Expanding into the US market with a compliant cloud solution

The customer:
A leading European sports betting provider
Tipico has been a byword for safe sports betting services all the way back to 2004, over which time it has transformed itself from a small, innovative bookmaker, into an internationally active group of companies. The Tipico Group employs more than 1,800 employees at its headquarters in St. Julian’s in Malta, together with its worldwide subsidiaries. The affiliated franchise network in Germany and Austria employs more than 6,000 people.

The challenge:
Taking advantage of cloud while meeting regulatory requirements
As the undisputed market leader in Germany’s sports betting sector, Tipico is growing rapidly and has begun to expand into the US market. While this offered great opportunities for the company, it also came with compliance challenges.

“After having offered our product in New Jersey in the first place, we were extending our market into Colorado, but state regulations require certain transactional data such as user information to be stored in the state,” said Thorsten Hanf, Technical Tribe Lead Infrastructure US for Tipico. “That meant we needed to have on-premise servers in a Colorado data centre.”

“At the same time, we were keen to take advantage of the benefits that we were already seeing with Amazon Web Services (AWS) in the German speaking market, particularly in terms of the reliability, flexibility and availability of services that we already trusted.”

“We decided to use AWS Outpost because it allowed us to base our services in a data centre and repeat the experience we already had with AWS. At the same time we could reuse written code in the public cloud, since it uses the same APIs.” (Cont’d.)

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— Thorsten Hanf, Technical Tribe Lead Infrastructure US Tipico
The challenge:

Taking advantage of cloud while meeting regulatory requirements (Cont’d.)

“So we needed to look for a partner with the knowledge and capabilities to help us achieve this. A partner that could come with us on the same journey in other states, so we could establish a kind of blueprint that could easily be rolled out to other regions.”

The solution:

An AWS Outpost in a certified data centre

Tipico chose to partner with Lumen because it had already experience with the company in Europe, where Lumen provides a range of services including direct connectivity to AWS with Cloud Connect, as well as IP VPN and Advanced Network Security services.

“Lumen was already a strong existing partner for us, and we trusted them because they had already proven their reliability. As one of the biggest global providers we naturally talked to them,” said Thorsten. “We already knew Lumen could offer us value for money and great knowledge. The Lumen team took the legal issue seriously and got the ball rolling very quickly.”

As an AWS partner, Lumen hosts and networks an AWS Outpost rack in its certified data centre, extending the AWS infrastructure and services into a geographical location that would meet local compliance regulations.

The benefits:

Achieving the goal in a very short timeframe

Meeting a challenging deadline

“It was a tough timeline to put everything in place by the AWS on-site visit that is required before the Outpost can be set up,” said Thorsten, “but this is where Lumen showed the power it has to make things work effectively.”

“The Lumen team brought together people from both the European and US sides so we had a lot of knowledge on the table. Despite some doubts that we could achieve the AWS Outpost in such a short timeframe, this gave us confidence that we could make it happen. They put in so much effort and showed a huge flexibility which was a major plus – especially for a company of this size!”

“The timeline was very challenging because it usually takes significantly longer to complete the whole process from first contact, to the AWS on-site inspection, to having the hardware on-site and connectivity installed. Normally this would take about eight weeks, but we achieved it in around three. Even a huge snowstorm didn’t prevent this.”

Expertise, reach and people

“We already knew that Lumen had the knowledge and geographical footprint to help us meet our technical and legal requirements as we expand our operations in the US,” said Thorsten. “The team’s expertise was very helpful during this project when we hit snags, such as a routing issue that the US team quickly solved with a creative solution.

“People are very important in a project like this. We got to know the team well and found we could work very effectively together towards our goals. With hardware, you need to know the right people, you need to know the right procedures, and you need to have people in the right geographical locations. So, this was an important element that Lumen offered that helped us succeed.

“Tipico is keen to continue its expansion in the US and we hope to achieve that together with Lumen.”