to this.

“His Holiness and Beatitude Ilia II has been a guest of our gala ceremony a number of times, and thus he has supported our activities and our promotion of the business sector.

“The business awards bring Georgian companies and investors together and lets them forget about competition. It records for posterity the activities of companies which have contributed to the

economic development of our country.”

This year the 38 best companies participated in the event. 32 were awarded golden cross badges made by Zarapxana and six investor companies received golden lion brooches.

The ceremony was attended by government officials, representatives of local government bodies and the business sector, experts, the media and public celebrities. Gior-

gi Kobulia, the Minister of Economy and Sustainable Development of Georgia, was among the guests, as were Ivane Machavariani, Minister of Finance, David Saganelidze, the Executive Director of the Partnership Fund and other well-known figures.

“The organisation of similar events is of utmost importance for the promotion of business in this country. We are committed to



Ivane Machavariani, Minister of Finance; Giorgi Kobulia, the Minister of Economy and Sustainable Development of Georgia

### The Georgian TIMES

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**The Georgian Times**

**XIX BUSINESS RATING**

marking their achievements and supporting them. The promotion of the business sector will promote the economic development of our country. We will support business-

- 14. Zarapxana
- 15. Caucasus Auto Import
- 16. Lilo Mall
- 17. Nikora Supermarket
- 18. Orbi Group

The best company, Averssi, was identified by a secret ballot of businessmen.  
“This victory is of great importance to us. Special thanks go to



Maks Meir Shavit, Loise Zimin, Malkhaz Gulashvili



David Saganelidze, Executive Director of the Partnership Fund

men to progress if we appreciate business, as this provides an opportunity to facilitate the rapid development and well-being of the country. The promotion of business encourages businessmen to do more, because our country needs much more” – Giorgi Kobulia told GT.

The Sponsors of the event were:  
Platinum sponsor: Petrocas Energy Group  
Gold sponsor Zarapxana  
General sponsor SOCAR  
Sponsor Kedi Studio

The participant companies were:

- 1. Company Averssi
- 2. Askaneli Brothers
- 3. Badagoni
- 4. BasisBank
- 5. Bravo Records
- 6. Gulf
- 7. Geoplant/Gurieli
- 8. Georgian Products
- 9. Giuaani
- 10. Dunkin’
- 11. Dugladze Wine Company
- 12. NCC
- 13. Georgian Carriage Building Company

- 19. PSP GROUP
- 20. Petrocas Energy Group
- 21. Sante GMT Products
- 22. Sarajishvili
- 23. Georgian Industrial Group

the event organizers, our colleagues, friends and the participants of the secret ballot for such appreciation. I would like to say on behalf of the company that our

ing year, which is particularly important for us. I want to wish success to all future participants, and I hope Averssi will maintain its leading position next year” – Irakli

tor companies participated:

- 1. DreamLand Oasis
- 2. Lisi Development
- 3. Shilda Winery
- 4. Georgian Olive
- 5. GeoSteel
- 6. Georgian Manganese

The best investor, as identified by a jury, was DreamLand Oasis. Its General Director Nikoloz Geguchadze received a special prize known as the Meridian of Success.

“Such events are a great motivation for business, and this is a great victory for us. As you may know our company is completely Austrian, and we have made great efforts to win the trust of Georgians. We have invested over \$50 million of our own, and attracted over \$100 million in total, for DreamLand Oasis. We also plan to implement similar projects in other regions.

“Today’s award is a great motivation for us. Such recognition is proof of the great success obtainable for businessmen” – Nikoloz Geguchadze told GT.

This year, the following companies attended as honoured guests:

- BAAMC WEALTHY
- Sighnaghi Art Hotel
- Black Sea University
- Wine Yard N1
- Archangel St. Michael Multi-Profile Clinical Hospital

All these companies were awarded silver gilded bolnisi cross badges. New for this year, a group of experts revealed the most popular business of the year, and Georgian Products was awarded the silver lion brooch.

32 media outlets were awarded special certificates for their continuing support and encouragement of business.

The 19<sup>th</sup> Business Rating Awards Media Partners

- 1. Public Broadcaster
- 2. Imedi
- 3. Tv Pirveli
- 4. Palitra NEWS
- 5. Saperavi TV



Nana Gagua; Inga Grigolia, TV host at TV PIRVELI

- 24. SOCAR
- 25. Toyota Centre Tbilisi
- 26. Kedi Studio
- 27. Schuchmann Wines Georgia

9,000 staff worked round-the-clock in order to achieve such success. We are celebrating the 25<sup>th</sup> anniversary of Averssi in the com-

Purtseladze, General Director of Averssi, told GT.

The Investment Award was bestowed for the third time. Six invest-



Irakli Lekvinadze, Business Ombudsman of Georgia; Levan Kalandadze; Giorgi Chogovadze





*Mikheil Dundua, Deputy Minister of Finance of Georgia*



*Ivane Machavariani, Malkhaz Gulashvili, Giorgi Kobulia*

- 6. Obiektivi
- 7. StarVision
- 8. Music Box
- 9. Fortuna
- 10. Auto Radio
- 11. Tbiliselebi
- 12. The Georgian Times
- 13. Caucasian Business Week
- 14. Resonance
- 15. PrimeTime
- 16. Banks and Finanaces
- 17. Svobodaya Gruzya
- 18. BM.ge
- 19. Versia
- 20. Qartuliazri.ge
- 21. Geotimes.ge
- 22. Award.com.ge
- 23. Kvira.ge

- 24. Georgianpress.ge
- 25. For.ge
- 26. Liderinfo.ge
- 27. NewsDay.ge
- 28. Reportiori.ge
- 29. Economic.ge
- 30. Metronome.ge
- 31. Timer.ge
- 32. Fact2.ge

Businessmen also named their favourite media outlet this year, and **TV Pirveli** was awarded the silver cross. As always, journalists also selected their own favourite and **Georgian Olive** won this award.

**Loise Zimin** was named the best foreign investor for his contribution

to the promotion of Georgian production and was presented with a gilded lion brooch by **David Saganelidze**, Executive Director of the Partnership Fund. He was also given a special prize by **Oscar Schindler Academy Rector, Maks Meir Shavit**.

**SOCAR** received an award for its ongoing sponsorship and support of the event, in the form of another gilded lion badge. **Nutsa Abramishvili of Schuchmann Wines Georgia** also received a silver lion brooch for her support of, and participation in, the project by decision of the creative group of The Georgian Times Media Holding. **Ketevan Gognadze of Zarapxana** was also awarded a gilded lion brooch for her special support for the business sector.

At the end of the ceremony, **Malkhaz Gulashvili**, Founder and President of The Georgian Times Media Holding, congratulated the

winners and delivered a speech on the importance of the event:



*Azer Mammadov, SOCAR*

**“I believe that the XIXth Business Awards, like the previous ones, were a positive experience. Within the scope of the ceremony, 282 companies have received some sort of award. This means that The Georgian Times always has supported Georgian business**

**sector and promoted its recognition.**

**“It should be noted that we first gave awards to Georgian businesses many years ago, when nobody knew anything about them. Today many of these are well-known and popular. This is partly due to our recognition of them, and is also recognition of us.**

**“I think as the years pass many more bright stars will appear in the business world, and number of award participants will only increase.**

**“I congratulate all the winners on behalf of The Georgian Times Media Holding and promise many more innovations at the upcoming twentieth anniversary Business Awards.”**

Preparations for this twentieth anniversary event have already begun. The Georgian Times team will offer larger-scale and more festive business events in the future!

*Tamuna Dughashvili*





# 25 Years of Caring

“Aversi” was announced as The Company of the Year. The reliable and caring company has won again. It has been awarded the Bolnisi Cross - the grand prize - at the 19<sup>th</sup> Georgian Times and GORBI Georgian National Business Awards. It also won awards for being the highest standard pharmaceutical company and rendering high quality services.

GT offers you an interview with the founder of the winner company - Mr. Paata Kurtanidze:

*Aversi has maintained high quality and reliability through many years. How has the company faced its various challenges and remained a leader?*

Aversi was founded in 1994. This year the company celebrates its 25<sup>th</sup> anniversary. It has always been focused on continual development, and has introduced new standards of operation and innovations in the pharmaceutical network. The company is focused on the customers’ interests, and this is probably why it has remained a successful brand. The company has 2 million customers per month and it takes cares of them at all times.

*Aversi was the first company to adopt the social responsibility program and you have also become known for your support for large families. How are things going in this field?*

The company is the main partner of large families. However this is only a part of our large-scale social responsibility projects, as we have undertaken numerous social projects. We have a partnership with the Georgian National Olympic Committee and we take care of all veterans and active sportsmen. We also have a



number of different projects concerning children. For these projects Aversi spends more than million Gel per year.

*How does the company manage to maintain its significant public image?*

Naturally positive public sentiments are very important for a successful company. The public do have a positive attitude towards the company because it cares for their health and peace of mind.

*The pharmaceutical market often faces challenges, like any other business sectors. What risks do you have to face?*

It is very difficult to predict all the risks a business may face. However the company is always ready to take such factors into account. We try to maintain financial balance, which requires a huge effort, and at the same time we also try to do our best to meet our customers’ needs. High quality medications are not cheap, but we manage to offer such drugs at

affordable prices.

*Aversi has long been gone beyond the pharmaceutical sector. What have you achieved in the hospital and pharmaceutical production sectors?*

Development and innovations are ongoing processes in our hospital network. Our clinic is one of the best medical institutions in terms of equipment and personnel. Aversi Rational has gained recognition in the industry. All this places a great responsibility on us and at the same time motivates us to do more.

*How many countries do you export to? Do you plan to expand your production overseas?*

We have big plans. Our brand is represented in a number of countries. We plan to expand. We intend to add new products in 2019 and we believe that the current year will also be a successful year.

*Happy 25<sup>th</sup> anniversary! We wish you success!*





# Dreamland Oasis – The Best of the Best

Dreamland Oasis has won the award of Best of the Best at the 19<sup>th</sup> Georgian Times and GORBI business awards. The company makes a great contribution to infrastructure development is an emerald of the Black Sea coast and a guarantee of comfort. It is working hard to attract capital, and as Nikoloz Geguchidze, its General Director, says in this interview with GT it has won the trust of Austrian partners step by step.

110 million has so far been invested in Dreamland Oasis, but this is not the full volume of investment attracted. As a result, the project will last until 2023. Virtually 90% of the completed apartments have been sold, and over 350 will be occupied by this summer.

*Dreamland Oasis has been named by a competent jury as the best of the best, how much responsibility does this place on you?*

It is an especially great honour to be recognised in this way by others, as our success has been achieved in a difficult situation. We were thought to be in a peripheral location, but no more.

*Do you plan to conduct similar projects in other parts of Georgia?*

Certainly. We have the assets to develop a network of resorts. We are nearing an announcement of a new project. We are also planning to export our brand long-term.

*What sort of challenges do such large-scale investment projects face, and which have you overcome?*

We have created a completely new type product, which has no analogue in Georgia or the region. This was the greatest challenge. Each challenge demands a



consistent and firm approach. I would say we face our challenges both methodically and successfully.

*How attractive is the Georgian market for investors, and how did you attract the interest of your Austrian partners?*

The attraction of our market is that it provide fast money. However, it is not in our long-term interest to be seen in this way. Winning trust was a gradual process, but we now enjoy high confidence. Small capital inflows created the large Austrian investment.

The country's macroeconomic indices are also monitored, and investors respond to them respectively. In this regard, we have a stable but

insufficiently dynamic picture.

*What does Dreamland Oasis offer its customers?*

Dreamland Oasis is a lifestyle – where a guest is a host and a host is a guest. We have created an environment which does not otherwise exist in the modern epoch, where peace is the most valuable thing. What do we modern people lack? Fresh air, green areas, security, healthy products, comfort and flexible services, and all these are offered to our customers here on the coast.

Dreamland Oasis apartments are very convenient assets which will also include management services within the current year. Owners can

control their assets from any place in the world. They will be provided with all the necessary services and take holidays in the most beautiful coastline. The complex includes a full range of services, including a variety of food and entertainment facilities, cleaning, washing, and technical assistance services. There are 24 hour childcare services for kids. Special security standards and technofriendly infrastructure make the complex particularly distinguished.

*How many rooms are there in the hotel and how many holidaymakers can you receive?*

There are 305 rooms in the hotel, and we can host around

800 guests. We also have an apart hotel, which creates a fascinating opportunities for investment.

*How much are the hotel rooms and what are the advantages of the complex?*

Hotel room rates range from 140 to 400 US Dollars. The advantage of this complex is its diversity – we aim to be attractive to persons of any age and interest, who will feel at home in our complex. It is located in a recreational area which includes 800 metres of clean and amazing coastline. Only electric cars are allowed here.

*What category of customers is your hotel aimed at?*

We developed this complex over 100 hectares in or-

der to ensure that middle income guests can experience a completely new style of vacation at our hotel.

*What are you going to develop in the future?*

We aim to meet the requirements of our customers. We would like Dreamland Oasis to be associated with health, safety and comfort. We have the ambition to be innovators. What we created a couple of years ago has become an inspiration for many other companies. We need completely new type of services which will make living in the hotel absolutely comfortable and pleasant. Our guests will enjoy numerous innovative deals in summer 2019.





# Georgian Products Intends to Conquer USA and Japan After Europe

*a group of experts revealed the most popular business of the year, and Georgian Products was awarded the silver lion brooch.*

Georgian Products has successfully completed a 2018 full of challenges – it managed to restore a factory which had been destroyed by fire, produce toys and firmly establish itself at the EU market.

These achievements have not gone unnoticed. Georgian Products has won prizes in the categories of exclusive style and principles at the EU market and creation of new jobs at the Georgian Times and GORBI Georgian Business Awards.

The company manufactures furniture for pets and does not intend to change its objectives. Its main goal for the coming year is to start producing pet food.

Here The Georgian Times interviews its Director, David Bardavelidze, about last year's achievements and his future plans.

**How would you evaluate what 2018 was like for Georgian Products?**

2018 was quite successful for our company, despite the number of challenges we had. We managed to in-

crease production by 30%, worth 30 million GEL. It is noteworthy that we increased it by the same volume last year.

**What was the major challenge the company faced last year?**

Our factory was destroyed by fire last year, but we restored it and managed to continue manufacturing. As you may know, a lot of expensive equipment was damaged. Nonetheless, we managed to meet the requirements of the market and even increased annual output.

**What projects did you carry out last year, and in which markets are your products available?**

In 2018 we undertook product diversification and created a children's product which we exported to Germany. We also strengthened our positions in pet furniture in France and Germany and more importantly had a great increase, of 70%, in our share of the Swiss market.

**What main positive and negative factors affect local business?**

The Produce in Georgia programme is still a supporting factor in the development of business. The biggest negative factor is the difficulty of obtaining monetary resources in Georgia.

**How can this gap be bridged? What kind of recommendations should be made?**

At present, monetary resources can only be obtained through banks, who request property security which is itself limited. It would be great if there was an alternative source, such as the stock exchange or financial institutions (such as investment funds) which could give money without collateral on the basis of a brilliant business plan or sales guarantee.

**What do these awards and this recognition mean for you?**

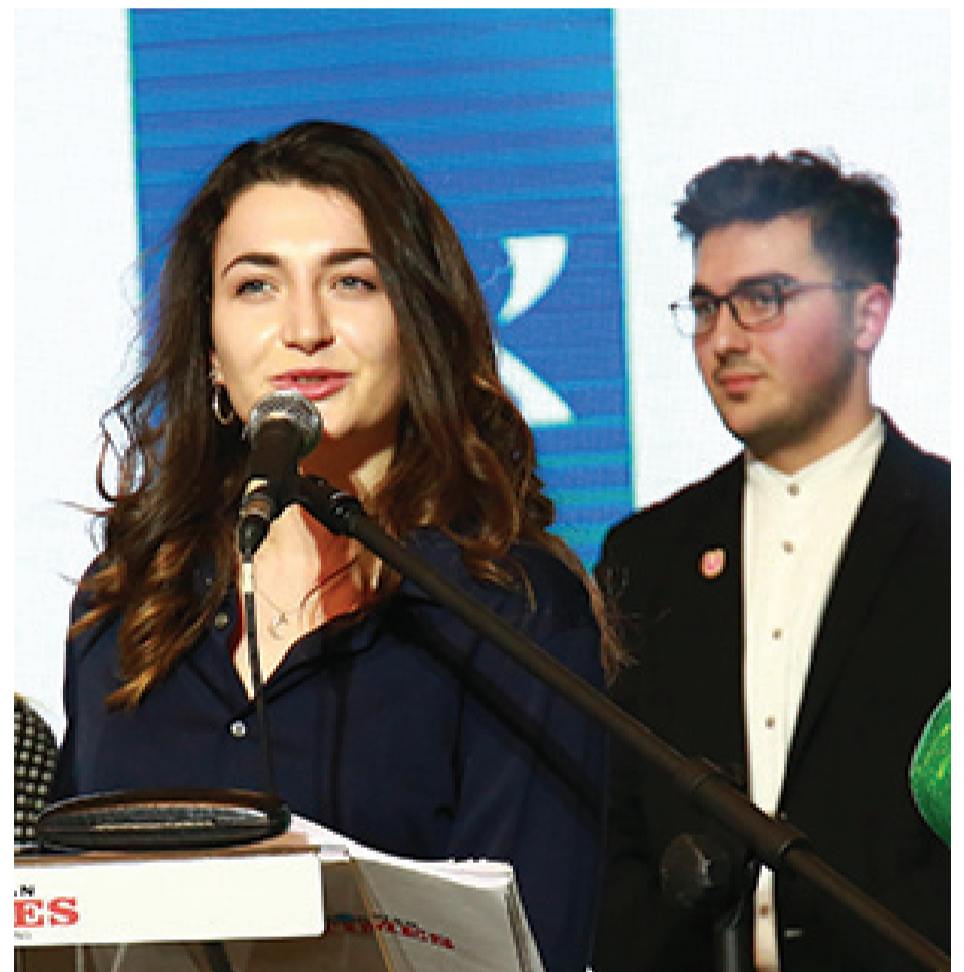
A prize given by experts is very important for companies in every country and a great honour and stimulus for us.

**What plans do you have for 2019?**

We plan to expand by 40%. We also intend to en-

ter new markets such as USA and Japan. As announced earlier, diversification into pet food will also take place.

*Author: Nino Tabatadze*









# Zarapxana – perpetuator and developer of a centennial goldsmith traditions with 80 years of experience

The history of Zarapxana began in 1939. There have been challenges on the way, but hard work always yields success.

If I told you there was a Georgian company which creates jewellery of flawless craftsmanship and preserves the finest traditions of goldsmithing, you would guess that I am talking about Zarapxana.

This is hardly surprising, as every jewel created by the company has its own identity, rather than being part of some pre-packaged mass production.

The company owns 5 shops, 1 in Batumi and 4 in the capital city. It plans to offer its products to export markets in the future.

At the Georgian Times and GORBI business awards Zarapxana won awards for preserving the national culture and promoting Georgian craftsmanship. Here GT interviews Ketigognadze, Director of Zarapxana.

**The history of Zarapxana spans over 80 years and it is still a powerful force. What makes Zarapxana a successful brand?**

Zarapxana always tries to preserve and develop the centuries-old culture of goldsmithing. At the same time, we address modern and topical trends, and I believe this has been the key to retaining market leadership. Our jewels are inspired by the Georgian spirit and are of high quality, reliable and reputable.

**How competitive is the jewellery market in Georgia at the moment, and what major challenges do you face?**

Zarapxana is the only Georgian jewellery company which has a continuous and complete production cycle. However we would welcome healthy competition, which will increase the quality of the market itself.

**How do you get the ideas for your collections, and how do you start working on them?**

Working on the collections is planned at the beginning of the year, and is directly connected with the strategic plan of the company and market requirements. The ideas are developed by a creative team, and then marketing, sales and production plans are also developed. The company offers customers new collections year on year, and they never lose topicality, as each one is always in demand even when new ones come along.

**Which is the most popular collection? What can you tell us about Georgian customers?**

Zarapxana has created historic collections such as Mtskheta, Vani, Vepkhikaosani, Tamari and Ekaterine, as well as presenting the work of modern designers such as Irakli Nasidze, Avtandili and so on. Each of our collections has its own customers, but jewels with a historic motif are particularly popular.

Zarapxana uses expensive raw materials. The jewels are basically made from gold and precious natural gemstones.

Zarapxana's souvenirs also stand out for their themes and perfect craftsmanship.

**What challenges did you face in 2018?**

2016-2017 was a transitional period for the company. The management board was changed, existing technologies were improved and the latest ones were introduced. The company also changed its strategic direction and planned a long-term project.

In 2018 we began to implement these new plans. The company produced a collection named after Ekaterine Chavchavadze, which reflects a powerful, beautiful, self-confident woman and the love story of the jewels kept in Ekaterine's jewel box. At the end of 2018, Zarapxana introduced another shop in the Gallery Tbilisi shopping centre, which is distinguished by its design.

In spite of the unstable economic environment, the company has managed to maintain its balance and sales still increase year on year. This means that the company is heading the right way with its well-defined strategy tailored to customer needs.

**What can you tell us about your plans to export your products?**

The long-term strategic plans of Zarapxana include exporting our brand, since interest and awareness is quite high among foreign guests and tourists. The company actively participates in jewellery exhibi-



tions. We observe and study European and Asian markets and prepare to successfully introduce Georgian jewellery to these markets.

**What can you tell us about the business environment in the country? What challenges does the country's economy face now?**

The business environment of the country definitely impacts the decisions made by organisations, the strategies

and processes they adopt, and defines the development opportunities of business as a whole. The creation of a successful business environment has begun, but there is still a long way to go to create a favourable environment for business. It is important to create strong institutions, stable legislative regulations and, most importantly, a culture of business operation.

**What does it mean for you**

**to win more Georgian Times and GORBI business awards and how can such events give a stimulus to the business sector?**

It is a great honour to be recognised as the best of the best by your country, partners and society. This is a great stimulus not only for the company and management board but every employee, as all play a significant and crucial role in Zarapxana's success.





# Levan Giorgadze: We do our best to offer all the necessary services to all types of customers.

**“SOCAR Georgia Petroleum” initiated a new strategy for its petrol stations in order to ensure its customers receive a high quality service throughout the network.**

Nano fuel with BASF additives, car washes, comfortable markets and cafes, S-Boxes, natural gas pumps, electric chargers and services for persons with disabilities – the company with the largest station network in Georgia offers its customers a wide range of services in one space, including the small number of electric car drivers. The company integrated corporate social responsibility into its business operations and activities on a permanent basis thereof created a long-term CSR strategy in five directions.

At the Georgian Times and GORBI Business Ratings Award Ceremony “SOCAR Energy Georgia” received awards in following nominations: the largest taxpayer to the Georgian budget, the best business reputation and CSR strategy leader. GT interviewed Levan Giorgadze, Director of “SOCAR Georgia Petroleum”, SOCAR Georgia affiliated company.

**The year of 2018 for SOCAR – did you achieve all the goals?**

2018 was the year of challenges and exciting innovations. We developed a long-term CSR strategy and prepared corresponding projects.

SOCAR has always been involved in charity, contributing significantly to the development of the country and its citizens, however CSR strategy will ensure implementation of more comprehensive activities.

Our long-term CSR strategy includes following five directions: environment protection, youth support, safety, empowering women, enforcement of rights of persons with disabilities (PWD).

**What was the company’s major challenge last year?**

To meet our customers’ expectations, as we started active communication with them and as a result attracted new customers. We had to build an effective communication strategy with the increased number of customers from different areas and we were up to the challenge. A 30% growth in premium products in 2018 is the best evidence.

**SOCAR is Georgian Times and GORBI business awards winner, what does this award mean for you?**

Any award is a recognition of our successful work and the reason to be proud and happy. It means that our social or other activities have been followed and appreciated by our partner organizations and the society. Those awards motivate and encourage us to do better every year. However, our activity is not aimed at the awards. The projects supporting our citizens and other groups to reveal their abilities and achieve success are a top priority for our team.



We are always focused on the long-term projects with the sustainable development potential.

**Your plans for 2019, you’ve mentioned expansion tell us more about it.**

We’ve launched rebranding of SOCAR markets network in 2018, currently 14 Way Mart markets are operating all over the country. The renewed mar-

kets combine modern design, wide range of goods and cafes offering tasty snacks and coffee. We plan to open 26 more Way Marts in 2019.

We try to make SOCAR stations comfortable for the drivers of various types of vehicles. A place to buy petrol, diesel and natural gas, refuel, wash your car and buy accessories and

cleansers. Moreover, you can charge electric cars at SOCAR filling stations. In the nearest future you will also be able to change accumulators for electric scooters.

We do our best to offer all the necessary services to all types of customers. We are planning to remodel the WCs from Kakheti to Adjara, and

purchased wheelchairs for all gas stations, thus, we will be able to deliver services for persons with disabilities.

**What projects do you plan to initiate in 2019?**

We are planning to offer our customers new Energy Card this year. This loyalty card will be more interesting and profitable for our customers.





# Kedi Studio: Effective Does Not Necessarily Mean Expensive

**Kedi Studio, the Georgian Business Image Maker, has been rendering high quality services for its customers for more than 27 years in a rather competitive market, which is well developed compared to those of the other countries in the region.**

At the 19<sup>th</sup> Georgian National Business Awards organised by The Georgian Times and GOR-BI Kedi Studio was awarded prizes in the categories of image maker of Georgian business, creative ideas and professionalism of team. Here its founder Gia Alikhanashvili tells The Georgian Times that advertising is developing dynamically in the business sector, and his company uses market research and analysis to prepare customer-focused campaigns which are effective, but not necessarily expensive.

**In today's reality creating a proper image is a precondition for business success. Does Georgian business realise this, and how often do they ask you to do it?**

I totally agree - the creation of a proper image is a significant prerequisite in any business sector. The demand for advertising has increased, and numerous advertising companies have been established, but their success is measured by their longevity. Time is the best evaluator. Our 27-year history is important for that reason.

Since the nineties we have made our own image and history whilst providing services for our customers, and this is why they trust us. If a client sees experience and professionalism they take into account your recommendations, and this results in well-organised and proper advertising campaigns. This factor is very important both for the client and the agency.

**Often businesses endeavour to create images using their own resources. How do you assess this process as professionals?**

This is called IN-HOUSE MARKETING/ADVERTISING, a field of action for small organisations. The mistakes they make do not really reflect on their marketing as a whole, because the scope of them is small, but if a company is focused on long-term plans and strategic vision we recommend engaging professionals from the very beginning. In larger organisations the scope of their mistakes and wrongly planned advertising is larger, and thus much more time and resources, human and financial, are required to correct them. Sometimes there are instances when

miscalculated advertising campaigns severely harm the image of companies, and it is impossible to restore it even with huge funds.

We always use market research and analysis to devise customer-focused and effective campaigns. These can be fitted to any budget. This professionalism is why both large organisations and start-up companies have come to us over the years. Their success means our success. Our ultimate goal is their long-term and sustainable development.

**What kind of services do you offer your customers, and who is your biggest client?**

Kedi Studio was the very first advertising company in Georgia to offer a full range of advertising campaigns. We do our own strategy planning, creative work, design and production, and this determines the high quality of our activities and our flexible payment policy. The most important thing is a team which provides services for clients. As soon as an agreement is reached with a client, a personal manager is appointed who works with both the team and the client, and can participate in the process through a single call. By doing this, we minimise the mistakes caused by miscommunication, save the client's time and create the greatest convenience.

Advertising is rapidly developing in this country. New



The Kedi Studio portfolio includes a variety of state agencies and commercial organisations. There are also start-ups. All clients are equally important for our company, regardless of positioning, budget and so on. Any small business can be turned into a big business if it works with professionals. Our company's goal is to help our clients develop and successfully operate.

**What is the value of Kedi Studio's creative ideas?**

The idea is, and always will be, the most important thing. As

But people who think about how to do this it and then do are the most important.

The power of Kedi Studio certainly lies in its great technical resources, but we always give priority to creativity, which make out clients' products unbelievable. Several Georgian companies have been operating since the nineties, and we are proud of having been part of this process.

**What major factors should be taken into account when creating business image, and where should emphasis be**

different advertising agencies agree that consumers favour brands with strong representation which constantly care about strengthening their image. A couple of core things help us make strategically proper decisions during the process of image making. First, the target audience should be identified so we know whom we are talking to. Second, the business mission, main benefits and brand "voice" must be communicated to customers in a clearly understandable language. The business should be positioned where more benefits can be offered to customers. This is greatly important for business.

**How does advertising look in the contemporary world?**

Modern advertising is greatly focused on emotional and personal experience. Customers make their choice on the basis of an emotional connection with the brand. One international survey suggested that 78% of customers are ready to pay more for the products of the brand they feel more emotional closeness with. These emotional connections are made through advertisements and different communication channels. Our company has an advantage: we have a separate media team which constantly monitors modern technologies.

Our goal is not to fulfill customer demand but offer them innovative solutions and creative ideas, and then plan and launch an emotional advertising campaign. This makes the brand a fixture for customers.

**How competitive is the advertising market in Georgia?**

The advertising sector is quite competitive in our market. Apparently it is the most developed in the region, as can be proved by the success and popularity of our advertising

agencies. Certainly, there are a number of issues which progress gradually, and closer cooperation is being built between agencies and clients. But we can say loudly that advertising is a dynamically developing sector.

Time is the best determinant. A company should have 5-10-years working experience in order to be properly assessed. Our 27-year history points to the success of Kedi Studio.

**How would you summarise 2018, and what are your plans for 2019?**

Advertising is not a business where you can take a break. You should be active all the time. Regular development and professional growth remain the priorities of our company.

In 2018 Kedi Studio carried out a number of very interesting projects. We are grateful to our clients for granting us these opportunities, and for their trust, partnership and loyalty over the years they have spent with us. It is always pleasure to work with people who know what they are doing. Our client's success is of paramount importance for us.

We would like to thank every member of the Kedi Studio staff. They are responsible for the success of our clients and the development of our agency. Their hard work has led to our company maintaining the status of a leading advertising company over the years.

We are especially proud of the fact that some of those who came to us 27 years ago are still with us, and in leading positions. We have created our history together. This is the secret of success for Kedi Studio – we develop along with our team and clients year on year.



technologies have accelerated this process. Our goal is to take a step forward and offer customers state-of-the-art and creative innovations on a permanent basis.

I have mentioned, monetary value is not a determinant. The secret of professionalism is here. Today, success can be achieved with any budget via new tech and social networks.

**placed to reach customers in the right way?**

Image is one of the major factors which determines the success of a business. According to international surveys,



# In Search of Happiness – Successful Return of Georgian Emigrants

**In five years you will realize what a great job we did bringing Olive Culture to Georgia**

A person can be happy only in his or her home country. Georgian emigrant Giorgi Svanidze was driven to return to Georgia from The Netherlands in search of that happiness, and by so doing found a place in history – he has returned olive culture to Georgia and started to produce olive oil.

The oldest trees in the Georgian Olive plantation are only 8 years old, but they have been harvested twice already. In 2018 the company produced 100 tonnes of olives. There is a high demand for its product, and China has signed a contract to import Georgian olive oil to one of its provinces. It has therefore become crucial to increase production capacity.

Georgian Olive was named Best Investor Company at the Georgian Times and GORBI business awards and was also the journalists' choice. "This kind of recognition is of great importance for us, and gives us a stimulus to do much more", Giorgi Svanidze said. "I would also like to express my respect to journalists, who are doing a great job for business".

Giorgi Svanidze believes that planting olives in Georgia will create new jobs and ultimately increase export potential. Lands previously useless for cultivation are being used for olive plantations and Svanidze is sure that Georgian Olive will have a bright future.

The acidity of Georgian olives is very low, and this ultimately ensures the high quality of the product. "Olive oil is graded in four degrees of acidity, the best being 1. The acidity of Georgian olives has been measured at from 0.3 to 0.7, and that is an excellent level. The Netherlands has asked to purchase our entire production, but we cannot deny the Georgian market", Svanidze says.

"The Gemlek saplings grown in Turkey grow faster in Georgia than in Turkey. These olives have a thinner skin and smaller endocarp. We have 400 hectares of olive groves out of 700 in all Georgia. We harvest approximately 10-15 tonnes of olives from 1 hectare, and process them in our own plant. We produce olive oil through cold distillation



after calibration and also marinade.

"Georgian Olive has begun planting olive groves on 1,000 hectares of land in Tarihana. Planting groves is less risky than relying on single-year cultures. Olives are very profitable - for instance, last year we bought one kg of olive from local farmers for 1.5 -2.50 GEL, an attractive price. The price is determined by quality".

Georgian Olive products are sold in 250, 500 and 750 gr glass bottles in the Georgian retail network. Olive marinade is sold in tins of the same sizes. Half litre cans cost from 13 to 16 GEL while 250 gr cans cost from 7 to 9 GEL.

"The company has established Georgia as an olive producing country. Our goal is to be one of the top 5 producing countries, and this is achievable. We also aim to enter Chinese market, as all the largest producers do. China's economic growth, and its population's purchasing power, have raised demand for this relatively expensive product.

"Another advantage we have is that the Carrefour company has permitted us to use its brand name on our packaging, which has opened a door to that com-

pany's international network. Georgian Olive also intends to enter the cosmetics market in spring. Olive extract is used to make shampoos, lotions and creams, as it contains fatty acids which aid skin renewal, nutrition and hydration. Our new olive soap also helps renew and feed skin, and you will notice the difference in a week".

Giorgi Svanidze's interest is not limited to olives. Another of his companies produces wines. Chateau Svanidze's wines were awarded a gold medal at the PRODEXPO Moscow wine exhibition for being "the best of the best". The company produces a modest amount of wine, around 20 to 50,000 bottles per annum, but will be expanding production.

"We are actively working on this issue. We recently had a meeting in Verona, as a result of which we are planning to introduce the latest model Italian enterprise line, which will enable us to produce up to 1.2 million bottles".

Giorgi Svanidze also wants to introduce avocado farming to Georgia. Avocado can only be produced in greenhouses in the Georgian climate, but sample saplings are under observation.



# Lisi Development Strategic Investment Project Lisi Green Town

**Lisi Green Town – the only district in Tbilisi with an 80/20 concept**

Move to Lisi Green Town - a new colour and new standard in business which is associated with air, the sun, water and life. Lisi Development is the only eco-friendly city targeted to the future. Its eponymous development company is the only one in Georgia to hold an international real estate construction rating.

Lisi Development won awards for being a strategic investment project and a green city of the future at the 19th Georgian Times and GORBI business awards. Here GT interviews Nodar Adeishvili, General Director of Lisi Development.

**Lisi Development is the only development company in Georgia with an international Scope rating. Can you expand on your long-term investments and large-scale projects?**

The International Rating Company SCOPE RATINGS GmbH bestowed on Lisi Development (JSC Lisi Lake Development) a BB rating. It also gave the company a B+ positive prognosis. Lisi Development is also the only construction company in Georgia which has gained an international credit rating.

Furthermore, in 2018 our company issued \$12,000,000 in bonds, the largest corporate public bond offering of the year. They were listed on the Georgian Stock Exchange in December.

**How did you begin your project and what effect has it had on the real estate market?**

The company was founded in March 2010, and since then has been implementing the project called "Lisi Green Town". Since the foundation, Lisi Development introduced an innovative principle of 80/20, which implies using only 20% of the territory for residential part, and the rest 80% for creating recreational zones and additional infrastructure. The complex brings together: residential apartments; duplexes; townhouses and private houses – villas, parks, swimming pools and gym. Children and entertainment zones, open and closed parking areas are also arranged on the territory. Lisi Green Town is distinguished by its innovative, green principles. Electric chargers that allow our residents to charge their electric cars in the parking lot, have been installed in the Town. Rain collectors serve for not spending potable water for irrigation purposes. Our customers save up to 30% of the utility expenses due to the energy efficiency standard which we have implemented in our construction.

The architecture of the complex uses concrete, wood and brick. The general plan of the Lisi Green Town



was devised by leading Georgian and foreign architects. The territory is served by 50 service managers and gardeners every day. The first district of the city was completed in 2014 and the second at the end of 2018, with construction of the third underway at the moment.

The villa district is under the process. Here our customers will buy land and build detached houses in accordance with plans agreed with us. We will plant green fences and install communications. Totally, within the project, our company has planted more than 37,000 saplings around Lisi Lake territory.

In 2010, when we initiated the project, territory of Lisi Green Town was considered an unpopular residential district. Now it is one of the most prestigious. We were the first to adopt the approach of combining greenery with quality construction. At present, we are the only company which builds according to the 80/20 concept, but we have been followed by many others, improving the sector overall.

**Can you tell us more about your second project, Kokhta Mitarbi?**

Kokhta Mitarbi is a four-season complex of hotels and residential apartments in the municipality of Borjomi. We are building hotels and residential apartments at Kokhta Hill. "Rooms" is our partner in the hotel element. The resort has already hosted visitors during the season, and now the residential blocks are being built. The Hotel "Room" will be opened in the nearest future.

The project is distinguished by the following factors: it offers all year round vacation opportunities, it utilises the unique green landscape of Kokhta Hill and Mitarbi, it combines apartments with skiing though the "Ski-in Ski-out" concept, its development plan was devised by internationally famous French companies GEODE and

COMPAGNIE DES ALPES, which have worked on numerous ski resort development projects, and its quality construction is in line with international standards.

**Can you also tell us something about the Buknari project?**

We have launched a new project called Buknari at the Black Sea coast. This will combine hotels, residential apartments, restaurants, cafes and entertainment areas. Buknari will be the first resort in the area to include a yacht marine and install communications.

The main emphasis is again placed on modern architecture. The world-renowned architectural firm WATG, famous for its sophisticated style, will develop the architecture of the complex. The firm has been responsible for notable projects such as ATLANTIS THE PALM in Dubai, SHANGRI-LA GARDEN WING in Singapore, THE VENETIAN hotel in Las Vegas and many others. We believe this project will set new standards at the Black Sea resort zone.

**You are also active in Ukraine, can you tell us more about this?**

In 2018, Lisi Development opened a sales office in the prestigious Business Center - IQ Center. We introduced the three large scale projects described above to Ukrainians.

Demand is increasing on the Georgian real property market, and special interest is being expressed by citizens of Ukraine. The tourism potential of Georgia is growing day by day and in 2018 our country hosted more than 8 million tourists. This demonstrates the investment potential of Georgia.

**What kind of challenges do you face on the real estate market?**

The major challenge we face is poor quality construction work, which lowers the general market standard and image. Customer demand has changed, and more quality is expected. We need to adopt strict regulations in order to raise quality standards and thus the market.





# Geosteel - Georgian Company of Global Standing

Geosteel has become Investor Company of the Year at the 19<sup>th</sup> edition of the Business Ratings Awards held by the Georgian Times and public opinion and marketing research company GORBI. The aim of the Investment Award is to show and popularize investors and investment projects, both those with completed projects and those still in process.



One of the largest steel companies in Georgia, Geosteel LLC, has joined the ranks of the world's leading steel companies. It has been granted the most important certification in the rebar sector of the steel industry, known as the UK Cares certification, which puts it on the same level as the giant enterprises of Ukraine, Russia or any other steel plant anywhere in Europe or Asia.

**How important is it for your company to be named one of the best in Georgia?**

It is an honor for us to be considered one of the best companies in Georgia.

Geosteel LLC is the first UK Cares and TSE accredited company in the Caucasus Region. The Geosteel Integrated incorporates the following standards: 1. For

QMS: - ISO 9001:2008 -

est foreign direct industrial investment in Georgia is a trusted global corporation in the steelmaking business.

Geosteel LLC is the biggest steel plant in Georgia. Its production facility covers 13 hectares and has a capacity of 175,000 tons per year.

**What is your view of the investment in Georgia? Are you satisfied with current government policy towards business?**

The investment environment in Georgia is definitely conducive for business, and the Government has always been extremely supportive of all our new endeavors and projects.

**Which countries do you export to?**

Geosteel LLC meets the needs of the construction industry in Georgia, Azerbaijan and Turkey primarily.

Geosteel LLC has developed the steel industry in Georgia and undertaken some very significant projects, such as the Hilton in Batumi, the Parliament Building in Kutaisi, the Gori Highway and the Batumi Business Center.

**What projects can we expect in the near future?**

Our latest projects are: Batumi By-Pass Project, Batumi Ambassador, etc.

implemented since 2011. 2. For Environment: ISO 14001:2004- implementation in progress. 3. For Health & Safety: OHSAS 18001:2007- implementation in progress. Geosteel LLC received ISO 9001:2008 accreditation in May 2011 from LRQA Turkey.

Established in 2007, Geosteel LLC is one of the largest



the largest foreign direct investments in the industrial sector in Georgia. It is a joint venture by JSW Steel Netherlands BV (which is wholly owned by JSW India, part of the Jindal Group) and Georgian Steel Group Holding Ltd (GSGHL).

Georgian Times interviewed Mr. Sajiv Balakrishnan, General Director of Geosteel LLC.

გამოიყენეთ უარუსტებარბი არმირება  
USE UNRUSTED REBAR

GEOSTEEL

# Georgian Manganese Invests in Georgia

Nikoloz Chikovani has been managing one of the most successful industrial companies in Georgia, Georgian Manganese, for a year and half. The company's priorities include the implementation of environmental projects in the municipalities of Chiatura and Zestaponi. Production has created difficult ecological problems in the region, and in 2017 he introduced an action plan which has been mainly fulfilled in both regions.



At the Georgian Times Media Holding and GORBI business awards Georgian Manganese was named the best investor company. Here GT interviews Nikoloz Chikovani.

**One of your largest investment projects, a new manganese processing plant, is nearing completion. How can this new facility address ecological problems?**

This is one of the most important projects which has been implemented, either recently or in our whole history. We have invested 20 million USD in constructing this complex and equipping it with the latest model technologies.

We may proudly say that this plant has no analogy in the world, and will be efficient from both the environmental and economic point of view. Special attention was paid to the issue of ecology during construction planning and technology selection. The existing plant poured waste into the River Kvirila, which considerably contaminated the river, but thanks to the technology we have chosen, production will be managed in a closed cycle. This means that during raw material processing, the water will be filtered and reused rather than released into the river.

The capacity and output of the new plant will be significantly high, and the rate of unusable production will be considerably reduced. This will allow us to increase exports, and a significant share of Georgia's overall exports come from Georgian Manganese.

**Was it only the inflow of waste which polluted the river?**

It is worth mentioning that the agglomerate is on the riverbank in the vicinity of Chiatura Central Plant. This would empty into the river during floods. Last year we built a 600 metre long protective wall between the Kvirila and the agglomerate to protect the river from contamination.

**Was the soil in Chiatura damaged by the mine workings there?**

We are going to conduct technical and biological re-cultivation works on 50 hectares of pit-affected land each year. This will involve all areas under the license of our company. We work closely with the Ministry of Environment Protection and Ministry of Agriculture in this regard. We wish to restore and recultivate these areas so that they can be used for agriculture.

**What other steps have Georgian Manganese taken to reduce environmental impact?**

We have carried out another project in Chiatura, a special car wash adjacent to Darkveti Mine which aims to reduce contamination of the road surface. Under the terms of the mineral mining license, all heavy equipment will only be permitted to use the asphalt road after being washed. We intend to introduce such car wash points in seven different areas in the near future.

The company has also used dozens of special techniques to

wash the streets of the town. This is done twice a day, morning and evening.

However, this does not mean that the ecological problems in these regions have been solved. We still face numerous challenges, which we will resolve step by step.

**What sort of projects have you undertaken in Zestaponi?**

We have completed the process of covering the discarded dust at the Zestaponi Ferroalloys Plant with organic geotextile and hydro seed. This dust had accumulated in the gas cleaner systems and filters over many years. One of the major tasks was to eradicate dust dispersal in the air, and following preliminary surveys we decided to invite Polish experts to solve the aforesaid problem. The project was devised and we began the work in September 2018.

Most of the work has now been completed, and a green layer is growing, resolving a significant ecological problem.

**The emission of dust and harmful gases from the ferroalloys plant remains the main challenge... is it possible to resolve this problem?**

I would like to note that the dispersal of dust and harmful gases is a problem at similar plants around the globe. The main goal of the enterprise is to reduce the risk and level of dispersal. We change the filters in the plant on an ongoing basis. We have an online system of monitoring air quality, which is installed in all four parts of the Georgian Manganese plant in Zestaponi, and this is of great importance in terms of controlling the composition of dust and harmful gases in

the air. This system provides air quality information not just to us but the LEPL National Environment Agency. Consequently we are able to react to a given situation at any time.

Another groundbreaking project to reduce the impact of dust dispersal, which we tested last year, is installing a moistening system. Analysis of the results is still underway, but the existing data allows us to make an optimistic prognosis.

**Do you think the above-listed projects will be sufficient?**

This is an ongoing process, and naturally we have far more work to do, ahead of us. Apart from the aforesaid projects there are many other ongoing and impending activities. For instance, we are creating new green areas in the vicinity of the plant. We also plan to erect a windbreak around the plant, which will provide additional protection from dust emission for the adjacent settlements. Projections are being made and we will start implementing the project in the near future.

We also initiated the restoration of Giorgi Nikoladze Square, which is another significant project. Work is underway to create recreational and entertainment zones there as well as re-equipping and planting it. We want to transform the area into a hub where people of all ages can gather, conduct different activities, spend time and relax.

We will be happy to fulfill these plans and believe the new square will be a great gift from Georgian Manganese for Zestaponi and its residents.

Author: Nino Tabatadze





# Shilda Winery – Making Wine Full of Success Stories

Shilda Winery is a Georgian brand which is rapidly gained traction on the market. The company has taken on the great responsibility of upholding an 8,000 year-old tradition of winemaking.

Quality assurance is of paramount importance for the company, and this is always appreciated by its customers. The company's wines have already gained numerous international and local awards, including some from the Decanter competition.

The company's vineyard and factory are located in the heart of the village of Shilda in Kvareli. It is known in Shilda that Georgia, like other countries, can be proud of its vineyards and nature. This is why the winery has created a tasting area right in the middle of the vineyards, within the factory grounds. Wine tours are held here, and visitors discover the traditions of Georgian wine.

Shilda has concluded a significant agreement with the Chinese wine importer Shanghai Sstifan Trading. Pursuant to this agreement, the company bought 5 million bottles of wine from Shilda. The labels of these bottles are decorated with the paintings of Georgian artist David Kakabadze, so customers can prolong the pleasure of the wine with his work.

At the 19<sup>th</sup> Georgian Times and GORBI business awards Shilda won prizes for developing national wines, creative management and attraction of investment. Here Mikheil Chkhartishvili, Founder of the company, tells GT that the company is an extension of family tradition, which has defined the quality of Shilda and increased its competitiveness on the Georgian market.

**Shilda wine labels are known for their Kakabadze paintings. Has this idea worked well for you?**

The original goal of Shilda was to bring a combination of modernity and ancient Georgian traditions to its customers and highlight Georgian culture. We believe we have managed to express this concept to customers through exhibiting David Kakabadze's paintings on our labels.

**How was your Rustaveli project received?**

2018 was full of new challenges and goals. Our most significant



achievement was the creation of the Rustaveli brand. This combined forgotten and very rare varieties of wine which have been significant in our winery's history. This line is completely different to anything else available, and we believe it is a special gift.

The company worked on this concept throughout the year. As the new line would bear the name of Georgia's greatest poet, we took particular care over it. We did our utmost to meet the expectations of the Georgian public and showcase the archetype of our national identity alongside our "creation" in a dignified manner in the international arena.

The wine's simplicity and subtle combination of gold, black and white underline the modesty and respect we feel towards this project. We should also add that Shilda's tasting hall has already become one of the best tourist attractions in the country due to our respect for the importance of our work.

**What are Shilda's portfolio and export reach? What are your plans for 2019?**

The Shilda factory is located in the village of Shilda on the microzone territory of Kindzmarauli. It covers 6 hectares and is equipped with modern Italian and French equipment. The company produces 2 million bottles of Georgian traditional and European wines.

At the moment, our main export markets are Russia, China and Ukraine, where we will soon open our own distribution company. We also export to Kazakhstan, Azerbaijan and a number of European countries such as Germany, Belgium, Poland and so forth. Our export portfolio is developing rapidly.

**As for our plans for this year, the company is continually seeking to expand its product range. At the moment, we are developing a specific product concept which will soon appear on the market.**

**How would you assess the business environment in the country? What are the challenges?**

Today's business environment is quite lively and competitive. Georgian wine has changed its form and quality over the last twenty years, and wine as a business now accounts for the greatest share of the economic development of the country. This share is rapidly growing.

**What does it mean for you to win Georgian Times awards? How do similar events stimulate business to develop?**

This prize is of great importance in the history of winemaking and encourages us to do more.

# Schuchmann Wines Quality of Excellency

At the 19<sup>th</sup> Georgian National Business Awards organised by The Georgian Times and GORBI Schuchmann Wines Georgia won awards in the categories: quality, reliability, universal ideas and brand which makes us happy.

Quality is the company's top priority. According to Nutsa Abramishvili, General Director of Schuchmann Wines Georgia, 90% of its production is exported and 10% is intended for the local market. Annual output is 1.5 million bottles. Schuchmann and Vinoterra are sold in more than 25 countries.

**What does winning another Georgian Times and GORBI award mean for your company?**

This is our fifth participation in the Business Awards. It is the most important event in business circles, and our achievements are set in context. This motivates us to achieve our goals and take significant steps forward for the country, demonstrate social responsibility and launch new products and services. We really appreciate such great respect being shown to us and we try to be better year on year.

**How does Schuchmann Wines Georgia preserve a leading position in this competitive market?**

We always welcome competition. The more competition there is, the more motivated we are. Our business secret is our charm and authenticity and our successful diversified business model, wherein the leading economic fields of Georgia are brought together. We have a niche in all these, and quality is our priority.

**Which markets are you present in and where are you going to be introduced?**

Our ultimate goal is to promote our 8,000 years of traditional winemaking and viticulture, and therefore export is our priority. Schuchmann sells in more than 25 countries.

**What can you tell us about the company's campaign to raise awareness of Georgia overseas?**

We are greatly motivated to raise awareness of Georgian wine on the international market. The private sector is working with the government to promote it. Wine is Georgia's national product - it literally means Georgia. Consequently, we conduct different activities in different countries. We participate in the largest exhibitions on a quarterly basis, hold tastings and, more importantly, receive numerous guests at our Schuchmann Wines Chateau in Kakheti, who enjoy drinking our wine and learning about Georgian culture, hospitality and traditions all year round. These are the people who will share Georgia's potential in the future. Very often they come back, and this is a prerequisite of our success.



**What makes your product different from those of your rivals?**

Our motto is: to make a product which makes people happy. And people seek happiness.

**How diverse is your production?**

Schuchmann wines are classified in two categories: European wines, which are made in the international standard enterprise, and pitcher wines, i.e. "Vinoterra". We also have a sparkling wine line made in accordance with French methods, and traditional chacha, both silver and gold, which is kept in the oak barrels of acacia.

**What can you tell us about 2018? Was the wine business profitable for your company?**

2018 was stable and successful for our company. The wine business is profitable but requires large investments. Success depends on a number of factors, such as quality control, performance, standardisation, branding, positioning and many others.

**What are the company's plans for 2019?**

We have a variety of significant tourism infrastructure development projects for 2019, the results of which will become familiar later.

In addition to this, we started to produce Georgian balsamic sauce and vinegar in 2018. This

takes time to become a fully-developed product. We also produce a unique grape seed oil which is used for gastronomic purposes and for wellness.

**Schuchmann Wines Georgia combines winemaking with wine tourism. What does your company offer tourists apart from the standard services?**

Guests are offered a wide range of pleasant services at the Schuchmann Chateau in Kakheti, including high class cuisine, master classes of wine or gastronomy and the wine spa, a most important service where guests can take wine baths and feel the magic power of wine.

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# “WE DO WHAT WE KNOW”

## XIX National Business Awards Investment Awards The Winners of Various Prizes

### MAIN AWARD

**1. Askaneli Brothers - Gocha Chkhaidze**  
Popularisation of national brand  
Leader in a foreign market

**2. Company Aversi - Paata Kurtanidze**  
Highest standard pharmaceutical company  
High quality services

**3. Badagoni - Giorgi Salakaia**  
World leading Georgian wine exporter  
Quality guarantee  
Ongoing innovation and latest technologies

**4. BasisBank - Davit Tsaava**  
Universal financial institution  
Undertaking new investment projects

**5. Bravo Records - Zaza Shengelia**  
Creator of global music label  
Adopting Western-type management  
Founder of Georgian show business

**6. Caucasus Auto Import - Giorgi Surguladze**  
Leading role in renovation of Auto Park  
Successful globalisation  
Network of effective delivery

**7. Carriage Building Holding - Badri Tsilosani**  
Implementing international standards in national industry  
In service of the country for more than 170 years

**8. Dunkin' - Giorgi Mshvildadze**  
Combining Georgian products and America standards  
Popularity with customers and affordable prices

**9. Dugladze Wine Company - Zaal Dugladze**  
National brand with external profile  
Integrated, full cycle enterprise

**10. Geoplant/Gurieli - Mikheil Chkhuaseli**  
Distinguished flavor and aroma  
Leader of Georgian market

**11. Georgian products - Davit Bardavelidze**  
Exclusive style and principles in the EU market  
Creation of new jobs

**12. Georgian Industrial Group - Zurab Gelidze**  
Introducing new technology in energy sector  
Largest employer  
Philanthropy in education

**13. Giuaani - Giorgi Surguladze**  
Entering new export markets  
Combining Georgian traditions and European management

**14. Gulf - Giorgi Devadze**  
Continuous progress and innovative technologies  
Guarantee of quality

**15. NCC - Gegi Kelbakiani**  
State-of-the-art architectural solutions  
Large employer

**16. Zarapxana - Ketevan Gognadze**  
Development and upholding of national culture  
Preserver of traditional Georgian goldsmith craft

**17. Lilo Mall - Giorgi Kvaratskhelia**  
Millions of visitors per annum  
Largest trade centre  
Providing customer choice

**18. Kedi Studio - Gia Alikhanashvili**  
Improving image of Georgian business  
Creative ideas and professionalism of team

**19. Nikora Supermarket - Davit Urushadze**  
Business in service of the people  
Wide range and affordable prices

**20. Orbi Group - Irakli Kverghelidze**  
Foreign market leader  
Large employer  
Social responsibility

**21. Petrocas Energy Group - Ivane Nakaidze**  
Creation of new jobs  
Social responsibility  
Undertaking large investment projects

**22. PSP Group - Gocha Gogilashvili**  
Healthcare leader  
Large countrywide network  
Large employer

**23. Sante GMT Products - Erekle Gamkrelidze**  
Providing customer choice  
High technological standards and ongoing progress

**24. Sarajishvili - Zurab Bubuteishvili**  
International recognition and centuries-old reputation  
Driver of national economic development

**25. SOCAR - Mahir Mammedov**  
Best business reputation  
Largest taxpayer  
CSR strategy leader

**26. Schuchmann Wines Georgia - Nutsa Abramishvili**  
Quality guarantee and universal ideas  
Brand that makes us happy

**27. Toyota Centre Tbilisi - Irakli Gurchiani**  
Timeless standards  
Ideal comfort and quality  
Creative security

### INVESTORS

**1. Georgian Manganese - Nikoloz Chikovani**  
Largest investment  
Environmental protection  
Introducing state-of-the-art equipment

**2. Geosteel - Jaspal Singh**  
Largest foreign direct investment  
Largest share in Georgia's GDP

**3. Georgian Olive - Giorgi Svanidze**  
Popularity with customers  
Strategic investment in healthcare

**4. Dreamland Oasis - Nikoloz Geguchadze**  
Development of tourist infrastructure  
Being “Emerald of the Black Sea Coast”  
Guarantee of comfort

**5. Lisi Development - Nodar Adeishvili**  
Strategic investment project  
Green city of the future

**6. Shilda Winery - Mikheil Chkhartishvili**  
Development of national winery  
Creative management  
Attraction of investment

### PARTNERS

**1. Baame Wealthy - Dimitri Sukiasov**  
Favorite company of the year and successful debut Professional team

**2. Black Sea University - Ilyas Ciloglu**  
Highest standard of education  
Popularity amongst students

**3. St. Michael Archangel Clinical Hospital - Zurab Utiashvili**  
High technical standards  
Effective management

**4. Signaghi Art Hotel - Lali Moroshkina**  
Contribution to eco tourism

**5. Wine Yard Number 1 - Tika Dughashvili**  
Family business of the year  
Contribution to the development of regional business

### ADDITIONAL NOMINATIONS

**The GT Media Holding and GORBI Awards**

**CHAIRMAN OF JIANGSU PROVINCE SILK ROAD INVESTMENT COMPANY - LOISE ZIMINI**  
Popularisation of Georgian culture abroad  
Development and promotion of Georgian business abroad

**SOCAR - Mahir Mammedov - General Director of SOCAR Georgia - For the contribution made for Georgia**  
*Prizes were made by the Oscar Schindler Academy Rector, Maks Meir Shavit*

**SOCAR - Continual sponsorship and support**

**Expert's favourite - Georgian Product, David Bardavelidze**

**Media Selected by business - TV Pirveli**

**Journalists' favourite - Georgian Olive, Giorgi Svanidze**

**Ketevan Gognadze of Zarapxana was awarded a gilded lion brooch for her special support for the business sector.**

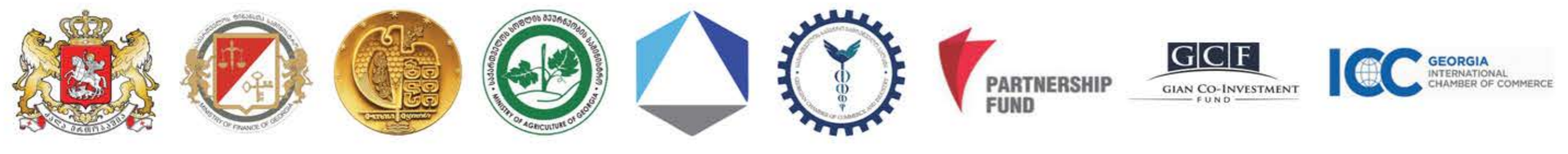
Neat and exclusive handcrafts to support business was awarded to **Schuchmann Wines Georgia and Nutsa Abramishvili** as Favourite of The Georgian Times' creative team and Participation in numerous innovative projects.



The Best Company  
Best Investor  
Best Businessman



SUPPORTERS



INVESTORS



TOP COMPANIES



MEDIA-PARTNERS



HONORABLE GUESTS





## BADAGONI - Harmonious Merger of Tradition and Modernity

Badagoni has created a new image of Georgian wine which has revived the history of millennia and has bound it with golden letters. There are more than 500 species of vine in Georgia, and Badagoni has been continuously studying their potential since its establishment.

Wine industry is very special, as it requires not only successful production chain operations but also thought, love and care. Each stage of winemaking is like a ritual: planting, trimming, picking, storing, squeezing, keeping, decanting, drinking.

Once wine stories were only told by elderly on feasts. Only older people would reminisce about various wine flavours, such as Tibaanuri having a blackberry aroma and Tsinandali Saperavi that of a rose. Thanks to Badagoni, now the culture of drinking wine has gained traction among young people and so the millenia-old tradition will definitely continue.

At the Georgian Times and GORBI business awards 2018, the company 'Badagoni' won awards of the leading Georgian wine exporter, a quality guarantee, adopting continuous innovation and utilising the latest technologies. Here GT interviews Mariam Giorgadze, General Director of Badagoni.

**Could you tell us about your "Golden Road" project?**

Recent statistics show the positive dynamic to tourism development in Georgia. Georgian tourism is unimaginable without wine. Therefore, Badagoni business development into wine tourism was very logical.

From the very beginning we were determined to carry out a large-scale nationwide project to improve the tourist infrastructure. The "Golden Road to Golden History" starts at the main square in Tbilisi - Freedom Square, where our wine restaurant, boutique hotel and wine store are located. It will progress to the historic "Wine Tasting" district in Kakheti, where we will soon open another excellent restaurant. We have contributed to restoration of Alaverdi Monastery historic wine cellar, where the most unique and modern Badagoni winery, the Ozho cellar, can be found. A five-star hotel in the vicinity of Alaverdi Monastery will soon be the part of the Golden Road, which will cover 260 hectares, incorporating lakes and unique places. Another big facility around Alaverdi Monastery will be a three-star hotel, specifically aimed for pilgrims. After visiting the pearls of Kakheti region, pilgrims will proceed to Mtskheta and then in the direction of Gombori-Sioni.

**The company already owns several tourist sites, do your visitors like Georgia and Georgian wine?**

According to the Georgian National Tourism Agency, the number of international visitors increases year by year, and more importantly, the number of actual tourists (those who stay more than 24 hours) is increasing accordingly. January 2019 trend is even better, as the amount of tourists even during the less popular season has increased considerably compared to the previous year. The number European visitors has also increased.



The aim of our activities is to offer both high quality services and unique "experiences". Georgia has a huge tourism potential. Our country is interesting in several ways: tourists visit Georgia because of its geography, history, culture and gastronomy. Georgian wine is a particular interest, and specifically our Qvevri (clay vessel) wine, because it is unique and exclusive. Since Georgian winemaking technology i.e. using Qvevri to make wine, was included on the UNESCO intangible cultural heritage list, the international interest has doubled. We are proud of our Qvevri wine, which is made in the historic wine cellar of Alaverdi Monastery using the ancient winemaking technologies.

We have combined the tourist projects under the single name 'Badagoni Home.' This brand manages and owns a number of tourist facilities. The wine restaurant 'Badagoni Home' offers customers dishes inspired by specific Badagoni wines. The majority of dishes are traditional Georgian, but they are modified and modernised to be ideally paired with our wines. The restaurant plans to become a wine hub, offering lectures, seminars, tastings and a wide range of interesting events related to wine.

**Badagoni restores ancient species of vine, but which new wines have you added?**

There are more than 500 native species of vine in Georgia. Badagoni has studied their potential since its foundation, and on the basis of these studies we have decided to produce sparkling wines from the East Georgia vine species. Kakhetian Mtsvane has a great potential to be used for making both sparkling wine along with Saperavi and Rkatsiteli. The vine species survey is a hard work and takes time. We have discovered unique species of vine, with wonderful potential, which have never been used so far.

We have also conducted micro vinifications and the results are stunning. We shall soon offer our customers interesting and innovative products.

**Do you purchase grapes from local farmers and if so, how do you establish the purity of wine species?**

The company owns its own vineyards, which cover 400 hectares throughout the whole Kakheti region. We have an agronomist from Italy who supervises all the growing activities along with Georgian counterparts. We also purchase grapes from locals. We have built good relations with local farmers, and know that they take a special care of their vineyards, but we check the quality of grapes, technical maturity and sugar content, and only then decide whether to purchase it or not.

**Where have you planted new vineyards?**

We have planted new vineyards in Kindzmarauli and Gorigitsminda. In advance to planting vine, we conducted soil analyses and geological surveys on both locations.

**Which country is your best export market? How many countries do you export to?**

Each market is equally important and strategically interesting. We have a big mission - to promote Georgia and high quality Georgian products around the globe. Badagoni wines are, and will always be valuable representatives of Georgian culture and traditions. We use the latest technological advances to showcase the full potential of Georgian wine and the ancient Georgian winemaking traditions. Every bottle produced by Badagoni is the result of round-the-clock-toil and great effort. We operate in more than 20 countries and truly deserve the support of our customers. We are happy that we make each and every representative of Badagoni very proud.

## Wine is History Itself – Giuaani Wine Will Soon be Tasted in the UK and Italy

All wines have a history. Each one is distinctive and special. Some smell like exotic fruit – with tones of cocoa and cinnamon or pear and quince. If you taste such a wine once you will not forget its flavour – and this is Giuaani wine, which is filled with Georgian spirit.

This wine has long been Georgia's envoy to the global market. It has gained recognition both at international contests and within Georgia.

At the 2018 Georgian Times and GORBI Georgian National Business Awards Giuaani won awards for entering new export markets, upholding Georgian traditions and adopting European management. Here GT interviews Giorgi Surguladze, General Director of the company, about the past year and future plans.

**How was 2018 for Giuaani? Did you achieve your goals?**

2018 was quite productive for us. The company achieved its goals and our success exceeded our expectations. Giuaani wines once again gained various international awards. We increased our exports and entered new markets like Belgium, Canada and Japan. We have now produced 400,000 bottles.

Giuaani is based 40 km from Tbilisi in the village of Manavi in the Kakheti Region. Customers may visit the factory there and view the modern equipment, traditional pitchers, oak barrels and cisterns. They may taste Giuaani wines on the spot with the help of professional sommeliers, cook churchkhela, bake flat bread in a clay oven and take part in vintage and chacha distillation. We have modern Italian chacha distillation equipment as well as traditional Georgian equipment. Visitors may also taste Georgian traditional cuisine at the restaurant we have here.

**What is the new product your company began to produce last year and how was it received?**

Last year Giuaani started to make a new variety of wine called Qisi. This gained wide traction amongst customers. In 2019 we plan to start making brandy and chacha. We also intend to make other new varieties of wine such as Roze Tavkveri, Mukuzani, Kvevri Qisi, Pitcher Tavkveri and Aladasturi.

**Which are your most popular products?**

A lot of products are in high demand due to the high quality of our wines. I would single out Manavi, which is made locally. It is made using classical methods and is characterized by pleasant tones of pear and quince. Tvishi is also very popular, and also made locally. Pitcher Mtsvane has repeatedly gained international and local recognition, and our barrel Saperavi won three major prizes at Winexpo 2018. It was named the best wine in show and awarded the highest trophy and gold medal.



**Which countries do you export to? What was your export growth in 2018 over 2017?**

Giuaani wines are being sold in the United States of America, Canada, Greece, Belgium, the Netherlands, China and Japan. Canada, Japan and Belgium are new markets for us, but our products have already gained wide popularity. We plan to expand our exports to Europe. Last year our exports increased by 15% over 2017.

We pursue export and local markets simultaneously, because we do not want our wines to be tasted only overseas. Giuaani wines are available at local wine shops. Giuaani has its own wine bar and shop at 39 Aghmashenebeli Ave. Customers can both buy and taste our wines and enjoy delicious food. We have also opened a multi-functional complex in the village of Manavi.

**What is the major challenge you face in the wine market? What are your recommendations concerning this?**

The major challenge we face is to compete with other high quality products. Georgian wine in general needs to maintain its quality, and the company needs to work hard to achieve the right positioning and create a proper image. Entrepreneurs should represent their quality product to foreign and Georgian customers. There are many ways of doing this, for instance tastings and international competitions, where

foreign sommeliers and wine experts assess the quality of products and award different prizes.

**How should wine export markets be diversified, and what is the proper role of the state in this regard?**

The role of the state in developing winemaking and wine export is paramount. We are happy that the state agencies are active in this direction. They support the development of wine tourism within the country, which promotes Georgian wine to foreign tourists. The state also helps us present Georgian wine at international wine exhibitions. The steps the state takes in this respect are particularly important in promoting pitcher wine.

**What are your plans for 2019?**

Our top priority is to preserve quality and create additional varieties. We will start producing high quality chacha and brandy. We are hopeful that these new products will earn positive feedback, approval and love. We work a lot on awareness raising. As I mentioned we will also focus on export in 2019 and will enter a number of European countries such as the UK and Italy.

**What does winning more Georgian Times and GORBI awards mean for you?**

Giuaani has once again been listed amongst the leading companies in Georgia, which is particularly pleasant for us. This success is a great stimulus and responsibility which motivates us to continue producing quality products, expand our activities and undertake more promotion, presenting Georgian wine at international wine competitions and exporting to many more countries.





# Sarajishvili – International Recognition and Century-old Reputation

The Sarajishvili Company has won awards for international recognition and centuries-old reputation and being a driver of national economic development at the 19<sup>th</sup> Georgian Times and GORBI business awards. This is hardly surprising, as the company has been a patron of the national economy for more than a century, and awareness of it went beyond Georgia many years ago.

The history of Sarajishvili brandy began in 1884, and its long traditions, experience, professionalism, wide range of spirits reservoirs and latest technologies ensure the company continues to be worthy of the name of David Sarajishvili. Its aspiration for creativity, flair and progress has allowed it to maintain market leadership even today.

The first Georgian brandy laid the foundation for producing cognac using classical



and most unique brandy spirits, which are still used by the company. Its products are represented in 20 countries and are still fixtures in the local market.

Georgian brandy is not an alcoholic spirit; every product has an individual history, origin, nature and appearance.

brandy lines: classic, unique and vintage. The classification of classic is made in accordance with French standards. The unique line brings together distinctive products around a specific basic idea. The vintage line is distinguished from the other two by using one-year old spirits in the composite blend.

Sarajishvili House has won more than 250 prizes and trophies at international exhibitions and competitions, including 6 super grand prizes, 35 grand prizes, 1 double gold, 1 grand gold and 155 gold medals. In 2018 the company produced one of its most outstanding products, Sarajishvili INDEPENDENCE, which was dedicated to the centenary of the reestablishment of Georgian independence.



methods. Those early years created a rich store of the oldest

Sarajishvili House offers three



# In search of “Cosmic Wines” – The Grandiose Vision of the Brothers Askaneli

Askaneli Brothers is one of the biggest and best-known wine company in Georgia, and now it is expanding the range of activities. The hotel will be built in spring in Kindzmarauli microzone. And by the end of 2020 it will host the first visitor.

Gocha Chkhaidze, the founder of Askaneli Brothers company, says that the concept of the 30-room hotel is very interesting from an architectural point of view. It includes a restaurant, tasting halls and wine museum. Around 8 million GEL is being invested in this project.

Askaneli is aiming ambitious plans. The main objective is to be one of the best world's wine companies. Gocha Chkhaidze says that this takes time, but as Georgia is the homeland of wine and it has 8,000 years of wine-making tradition, this is possible.

Gocha Chkhaidze cares of music, ballet and art as a whole, as these activities, in his opinion, complement the taste and aroma of wines. Supporting of Georgian culture is part of the company's social responsibility. Gocha has sponsored numerous projects through the French company Askaneli Art, whose artistic director is Gocha's spouse of Georgian prima ballerina Irma Nioradze.

At the Georgian Times and GORBI business awards Askaneli Brothers was recognized for national brand promotion and being a leader of a foreign market. Here GT interviews Gocha Chkhaidze.

**How did Askaneli Brothers begin?**

I started the business with my brothers in 1998. We poured wine into clay vessels and managed to sell them all in a week. After that we made the decision to found a company.

Because our ancestors came from the village of Askana in Guria, we decided to call our company “Askaneli Brothers”. We had a long and challenging way. The company was on the brink of bankruptcy twice, but has managed to survive as a result of hard work.

**What steps did you take to achieve success in the competitive wine and alcoholic beverages market?**

Askaneli Brothers celebrated its 20th anniversary in 2018. The company enjoys a high reputation because it's focused on creating and offering quality and thoughtful products. The content of the product is more important to us than packaging. This ensures the success of the brand. We pay a special attention to the aroma and taste of our products, and details, which elevate their classification to the highest level. We always feel the trust of our customers, and this motivates us to create a genuinely Georgian and high quality product. I believe this is the main reason of our success.

**You mentioned that the company has been on the brink of bankruptcy twice. What is the most important factor in addressing such crises?**

Making the right decision. I used my own money to overcome the crises. The first came in 2000, when only a few people knew about Georgian wine. This period was full of problems in viticulture as well as production. Despite our 8,000 years of winery tradition the Soviet period affected the sector. Production was focused on quantity and not quality, which is why we inherited a difficult situation.

We started to think differently now. We have introduced modern technologies and paved the way towards the leading countries. However, we also pursue the traditional technologies of Georgian wine production.

The second crisis came with the Russian embargo against Georgia. This was the most painful period for our country and its business. Nonetheless, we overcame these difficulties and today Askaneli Brothers is one of the most successful companies. We



have a grape-processing factory in Kvareli and two factories in Lilo where the wine is bottled, packed and transported. We also have the Anaseuli factory, equipped with the latest technologies, where we produce bio-friendly Otka using the best distilling machines.

We have a wide range of products. This year we began producing sparkling wines, which have already gained good review from customers. We have premium and super-premium ranges. For instance, let's take Dora. We wondered who would buy a \$30 wine, but it has obtained loyal customers.

Our top priority is to work in the premium segment. That is why we have set goals to increase the quality of the profit margin, not the quantity.

**Is this emphasis on the premium segment connected with the increased buying capacity of customers?**

The Georgian market is very important to us. Taste has changed, and customers can easily tell good wines from bad. Demand has increased in the premium segment, and this promotes the development of tourism. We keep pace with this trend.

I am a lover of the world's best wines. I often have the opportunity to taste the best quality products. I am well aware of the importance of aroma and know exactly how to achieve its quality. Saperavi differs from Merlot, Cabernet and Pinot Noir. They differ by region due to the various “terroirs”. As such terroirs exist, we will find them and make “cosmic wines”. We will be able to take pride in our wines within ten years, but should also be proud today.

**What is your export geography and which product is in most demand?**

97% of our production is exported. Russia does not have a rival in the international markets. Nevertheless, we pay great attention to the Georgian

market.

Kindzmarauli is our biggest seller. Our wines are in high demand in post-Soviet countries, and we are the sales leaders in Latvia. We have signed a contract with the German company Monolith, which owns a network of shops in some countries.

Our products are presented in numerous European countries, including France, Sweden, the Netherlands, Germany, Spain, and we have already signed a contract with Cyprus and the USA. But we still face challenges in the Asian countries. We believe there needs to be a unified anti-price damping policy, which would be implemented in close cooperation with the National Wine Agency.

**Have you had talks with the agency about this?**

The agency is well aware of this issue and is working on it. It finances exhibitions, which promote wine consumption.

**How many products do you have in your portfolio?**

We have 165 products, including Qisi, Khikhvi, Chkhaveri and Mtsivani, which are fantastic wines. We also have Tsolikauri, Tsitska, Alexandrouli, various types of Saperavi and Winter Chkhaveri, the latter being the late harvest wine. We also have Rkatsiteli that was aged in qvevri (clay amphorae) which has taken third place in one of the best known Russian ratings. It was the only Georgian wine included.

**Which is the best brand?**

I think Dora is one of the best Georgian wine, and it is produced in a limited edition.

**How many bottles did you sell in 2018, and which was your most successful project?**

We sold 8 million bottles in 2018. We built the modern factory in Kindzmarauli, where we distill brandy spirits. Our advantage is that we are focused on continual innovation and the creation of new products.





# Dugladze Wine Company Improves the National Brand

The Dugladze Wine company is not just winemaker in Georgia. Their premium brand is our country's envoy overseas.

Dugladze Wine Company has won Georgian Times and GORBI Georgian National Business Awards in the categories of **national brand overseas** and **full cycle integrated enterprise**. This is fitting, as there are many Georgian wine lovers and supporters but few companies which take such pride in producing a quality product.

The success of Georgian wine has been equated with victory in battle for the last 8,000 years. This mindset originated when the deluge separated the mountains from the valleys and will last until the world ends. Georgian wine neither loses its traditions or fails to keep up with the times, and the Dugladze Wine Company is bringing its virtues to the world.

Here The Georgian Times interviews Zaal Dugladze, the company's General Director, about its future plans.

**What steps are you taking at present to develop your product?**

We are constantly improving our products and offering our consumers new ones.

The company has recently launched our Qvevri wines range, including Kisi, Rkatsiteli and Saperavi for Qvevri wine lovers. We are also introducing new premium range with wines like Saperavi Reserve, Otskhani Saperavi and many more.

**You are represented in more than 20 countries. Which is the best of these markets?**



The main market in terms of volume is still Russia of course. One of the fast developing markets today is China, where we have established Dugladze wine company firmly and are one of the leaders in terms of export there.

Our main focus in 2019 will be Japan, where we are planning to increase our presence, especially with our premium wines.

**You have a full cycle integrated enterprise, including every stage from cultivating vineyards to selling wine. What does the chain of enterprise require?**

A lot of hard work. We know you have big plans concerning wine tourism. What can we expect to see?

We are planning to build a complex in Vartsikhe, where a hundred year old factory is located. It will be a wine muse-

um with tasting and health rooms that will fascinate everyone. Visitors will have an opportunity to rest and relax in a historical building, in the pleasant atmosphere and try delicious food cooked by the host with their unique Georgian wine.

**Is the enterprise equipped with modern technology?**

We have invested more than 2 million in doing this and plan to further invest as today, no company can survive without investing in the future.

**Which category would you like to win in next year, and how important is this event for Georgian business?**

It is very beneficial – an extraordinary platform for bringing together business and the public to devise new plans and share success. The prize is a kind of incentive to increase both our motivation and responsibility.



# Davit Urushadze: the Strength of NIKORA is its Quality and Reliability

At the 19<sup>th</sup> Georgian Times and GORBI Georgian business awards, the Nikora company was awarded prizes in the following categories: public service, wide product range and affordable prices. According to Davit Urushadze, Executive Director of Nikora Supermarket, the company is deeply aware that the strength of Brand Nikora is its quality and reliability.

JSC Nikora Trade is the only retailer in Georgia included in the international Scope Ratings, and this demonstrates its financial power and transparency. The company has also issued 25 million GEL in bonds, putting it in the Category B listing at the stock exchange. Part of the funds raised by this issue will be spent on the development of the company.

Here The Georgian Times interviews Davit Urushadze.

**The name Nikora has been associated with reliable products for many years. How did the company win this consumer trust?**

Providing high quality products and caring for our customers are the company's main values, and a lot of resources are spent on them; consumer trust is the result.

**What kind of responsibility is it for the company to be synonymous with quality?**

It is a great responsibility for us indeed, and we understand very well that our association



with quality and reliability is the pillar of our company.

**The proceeds of the company's 25 million bond issue will be used to equip the shops with eco-friendly appliances. Has this process begun?**

The issuance of the bonds is an integral part of our development strategy. New trading points have been opened. As for eco-friendly appliances, we equipped all our shops with these new coolers by the beginning of 2018.

**What kind of product inspection is carried out before we see them on the shelves?**

We request full documentation of a product before we put it on the shelf. It must be in line with food safety standards. We conduct field inspections in our provider companies, observing the production process, and ensure product quality at our company-based laboratory.

**How competitive is the current retail market?**

Our market is very competitive. Our rivals are very active and dynamically developing. This gives us an additional stimulus to be more efficient, stronger and customer-oriented.

**How many supermarkets are active in Tbilisi and the regions?**

Over 270 trade centres of various types are operating at present.

**Will the company's future strategy focus on establishing large scale supermarkets or relatively small stores?**

We plan to expand our product range, and therefore the average size of our trade centres will increase.





# Select and Drive your Dream at Toyota Center Tbilisi

Toyota Corolla, Toyota Camry, Toyota RAV4, Toyota Land Cruiser Prado, Toyota Cruiser 200, Toyota Hilux, Toyota C-HR, Toyota Prius, Toyota Fortuner – Select the one you want and drive your dream

The history of Toyota automobiles in Georgia began 22 years ago. The first company to introduce the marque in Georgia was Toyota Center Tbilisi. Since then the company has retained its popularity and competitiveness despite the emergence of imitators.

The company offers customers a wide range of latest model Toyotas and original spare parts and accessories. They enjoy the highest quality services from its professional team who are certified by Toyota itself. The showroom and service centre of Toyota Center Tbilisi meet the international standards of Toyota and are tailored to fulfilling customer needs.

At the nineteenth Georgian Times and GORBI business awards Toyota Center Tbilisi took home awards in 3 categories: high standards, comfort and quality and creative security. Here Irakli Gurchiani, its Founder and Director, tells us more about the company.

**What makes Toyota Center Tbilisi popular?**

Our company delivers services for people and never cheats them, which is why it retains popularity. We have never offered customers non-original spare parts or oils. A customer can buy an original part for 100 US Dollars or a falsified one for 10 GEL elsewhere, but we do not do this. We offer only original products, which is why we enjoy high confidence and our services are advantageous.

**What sort of challenges did you face in 2018 and how did you deal with them?**

2018 was rather complicated, but we have gone through harder times before. The big problem is the decrease in consumer buying power due to the present economic crisis. It is not easy to deal with bank credits and salaries. We find it difficult to cut staff, such decisions are not easy to take. But overall, we managed to expand the company by 80% in 2018.

**How do you deal with such challenges in such a competitive environment, and what is your solution?**

The competitiveness between car marques is truly healthy. The business environment in this



country is fantastic - nobody ever disturbs us, or intrudes in our affairs. When there is a problem regarding consumer buying power it is important to reduce prices but not at the expense of staff salaries. There need to be found alternative ways to reduce expenses.

**Are sales of hybrid cars growing, and what kind of future might electric cars have in Georgia?**

In my opinion, electric cars will not have a future here for the next 25 years. Even Germany, which is a strong country, cannot use only electric cars. Germany will need to build 40 nuclear power plants first, because they require a great amount of energy. We do not have an energy problem in Georgia, but this is a mountainous country, and if a car can cover 120-150 kilometres per charge, in Georgia it will only cover 70-80 kilometres per charge. There are also only 5 charging stations in Georgia, and it is not good to stop a car at least twice between Batumi and Tbilisi.

This is why hybrid cars are better. Demand is really growing, but the difference between petrol, diesel and hybrid cars is still great. If we take two similar cars, one hybrid and another diesel or petrol, hybrid cars are more expensive by 8 to 12,000 USD. In Georgia people cannot pay so much for hybrid cars. Modern cars with small engines consume 5-6 litres of fuel, the same as hybrid cars.

**So is the country's eco-friendly tax policy futile?**

The changes made in connection with the customs clearance of electric cars are of great importance, but only 100 out of every 1,000 electric cars are brand new. The quality of petrol and diesel are also very low in Georgia. No self-respecting country has such low quality fuel. Toyota can't supply Euro 4 and Euro 5 fuel cars because all engine and fuel systems should comply with Euro 5 standard fuel, which is unavailable in Georgia. The fuel standard is zero here, and no matter what they say about having super fuel this is a lie. Our fuel is trash.

The Toyota head office revisits Georgia twice a year and buys 1 litre samples, from our petrol stations. He takes them to Germany and then refuses to supply Euro 5 engine cars because the plant can't issue guarantees for them due to fuel incompatibility. If the company manufactures a car that car is doomed to fail because of their fuel, so the plant refuses to supply them at all. So it is very important to see a real desire by the state to move to Euro 5 standard.

**What innovations will you be offering?**

We will become the dealer for three marques in 2019. At the moment I can't tell you their names, but negotiations have been completed and we will offer the new marques in summer.

# Caucasus Auto Import – Georgian Car Importer for the Whole Region

Caucasus Auto Import, part of Caucasus Business Group, remains the most reliable company of its type in Georgia and the unchallenged market leader. It is the only such company offering a full range of services. Its activities go beyond Georgia, and it has become a major player in the region.

This year Caucasus Auto Import won Georgian Times and GORBI business awards in three categories: playing a leading role in the rapid renovation of Auto Park, successful globalisation and having an effective delivery network. Here Giorgi Surguladze, the founder of the company, tells us about its future plans.

**How are you developing the re-export market?**

We are broadly represented at the international market, in Armenia, Ukraine, Kyrgyzstan, Azerbaijan and other countries. We have big plans. We offer adequate collections to every country. The demand for both expensive and relatively low-priced automobiles is high. Expensive cars are in high demand in Ukraine, and this market is big and quite interesting for us. We are actively working to gain a foothold in this market.

**Are electric cars in demand in Georgia?**

There is a hybrid car boom in Georgia, unlike in other countries in our region. The Toyota Prius is the most popular car. Electric cars are less popular in our country because we lack repair stations. This infrastructure needs to be improved. There is no such network in neighbouring countries either. But over time eco-friendly cars will be in much demand, and we will be ready for this. Our ultimate goal is to meet customer needs and offer the most comfortable services.

**How strong is the Georgian car market and what challenges does a dealer face?**

Our company is growing rapidly and sales have doubled. Annual imports are 30,000. The industry is growing, developing and improving. There is a



competitive environment, which is very important, but there are still unreliable companies who infringe customers with their unfaithful activities. Running a business through cheating your customers must be stopped once and for all, and everyone ought to realise that running a business means caring for your customers. The success of a company can be measured by customer satisfaction. The ultimate aim is to update and improve services in the long run.

**How do you feel about these awards?**

It is very pleasant when you are noticed, appreciated and awarded for your activities. This is a kind of incentive. We speak about the common interests and challenges of business and share our views and experiences. We also discuss and analyse things. We do not only talk about our business interests but support each other. We think about the needs of our country, what has changed and what challenges we face. We appreciate the positive atmosphere too.

**Did the last tax changes encourage the business sector?**

The reduction of turnover tax to 1% was of vital importance. This will support small-

size businesses and create new opportunities for more than 120,000 entrepreneurs. The simplification of documentation was also a timely measure, as it will grant the opportunity to buy products from local, small entrepreneurs and farmers in a simple way. The suggestion of providing online services for non-residents will facilitate the inflow of more capital. Simplification is always met pleasantly by both resident and non-resident businessmen.

**The restriction on right-hand drive cars was not seen as a simplification when introduced, but is it now?**

It was a completely justified decision. Time and statistics have shown even opponents that this restriction was right. The number of left-hand drive cars increased the number of car accidents. The argument that Japanese cars were a better class than American cars turned out to be a myth.

'Caucasus Auto Import intends to gain a greater foothold through offering high tech services and groundbreaking financial tools both in Georgia and overseas. The results of these will be discussed by the public and business circles at the 20th Georgian Times business awards.





# PSP Climbs Step by Step to the Top - 25 Years in Service of the Population

PSP is celebrating its 25<sup>th</sup> anniversary this year. The business founded by two people in 1994 now has more than 5,000 employees. In Georgia, with its electricity supply problems and medicine shortages, PSP has been an oasis of relief.

Director Gocha Giholashvili says that today everyone knows about branding, but PSP was the first Georgian pharmaceutical company to undertake this, at the end of the 20<sup>th</sup> century, and invented the first pharmaceutical slogan – “My Family Pharmacy”.

GT interviewed PSP GROUP CEO GOCHA GOGILASHVILI

*There is always much competition in the segments in which PSP operates. What makes PSP a successful brand?*

Being a leader is particularly important and interesting. Competition gives us additional motivation to develop and progress. The fast development of the PSP brand is due to our professional team and strong management, which has 25 years' experience in all areas of medicine.

PSP offers customers innovative projects and services in all directions, including pharmaceutical production, medication distribution and its retail network. We hold ISO certificates. Our New Hospital is the first multi-profile clinic of European standard in the South Caucasus. The PSP insurance service has introduced many new elements to Georgia, but we want to progress further.

Our company motto is “Step by Step to the Top”.

*What projects did you carry out in 2018 and which were the most successful?*

We also established 20 new pharmacies, including some in regional centers where we had not previously been represented such as Kareli, Telavi, Tslenjikhka and Chkhorotsku. One stage of New Hospital enlargement was completed, making it a multi-profile hospital with 250 beds where a wide variety of medical services, including pediatrics, are accessible. An international standard distribution center was opened in Kutaisi and is preparing for ISO certification. PSP Insurance also offered an online insurance portal to simplify services and ensure greater convenience; 99% of active contracts were renewed and dozens of new contracts were signed. The dynamic is increasing, the prognosis is positive, and we therefore plan to expand our network in Tbilisi and the regions.

*How many markets are you represented in, and how competi-*



*tive are your medications compared to foreign analogues?*

GM Pharmaceuticals, our overseas arm, is an international pharmaceutical company. Our production is made in Georgia and other countries. 19 years of experience in Georgia and the quality of our production have enabled us to create more than 200 medications in almost all pharmacological groups. Our production is conducted in cooperation with leading pharmaceutical companies such as La Roche and Lallemand Pharma in Switzerland, Welt Pharma in Germany, Reig Jofre and Kern Pharma in Spain and so forth. Companies such as UAS Laboratories in the USA, REFARMED in Switzerland and BIOBERICA S.A in Spain are amongst our international partners.

*What can you tell us about your export geography?*

We export more than 100 medications to nine countries – Armenia, Azerbaijan, Kyrgyzstan, Tajikistan, Uzbekistan, Moldova, Belarus, Kazakhstan and Ukraine. We have branch offices in these countries which support the introduction of these medications and promote the Georgian brand beyond Georgia. Exports are a source of income for the country, and we believe that we grow the Georgian economy annually. Leading the Georgian market is our ultimate goal, but export markets are also significant because the potential is larger. The internal market is small and rather saturated. We manage to achieve growth only via the introduction of innovative drugs on the local market. Increasing exports means entering new countries and increasing one's own niche there.

Market access is quite difficult in any country. The barriers are particularly high in the USA and the EU. It takes a lot of time and efforts to meet their regulations, and huge funds. But we are getting ready for this, and hope to make a statement

on the EU and US markets in the nearest future. We have a well-organized plan and have invited a number of foreign consultants to help us achieve our goal.

*What innovations should we expect from PSP insurance and hospitals?*

PSP Insurance is distinguished as an innovator and innovation-focused company. We released an insurance portal in 2018 and are planning to add new functions to it. A new travel insurance product was created, and we are working to make this available to all citizens. In 2019 we will offer customers new products and add facilities which will make our services even more convenient. We are planning to develop a retail product in the health insurance sector. We will introduce numerous novelties concerning medical services abroad, etc.

New Hospital has been providing in-patient and out-patient services since 2011. Georgian and invited foreign specialists are available. It will expand considerably from 2019 and offer new services. A Child Healthcare Centre will provide a full range of pediatric services, and we will also have an Adult and Child Oncohematological Department, Bone Brain Transplantation Centre and Adult and Child Cardiosurgical Centre.

*What does it mean to you to win Georgian Times awards? How do such events stimulate business?*

PSP has been the quality guarantee for the population of Georgia since 1994. 2 million customers select PSP as their family pharmacy on a monthly basis; they trust our product quality and professional and qualified staff members. Certainly, the recognition received from the public is the most important thing, and the main priority for our company. But we are particularly happy to win the trust of experts, and being awarded prizes is a matter of additional stimulus and motivation.

# All Customers are Unique for BasisBank

BasisBank is a unique financial institution with 26 years of history. Distinguished for its financial strength and high capitalization, the bank has always been focused on sustainable growth and development. BasisBank is well positioned in the top 5 banks by assets, having impressive ROA and ROE ratios.

- Universal financial institution
- New Investment Projects

The Georgian Times Business Awards recognized BasisBank as the Most Solid Financial Institution. Since 2012, when Hualing Group, the large Chinese conglomerate purchased the majority of the bank shares, the bank has been making a steadier progress, with the accelerated growth rate. Being the 6<sup>th</sup> largest commercial bank and an important market player. Basisbank ended the year 2018 with impressive results, moving to the higher position of top 4 profitable banks.

2018	GEL
assets	1,411,682 000
profit	35,230 000
loan portfolio	914,559 000
deposits	690,940 000
supervisory capital	222 392 000

Basisbank group unites several successful companies under its umbrella. Hualing Insurance, subsidiary of Basisbank, established two years ago, has already gained high reputation and customer trust. BHL Leasing, another subsidiary, has also been successfully operating in the market. This business model allows the group to offer the complete set of financial products to its customers.

The year 2018 was a turning point in the bank's life, comments the management. The focus on the sustainable development resulted in 1.5 billion of assets.

- Results and New Goals
- Strongly positioned on the 6<sup>th</sup>, preparing for top 5 position
  - Over 1000 businesses de-



veloped with Basisbank support

- Greater awareness: serving over 160 thousand clients

**The Bank with Highest Social Responsibility**

The Basisbank Education Support Fund has been supporting secondary school and university students for the last 11 years, more than willing to continue doing so at least for the next 11.

- Basisbank personal scholarships
- Scientific conferences
- Grants for tuition at foreign universities
- Sponsorship of annual hackathon
- High-tech study rooms at partner universities, named after Basisbank
- Basisbank libraries at secondary schools
- Special books for the children with special needs

**Partners/Ratings/Awards**

Basisbank, as a reliable, sustainable and transparent institution, has been recognized by a number of international financial institutions over the last few years. Agreements were concluded with a number of global IFI's, such as China Development Bank, who allocated funds for the development of small and medium businesses. It was an unprecedented partnership for Georgia's market.

Fitch Ratings, the International Ratings Agency, affirmed Basisbank's rating as B+, with positive perspective. With international recognition being

highly important, the bank also takes pride in the awards and recognition received from the local market. Basisbank won the National Business Award three times. Its status as the Universal Banking Institution is an indication of a new larger scale of operation.

**Network of Branches, Innovative Products, Remote Channels**

Basisbank has a wide network of branches, located in key regions. In parallel with the expansion of the branch network, the bank is renovating its service centers to reflect modern standards and make the environment more comfortable for both clients and staff. When talking about the convenience of services, remote channels are first in mind. Basisbank clients were the first in the Georgian market to be able to get loans or make card transactions in less than a minute, in a simple manner, using Basisbank's mobile banking application, without even having to visit a bank branch. The bank introduced the Personal Dealer application and upgraded its internet banking.

**Unique Banking**

Individual approach to clients has always been Basisbank's key focus, recognizing it as a precondition for the long-term, stable relationship. This inspired the bank to create its product called Unique Banking. It is a new brand, with the complete set of premium services.





# The Orbi Group - an Oscar winning company

The Orbi Group is a winner of the Oscars in the real estate sector and will soon offer its customers the latest project - Orbi Twin Towers. This project is distinguished by its scope and conditions, it's a 5 star hotel complex which offers a full range of services.

Apartments in the Orbi Twin Towers can be purchased for 39,000 US Dollars. They include European standard renovation, appliances and furniture. 4,000 US Dollars is enough to start your business, as every purchase doubles in value upon the completion of construction works and becomes a source of stable income.

Orbi Group signed a contract with the largest International management company, JLL, in September 2018. This global brand will manage the entertainment and shopping centres of Orbi Twin Towers. The complex will introduce PRADA, GUCCI, STEFANO RICCI, CHANEL, ZARA, GIORGIO ARMANI, LOUIS VUITTON, BURBERRY, HERMES, DUNHILL, KENZO, DIOR, DOLCE & GABBANA, VERSACE, RALPH LAUREN, SALVATORE FERRAGAMO, CALVIN KLEIN, LACOSTE, VICTORIA'S SECRET, MEXX and H&M for the first time in Georgia.

At the 19th Georgian National Business Awards organised by The Georgian Times and GORBI Orbi won awards for being the leader in a foreign market, a largest employer and as a practitioner of the social responsibility. Here GT interviews Irakli Kverghelidze, General Director of Orbi Group.

**How does Orbi Group attract customers, other than for architectural reasons?**

Orbi Group is creating a new vector in the development industry. You may think this is statement is too ambitious, and you are right, but we strive to progress and are never afraid of responsibility. Orbi Group has been operating in the construction market for more than 20 years and has long held the status of leading developer company. We are always aware of the importance of our responsibility towards our job, team and partners.

During these years, we have built 3,000,000 square metres of property. We have over 6,000 employees. Projects such as Orbi Sea Tower, Orbi Residence and Orbi Plaza have significantly changed the outward form of Batumi and are its visiting cards. We build in the shortest period of time because we use the latest technologies. We have highly qualified personnel and effective management systems, but most importantly we have a goal: to meet customer need to the fullest.

We deem the buyers of our apartments to be our business partners. We offer them open and transparent cooperation. The majority of our clients are returning customers, because we care for them and protect their interests. They can watch the construction of their properties online, from anywhere in the world, and manage the process remotely.

Our company's top priority is to build long-term and mutually profitable partnerships with our customers. ORBI Group is a re-



liable and sustainable partner in this fast-developing region of tourist boom and high economic growth. When our potential partner see that the reality matches our words they no longer find it difficult to make a decision. This is what makes our projects attractive to customers!

**What sort of projects are in demand at the moment?**

As I mentioned, our customers are very important to us. Therefore we identify the interests of our customers before starting to work on any of the projects, not only in Georgia but elsewhere. Orbi Twin Towers was designed as a response to a customer survey. It is a hotel complex 50 metres from the sea, the fifth largest hotel in the world in terms of number of rooms. It will provide five star services.

Orbi Twin Towers was recognised as the best investment project in the world in 2016. We are also entitled to call ourselves the Oscar winners in the real estate sector, as we have been awarded the Prix d'Excellence by the International Real Estate Federation.

There are two significant criteria in any real estate development: how the value of the purchased unit increases between the date of purchase and the completion of construction works, and how stable an income can be obtained from renting it. This is why Orbi Twin Towers was recognised as one of the best projects in the world. It is an apart hotel, in which the purchase price is returned to the buyer in a couple of years in rental income. This model has made the project highly demanded.

Rooms cost 39,000 US Dollars, and according to the figures of the last two years, their value doubles after construction. Real Estate prices in Batumi are increasing annually. The important

factor is that we sell hotel rooms, property, a business and a stable income all together. These factors guarantee that value will rise year after year.

It has been calculated that the average timeframe of return on investment is 4 years. There are no comparable returns of this type available anywhere in the world.

**Do you promote a healthy lifestyle in your projects?**

As you know most of our properties are on the coast. We also have completed complexes in the mountain and ski resort of Bakuriani. Therefore you can easily guess how important the environment is for us. With us you can live or take a holiday opposite the new boulevard with its cycling and running lanes and open-air exercise equipment.

We have a distinct Orbi Fitness brand. Orbi Palace Bakuriani has an indoor swimming pool.

We are the company which introduced the concept of the apart hotel and established it on the Georgian market. The apart hotels which currently operate are Orbi Residence, Orbi Sea Tower, Orbi Plaza and Orbi Palace Bakuriani. All these facilities are equipped with the adequate infrastructure such as a reception, security, technical services, spas, restaurants and so forth.

Orbi Twin Towers is still under construction, but it is a multifunctional complex which will include restaurants, cafes, shopping and entertainment centres, a spa, indoor and outdoor swimming pools, open and closed terraces, sport & wellness centres, medical centre and other facilities. It therefore offers all the components of a healthy lifestyle. The complex also includes well-furnished green yards, a playground, conference halls and parking lots.



# NCC - Constructing Infrastructure for Future Georgia

NCC – Ggei Kelbakiani  
State-of-the-art architectural solutions  
Large employer

Established in 2007, NCC is a Construction Company delivering high quality products in 3 main directions: Construction, Engineering and building materials production. Management of the company consists of professionals having management experience in urban infrastructure development, residential construction and communication infrastructure.



NCC Ltd is committed to becoming the leader in the construction industry and to deliver high quality, innovative products that meet or exceed our customer's requirements.

In recent years NCC has successfully accomplished more than 70 projects in different fields of construction such as bridges, roads, tunnels, recreational areas, pipelines, residential and other functional buildings out of which several became landmarks of Tbilisi.

NCC's assets include facilities such as commercial

Buildings and storages, vast number of equipment and machinery.

**QMS:**

NCC Ltd developed and is implementing a QMS to demonstrate its ability to consistently provide product & service that meets customer and regulatory requirements, and to address customer satisfaction through the effective application of the system, including continual improvement and the prevention of nonconformity.

**HSE:**

NCC has an internal safety regulation which is issued in accordance with international standards – ISO 9001. Currently, NCC's Health and Safety Manager is in charge of providing the trainings to the technical staff in order to maintain the construction process in line with NCC internal safety regulation.

NCC LTD received ISO 9001:2008 certificate from 2014. Since then the ISO representatives are conducting audit construction processes, annually.





# Carriage Building Holding plans to manufacture Innovative Carriages

The history of the carriage building in Georgia spans over a century and a half, and the Carriage Building Holding is continuing it successfully. Different types of cargo wagon – closed and semi-closed wagons, wheat carriers, oil cisterns, cement carriers and container carriers – are manufactured in Georgia and supplied to local and international partners.

The Carriage Building Holding has once again won Georgian Times and GORBI business awards for introducing international standards in the national industry and serving the country for over 170 years. "Being nominated is a great stimulus for us, as the company is actively engaged in the business sector and is focused on development and innovation," its General Director, Guram Ratiani, told us. Here GT interviews Guram Ratiani.

**What kind of activities does the holding conduct today?**

We hold a certificate/license to manufacture and repair all types of cargo and passenger wagons, electric trains and spare parts of trains. The manufacture of metal constructions for building works creates additional possibilities.

**In which countries are you authorised to provide services?**

We have long held Ukrainian licenses, but have also man-



aged to obtain Russian licenses simultaneously, which reflects the high standard of our production. We have already increased sales to these markets. The company also participated in the railway station production exhibition in Kazakhstan, where we were awarded a prize for having the most interesting stand of the year. As a result the company managed to increase its sales to Kazakhstan by 500%.

**In which other exhibitions do you plan to participate?**

We are preparing for a scheduled exhibition in Russia. Russia is one of our big export markets.

**What are your production plans?**

We have created a 158 m/c closed-type sample wagon. The certification process for this is underway at the moment. We have managed to maintain the old loading capacity – 68 tonnes - in spite of increased volume, as a result of the work of our construction office. We also test and certify 90 m/c semi-wagons, which is a significant achievement.

We are now working on the building and licensing of a larger capacity Cuba tour cereal carrier. We also intend to start building groundbreaking wagons (25 tonne capacity on the axis) which will represent a totally new step and standard in the carriage building sector.



# Levan Vepkhvadze: Georgian International Energy Corporation is a Major Contributor to Georgia's Energy Sector

In 2018, Georgian Industrial Group (GIG) bestowed the grand-prize Transitional Bolnisi Cross of Business Awards to the company "Aversi" but "The Georgian Times" and "GORBI" the company has not left the ceremony without a prize.

**New technologies in the energy sector! The largest employer and philanthropist in the development of education!** – GIG still holds an honorable position among the winners with this nomination.

The largest group owns diversified business portfolio where a clear emphasis is placed on the energy sector of Georgia, therefore, today we will closely introduce to you Georgian International Energy Corporation.

Georgian International Energy Corporation is the largest contributor to Georgia's energy sector in the electricity production & trade.

"The Georgian Times" interviewed General Director of GIEC about the company's business model, role at the market and future plans.

Levan Vepkhvadze took the office in the second half of 2018 and started his interview about the team and reveals that the success of the company is the merit of productive and active work of those people who had been working in the company over years.

**GIEC Business Model**

**Levan Vepkhvadze:** the company's profile does not allow to talk about "the excellence" of its products in the sales. Everyone generates electricity in the sector and it is not serious to say that my electricity or gas is better than yours. The key point here is whether the electricity produced by us is necessary for the country or not and what our market share is. The main thing is the merit of specific 600 people who are employed in the company. The international energy corporation owes thermal power stations, the 3<sup>rd</sup> and the 4<sup>th</sup> power blocks with the installed capacity of 300 megawatt together with the 9<sup>th</sup> power block, GIG is the owner of 600 MW capacity which amounts to 80% of the installed capacity of thermal power stations of Georgia. The 3<sup>rd</sup> and the 4<sup>th</sup> blocks are reserves which are applied whenever they are needed. We are ready in a permanent mode. So the operation of our company it is of great importance. If we look at the statistics especially in the wake of increasing import, in 2018 import exceeded 1,5 billion kw per hour while it stood at 1,4 billion by 2017. This means that one of the most important challenges include the increase of consumption and answer to the question – what should we do in order to ensure stable supply in the system. In this regard, the role of the company is crucial considering the hydro power stations with the capacity of 50 megawatt.

Regulated Power Stations - GIEC does not plan to modify its business model

**Levan Vepkhvadze:** We have all power stations deregulated which means that we do not have any guaranteed purchase contract on any hydro station which is very popu-



lar. The business model is focused on deregulation and I believe we will be fully ready to face already planned market liberation. Furthermore, we are not stopping here and we are planning to start the construction of the other similar power stations. The talks deal with the construction of the power station "Bzhuzha Station 2" with the capacity of 5 megawatt. We have a concrete vision with regard to development of power stations which implies the increase of 50 megawatt capacity up to 100 megawatt within 5 years. It is noteworthy that as per the new legislation the deregulated power station can be only the one with the capacity of around 40 megawatt, therefore, we may start the construction of the medium size power stations as well. If we talk about this model, we should think about the power stations that will decrease the expenditures and increase the profitability.

**Wind energy**

**Levan Vepkhvadze:** our distinctive priority is the application of wind energy and we are planning to launch the development of that specific technology. Primarily, we are considering the development of 20 and afterwards 50 megawatt power stations. It should be mentioned that we had been the first company in Georgia that installed the first meteorological tower in the country and we have been collecting the data for 6 years. I am talking about the construction of 20 megawatt capacity electric power station in Shida Kartli. If we had the support of the government that "Kartli Wind Station" has, we would have been constructed the similar stations long time before. The problem is that today no wind station can be developed without the support of the government.

**Wind co-existing problems**

**Levan Vepkhvadze:** the root problem here is the high price and variability. Considering the specificity of the generation, wind power station has relatively low load factor compared to hydro power stations. The electricity generated from wind power is relatively costly. If there are no guaranteed purchase contracts it will be impossible to develop the sector. Expect for the guaranteed purchases there are a number of models approved in Europe working well – "difference on contracts" so-called feed-in tar-

iffs or feed-in premium tariffs. These models are being actively discussed in order to agree on the best way of developing the wind power in Georgia.

There is another issue that is variability as I have already mentioned above. Unlike the run-of-the-river power stations, wind is not stable during the day. That is why our electric system requires much more knowledge and skills in order to fit to the variability of wind. The variability should be balanced not to cause the system breakdown which requires knowledge. More specifically, we need to identify the areas where the capacities will be installed and how to diversify them in order to obtain stable production. As far as we know Georgian State Electrosystem is working on the issue. The consulting company and developers are involved in the process and we are looking forward to their presentation. It is also important to find out the format of the relationships between the state and companies. There is private and state partnership format but the issue is that the format has not been used for any project so far and we have no information how it may work. We wish the mechanism to start operation soon to see how it works in procedural point of view which is a rather busy scheme.

**Business and Legislation**

**Levan Vepkhvadze:** GIEC is quite active in the field of elaboration of the legislation on the energy sector. We have a social responsibility and we are engaged in the legal issues as market participants with the long-term-vision how to develop energy system in the country and we assess these mechanisms from business point of view. Oftentimes some people who have never ever worked in business introduce some mechanisms and it is hard to clarify how these mechanisms will work in real life. If you are doing something for a business then you should ask private sector whether or not it is necessary to include the business in the development of specific mechanisms. These people need much more advices, suggestions and ideas because we know better what makes these mechanisms effective. Our ultimate goal is the creation of jobs and generation of stable electricity.

Author: Nino Tabatadze



# Dunkin' Breaks Records

Dunkin' - the only chain of restaurants where the hosts smile sincerely and don't charge you for it. Why? Because they are happy to welcome guests and happy with what they are doing. The working environment is pleasant, and the members of the team respect each other. Their high sense of responsibility creates all the necessary conditions for preserving the high standard of this American brand.

Georgian Dunkin' has had the ambition to be a fully-fledged member of the legendary chain from the very beginning, and so it has become. From the opening day, at a time when the Georgian labor code did not impose any obligations upon an employer, work schedules were set at five days a week with a one hour break and dignified remuneration was offered. The company knew what had to be done to achieve success, and sought to create a happy and satisfied staff team, who would create a pleasant atmosphere for the guests.

The Georgian restaurant was soon listed among the top 10 company franchises, the others all being American or Asian. Georgian Dunkin' holds numerous awards for its highest quality products and service.

The Georgian operation incorporates more than 200 premises, which form an entire chain, from quality control to delivery. At the Georgian Times and GORBI business awards the company was recognized for this characteristic feature, its quality and ecological standards and for encouraging local production. Here GT interviews Giorgi Mshvildadze, Director of the company.

*Your parent company said NO TO GMO a long time ago.*



*As is known you use Georgian local products. How did you persuade your partners to adopt such a policy?*

We aim to provide our customers with high quality food products. This is our goal and motto, and our business reflects it. The idea of localizing production was born before the brand's first appearance. We have been working on it over several years. We've localized production of donuts and produce and deliver to stores daily fresh donuts couple of times a day; we use fresh Georgian meat, buns and vegetables for sandwich production; We make every effort to use quality Georgian products, and our partners have completed all the stages of necessary certifications successfully.

*What about your desserts?*

As mentioned above we've assembled local production line and factory in order to prepare daily fresh donuts and deliver them to stores. Despite donuts we've created French bakery line with finest croissants and pastry and Ice Cream produced

by well-established Georgian company Tolia.

*Do you plan to expand your restaurant chain or introduce new products?*

We are exploring market to find suitable locations for new stores. Recently we've opened new restaurant on Leselidze street and one in Batumi. It is important to expend outside of the capital and have presence in regions. We are pursuing our expansion plan step by step. We will soon be opening a couple more facilities on the autobahn.

Our new products include variety of Coffee and its supplements such as bakery and sandwiches. We've developed new concept of Grab&Go with various sandwich and coffee combination which turned out as a very successful business step.

*Your main drink offering is still coffee. Customers also drink wine, beer and juices, so is coffee still an in-demand product?*

In 2018, we served over 2 million cups of coffee. We broke the existing record by doing this, and take particular pride in the achievement.

# Gurieli – The tea from the Homeland of Rustaveli

If you want to taste the flavour of Georgia, if you want to know what it means to be from the homeland of Rustaveli, you have to be aware of this product. It is colourful, black and green, small and healthy – it is Gurieli which was born in Georgia in 2010. Its diverse brands are targeted to all categories of customer – Prince Gurieli, Gurieli from the Homeland of Rustaveli, Classic Gurieli, Fruit Tea, Gurieli Tea Gardens.



Its history began approximately 200 years ago. Mamia Gurieli V (1809-1826), the last governor of Guria, brought some tea plants back from France and planted them in the botanical gardens alongside other exotic bushes. This is how tea came to Georgia.

The idea to create Gurieli was born in 2008. After two years of intensive work with shareholders, product managers, workers and farmers, financial institutions and state officials and international partners such as marketing companies, exporters and consultants, Gurieli emerged on the market.

In June 2010 Georgian packaged tea accounted for only 2% of the local market. But now everyone knows about Gurieli. According to Mikheil Chkuaseli, Director of Geoplant, Gurieli products now account for 25% of the domestic tea market.

The company produces the highest quality products, which have export potential. The management is proud of their exclusive design and packaging. The limited edition release of Gurieli from the Homeland of Rustaveli is dedicated to Georgia's appearance at the Frankfurt Book Fair, designed to showcase the country's cultural heritage and tea export potential.

Gurieli from the Homeland of Rustaveli encompasses nine sorts of tea. These include the already known black and green teas, Earl Grey, jasmine blossom, alpine berry and wild mint and the new chamomile meadow, snow rose and Meskhan nettle. This collection is packaged in several languages. Every pack of the Georgian version includes paintings by well-known painters including Petre Otskheli, Pirosmiani, Mikhai Zich, Giorgi Eristavi, Mikheil Chikovani, Grigori Gagarini and Boris Iohansen. One was decorated by a portrait of Shota Rustave-

li by famous Georgian filmmaker Mikheil Chiaureli. The English version bears reproductions of Mikhai Zich's "The Knight in the Panther's Skin" series.

It was no surprise when Gurieli won Georgian Times and GORBI business awards for "Distinguished flavor and aroma" and "Leader of the Georgian Market". Here GT interviews Mikheil Chkuaseli, who tells us Gurieli's secret of success.

*What is the Gurieli product portfolio and which is the most successful product?*

I cannot tell you which is the most or least successful, because each one is targeted to a different segment. Rustaveli is a limited edition produced in different languages with different packaging, so each version has its own customers. Both price and quality are different. All our brands are successful, but the profit margin is sometimes more and sometimes less. What matters for us is that we meet the requirements of our customers. We want all our customers to be satisfied.

*Competition is growing in the tea market, and a number of new brands have emerged. What is your selling point and what is your market share?*

We account for approximately 1/4 of the local tea market. We welcome high competition, and the emergence of numerous Georgian brands increases the consumption of tea. We wish to promote the product as a whole, not rivalry, as that as the consumption of tea increases there will be sufficient space for all to develop and find new customers.

As for our nearest plans, we will continue producing our new line. We will also be offering novelties to our customers, but I will not be making any statement about these at the moment.

*How do you plan to diversify your export markets?*

Export is an important additional source of income. Sadly, it is not the main source of income for us so far, but we intend to expand our export potential to the full. We are going to enter the Ukrainian and Belorussian markets and also have further plans for the Baltic countries, where we have been represented for years.

*How would you assess government programmes such as the tea plantation restoration project?*

We have participated in this programme. Our tea plantations were established in part through agro loans. These projects are of paramount importance. If anyone can run such a business and sees potential in themselves, they should make use of such a wonderful opportunity.

*How many people do you employ right now?*

Every person who works with us is important and valuable. We take pride in the fact that we have managed to create a team of technical personnel, mechanics and engineers in two regions. They work with one of the most complicated machines for packing and sorting tea. We have managed to retain such staff in Zugdidi and train young counterparts in Ozurgeti. Ozurgeti has three new mechanics who can repair and service all types of machines. 140 people in total are employed at Gurieli and each one is valuable to us.

*When will you be able to produce BIO tea?*

The certification process has begun. We need to complete the full certification cycle within three years, which is not an easy task. Auditing works are currently underway.





# Lilo Mall is Not Afraid of Growth

Lilo Mall has been active for 28 years, serving millions of visitors, and remains one of the largest shopping centres in both Georgia and the Caucasus. It is always seeking new ways of being of service, and the online portal liloishop.ge, which has functioned since July 1, 2018, is clear proof of this. As Giorgi Kvaratskhelia, its General Director, says, dozens of Lilo Mall customers have already enjoyed the deals offered by this online service.

At the 19<sup>th</sup> Georgian Times and GORBI business awards Lilo Mall won prizes in the following categories: number of visitors per annum, largest shopping centre, customer choice.

Her GT interviews Giorgi Kvaratskhelia about the secret of his company's success.

**Lilo Mall attracts millions of visitors year on year. Why do you think it captures such great interest?**

Lilo Mall has been offering customers the widest range of products for 28 years, and, most importantly, at affordable prices. The key to our success is affordable price, wide choice and both retail and wholesale trading. At the same time, the company endeavours to develop the existing commercial infrastructure and maintain reliable and fair relations with entrepreneurs. We have been supplying other shopping centres in Georgia and the Caucasus for years.

All this has made Lilo Mall the leader of the Georgian market.

**Lilo Mall is one of the first shopping centres to have stood the test of time. What challenges have you had to face in that period?**

Lilo Mall opened in 1991, in what is called the dark nineties, when Georgia was in the most difficult socio-economic and political situation. Running a business then was a pretty hard job, but trading at the Lilo market became the only way people could survive. We still have entrepreneurs from that time here, who have become partners of Lilo Mall. We have faced a number of challenges and difficulties over 28 years but managed to overcome them with hard work, the support of our tenants and a great sense of responsibility to the people. I hope we will do the same in future.

**LILOSHOP.GE is the sort of innovation we have come to expect – the online shop of Georgia's largest shopping centre. Is it popular, and has it met your expectations?**

Liloshop.ge was launched on July 1, 2018. Dozens of customers have enjoyed the great deals of our online market for 6 months. Its



products are available countrywide, and therefore this is a convenient service for the rest of Georgia as well as Tbilisi. The items purchased can be delivered to any address.

The numbers of site visitors and online customers are growing day by day. We believe Liloshop.ge is necessary and timely for the development of the business and satisfaction of customer needs.

**How much have you invested in this online sales platform?**

A considerable sum. The company plans to increase its investment, update the products available online on a daily basis, involve entrepreneurs in a multivendor platform and launch an active communications campaign.

**How have overall customer numbers developed since you launched it?**

The introduction of Liloshop.ge has had a very positive impact on the general development of the company. Lilo Mall as a shopping centre has its own breed of customers, who prefer to do their shopping on the spot, and their number traditionally grows annually. Different sorts of customer prefer online shopping, and they make use of Liloshop.ge. Our ultimate goal is to reflect market trends and customer requirements to the full.

**How many shops are there in Lilo Mall?**

More than 6,000.

**What are the rents like?**

The price of a space is calculated on an individual basis according to location and dimensions.

**What is your advice to start-up businessmen?**

They should obtain all the necessary information about a particular business environment before starting their business. He or she should conduct a survey, and go into every detail they can. Further steps can be taken afterwards.

**Several shopping centres have been opened. How have you managed to maintain your competitive**

**advantage?**

Our main advantages are consumer confidence, keeping pace with events and providing the most popular products at the most affordable prices. We support entrepreneurs to enable them to work effectively, and do not increase lease prices so that the lessees do not have to increase prices. Lilo Mall is effectively a city in the city, which has no rival. We may proudly say that most Georgian shops are supplied by Lilo Mall.

As for the other shopping centers, their target groups include people who pay more for brands. Accordingly, the majority of these also trade with us, for example by buying textiles from us, and are not considered a lost segment.

**Can you give three reasons for your company's success?**

- partnership and corporate ethics
- administration and management quality
- experience of partnership and cooperation with tenants

**Can you sum up what 2018 was like for you and tell us about your future plans?**

2018 was a successful and productive year for Lilo Mall. As for 2019, we plan to achieve our goals consistently, and meeting current challenges will allow the company to produce a general plan for development of the company for the upcoming years. This includes the construction of a new emergency service centre, reconstruction of our wholesale sector and the creation of new parking lots, warehouse development and so forth.

Another very important development will be the new underground station Samgori-Lilo Mall, which Tbilisi City Hall plans to build by the end of 2019. This will be a very profitable strategic development. Lilo Mall will be involved in the planning and construction of the new metro station.

# Sante – 21 years of reputation based on Quality and experience

Milk and dairy products Producer Company "Sante GMT" has been creating its own history for 21 years. The portfolio of products combines 120 sort of products which are targeted to all types of customers.

It has become the unconditional leader of the milk and dairy products Producer Company among the other dairy products which implemented ISO and HAC-CP standards and offered its customers guaranteed quality. More than 500 people are employed in the company but more than 2200 people gain stable profits through indirect means in the part of regional distribution markets and raw milk collection units. The company possesses at around 15 milk collection unites.

Within the scope of the interesting campaign conducted by the company, "farmers of Santino" have become known for everyone – farmers' stories are associated with eco-friendly products and human health. For this purpose, the company requires a significant financial support. "Sante" is backed by the world dairy products market leader Lactalis Group which is known for its brands: President, Galbani and Parmalat.

The company permanently invests money in the development of the production lines and re-tooling. The modern European production line allows to offer customers a wide range of products.

The development of the cheese market in Georgia is one of the major challenges for Sante GMT Products in the nearest future and apart from this, the company aims to bring fame to Georgia overseas through introducing Georgian cheese and endemic matsoni.

In an interview with The Georgian Times, Erekle Gamkrelidze, General Director of the winner company says that "Sante" permanently offers customers novelties and pampers with the innovations and the present year will not be an exception. The company won two nominations of the Business Rating Awards – customer choice and high ecological standards. The company pledges to develop the existing categories, offer innovations and numerous pleasant surprises.

**"Sante" enjoys high level of popularity among the customers. How did the company manage to achieve such success at the competitive milk and dairy products market?**

The company has been operating on Georgian market for 21 years and won the trust and loyalty of the customers. Permanent investments and development, quality – as the top priority, analysis and satisfaction of customer needs, highest quality products and a wide range of services, innovations and continuing development of categories - these are the important factors that led the company to be successful.

**What kind of products does the portfolio of the company include, which is highly in demand product and what makes your products competitive?**

The company produces more than 120 sort of products at the moment including the first branded Georgian cheese "Sanebo", the very first brand made from whole milk "Santino", the line of the first dessert "Santisimo", kids brand



"Lokomoko". Certainly, all of them are in high demand but classic dairy such as matsoni, cottage cheese, milk and sour cream are the most important parts of daily ration and the highest in demand products among customers as for the competitiveness our products stand out for high quality and reliability.

**How would you assess your activities in 2018 – what was your greatest achievement and success, what kind of challenges did you face and how did you respond to those challenges?**

2018 had been very successful and interesting for the company but certainly we had to face and overcome challenges which are essential for the further development. We implemented the largest investment amounting to 12 million Gel as a result of which we completely restored milk collection and processing equipment and production appliances. In 2018 we created a new category and returned the well-known product "Shake and Drink" classic matsoni and with vanilla aroma which soon became popular among our customers.

We also produced Loko-Moko matsoni for kids made from endemic rennet which has been aimed to develop the new category instead of increasing sales and which has soon become very popular innovation for Georgian customers.

**How would you evaluate the business environment in the country? What contemporary challenges do the country's business and economy face? What are the major problems/pluses and minuses?**

Georgia is the part of the world's dynamic market. The fact that the free trade is available is of paramount importance. This means that every local company must be efficient, active, and successful and offer its customers high quality products in affordable prices in order to be competitive under such competitive conditions.

As for minuses, I would men-

tion that unfortunately raw materials is limited on the local market, cheese market is not regulated and is beyond control.

As for pluses I would say that Georgian customers are quite informed and tasteful who pay attention to the quality and prices which gives us an additional incentive to meet their needs within the conditions of the most optimal price policy.

**How significant are the changes made on the milk and dairy products market which are connected with the improvement of the quality standards, introduction of milk related regulations and so forth?**

Certainly, we welcome similar regulations but we need to consider that fact that the regulations should be mandatory for all market players equally including the disorganized cheese producers because they must keep the elementary hygiene and safety norms in relation to the products like the large companies.

**What are your plans regarding the satisfaction of the local market requirements and export of the products, do you have specific plans?**

First and foremost, the company's priority is Georgian market and Georgian customers but we also plan to present unique Georgian cheese overseas. To this end, we are focused on the quality of Georgian cheese, introduce on the local market and export abroad later.

**What does it mean for you to be the winner company of The Georgian Times's Business Rating Awards? How do similar projects promote and motivate business sector?**

It is a matter of great pleasure to win the two nomination simultaneously and it requires a great responsibility to become the favorite brand of customers which rests additional responsibility and motivation on us to increase the rate of growth and introduce many more innovations on the market.





# Bravo Records Lives Up To Its Name

Bravo Records won three awards at the latest Georgian Times and GORBI ceremony – for creating a global music label, adopting Western type management and creating a show business image. It is part of a vulnerable industry, as making music is no longer considered a business and music piracy is not considered a crime. But Bravo Records endeavours to create a bridgehead for the Georgian music business, as a company of the future associated with Europe. It recognises Western values and remains in step with them.

Here GT interviews Zaza Shengelia, Founder of the company.

*You never get tired of promoting Georgian music, but have you achieved anything tangible?*

There are a lot of things we can do. There have always been talented people in Georgia. Numerous talented young people have been revealed through the various shows. Believe me, I am very well aware of neighbouring countries' TV shows, and Georgia has the highest concentration of talent.

However it is very difficult to support oneself only through the performing arts. The saddest thing is that artists take up other work, and the industry loses staff.

There is a legislative vacuum here, but ultimately it is a question of will. Georgia has the potential to set an example tomorrow or the day after tomorrow. We all need to say no to contraband, and support legal work in coordination with the government sector. Buying duty-free cigarettes is a crime. We need to take a similar approach to music.

Everyone must understand that poaching music violates the labour rights of thousands of people. We need to react to this the same way we do to violence against women, children and inmates.

Music is a sea of information, and is always in high demand even when people are hungry and have social problems. We need to ignore the populist rhetoric that adopting laws to protect its creators is unjustified. The creator of any production puts their heart, soul, energy and emotion



into it, and this is hard work. You cannot infringe their rights on the grounds of caring for others. This industry requires the same basic protections as any other, we need to create a respectful environment.

*Why did Bravo Records not wait until this happened before setting up?*

There are moments in business when it is worth taking a big risk. It is a kind of luxury to create a record label which conducts numerous large-scale projects in Georgia and overseas. This company is equipped with an international standard studio, the latest equipment, a full range of repertoire services and clip making and concert organisation functions. The potential of Bravo Records goes beyond Georgia. Our desire was to become part of Europe and be ready. We hoped, and still hope, that we will achieve our goals. Europe will not accept us without these values. We have to share its values, this is inevitable.

*What part does Bravo Records play in the TV and cinema industry?*

Bravo Records is a partner of the world's leading record labels, Sony Music Entertainment, Warner Music Group and Universal Music Group. We take pride in the fact that we were the first company in Georgia to be accepted as their partner. We have business relations with these groups and work alongside them. We are licensing legally and entering their area. We are

negotiating about representation status. This is the outcome of our hard work.

We have carried out many interesting projects which are unique in the history of Georgia. In 2018, at the 60<sup>th</sup> Grammy Awards, a Bravo Records album by a well-known rapper from Puerto Rico, Residente, was named the best Latin rock and alternative album. We also recorded a unique concert for the BBC. We never stop.

*Are you part of the Check-In Georgia programme?*

Mariah Carey will come here in May as part of this project, which is particularly interesting and focused on tourism development. Its geographical area has increased, and unique collaborations are occurring in the regions. You may remember Mrs. Nani's and Chris Botte's concert. I cannot count all of them. The local music festival is getting better and better year on year. I am happy, as this gives me a stimulus to explore other new directions.

*When do you intend to revive Bravissimo?*

We are working hard in this direction. We took a particular pride in the investment project bravissimo.ge, but were heartbroken by its termination. We will be happy if Georgian artists can sell their products through this platform.

The Bravo Records team expresses its deep respect and gratitude to the organisers of the awards ceremony.

# Ilyas Ciloglu: Study at IBSU and receive the same education as in USA and Europe

In 1995, when it was decided to found International Black Sea University in Georgia, few believed it would work. It seemed to be a light at the end of a dark tunnel, where students dared to dream about a better future but never get to the end of the tunnel. Now, when you stand at the gates of IBSU, surrounded by green space, you realize that everything is up to you.

IBSU has become a winner of Georgian Times and GORBI business awards for its high standards of education and special popularity among students once again. Here Rector of International Black Sea University, Prof. Dr., Ilias Chiloglu, clarifies why IBSU is the best place to get high level of education.

IBSU is a university with high quality of education. We have a long experience of teaching in English language (since 1995). University has a strong element of internationalization – a big number of staff and student exchange programs, international staff involvement, international students' environment, international publications and scientific events, international expert participation in academic program development process and a big number collaboration with international universities and organizations. A big variety of extracurricular activities are oriented on developing transferrable and soft skills, such as participating in international level Olympiads and competitions in IT, law, business, education and humanities and social sciences. IBSU has a high rate of field employment nationwide, as well as internationally, our graduates pursue studying in worldwide recognized universities. In terms of lifelong learning university has a wide range of certificate programs, local and international summer and winter schools. University considers social corporate responsibility as one of its main priorities – conducts special programs for society: Street Law program, English Language learning program, free legal consultations, Basics of Business, etc. IBSU offers eco-friendly, safe and healthy environment, with special attention to sports and cultural activities. Variety of scholarships for local, international and socially vulnerable students and stipends for students with high academic achievements.

For us every student matter and I myself very often tell this story to my staff and students: "Once a man saw millions of starfish washed ashore. He started picking them up one by one and throwing them back into the sea. A man passing by asked ironically: "Can you save millions of starfish by returning them back one by one?" – "Better ask this starfish if it is worth saving," he replied, and threw one more into the sea. Each of our students is significantly important for us with their achievements and problems.

"Friendship does not mean handling all the workload yourself. Professors and teachers demand the maximum from students when it comes to learning. Probably this is why IBSU graduates' education quality and employment rate are high.

"Our students are competitive around the globe. They are allowed to take part in exchange programmes and study at leading universities in Europe, Asia and the USA. They may then continue their studies abroad. We have partnerships with more than 60 international universities, invite professors and teachers from abroad and send our lecturers for training overseas.

"When I say that I want IBSU to be the equal of universities in Europe, I am told that IBSU stands above many European universities, which is particularly pleasant for us. The level of our BA degrees / education rightly equals that of European ones. There are some challenges at second- and third-degree level in Georgia, specifically at PhD level, which requires completely different types of study. But I believe we have high potential to achieve success in this direction.

"Most importantly, we support students to engage in research to write and publish in our academic



journals along with academic personnel. The university endeavors to meet the individual requirements of students and create a comfortable environment for them. In parallel to educational activities, students are involved in a wide variety of clubs where they may pursue their interests. They can participate in social, cultural and sport activities.

"We also have a business-innovation hub, which enables students to get involved in business during their studies, and a career planning service which links students to potential employers. It is noteworthy that 90% of our graduates are employed. We also have employed students who study here during the evenings.

"International Black Sea University is deemed to have all resources to become the leading educational centre in the region. Georgia has a good geographical location, safe environment and highly qualified professors and teachers, and also affordable quality education and low living expenses.

"If we compare the educational fees of Europe and Georgia, we have a quite advantageous position. The quality of our education, I mean at bachelor's level, is not below the quality available in Europe and the USA, as has been proved and recognized many times. Georgia has approximately 20,000 vacant higher education places. 20,000 extra foreign students would bring an additional 200 million US Dollar profit to the country.

"At present, Georgia is failing to present these opportunities in the best way. We need to work on this to attract foreign students to Georgia. We guarantee that they will receive the same quality of education here as in Europe and the USA.

Author: Nino Tabatadze





# Archangel St. Michael Multi-profile clinical Hospital Prioritises its Patients' Interests

The Archangel St. Michael Multi-profile Clinical Hospital received awards for high technological standards and management standards at the Georgian Times and GORBI business awards. Here GT interviews Iveri Maisuradze, director of its public relations department, about the services it offers and the innovations it has introduced.

*You came to these awards as an honoured guest but will be taking home two awards, how important is this for your clinic?*

This was the second time we have attended the ceremony, which is one of the year's most significant business events. It is a great honour for us to be part of such a grand and prestigious ceremony.

*Does it place a greater responsibility on you or increase your motivation?*

These awards reflect our advancement and success, therefore we will do our best to achieve more next year. This does place a greater responsibility on us, so your project is a source of great motivation for us.

*The clinic was equipped with the latest medical appliances in 2012, but how often do you update your equipment, and what was done in 2018 in that respect?*

The clinic changed its address in 2012 (to Dighomi, Lubliana str. 21) to a new building equipped with the latest devices. The most significant development at present is the opening of a cardiac surgery department, likewise equipped with the latest model appliances, through the efforts of Zurab Utiashvili, our Director. This provides comprehensive cardiac services for patients round the clock. The Cardiac Invasive department also operates full time.

Another major piece of news is the opening of Ärztzentrum: Georgisch-Deutsche Consilium, a Georgian-German joint project which is based here. The honorary consultant of Ärztzentrum: Georgisch-Deutsche Consilium is Professor Roland Kroner, the Director of Magdeburg University Hospital in Germany and one of the pioneers of robotic surgery, while Professor Archil Aladashvili is the head of Oncology and the Surgical Oncology Department in Georgia. The consilium will deliver a full range of medical services for nosology patients, including Tumor board solutions which enable us to determine treatment plans which can be followed in both Georgia and Germany. If a patient chooses surgical treatment, operations can be performed using open and laparoscopic techniques as well as robotic (da Vinci) methods.

*What has been invested in equipping the clinic, and how profitable is medical business in Georgia as a whole?*

New departments and services are being created on a regular basis, the medical equipment is continually updated. Different repairs are regularly made, and these also require adequate investment or re-investment.

Medical business is profitable



in the event of proper management, planning and long-term strategy.

*What kind of services do you offer, and why should patients choose your hospital?*

The clinic offers a full range of medical services in one place. The following departments are operating:

1. Emergency; Director – Professor 2. Lursmanishvili; 2. Critical Medicine; Directors – K. Kvartskhava, M. Potstkhverishvili; 3. Neurosurgery; Director – Z. Tvauri; 4. Oral and Maxillofacial surgery; Director – M. Dekanosidze; 5. General Surgery; Director – K. Zurabashvili. Leading specialists Professor A. Antadze; Professor T. Sesitashvili; 6. Angiosurgery; Director – G. Kheladze; 7. Gynecological Surgery; Director – I. Kitiashvili; 8. Cardiology; Director – M. Shushania; 9. Traumatology; Director – B. Modedadze; 10. Foyxology; Director – S. Kutubidze; 11. Therapy; Director – N. Ratiiani, leading specialist Professor A. Sarishvili; 12. Neurology; Director – Z. Abuladze; 13. Laboratory; Director – N. Khasaia; 14. Cardiosurgery; Director – A. Kvitsiani; 15. Oncosurgery; Director – Professor A. Aladashvili; 16. Oncology; Director – I. Eliava; 17. Antirabic service – V. Lomidze; 18. Outpatient Diagnostics; Director – Z. Okropiridze

*Do you cooperate with medical universities? Do you hire former students?*

We have a residency programme (Director – Tariel Gamkrelidze). Our hospital is a study base for Tbilisi Medical State University, Iv. Javakhishvili Tbilisi

State University and many other universities, and the best students are employed in our clinic. At present, approximately 700 people are employed here.

*A doctor should be professional, welcoming and communicative. How does your clinic ensure this, and how do you select personnel?*

Our clinic offers patients world-class, highest standard, reliable and affordable services provided by highly qualified medical personnel using the latest model medical equipment. Doctors employed in this clinic are communicative and welcoming towards patients; they are collaborative, laid-back and innovative towards other staff; they stand out for their sense of responsibility and impartiality; they give priority to patients' interests above their own and always seek improvement. They have all the necessary skills for leadership, can work under stress, have good communication skills (oral and written), practice teamwork, and resolve medical problems appropriately in the shortest period of time.

*Does the clinic meet ISO Standards?*

Yes it does. We acquired the ISO 9001:2008 certificate at the initiative of our financial manager Gogi Morgoshia, and undertook extensive work to harmonise our quality control and operations with European standards. The management of the clinic thanks all the personnel involved in this process, specifically Nino Endeladze, Davit Aphridonidze, Levan Liparteliani, Tamar Tsutskiridze and Elene Dzneshashvili.



# Modern Trading – Together with Wealthy for Financial Success

BAAMC Wealthy is developing the profession of the future – it raises public awareness that everyone can start trading at the world's exchange and stock markets. To do this they need three characteristics – discipline, discipline and discipline. It is discipline which ensures success on the financial markets.

BAAMC Wealthy mediates between investors and stock/exchange markets. The symbols of bear and bull are well-known to stock quoted companies, as the bear represents regression and the bull progression. That is why Wells has a bull on its logo.

Despite the fact there are hesitations about these activities in Georgia, the company insists that it will only take a short period of time before its ideas are adopted. Building public trust is difficult but not impossible.

At the Georgian Times and GORBI business awards BAAMC Wealthy was named the discovery of the year, and won further awards for successful debut and professional team. Here GT interviews Dmitri Sukiasov, its Executive Director.

*What is the nature of your business?*

Our brokerage company is a tool which allows stakeholders to access different types of financial markets and undertake activities such as buying shares and securities. We are also asset managers, meaning that the assets of the third person are managed by a professional trader or market participant working for us, so that an investor can invest money wisely. The trader invests in different types of financial instruments within long and short-term projects.

*What is the company's most important success driver?*

BAAMC Wealthy is a union of independent traders founded several years ago. We acquire monetary and social capital we deem to be trustworthy. Before the National Bank of Georgia regulated the sector, BAAMC Wealthy had been conducting these activities on the monetary and stock markets on behalf of different organisations. As a result of repeated requests and participation in different meetings, these sectors were then regulated by the NBG under rather strict rules. This allowed the company to remain stable and dignified its activities.

Unlike companies which ruthlessly seized the capital of citizens and did not then conduct any trading activities, Wealthy has always had a long-term perspective and trustworthy approach. We have the lowest commissions, and protect investors or traders from risks. This means that Wealthy is heading towards great success and positioning on the market.

*What projects did you undertake in 2018 and what was your greatest achievement?*

2018 was very successful for our company. On the one hand, we received a license from the National Bank of Georgia to carry out activities in the sector, which is a great achievement and an important document. Then we changed offices, and now have one which completely meets modern technical requirements. We have a big trading hall equipped with super modern equipment which enables us to monitor the markets in real time. We also employed more people this year.

We also conducted the first large-scale contest of its kind in Georgia,



“#bethefirst”, in which the winners opened their own accounts with solid sums. We also launched different informational, educational and promotion activities in the sector.

*What is competition on the market like, and what is your advantage?*

Transparency is our advantage. It protects us from awkward questions and large doses of suspicion. The general activities of the sector are vague, but we give detailed information to people about what they will gain and what they will lose in the event of wrong actions. We believe that it is easy and interesting to achieve success with educated customers. The slogan of our company is “we are together for success” Our company also has many interests, unlike our rivals who concentrate in one area.

*At what stage of development is the Georgian brokerage market?*

The Georgian market is still caught up in the financial sector shock. We are helping the sector move beyond this into a new era. Trust is still weak, and there are questions about cooperating with us. We do not conduct aggressive marketing activities, unlike our rivals, but try to showcase the sector as the most promising field of the financial sector.

*Why are these regulations enacted since 2018 important?*

The regulations protect the market from swindlers. Both customers and companies are protected from additional complications and irreparable harm. They promote the development of the sector and of new products. The National Bank relies on these regulations as the sector's aide and advocate, a regulator not an executioner, and this is of paramount importance. There is no more chaos, and no armies of unhappy people.

*What are your plans for the future?*





# The Town of Love Hosted by Lali Moroshkina

Sighnaghi Art Hotel has won a Georgian Times and GORBI business award in the category Contribution to eco-tourism development.

Sighnaghi is a town where every single street, balcony and rock has its own history. The town of lovers – the place where you feel the closest to the past and still feel in the present, immersed in Kakhetian gravity and self-esteem.

After the boundless fascinating views of Alazani you will ascend the streets full of joy and come across a gorgeous hotel.

**Sighnaghi Art Hotel** – mix of old and new, the East with Europe, vacations with celebrations where you are happy and do not want to go elsewhere. The ancient fireplace and centuries old walls are combined with modernity in such a way that you feel the digital world existed in the past too.

Comfort, an open-hearted host, good wine and delicious dinner – the whole town is talking about the special sweetness of the hotel. I visited the hotel with my Polish guests. They had a great fun. They were on a one-day trip to Kakheti, had very little time and wanted to see Nekresi and Gremi as well. They did not sleep at night, and went strolling around the town. We did not remember how we had come to spend the night with a family of a Kakhetian peasant who we met on the way up Nukriani to the Wine Road.

I have deep knowledge of benefits of wine, and I take pride in our 8,000 year winemaking traditions, the fact that the first winemaker was from Georgia and our culture of drinking wine and feasting and I was particularly happy to inform my foreign friends about it.

I do not think they will ever forget this journey. I told them all the stories between the toasts, starting from the grocery



reform of Erekle II. I was told this was their first visit to Georgia, and they wished to return here soon. This is what can happen in Sighnaghi.



**The amazing host was the honorary guest of The Georgian Times at the business awards. It was in turn a great responsibility for us to host Lali Moroshkina.**

She is the one who created

this small oasis in Sighnaghi, a hotel which is always full of guests and smells of cinnamon pies and glintwein. These are the main ingredients of the ho-

tel and gifts for every guest, who take away warmth and sweetness. My Polish guests wished to return to “my home”, and seemed to need no guide, as they could now guide their friends themselves, if Moroshkina’s small hotel can host so many people.

We asked Lali Moroshkina how she managed to persuade her guests to drink glintwein rather than Saperavi. She told us that Glintwein is a means of flue prevention in winter, a hot drink with cinnamon, honey and orange. So it was appropriate at any time of year. We also asked her what it meant to attend the business awards as an honoured guest once again. She told us:

“The Business Awards is part of my life because I have long been the presenter. In the depth of my heart, I have always been jealous of the nominees. I think this gave me the motivation to embark my own business and engage in a healthy competition with my colleagues!”



## “This Prize is a motivation and responsibility to create even more and develop further”

At the Georgian National Business Awards, organised by The Georgian Times Media Holding and GORBI, at Tbilisi Garden Hall on December 14, five companies were awarded the status of honorary guests. Wine Yard N1 was amongst them, despite being founded only a year ago.

Wine Yard N1 is a family-type travel facility in the village of Akhalsopeli, in the region of Kvareli in Kakheti. Despite its short history it has broken all records for attracting tourists. It introduces visitors to the winemaking activities of our ancestors, in particular, the use of kvevri.

The various members of the family which runs this business quit prestigious jobs and moved to Kakheti in order to establish it. With its slogan “Feel at Home,” the facility pulls together different sectors of tourism: wine, agro, eco, ethno and gastro tourism.

The company has launched a PR campaign called “It is good to be in the village” in an effort to employee locals for the new season. The company buys natural products from them and encourages them to host tourists, which helps poor families gain a profit.

The facility offers wine tasting directly from the pitchers, a three generation-deep cellar, traditional Kakhetian cuisine and master classes, local folklore and choreography. It has also started bottling its pitcher wine and plans to export its products overseas.

At the awards ceremony itself **Tika Dughashvili** was awarded the silver gilded bolnisi cross for her contribution to regional tourism development and for being family business of the year. Here she talks to GT about the company.

**How did you come to found Wine Yard N1?**

The idea came to me while travelling abroad. I found an absolutely different reality there, not the stereotypical one people are familiar with. Actual travelling means dealing with real life, communicating with locals and getting involved in their activities not. This became the source of the idea which I fulfilled with my family members in Georgia. More importantly, I already had a family winemaking tradition.

**What captures the interest of your guests?**

The fact that we are a family, which enables us to introduce our own existing lifestyle to our guests. Foreign tourists become directly involved in this atmosphere, which is called the real world. We offer



much more than just tourism. In my opinion, the unspoilt, natural environment, cuisine and state of being they find here are of paramount importance.

**What do you think about the current agror tourism trends and the tourism sector as a whole?**

In my opinion, the world has already understood that luxury is not something new. People are returning to their origins. Georgia is thus very attractive, due to the unspoiled nature, traditions and antiquities that so surprise our visitors.

**What does this recognition mean to you, and how are you**

are the outcome of our first year of work, of the creation and establishment of Wine Yard N1 as a brand. This has not been an easy task, especially with our bare hands. But the whole family was involved, and we coped with difficulties through our own resources.

We are now developing step by step and engaging all motivated people in our activities. We will staff our team with locals on principle. It should be mentioned that we were the first company to promote this area, as there had never been tourists in this village before. Now thousands of foreign visitors know about our village.



**going to develop your activities?**

These awards mean not only recognition but responsibility. They

**What innovations do you plan in this respect?**

My dream is to help the village. We would like to produce and sell local products, not only in Tbilisi but overseas.

**This is your first Georgian National Business Award. What can you say about it?**

Yes, it was a first and much unexpected trophy, which has made us enormously happy. It is an incentive to do more, create new services and develop further.

I would like to express my gratitude to the event organisers on behalf of my family. It is a great honour for us, a travel company founded only a year ago, to stand alongside the biggest and most powerful companies in Georgia.

Special thanks go to The Georgian Times for giving us motivation. We will do our best to meet your expectations.

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 ASKANELI BROTHERS - GOCHA CHKHAI DZE	 BADAGONI - GIORGI SALAKALA	 BASISBANK - DAVID TSAAVA	 BRAVO RECORDS - ZAZA SHENGELIA	 CAUCASUS AUTO IMPORT - GIORGI SURGULADZE
 GEORGIAN CARRIAGE BUILDING HOLDING - BADRI TSIOLANI	 DUNKIN' - GIORGI MSHVILDADZE		 DUGLADZE WINE COMPANY - ZAAL DUGLADZE	 GEOPLANT (GURIELI) - MIKHEIL CHKUAELI
 GEORGIAN INDUSTRIAL GROUP - ZURAB GELELIDZE	 GIUAANI - GIORGI SURGULADZE	 NCC - GEGI KELBAKIANI	 ZARAPXANA - KETEVAN GOGNADZE	 LILO MALL - GIORGI KVARATSKHELLA
 KEDI STUDIO - GIA ALIKHANASHVILI	 NIKORA SUPERMARKET - DAVID URUSHADZE	 ORBI BATUMI - IRAKLI KVERGHELIDZE	 PETROCAS ENERGY GROUP - IVANE NAKAIDZE	 PSP GROUP - GOCHA GOGILASHVILI
 SANTE GMT PRODUCTS - EREKLE GAMKRELIDZE	 SARAJISHVILI - ZURAB BUBUTEISHVILI	 SOCAR - MAHIR MAMMEDOV	 SCHUCHMANN WINES GEORGIA - NUTSA ABRAMISHVILI	 TOYOTA CENTRE TBILISI - IRAKLI GURCHIANI
 GEORGIAN MANGANESE - NIKOLOZ CHIKOVANI	 GEOSTEEL - SAJIV BALAKRISHNAN	 GEORGIAN OLIVE - GIORGI SVANIDZE	 LISI DEVELOPMENT - NODAR ADEISHVILI	 SHILDA WINERY - MIKHEIL CHKHARTISHVILI