



Success Story

Suncorp Partners with NetApp to Transform IT for Competitive Advantage

“Working with NetApp on our IT transformation showed us how companies can work effectively in a changing environment.”



Paul Cameron
Head of Enterprise Services, Suncorp Business Technology



KEY HIGHLIGHTS

Industry

Insurance, banking, and finance

The challenge

Merge disparate legacy technology environments to lower costs, simplify administration, and gain competitive advantage.

The solution

Transform IT with a unified, secure, multi-tenancy solution for server, network, and data storage.

Benefits

- Gained flexibility and a culture of innovation to respond faster to business opportunities
- Lowered storage costs 40% in first 18 months alone
- Consolidated 7 data centers to 2, reducing space, power, and cooling costs
- Shortened time to provision storage by 92%
- Improved storage utilization 40%

The Customer

The Suncorp Group is a leading trans-Tasman diversified financial services company. It is one of Australia's top-25 listed companies with over 9 million customers and approximately 16,000 employees in Australia and New Zealand.

The group provides insurance, banking, and wealth management (including superannuation) products and services, predominantly to retail customers and small to medium-sized businesses.

Suncorp's general insurance business is one of Australia's largest, having grown significantly through the acquisition and integration of other businesses. The most recent of these, the acquisition of Promina Group in 2007, brought numerous well-known insurance brands, such as AAMI, Apia, Vero, and Shannons, into the group.

The Challenge

Suncorp acquired Promina to diversify its general insurance and financial services businesses. Like Suncorp,

Promina had grown its business through a series of acquisitions. Merging the business operations of both companies created a significant IT challenge involving a heterogeneous environment of legacy technologies, five different storage vendors, and disparate physical locations. This created a complex data center environment that did not efficiently support the demands of the business.

At the same time, Suncorp's storage was growing exponentially—particularly where unstructured data was concerned—and storage costs were doubling each year. Although the company had previously implemented virtualization across its data center environment, the addition of legacy technology from the Promina merger prevented Suncorp from achieving maximum value, performance, or reliability.

To set a new foundation to position the company for a dynamic future, Suncorp made a bold decision. Paul Cameron, Head of Enterprise Services,

“Even with a 30% annual growth in computing requirements, we’ve been able to create amazing efficiencies with NetApp. Our net IT costs have come down 20% over the last 3 years, yet we are producing 3 times as many business capabilities.”

Jeff Smith

CEO, Suncorp Business Services

Business Technology, explains: “Due to the number of challenges our legacy environment presented, we decided that the best approach would be to take things from scratch and implement total transformation. Therefore, we were looking for a technology partner who could provide us with a complete, flexible solution that would address all the problems we had simultaneously, as well as meet our specific deliverables of driving costs and inefficiencies out of the business.”

The company’s goal was to drastically simplify their IT infrastructure and processes, driving down costs by 40% over a four-year period, while increasing business capabilities. To do this, Suncorp required a technology partner that was willing and able to take part in the ride—a partner that understood the value of social change coupled with technological change. That’s where NetApp came in.

The Solution

After learning how NetApp helped other businesses transform their data management strategies and achieve business breakthroughs, Suncorp chose NetApp to help transform the company’s IT environment and gain competitive advantage. “We were attracted to the company itself. It’s passionate, it has a culture that is

open to change and has been keen on challenging the status quo,” says Cameron. “We wanted to work with companies we aspired to be like. And that company was NetApp,” adds Jeff Smith, CEO of Suncorp Business Services.

Embracing change head on, Suncorp undertook a massive technology transformation that would ultimately see seven disparate data centers consolidated to two locations in a virtualized, dynamic data center environment. As part of the solution, NetApp closely collaborated with Cisco and VMware to provide Suncorp with a secure, highly flexible, multi-tenant infrastructure. Secure multi-tenancy enables business units or departments to share a common IT infrastructure while keeping information such as HR profiles, finance records, and customer data isolated and completely secure. With a shared infrastructure, IT becomes a dynamic asset that is more efficient and can better adapt to changing business needs. “There has been a big shift in focus from IT being required but expensive, to it being our absolute strategic asset,” explains Smith.

“A major factor in agreeing to move to a dynamic data center and a private cloud was making sure of the security of our data and applications

during migration to the shared server, network, and storage resources,” emphasizes Cameron. “The NetApp®, Cisco®, and VMware® secure multi-tenancy solution provided that guarantee and made moving to a shared services-based architecture, and the related benefits, a reality.”

Suncorp’s bold storage transformation involved five key areas: moving to a shared storage framework; migrating from a Fibre Channel environment to an Internet Protocol storage area network (IP SAN) environment; upgrading to Microsoft® Exchange 2007; centralizing and consolidating file servers; and improving backup and recovery.

Suncorp based its new storage environment on NetApp’s dynamic data center blueprint. This allowed the company to channel all business applications to a dedicated shared storage platform, enabling users to access data from any Suncorp office or securely from home, using the Internet.

Migrated platforms included Oracle® applications and databases, Microsoft Exchange, Microsoft SQL Server®, Suncorp’s new claims platform, and additional applications on VMware ESX and vSphere™. In addition, desktop storage of 20,000 users was

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centralized on the new architecture, dramatically simplifying administration and management. Ultimately, data from many varied locations was consolidated into two primary data center environments—one production and one disaster recovery—accounting for more than 80% of Suncorp’s critical business information. The company also adopted an IP SAN environment to replace legacy storage platforms. Over 1,500 virtual machines were migrated from the Fibre Channel SAN, and another 1,500 physical machines were virtualized. In the end, Suncorp went from thousands of disparate storage systems to one shared infrastructure.

Cameron notes, “Suncorp had already gained a level of comfort around what virtualization could offer. We were an early adopter and wanted to see how the virtualization of our data through NetApp could help us achieve greater efficiencies.”

Business Benefits

Suncorp’s new dynamic data center environment delivered immediate, multiple business benefits, including reducing storage costs by 40% in just 18 months. Moreover, greater flexibility and efficiency continue to drive down ongoing costs and support future business growth.

“Our objective going into this project was to reduce the number of vendors in our IT environment, leading to reduced complexity and lower costs,” Cameron recalls.

“Our specific TCO goal was to reduce our storage costs by 40% over four years. Technically this transformation challenge was equivalent to a heart and lung transplant, performed simultaneously while merging the Suncorp and Promina operational businesses. With NetApp, we achieved that goal in just 18 months using a flexible, shared storage platform, which we migrated to seamlessly.”

With the use of NetApp’s thin provisioning technology, Suncorp was able to reclaim 400TB of previously unused storage from the production environment. Also, overall storage space requirements were minimized through the use of NetApp’s deduplication technology. With an optimized IT environment, Suncorp can now reallocate resources quickly and easily, as needed, through virtualization. Storage provisioning time has been reduced by 92%, and service levels have improved. “We have to activate and provision environments on the fly. It used to take us a couple of hours for a build, now it is down to two minutes,” says Smith.

“All of these factors benefit our business by allowing us to be more flexible. We can more rapidly take advantage of new business opportunities and respond faster and more consistently to market demands,” says Cameron. Not only have costs come down, Suncorp is now delivering three times as many business capabilities as before. “We created a new internet banking platform, end-to-end, for significantly less than the industry averages of \$150-\$300 million. That platform has been growing at 20% a year,” says Smith. In addition, the company launched a mobile banking platform in just a few weeks for zero incremental dollars. “Within a few months there were over \$250 million in transactions on the mobile platform,” adds Smith.

New capabilities have also enabled Suncorp to increase revenue. By gaining a single, centralized view of 9 million customers, 16,000 employees, all financials, pricing, and claims, the company has been able to increase margins.

Greater efficiency has enabled Suncorp to consolidate seven data centers to two and dramatically reduce hardware space requirements—from 23,680 sq. feet (2,200 sq. meters) to 4,843 sq. feet (450 sq. meters). The result has

been significant savings on space, power consumption, and cooling costs. Plus, Suncorp can now run its data centers on a completely lights-out basis, administering the data center environment remotely and saving on data management costs.

“NetApp, Cisco, and VMware have demonstrated the seamless integration of their technologies, which created a best-practice design for our storage infrastructure through the use of virtualization,” Cameron explains. “We have created one of the world’s biggest network file system implementations on VMware, allowing Suncorp to achieve greater storage efficiency. We can now separate people from the technology, and our IT team doesn’t have to be located at the data center.

The right mix of technologies, including those from NetApp, has enabled us to manage our data centers more effectively.” In addition to the cost savings and efficiency improvements, Suncorp has also experienced a significant cultural shift as a result of the transformation, which has helped position the company competitively for the future.

“Working with NetApp on our IT transformation showed us how companies can work effectively in a changing environment, while still providing the best possible outcome,” Cameron notes. “As a result, we have embedded a culture within Suncorp: embrace and encourage change to nurture a dynamic, agile business.” “Our culture is our biggest competitive advantage,” emphasizes Smith.

Next Steps

As more business processes across Suncorp are standardized and consolidated, the company plans to build on its current efficiencies and continue to deliver new capabilities to its customers—both internal and external.

Cameron concludes, “NetApp showed a willingness to make this transformation program work from day one and worked with us to resolve our storage and data lifecycle challenge as part of a greater business challenge. One of our biggest challenges now is not how to become more efficient in the data center, but driving these new virtualized platforms and applications to improve the customer experience.” Adds Smith, “The wind is at our back now, but we have to reset again. There is still another horizon. What’s the next thing we can do?”

SOLUTION COMPONENTS

- NetApp FAS6000, 3000, and 2000 platforms
- NetApp SnapManager® for Exchange, SQL Server, SharePoint®, Oracle, and Virtual Infrastructure
- NetApp SnapDrive®
- NetApp MultiStore®
- NetApp FlexClone®
- NetApp Operations Manager
- NetApp Protection Manager
- NetApp SnapVault® (backup and archive)
- NetApp SnapMirror®
- NetApp SnapRestore®
- NetApp NearStore®
- Thin provisioning
- Deduplication
- CIFS 1.0
- NFS v3
- FCP
- iSCSI



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