

Matching IT investment with media revenues

Cisco Capital helps Mediapro accelerate revenue and savings from Internet streaming.



Customer: Mediapro

Industry: Media

Location: Spain



Challenge:

- Maximise and execute on high-growth market opportunities
- Move to two new data centres, while protecting existing IT investment

Solution:

- Cisco Unified Computing System™ with Nexus switching platform
- Cisco Capital financing

Results:

- Reduced time to market by 50%
- Accelerated €550,000 in potential revenue and savings
- Faster payback within a shorter timeframe
- Improved cash flow management and reduced risk



Challenge

Mediapro is one of the biggest and fastest growing media and broadcast companies in Spain, and a leading player in the European audiovisual market. The talent of its 3,500 highly trained staff, vast technical resources and strategic relationships formed with partners around the world enable Mediapro to offer global multimedia services.

A constant drive to grow audiences and revenues was placing new demands on the company's data centres. "We wanted to stream GOL TV to the Internet," says Gustau Serra, chief information officer for Mediapro. "But, instead of outsourcing the content delivery to third parties, we wanted to be able to do this ourselves. This meant upgrading our production centres in Madrid and Barcelona. The aim was to provide both facilities with a new design able to support video streaming applications at 10 Gbps speeds. Also, by providing full virtualisation capabilities, we wanted to make our operations more efficient and improve our speed to market."

In the past Mediapro had always chosen to buy technology, preferring to own and depreciate the assets on its balance sheet. Given the size and complexity of the project, the company was looking for a way to reduce risk and time-to-benefits. Also, by preserving cash, it could focus investment more towards its core business of creating and producing multimedia content. "Selecting the right procurement approach was just as important as making the right technology choice," says Serra.

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Gustau Serra, Chief Information Officer
Mediapro

Solution

To find not just the strongest technical approach, but also the most favourable financial terms, Mediapro turned to its trusted advisor Cisco®. "We were interested to hear how Cisco was transforming its own data centres," says Serra. "They shared their strategy and explained how we could apply this approach to obtain greater value from our servers, networks and storage systems."

Mediapro has created a next-generation data centre platform, based on the Cisco Nexus® family of switches and Cisco Unified Computing System™ (UCS). The solution introduces new capabilities – such as virtual device context, VN-Link and service profile templates – for accelerating the virtualisation process, lowering IT overheads and reducing the time it takes to provision new services.

Mediapro's choice of technology was complemented by a competitively priced financial package from Cisco CapitalSM. A three-year operating lease helped to offset the risk of changing technology partners and swapping out blade servers, while also replacing the burden of upfront capital expenditure (CapEx) with a predictable monthly operating expenditure (OpEx).

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Results

Replicating the Cisco Data Center architecture across both production centers has helped Mediapro to grow TV audiences and improve service profitability. Streaming GOL TV to the Internet could open the door to advertising and subscription revenues estimated to be worth as much as €300,000, while eliminating the need to outsource content delivery is expected to save around €250,000 a year.

Operations have become efficient and more automated. Now, with Cisco UCS, a new service can be provisioned and deployed about 50% faster. If further capacity is required, Mediapro can 'scale-out' by simply buying a new blade and inserting it into the existing chassis. All hardware and software is already pre-configured, while the shared infrastructure eliminates the need to buy extra adaptors, interfaces or cabling. In the longer term, Mediapro can also expect to see energy consumption and space savings.

Flexible commercial terms, offered by Cisco Capital, enabled Mediapro to spread project costs, in turn speeding ROI. "We already had a sound business case, but Cisco Capital helped to improve it further by reducing ROI down to three years," says Serra. "Also, our investment is protected against obsolescence with built-in refresh options that allow us to continue to ride the technology wave."

Financing the solution has also helped to optimise cash flow management. Gustau Serra sums up: "With Cisco Capital, it is much easier to match the cost of our Cisco data centre platform with the expected arrival of Internet revenues from advertisers and customers."

For more information

Details of Cisco Capital financing solutions are available at:
www.ciscocapital.com/emea