sojitz

New way, New value

NTT Communications
Transform. Transcend.

Sojitz Corporation

Realizing an IT platform that adapts to business changes swiftly on a group level for the Sojitz Group – leveraging Microsoft Azure.

Service: Enterprise Cloud Hybrid Cloud with Microsoft Azure
Arcstar Universal One Multi-Cloud Connect for Azure

Mr Keita Fukuyama
General Manager
IT Planning Dept.
Sojitz Corporation
"This first large-scale cloud migration for our company requires some trial and error, but we are confident that NTT Communications is trustworthy and look forward to further collaboration."

Mr Hiroshi Nonaka
Deputy Manager
IT Planning Sect. 1
IT Planning Dept.
Sojitz Corporation
"This project involves migrating several hundred systems to cloud. We expect NTT Com will refine its comprehensive capabilities through collaboration with its sales team and partners as well as the strength of its technology and global coverage."

Customer profile

Name: Sojitz Corporation
Revenue: JPY 4,209.1 billion (as of March 2018)
Business: Sojitz is a general trading company involved in various industries (automotive, plant, energy, metal resource, chemical, food, agriculture & forestry resource, consumer goods, industrial park, etc.). It globally engages in various businesses including the manufacture and sale of products, provision of services, planning and coordination of projects, investment and finance.
URL: www.sojitz.com

Challenges
- Faster adaptation to business needs & quick implementation of IT infrastructure.
- System operation and periodic renewal costs were burdensome.

Solutions
- Stepwise migration of global IT infrastructure to cloud.
- Formation of task forces to proceed with the project robustly.

Benefits
- The prospect of achieving implementation speed, security and cost reduction goals.
- The ability to drive business transformation and innovation through IT.

Challenges
An on-premises IT infrastructure became an obstacle in the increasingly turbulent business environment

General trading company Sojitz was formed in April 2004 through the merger of long-established companies Nichimen and Nissho Iwai. The company now has four domestic offices, 82 overseas offices (as of March 31, 2018), and over 400 group companies.

Sojitz is involved in nine industries including the aviation/transportation, automotive, machine/medical infrastructure, and energy/social infrastructure industries. While actively making business investments, the company is currently focusing its efforts on strengthening profitability.

In the past, Sojitz built and operated its own on-premises IT infrastructure in two data centers in Japan and the United States. "This foundation previously met the IT needs of our headquarters and group companies. But changes in the global business environment have recently been accelerating and we could no longer fully meet demands for speedy implementation and cost reductions," said Fukuyama.

For example, it took several weeks to procure servers for new projects and business ventures. This hampered us from offering new services faster than our competitors. Ownership of growing assets also increased operational load and the inconvenience of periodic upgrades. "In fact, over 60% of our annual IT investment was spent on system renewals that also demanded huge investments in time and human resources," recounted Fukuyama.

Solutions
Select a partner that can manage globally and effectively with comprehensive abilities
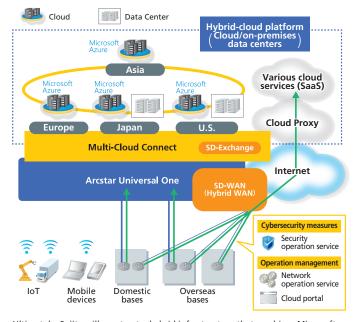
To move forward and convert IT to a driving force for business transformation, Sojitz decided it was necessary to end on-premises operation and migrate the company-wide IT infrastructure to cloud. Toward this end, the company began looking for a capable partner and selected NTT Communications (NTT Com).

NTT Com had been closely collaborating with Microsoft since 2017 and proposed using Microsoft Azure (Azure) cloud service as the core of Sojitz's communication infrastructure, as well as for migration support.

"To realize the cloud infrastructure we required, it was necessary for our partner to provide the servers, networks, and everything we had been operating on our own as secure services. In the future, we hope to integrate the IT resources of the entire group, including overseas, using the same infrastructure. So we needed a partner that could support such initiatives," explained Fukuyama. NTT Com is more than capable of satisfying these requirements.

In the cloud, the design and configuration of the network greatly affects operation quality because every operation passes through the network. We believed NTT Com, which is also a network provider, could build a communication environment that optimizes the strength of Azure.

Figure: Image of next IT infrastructure platform at Sojitz

Ultimately, Sojitz will construct a hybrid infrastructure that combines Microsoft Azure and on-premises servers.

Benefits
Long-term project execution with clear goals in three areas

In collaboration with NTT Com, Sojitz started building its new cloud-based IT infrastructure using five teams organized by task (the environment building, function verification, system migration, guideline preparation, and operation handover). "Based on advice from NTT Com, we structured the project to fully meet quality standards and deadlines. Each team includes an expert at the assigned task to ensure missions are skillfully and responsibly handled," explained Nonaka.

Actual migration will be carried out in four phases – migrating headquarters development machines, migrating headquarters production machines, migrating various domestic and overseas base systems, and integrating international network security.

The first phase of smoothly migrating headquarters development machines to the cloud was completed in about two weeks with the strong commitment and support of Microsoft top management. Currently, the headquarters production machine phase is underway.

"The project has just begun, but should start making a difference in three key areas: accelerating our response to environmental changes, raising security levels, and optimizing costs," said Fukuyama.

When dealing with changes in the business environment, we aim to cut response time by 50%. However, even greater reductions can be reasonably expected since infrastructure procurement in the current on-premises environment takes several weeks. Faster response time will greatly support strategic measures such as new business launches, reorganizations, and M&A.

Regarding security, various countermeasures implemented at the company's data centers in the U.S. and Japan will be switched to forms suitable for the cloud. "Once we finally consolidate systems on Azure in the Sojitz group, we can more easily apply a unified policy that raises security companywide and strengthens governance," suggested Nonaka.

Lastly, the company aims to reduce total costs by 30%. Once cloud migration is complete, significant reductions in infrastructure procurement, data center usage, and data center operation management costs are expected to easily offset newly generated cloud use expenses.

"In addition to migrating overseas bases to Azure, we are optimizing cloud usage by revamping networks with SD-WAN and Cloud Proxy. It's a long-term project, but we look forward to NTT Com further strengthening collaboration with Microsoft and continuing its full support," Fukuyama concluded.

NTT Communications Corporation
Website www.ntt.com