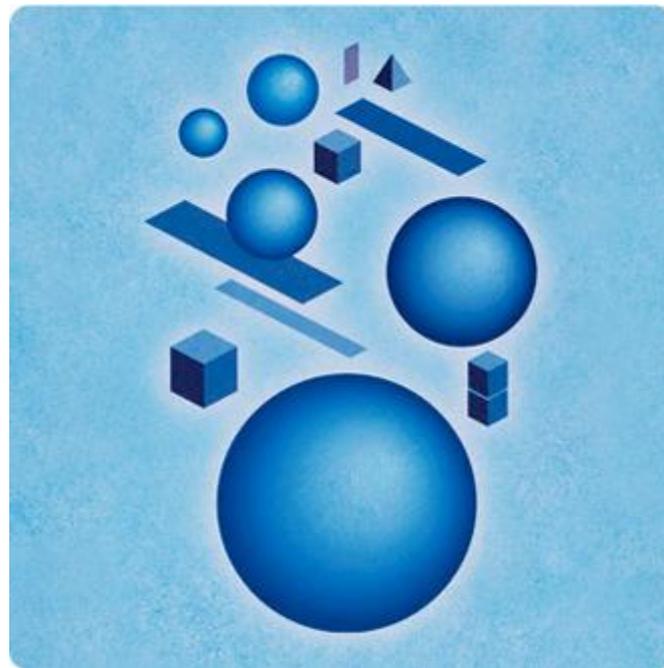


Virtualization Helps Bilcare Optimize IT Resources

Executive Summary

Caught between blistering growth and untamed counterfeit drugs, Bilcare Research, a pharmaceutical packaging company that specializes in anti-counterfeiting solutions, was finding it hard to breathe. Here's how a dose of virtualization relieved the company of its ailments.



Reader ROI

- » How virtualization can help drive business growth
- » What to watch out for when taking up a virtualization project

Manoj Arora, Global CIO, Bilcare Research, a pharmaceutical packaging and research company, is strongly against fakes and has statistics to back him up. According to the figures released by the Center for Medicines in New York, counterfeit drug sales will touch \$75 billion (about Rs. 3,37,500 crore) globally by the end of this year.

These facts spurred Arora to enhance the company's anti-counterfeiting packaging solution by adding a non-clonable feature to it. This feature, when attached to any product, will vouch for its authenticity and protect the brand from counterfeiters. While that would give the company an upper hand over counterfeiters, it also meant added resources and expenses. "At Bilcare, we were looking to optimize our IT resources. This included all kinds of assets, licenses, hardware, communications, networking and people. If our IT costs continued to rise, it would impact our margins in a big way," says Arora.

However, Bilcare faced other obstacles as well.

Epidemic Outbreak

With over 60 percent market share in the pharmaceutical packaging industry, Bilcare Research has recorded 100 percent growth over the last three years. Headquartered in Pune, the company has manufacturing and R&D units located across the UK, the US, Singapore and India. The 500-strong company has 12 offices and caters to the requirements of over 500 pharmaceutical customers. It recently doubled its capacity of supplies for clinical trial services with the opening of a second unit in UK.

Though, fast business growth is something that every organization wants to pursue, it is a fact that growth comes at a price. At Bilcare, the company's IT systems and apps were now threatening to eat into the benefits of this robust growth. If Bilcare had to maintain a sustainable growth pace, IT would have to step up its efforts of optimizing resources and compressing costs. "I wanted to set up a scalable and cost-effective infrastructure for our core business that is easy to deploy. I also wanted to manage the IT infrastructure with little or no disruption to our existing IT services," says Arora.

With immense growth, and the introduction of the non-clonable solution, Arora's IT systems were struggling. "Bringing this solution to the market would need us to build a robust platform. But we did not want to augment our existing resources. This was the threshold when I decided to deploy a cost effective solution for our IT infrastructure," says Arora.

The Right Remedy

Arora realized that 'virtualization' was the cost-effective cure. He knew that it would help him manage rapidly growing technology requirements and retain the lean structure of his IT resources. "My key concern was in the area of server utilization, continuity and performance. I wanted a robust and scalable solution with a minimal footprint," says Arora.

Virtualization fit the bill as it would unlock much of the underutilized capacity of the company's existing server architecture. The next step was to select the solution that best suited the company's needs. Arora's IT team, manned by eight people, was equipped with prior experience in virtualization on UNIX and other proprietary platforms of operating systems and hardware. Convinced of the viable benefits that virtualization could deliver; they began scouting for the right product. But in doing this they adopted a cautious and deliberate approach. "We were concerned about transitioning enterprise applications, server utilization and the stability of the virtualized platform. We wanted to avoid any complexity related to downtime post virtualization," said Arora.

After zeroing in on the right product, the IT team at Bilcare set out to give shape to the project. But the course of the implementation was ridden with impediments. "The challenging part of the project was when the storage area networks were on heterogeneous systems. Before making the change, we had to analyze how the change would affect our organization," says Arora.

In order to conquer these challenges at an early stage, Bilcare's IT team carried out several performance and reliability tests. Once they were convinced about its viability, they went ahead with the project.

Stakeholder Views

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- Manoj Arora, Global CIO, Bilcare Research

Speedy Recovery

To avoid downtime, the company decided to carry out the migration in a phased manner. Bilcare's IT infrastructure is centralized in its Pune global headquarters. Physical servers are categorized into infrastructure servers, DMZ (de-militarized zone) servers and SAP servers. Arora decided to migrate around 15 servers in the first phase. The second phase marked the migration of SAP applications to the virtualized environment, marking the completion of the project.

Today, after less than a year of the project, the benefits are already beginning to show. The Rs 20 lakh project resulted in savings of 40 percent on power consumption, space and management overhead costs. It freed up the servers and the manpower needed to maintain them. There has been a 25 percent increase in man-hours enabling the personnel to focus on other important projects. This proved to be one of the most significant benefits as it lends itself to the success of other projects that were in the pipeline.

"Had I not done this (virtualization), our other three growth projects dealing with authentication services and track and trace services would not have been so successful. These are very critical projects for our company. I did not have to augment my team of eight people for these new projects. We are growing at a rate of 50 percent without augmenting our team," says Arora.

His strong views against fakes spurred Arora to create a system that saves him money and resources. And how!