VCE

■ CLIENT
Canadian Pacific

■ CHALLENGE
Move from inefficient, outsourced mainframe IT services to an in-house, private cloud implementation

■ SOLUTION
Vblock Systems running a broad suite of SAP enterprise applications and other business-critical solutions

■ RESULTS
Has dramatically improved system-wide operations and customer responsiveness while reducing IT costs

VBLOCK IS CORNERSTONE OF NEW IN-HOUSE IT OPERATION FOR CANADIAN PACIFIC

RAIL CARRIER ROLLS OUT VIRTUALIZED SAP SOLUTION IN RECORD TIME

2012 was a year of dramatic change for Canadian Pacific (CP). Economic and market challenges caused CP to make fundamental shifts to drive continuous improvement and create opportunity. The railroad wanted to more effectively manage costs, streamline processes, and be more responsive to its customers to grow its share of profitable intermodal traffic and other business.

As part of this sweeping transformation, CP took a fresh look at its outsourced IT and decided to bring the entire operation in-house. After evaluating various options, CP chose Vblock™ Systems from VCE to virtualize its extensive suite of business-critical SAP applications and other business solutions.

"We were looking for significant operational and cost efficiencies," said Mike Redeker, Vice President and CIO of CP. "I'm pleased to say we've realized both."

> "**For us, Vblock Systems are an ideal solution.** We have one infrastructure from one business partner on one platform. It's made it very easy."
>
> — *Mike Redeker*
> *Vice President and CIO*
> *Canadian Pacific*

The Challenge

Headquartered in Calgary, Canadian Pacific is a transcontinental railway operating in Canada and the U.S., with direct links to eight major ports. For many years, the railroad outsourced its IT services to large mainframe providers.

Faced with growing competitive challenges, the railroad knew it needed to be faster, more agile, and quicker to respond to customer requirements. It also wanted to be able to decrease expenses— and do more with less to achieve profitable growth.

The Solution

With a true "green field" opportunity, CP thoroughly analyzed IT solutions from a number of providers and selected the advanced converged infrastructure of Vblock Systems for its in-house, private cloud implementation. The entire process—from procurement to full production—was handled between July and November of 2012.

Most impressive was how smoothly the actual conversion went. CP has one of the largest SAP footprints in the transportation industry. The railroad runs its inventory scheduling and tracking solution on SAP, as well as financial applications and customer relationship management (CRM)—its complete back office. Redeker and his IT team worked closely with VCE Professional Services and specialists from SAP to deploy the infrastructure and implement the application environment.

"We were able to convert everything— our integrated Sybase database, SAP applications, the entire operation— in one weekend," Redeker recalls. "Quite honestly, it's been a flawless implementation to-date."

CP will port the remainder of its critical railway applications to the virtualized environment in 2013. The company also relies on Vblock Systems for disaster recovery, with a new data center in Minneapolis fully mirroring the one at its Calgary headquarters.

The Results

As Canadian Pacific focuses on delivering higher quality, more responsive service, managing costs more effectively, and maximizing its use of assets, the converged infrastructure of Vblock Systems is contributing in a variety of ways:

- CP is already seeing a 30% improvement in productivity as well as taking fewer calls from customers at its help desk.

- The smaller IT footprint of the virtualized landscape is also delivering performance improvements and the anticipated total cost of ownership savings.

- Vblock Systems are providing the reliability a 24x7 railroad requires, with Redeker remarking that he and his staff "don't really have to worry about whether the IT infrastructure is up or down, because it hasn't been down since we deployed it."

- With CP's mirrored data centers, if an incident occurs at one data center, the company will be able to quickly bring up the other.

- The flexibility and simplified provisioning capabilities of Vblock Systems will enable CP to easily grow and mature its SAP-Sybase environment to keep pace with customer needs.

- CP has built a true collaborative partnership with VCE as well as the specialists at SAP.

Of the VCE team, Redeker noted, "Our relationship with VCE has been outstanding— they have great skills, are really articulate professionals, and they the have ability to push at the right times and in the right places."