

DaimlerChrysler boosts business agility and improves profitability with HP/Kavanagh Solution



DaimlerChrysler Services (DCS) is the financial services arm of the DaimlerChrysler Group. In 2003, one in three DaimlerChrysler vehicles sold worldwide was financed or leased through DCS, which is now the world's largest financier of commercial vehicles.

Although the company's recent financial performance has been very strong, competition is intense and DCS has to work hard to win new business from the dealer network. Rapid time-to-market for new financial services products, coupled with the ability to respond more quickly to dealers' requests for quotes, are among the prime success factors.

IT plays a key role in supporting the business in these areas. In particular, the recent implementation of an adaptive infrastructure by DaimlerChrysler Services IT (DCSIT), the company's shared-services provider, has boosted business agility significantly.

"In terms of supplier relationships, this is the best project I have ever been involved with. Thanks to HP and Kavanagh, we now have an adaptive infrastructure that will support rapid change and expansion of services in the future, whatever the demands of the market."

**PETER BARNES, DATA CENTRE MANAGER,
DAIMLERCHRYSLER SERVICES IT**

"The needs of the DCS business demanded a more scalable, flexible infrastructure to which new capabilities could be added more or less on demand. With the current infrastructure being significantly under-utilised, cost reduction was also an important priority," explained Dirk Marzluf, CTO of DCSIT.

COOPERATIVE TEAM

Two vendors, HP and IBM, attempted to win the business. According to Dirk, HP's success was due in large part to its willingness to listen to the customer's needs rather than push a standard solution.

"HP and its channel partner, Kavanagh, came up with a complete end-to-end solution that fitted our needs perfectly," he commented. "They were also able to convince us of their ability to implement the new infrastructure within a very challenging time frame of four months."

In addition, HP Financial Services helped create a compelling business case to support the solution, encompassing delayed payment, instant Capacity on Demand (iCOD) and buy-back of existing HP equipment.



Kavanagh and HP set up a joint account management team at the pre-sales stage. Services provided included sizing and design of the new infrastructure, with Kavanagh later assuming most of the responsibility for technical implementation.

Working together with DCSIT, HP and Kavanagh installed a complete adaptive enterprise solution including a UNIX-based infrastructure distributed across two UK sites, with servers, storage and backup products. The second site is used not only for integration and development but also as a backup site to provide business continuity in the event of a disaster.

“We built an excellent cooperative team, which was vital to achieving a successful implementation and avoiding delays. Whenever a problem occurred, we could rely on HP and Kavanagh to step in and do everything possible to ensure the project stayed on track,” said Dirk Marzluf.

The project involved consolidating the number of servers from thirty to two, with an HP 9000 rp8420 Server at the main site and an HP rp7420 Server at the backup site. Flexibility is provided through a combination of hard and virtual partitioning and through the use of HP StorageWorks EVA 5000 systems in a storage area network (SAN) configuration.

Also, should extra computing resources be required, additional iCOD processors can immediately be bought online. The solution also includes HP OpenView for enterprise system management and backup, together with HP Business Continuity Services (BCS).

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**DIRK MARZLUF, CHIEF TECHNOLOGY OFFICER,
DAIMLERCHRYSLER SERVICES IT**



GREAT FLEXIBILITY

DCS now has a very flexible infrastructure that, in combination with its Phoenix core business system, supports the rapid creation, sale and management of financial products. This is extremely important in a market that demands great flexibility on the part of financial service providers in order to fulfil the needs of different customers.

Furthermore, the performance and availability characteristics of this infrastructure ensure that dealers can always connect with DCS's systems and obtain quotes in real time, making it less likely that they will turn to an alternative provider. Feedback suggests that the new infrastructure has had a significant positive impact on dealer satisfaction.

IMPROVED PERFORMANCE

"The new infrastructure is doing exceptionally well, with a performance improvement of some 50 per cent for batch jobs and online processes alike," said Peter Barnes, Data Centre Manager at DCSIT. "This means not only an improved service for dealers but also higher productivity for the end-user."

COST REDUCTIONS

According to Peter Barnes, regular month-end and day-end processing is now completed in half the time, as are system backups. Tasks that were once postponed until the weekend are instead completed overnight. As a result, the entire DCS operation is speeded up and orders are processed much more quickly than before. At the same time, server consolidation has led to significant cost reductions, estimated to amount to £500,000 (€700,000) over a three year period. The success of the project has led to a strategic partnership between DCSIT, HP and Kavanagh. HP and Kavanagh are currently supplying consultancy and training services as well as additional Intel-based servers and EVA5000/Storage upgrades.

Challenge

DaimlerChrysler Services wanted to:

- ◆ Maintain its strong growth in a highly competitive industry sector
- ◆ Launch new products quickly and provide dealers who requested quotes with the fastest possible response

Solution

- ◆ DaimlerChrysler Services IT, the group's shared-services provider, engaged HP and its channel partner Kavanagh to implement a complete new infrastructure in only four months
- ◆ This complete end-to-end solution included servers, storage products, system management, backup, disaster recovery and business continuity services
- ◆ Server consolidation cut the number of servers from 30 to just 2 – one HP 9000 rp8420 Server and one HP 9000 rp7420 Server – distributed across two sites for disaster recovery purposes
- ◆ Implementation of an adaptive infrastructure that would also cut maintenance costs
- ◆ HP Financial Services helped create a compelling business case to support the solution, encompassing delayed payment, instant Capacity on Demand (iCOD), and buyback of existing HP equipment

Results

- ◆ A more flexible infrastructure supports the rapid creation, sale and management of financial products
- ◆ There has been a 50 per cent performance increase, leading to improved dealer satisfaction and enhanced user productivity
- ◆ The entire operation has been speeded up significantly and orders are processed much more quickly
- ◆ Server consolidation has produced cost savings estimated to amount to €700,000 over a three year period
- ◆ The new adaptive infrastructure will support rapid change and expansion of DCS's services in the future, whatever the demands of the market

Technology Highlights

HARDWARE

- ◆ 1 x HP 9000 rp8420 Server with 18 CPUs and 4 hard partitions (2 of which have virtual partitions)
- ◆ 1 x HP 9000 rp7420 Server with 4 active CPUs, 6 iCOD CPUs and 4 virtual partitions
- ◆ 2 x HP StorageWorks Enterprise Virtual Array (EVA) 5000
- ◆ 4 x 16-port SAN switches
- ◆ 1 x HP StorageWorks MSL 6060 Ultrium tape library

SOFTWARE

- ◆ HP OpenView
- ◆ HP OpenView DataProtector
- ◆ HP MC/ServiceGuard
- ◆ HP Workload Manager
- ◆ In-house Phoenix core business system
- ◆ SAP Financials
- ◆ Oracle database
- ◆ Oracle Application Server
- ◆ Dealer portal

HP SERVICES

- ◆ Infrastructure sizing and design (in collaboration with Kavanagh)
- ◆ Implementation services (in collaboration with Kavanagh)
- ◆ IT consolidation
- ◆ Financial services from HP Financial Services
- ◆ Instant Capacity on Demand (iCOD)
- ◆ HP Business Continuity Services (BCS)
- ◆ Ongoing consultancy services
- ◆ Training

Why HP/Kavanagh?

- ◆ Willingness to listen to customer needs
- ◆ Ability to propose a solution that met those needs perfectly
- ◆ Willingness to commit to a four month time frame for the implementation
- ◆ Kavanagh's experience and proven track record in the implementation of DR, SAN and Consolidation solutions
- ◆ Kavanagh's project management skills
- ◆ HP's industry leading product set
- ◆ Kavanagh's in-depth product knowledge and capabilities
- ◆ Overall price and performance together with a low risk solution
- ◆ Excellent advice, based on a sound understanding of DaimlerChrysler Services' current and future plans

Customer at a glance

- ◆ Industry sector: Financial services
- ◆ Name: DaimlerChrysler Services AG
- ◆ Headquarters: Berlin, Germany
- ◆ Founded: 1989
- ◆ Telephone: +49 30 2554 1106
- ◆ Number of employees: 11,035
- ◆ Annual revenues: €14 billion
- ◆ URL: www.daimlerchrysler.com

For more information on how working with Kavanagh and HP can benefit you please contact Kavanagh on 01344 409800

Kavanagh's Strategic Partners:

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