



Virtualization first - a recipe for success

Indonesia's leading food and beverage company adopts an ambitious virtualization strategy to support its rapidly growing business

Customer Profile

GarudaFood Group was founded in 1979 as Tudung Putra Jaya and has grown into Indonesia's leading food and beverage company. The company has developed some strong brands—including Garuda, Okky, Gery, Chocolatos and Leo—manufactured at 12 locations across Indonesia and sold both domestically and internationally.

To strengthen the Group's position in the beverage business, GarudaFood and Suntory Beverage & Food formed a joint venture company in 2011 named PT Suntory Garuda Beverage. This joint venture is an example of GarudaFood Group's growth strategy through strategic partnerships.

The Challenge

Until early 2010, GarudaFood Group had a decentralised IT structure, with four lines of business running their own datacentres. Some applications were replicated across each location, while some were specific to an individual location. The result was a duplication of resources, hardware and licences which was very expensive and difficult to maintain. The company's growth required new manufacturing plants and more business applications which threatened to further compound these significant operational issues.

When Mr Eddy Sutisna joined GarudaFood Group as Chief of Corporate Information Technology in 2010, he needed to improve the company's overall IT efficiency. "With so many applications running across the organisation, it was becoming impossible to provide a fast response to users," he says. "Each datacentre continued to grow as more applications were implemented for specific business requirements."

Mr Sutisna's first decision was to consolidate all the disparate datacentres into one, based in the Jakarta head office. But he also wanted to boost the strategic value of the firm's IT investment. Previously, deploying new applications meant more physical servers, which led to increased power consumption, more complexity, and compounding costs. It would often take 12 to 16 weeks to implement the solution including time spent organising hardware delivery and migration processes. Mr

Sutisna decided a virtualization strategy was the solution. His approach changed the entire objective of the project from consolidating hardware to a vision of a single datacentre, virtualizing the entire IT environment including infrastructure and business critical applications.

GarudaFood Group's IT resources to power the applications that are crucial to business operations would be optimised by provisioning compute resources to the business quickly, managing the entire server infrastructure centrally and scaling to meet growing business demands. Adopting a virtualization-first strategy would also produce significant savings in OpEx and CapEx.

The Solution and Benefits

GarudaFood Group evaluated solutions and spoke to a number of international companies that have a highly virtualized operation. Based on feedback from these companies, GarudaFood Group chose to partner with VMware® and virtualize its datacentre on VMware vSphere®. "As a rapidly growing company, our need extended beyond deploying software. We required a partner with virtualization expertise to support our operations and help us build our roadmap around virtualization. VMware was the obvious choice," says Mr Sutisna.

In the new datacentre, GarudaFood Group now has three clustered environments—development, enterprise resource planning (ERP) and production—and runs over 200 virtual machines on 18 Cisco® UCS B-Series blade servers. Previously, the company had to support more than almost 80 physical servers in its three datacentres.

The single virtualized datacentre has changed the way IT operations support the enterprise. Previously, 16 employees managed the three datacentres. Now, just four employees can manage the entire datacentre and they have time to focus on new business initiatives. Resources have now been redeployed from maintenance to innovation, which ultimately improves the company's bottom line by adding to the efficiency of the manufacturing and distribution process. Mr Sutisna says, "My IT team is now working across multiple roles. It means we have expanded the reach of our

INDUSTRY

Food & Beverage

LOCATION

Indonesia

KEY CHALLENGES

- Improve business responsiveness
- Consolidate datacentre infrastructure
- Reduce desktop management complexity
- Cut operational costs

SOLUTION

GarudaFood Group has improved its business responsiveness and reduced operational costs and complexity by virtualizing its business-critical applications.

BUSINESS BENEFITS

- Improved responsiveness to business units
- Virtualized datacentre and mission-critical applications by 100%
- Reduced datacentre manpower requirement by 75%
- Reduced physical infrastructure by two-thirds
- Delivered three-fold expansion of business applications



VMWARE CASE STUDY

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Mr Eddy Sutisna, Chief of Corporate Information Technology,
GarudaFood Group

VMWARE FOOTPRINT

- VMware vSphere
- VMware vCenter Operations Manager Advanced Suite
- VMware Horizon View
- VMware Workspace Portal
- VMware Horizon Mirage
- VMware vCenter Site Recovery Manager

APPLICATIONS VIRTUALIZED

- SAP ERP, SAP BW, SAP GUI
- JDA (Supply Chain)
- Orange (HR system)
- TM1 (Forecasting)
- Microsoft Applications -Exchange, Lync, SharePoint, SQL, and AD
- Help Desk System

PLATFORM

- Cisco UCS B-Series blade servers
- Cisco Networking
- EMC VNX Unified Storage
- EMC Data Domain
- Dell Wyse Zero Clients

expertise into both long-term innovation and application support.”

Encouraged by the success of the datacentre consolidation project, GarudaFood Group adopted the power of virtualization to its critical core business applications such as SAP, its main ERP system. Virtualizing SAP was a pioneering decision because no other Indonesian organisation had adopted virtualization in this way. By investigating successful SAP virtualization examples in other countries, GarudaFood Group quickly realised that the benefits derived from virtualizing the application layer far outweighed any reservations they had.

“For a company with such extensive manufacturing operations, downtime of ERP means a sizeable loss in daily revenues. Too many of our resources were inefficiently allocated and it was difficult to prevent downtime in our fragmented physical datacentres,” says Mr Sutisna. “Virtualizing SAP results in higher availability at a lower cost. Most importantly, it provides continuous access to the system for our users, boosting their productivity as well as our revenues. This is exactly the kind of stability our operations need.”

With its virtual environment now able to scale to meet demand, the Group has been able to rapidly deploy new applications that help the strategic and operational divisions of the business. Examples include JDA which automates supply chain forecasting and SAP Business Objects and Warehouse, which integrates with SAP ERP to give senior management real-time view of operations through data analysis and dashboards.

GarudaFood Group’s application footprint has increased almost three-fold, while the number of physical servers in the infrastructure has been reduced by two-thirds. Mr Sutisna explains, “Office floor space in Jakarta is at a premium and power consumption continues to escalate as we expand our lines of business. We now host all of our existing and new applications on 200 virtual machines on 18 physical hosts, and manage them from one location.” He continues, “If we had to buy the physical infrastructure to support the increase in business applications, we would need another 130 servers, which would be expensive to purchase and house. We couldn’t have delivered this level of expansion without application virtualization.”

Time has become a critical resource for the Group as it expands its workforce, launches innovative products and enters new markets. With VMware vCenter™ Operations Manager™ Advanced Suite, the firm’s infrastructure and management overheads have been significantly reduced. “VMware vCenter Operations Manager

provides our IT team with visibility into the entire infrastructure, from hardware to the application layer, making it quick and easy to identify and resolve problems.

The challenge of expensive office space also prompted Mr Sutisna to consider expanding virtualization to the desktop. GarudaFood Group carried out a pilot virtual desktop infrastructure (VDI) project by deploying 100 virtual desktops with VMware Horizon View® and replaced physical desktops with Dell™ Wyse zero clients. Deploying a full-scale VDI will provide the Group with centralised control, improved data security and easier management—benefits that the company is already seeing with the pilot deployment. Equipping new locations with client computing from a central location will become a simple and cost-effective process.

Mr Sutisna says, “Our offices and manufacturing facilities are geographically dispersed across a number of locations on different islands within Indonesia. Moving to desktop virtualization supports our goal to centralise IT management—it will mean that all company data will be stored securely in the datacentre and is easily accessible to all our staff, regardless of their location.” He adds, “Virtual desktops consume less energy than standard PCs, and because we run a large number of applications, this reduction is crucial to helping the Group manage costs.”

Looking Ahead

The company’s administration staff in the head office has benefited from the VDI pilot and there are plans to expand this number to 1,000 virtual desktops over the next year. Mr Sutisna plans to implement VMware Mirage™ and VMware Workspace™ Portal to create and deploy virtualized applications such as SAP GUI, which allows SAP Client integration with applications such as Microsoft Office and Adobe Acrobat Reader directly to desktops, in the hopes that IT becomes less intimidating to the end user. Plans to implement a disaster recovery strategy to protect the company’s environment using VMware vCenter Site Recovery Manager™ are also underway.

Today, GarudaFood Group’s datacentre is 100 percent virtualized. “When there is a request for a new application, the first thing we check is whether it can be virtualized. This is technology that works and we want to extend it from the core to all corners of our IT organisation. Our experience with virtualization and VMware over the past three years has transformed our approach to applications. We now think ‘virtualization first,’” concludes Mr Sutisna.

