Ryerson China builds a solid steel future on the cloud

CITIC Telecom CPC helps transform business with SmartCLOUD™

Business growth is a goal that many companies seek to achieve, but just because it is desirable does not mean it comes without its challenges.

That was the experience of Ryerson China Limited, a traditional steel service center, which operates across various industries, offering inventory management, credit terms, primary processing and manufacturing services to a broad range of clients.

By taking advantages of the cloud delivery model, the company hoped to gain access to an expanded resource pool that could be deployed at short notice.

The company, formed by the acquisition of Hong Kong-based steel and coil processing company Van Shung Chong Holdings (VSC), operates plants in Tianjin, Dongguan, Guangzhou, and others two in Kunshan.

Growing pains

However the dispersed nature of its footprint meant it found itself in a position that many firms experience when they go through periods of rapid growth, namely having the heavy workload placed on its in-house technology infrastructure.

This proved to a significant burden on Ryerson China's IT team, who were having to spend an increasing amount of time (and resources) maintaining and upgrading the legacy platform.

To add to the complexity of the task, predicting the level of demand was difficult, leaving the firm little choice but to over-provision to cope with periods of peak computing demand, resulting in high levels of capital investment and capital lock-in.

Enterprise shopping list

Clearly this was an IT problem well-suited to a cloud solution, but due to its unique operating requirements, Ryerson China needed to find a vendor with a product flexible enough to cope with its bespoke needs.

Network stability and performance were key priorities for Ryerson China, and once that was in place, the imperative lay in adopting a rapidly deployable and scalable infrastructure.

Specifically, the firm wanted its IT department to transform from the traditional cost center into a strategic business enablement division, focused on enhancing the end-user experience to attract more business as well as improve efficiency.

Part of Ryerson China's interest in transforming its IT function was the appeal of cloud computing services. By taking advantages of the cloud delivery model, the company hoped to gain access to an expanded resource pool that could be deployed at short notice. This would help reduce the sizable capital investments made in IT infrastructure while increasing the ability to respond to rapid spikes in computing demand.

Ryerson China also needed a platform that would meet international regulatory requirements such as Sarbanes-Oxley, and a vendor with a proven record as a third-party service provider that offered around the clock management services and specialized technical expertise. This needed to be backed by Security Operations Centers, Network Operations Centers and Cloud Operations Centers.

Lastly, Ryerson China wanted a service provider that would come with a deep knowledge about the service challenges in the mainland China local connectivity, the China and Hong Kong regions and also possess international experience to help facilitate the firm's strategic ambitions.

Relationships matter

This was a tall ask for any cloud provider, but after working closely with CITIC Telecom CPC to optimize network connectivity across its plants and data centers, Ryerson China was confident it could extend the benefits of this relationship with the adoption of the SmartCLOUD™ Compute solution.

Seamless deployment

The process started in 2011 with a proof of concept phase, dubbed Phase Zero, which allowed Ryerson China to carry out test runs in an environment similar to its actual operating conditions. This gave the company a complete understanding on how they could prepare for the implementation and carry out the final migration as seamlessly as possible.

Having satisfied Ryerson China in the testing phase, the rollout of SmartCLOUD™ Compute was planned over four phases.

The first phase was to adopt cloud data backup and test out the cloud services. The journey began with CITIC Telecom CPC's support to undertake data consolidation and daily backup, which helped to improve the company's disaster recovery and business continuity capability. The whole backup and test process was completed within one weekend.

Phase Two involved a migration from read-only database to read-and-write database. In this migration stage, the first application migrated to the cloud was the read-only database. When the migration was successful, the read-and-write database was migrated.

Since the start of Phase Three in 2012, CITIC Telecom CPC has helped Ryerson China to progressively migrate its applications to the cloud. The Business Intelligence system was the first application set to be moved, followed by the migration of the firm's production services and manufacturing system at the start of 2013, and the finance system was moved into the cloud in August last year. These three systems account for 90 percent of the applications used by Ryerson China, which means a majority of the company's operations workload is being performed in the cloud environment.

Ryerson China estimates monthly costs have been reduced by between 15 and 20 percent after SmartCLOUD™ *deployment..*

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Phase Four, which is set to start in the near future, will deploy CITIC Telecom CPC's Backup and Disaster Recovery services to further strengthen Ryerson China's system reliability. Furthermore, the firm has decided that when the current legacy hardware retires, it will not purchase its own hardware anymore.

Banking the cloud benefits

The adoption of the SmartCLOUD™ solution has meant Ryerson China has managed to overcome many of the business challenges that its legacy IT platform was struggling with. The firm gained access to scalable IT resources, higher availability and faster response times, and the IT team was released from its heavy technical workload and now focuses on mission-critical operations.

The security offered by the cloud platform has also meant that Ryerson China is fulfilling its compliance requirements while offering continual access to management services.

When looking at the bottom line, Ryerson China estimates monthly costs have been reduced by between 15 and 20 percent after SmartCLOUD™ deployment. Continuous support during non-business hours and the elimination of huge amount capital investments for new hardware and other services have also added to the actual cost savings.

Furthermore, the SmartCLOUD™ adoption has also brought in better ability to manage costs due to the predictable pricing model offered by CITIC Telecom CPC. In short, Ryerson China regards CITIC Telecom CPC not just as a vendor, but a strategic partner that provides real solutions to support its business.