

CASE STUDY

WWL Outsources IT for Strategic Flexibility



At a Glance

Industry:
Shipping & Logistics

Challenge:
Power a growing global business with flexible IT infrastructure

Solution:
CenturyLink manages WWL's IT needs through private cloud, application management, database management and security services



Wallenius Wilhelmsen Logistics (WWL) delivers innovative and sustainable global shipping and logistics solutions for manufacturers of cars, trucks, heavy equipment and specialised cargo. WWL's sophisticated supply chain solutions ensure an efficient integration of ocean transportation, inland distribution, terminal handling, processing and a comprehensive range of technical services. The company has a strong environmental focus and is an industry leader in developing innovative solutions to reduce its operational impacts on the environment.

The Oslo, Norway-based company operates in more than 30 countries and in 2015 accounted for almost 5 million total units shipped of cars and heavy equipment around the world. Those units flowed through 13 different terminals and ports where WWL handles the data-intensive processing steps as cargo moves from one transportation form to another (such as offloading from a ship onto trains or semi trailers).

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Challenge

Operate a data-intensive business without building IT cost

WWL has worked with CenturyLink for several years to support various parts of its IT operations, through CenturyLink colocation services. In recent years the complexity of the IT infrastructure necessary to keep up with the growth of the business and the data it generated increased exponentially. This organic need for more IT gear and more sophisticated infrastructure intersected with what Hellum and his team viewed as a rising pace of technological change. Not only would Hellum's team have to buy and maintain more equipment, they would also have to build a technological core competency to understand the business potential for capabilities that were emerging at a faster and faster pace.

WWL management made the decision that building these capabilities internally would detract from the core focus on customers who depended on them for delivery of major goods. Yet, IT was interwoven into delivering that service. A new strategy was required.

Hellum's strategy became known as "Step Cloud" as the company set a path toward moving its operations into the cloud for increased flexibility. WWL wanted to partner with a managed service provider who could essentially take over the IT needs of the entire business. That move was designed to shift capital expenses of buying servers and other equipment to operating expenses that could be managed on an ongoing basis. The partner needed to operate globally and have experience at integrating both new applications and legacy services (e.g. email and other core services) into cloud environments.

Solution

Outsourcing IT needs to CenturyLink

CenturyLink and WWL implemented the Step Cloud programme in phases. Essentially, the pair set out to "switch off" each of WWL's six internal data centres in succession.

WWL now runs its IT operations through a Hybrid IT environment, providing them the right infrastructure for the right workload at the right time. The solution utilised CenturyLink Private Cloud for the workloads and applications that could be moved directly to the cloud. WWL also utilises application management for standard applications such as Citrix, Microsoft Exchange and Microsoft Sharepoint environments. CenturyLink also provides the middleware and database management to support those applications. Managed Hosting includes some proprietary applications which WWL developed to manage cargo handoffs between transportation carriers at ports and other aspects of the business. The infrastructure is protected by layered security services to provide high availability and disaster recovery protection.

CenturyLink operates a multi-layered end-user support operation that frees WWL internal staff to focus on new applications and strategic issues in the business. CenturyLink staff triage all issues reported to the help desk, addressing most issues directly. A global service desk then provides an escalation path for addressing more complex issues that might involve dispatching a technical team or handing off issues to other WWL vendors. In addition to that support operation, an internal operations team maintains remote and mobile devices attached to the network.

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Results

Cost savings, greater flexibility as internal data centres switched off

Hellum reports that five of WWL's internal data centres have been retired with a final one in the United States now scheduled for retirement in the coming year. The expected cost savings as IT moved from a capital expense to an operating expense has been realised.

Hellum proudly noted "a very high" percentage savings in costs through these managed services versus building out the infrastructure in-house.

Lead times for added capacity or new projects have also improved from weeks to hours as capacity can be brought online smoothly without the burdens of equipment purchase and deployment. This offers tremendous flexibility in a service-oriented business where the cargo and customers involved might be anywhere in the world with pressing delivery deadlines of their own.

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Future plans

Final data centre retirement, growth

"We have been on this journey to outsourced IT for a very long time," Hellum said.

The journey continues with the planned retirement of the last internal data centre. Hellum looks toward adding public cloud capacity to provide on-demand services and streamline operations as the business continues growing. WWL is relying on CenturyLink's understanding of new technologies in development to advise the shipping and logistics firm on new opportunities to serve its own customers and improve its efficiencies.

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