Nippon Express

Nippon Express has grown into a truly global logistics company that connects and shapes the world, based on its corporate philosophy of driving social development, creating new ideas that expand the field of logistics, and inspiring trust every step of the way.

The company launched its “Overall Infrastructure Optimisation Project” in 2009, with the aim of integrating various server silos, cutting costs and improving system flexibility. It chose VMware solutions for its standard virtualization platform, and saw excellent results right from the earliest stages of the project.

The “Overall Infrastructure Optimisation Project” Migration Plan

“The mission of our IT department is to provide a fast, affordable and high-quality service to users, by using optimised systems and information processes,” says Yushi Noguchi, Associate Director and General Manager of Nippon Express’s Information Technology Promotion Division. He goes on to summarise the main issues that were identified at the start of the “Overall Infrastructure Optimisation Project” in these terms: “However, as the IT environment grew over the years in response to changing requirements, it had become inefficient, with many different server silos.”

Nippon Express has been operating for 75 years, and it recognised the crucial importance of IT to its business at a very early stage. It first set up an IT department 50 years ago, and has continued to invest in it ever since. However, over time the company’s business has changed dramatically in scale and nature, and constant changes to its IT environment in response to conflicting requirements had resulted in considerable cost, efficiency and system flexibility issues.

“By switching to a virtualized environment based on VMware solutions, we reduced the number of physical servers we used by about 75%, and cut our overall IT operating costs by about 30%.”

Yushi Noguchi, Associate Director and General Manager, Information Technology Promotion Division, NIPPON EXPRESS CO., LTD.

The De Facto Standard in Virtualization Solutions, With Reliability the Key

To resolve these issues, the “Overall Infrastructure Optimisation Project” was launched in 2009. This aimed to optimise the company’s internal IT environment by focusing on four key areas, namely “cost reduction”, “stability”, “flexibility” and “cultural change”.

“According to the project master plan drawn up in 2008, the first step was to carry out an ROI analysis of the various possible approaches. This was done over a three-month period in the first half of 2009. This analysis suggested that virtualization technology would be the most cost-effective way to achieve the desired system optimisation. “By using virtualization technology to integrate various scattered servers, it was possible to cut costs, improve stability and increase flexibility,” says Mr. Noguchi. “It was the perfect technology to facilitate IT standardisation and overall optimisation.”

Having made the decision to adopt virtualization technology, the next step was to select a virtualization platform. After careful consideration, the company chose VMware vSphere.

“The fact that VMware was the de facto standard in virtualization platforms was an important consideration for us. We did look at other companies’ products, but VMware solutions were by far the best overall, especially as regards things like compatibility with surrounding environments,” says Mr. Noguchi.
The company also adopted VMware vCenter Site Recovery Manager as its Disaster Recovery platform. This decision was made during the course of the project, as issues such as operational efficiency were only raised after improvements to the IT environment had already been completed.

"With the old, labour-intensive environment, there were a lot of concerns around speed of response and BCP during emergencies," comments Isao Oonuma, General Manager of NITTSU Information Systems’ Cloud Planning Division. “However, after the presentation we were given on VMware vCenter Site Recovery Manager at VMware’s California head office, we were convinced of its performance and its effectiveness, and we decided to implement it.”

**DR Site Migration Time Cut by 75%**

Mr. Noguchi is very clear about the benefits of adopting VMware solutions: “By switching to a virtualized environment, we reduced the number of physical servers we used by 75%, and cut our overall IT operating costs by about 30%. Furthermore, the critical issue of categorising services – the process of delivering to users the virtualized guest OS as requested – could now be achieved within the target timeframe of 10 days. This is a dramatic contrast to the previous situation, where server procurement alone would take more than a month.”

Disaster recovery and BCP, which are the focus of much attention these days, have also been greatly enhanced by the introduction of VMware vCenter Site Recovery Manager. “We only completed deployment of Site Recovery Manager in October 2011, but in tests, it has cut DR site migration time by 75%,” says Mr. Oonuma. “The workload involved has also been greatly reduced, by automating the task of configuring mount points and virtual machines, which previously had to be done manually.”

Mr. Oonuma also mentioned the secondary benefit of the positive effects on the morale of IT personnel. With VMware vSphere and VMware vCenter Site Recover Manager dramatically improving the quality and efficiency of system operations, staff can now focus more on value-added work, such as system operation planning.

The “Overall Infrastructure Optimisation Project” is not scheduled to be completed until 2014, but Nippon Express is already looking ahead to the next step, which will involve standardising applications throughout the company.

“VMware provided much more than just products,” says Mr. Noguchi. “They also gave us extensive support, with services such as pre-deployment analysis. We look forward to calling on their support again in the upcoming application virtualization phase.”

**Figure 1: “Overall Infrastructure Optimisation Project” and Disaster Recovery System at a Glance**

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