Ricoh Japan Corp.

Migration to cloud minimized capital investment while reducing operational workload
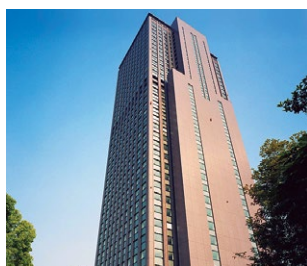
RICOH

Service: Enterprise Cloud
Arcstar Universal One

Challenges	- The capital investment burdens of a growing service infrastructure - Increasing operational workload and IT skill shortage
Solution	- Cloud service with on-demand adjustment of IT resources - Outsourcing IT operations to an expert team at NTT Com
Benefits	- Smooth system migration without adversely affecting users - Reduced investment & management load with more focus on central goals.

Mr. Shingo Hattori
Chief of IT Service Business Promotion Division,
Business Solution Head Office
Ricoh Japan Corp.
"We decided to migrate to cloud service in a way that would not burden our customers. NTT Communications' proposal fully satisfied our requirements."

Challenges
Investment and management loads
related to IT service delivery

The Ricoh Group is renowned for delivering various types of office equipment and solutions including printers, multifunctional machines and copiers. In the IT service category, Ricoh Japan developed IT Keeper, which provides one-stop system infrastructure planning, installation and management/maintenance. The company also solves various issues related to IT utilization. Its service lineup includes NET Begin BB Pack Select service ("BB Pack" hereafter), which provides comprehensive assistance ranging from introduction/installation of the Internet environment and mail/web server operations to hosting and on-site recovery measures. BB Pack has been popular among wide-ranging users, especially SOHO and other small businesses. Among the approximately 120,000 companies now using BB Pack, nearly 20,000 use the hosting service.

The increase in users was more rapid than expected since the service launch 15 years ago, and the increasing capital investment and human resources required to maintain high availability were beginning to become a burden.

"On-premise system operation required constant incremental improvement of facilities for the growing user base and constant education of personnel to keep pace with IT advances and systems growing in complexity. Too many resources were going toward maintaining the IT infrastructure, so it became harder for us to concentrate on business goals such as the enhancement of IT Keeper service quality," reflected Mr. Shingo Hattori. So Ricoh Japan decided to stop running the facilities itself and instead utilize a cloud service provided by another company to create an environment where it could distribute IT resources in response to user requests on demand.

Customer Profile
Name: Ricoh Japan Corp.
Revenue: JPY 589,690 million (as of March 2015)
Business: Ricoh Japan Corp. is an office automation solution company established through the integration of three sales-related domestic companies in the Ricoh Group (Ricoh Technosystems, Ricoh Business Expert and part of Ricoh IT Solutions). It proposes and provides optimal office solutions in response to client requests by combining products and services from Ricoh's vast lineup.
URL: www.ricoh.co.jp

NTT Communications **Global ICT Partner**
Innovative. Reliable. Seamless.

Solution
Service migration to the cloud with infrastructure run by NTT Com

Ricoh Japan approached several service providers with summaries of its requirements regarding service reliability, stability, security and migration. After carefully examining competitive proposals, the company chose NTT Communications (NTT Com).

"In short, we chose NTT Com because of its unrivaled reliability. No matter how we provide services, whether through the cloud or not, we have to ensure that no trouble comes to our clients. NTT Com is one of Japan's leading providers and the only Japanese provider with a Tier 1 IP backbone in Asia. We believe its business record and achievements speak for themselves," said Mr. Hattori.

The company's cloud migration requirements were another important consideration. Since its employees use various platforms and tools of different versions, securely migrating the complex system to a cloud-based environment without any failures would be an extremely challenging task.

Mr. Hattori stated with emphasis, "Other providers' proposals also met our system migration requests, but they required changes to our existing system. Only NTT Com clearly stated that we could migrate our system without any changes. We could sense their confidence and know-how backed by ample experience handling hosting services and migrating systems to the cloud under the OCN brand name."

The company's desire to decrease operational load, another major challenge, also pushed it toward choosing NTT Com. Ricoh Japan had been handling various system needs such as firmware updates for a RAID controller, required as a troubleshooting measure, and the implementation of security measures for virtual servers. "Another attractive feature of NTT Com was the sophisticated skills of its infrastructure operation team," explained Mr. Hattori.

Benefits
Swift branch development and Asian market strategy support

Employing a cloud system that only a telecommunications carrier could provide, NTT Com seamlessly and securely migrated Ricoh Japan's customer management systems from its on-premise environment to Enterprise Cloud (through Arcstar Universal One closed-network service). "Regarding operations in the new environment," said Mr. Hattori, "we mainly handle applications while NTT Com handles infrastructure based on agreements on our defined management roles. This flexible approach has benefits."

NTT Com provides two internally developed tools to support management of the new cloud environment. One is a "shelf registration tool" that can support the entire order receipt process of Ricoh's BB Pack from acquisition of cloud IT resources to service delivery. The other is an "information collection tool" that enables system visualization of customer service.

Because of this cloud migration project, Ricoh Japan is now able to increase/decrease IT resources on demand, as well as largely reduce the burden of infrastructure management.

Capital investment on service provision changed from fixed to variable expenses, thus eliminating waste and enabling in-house engineers to concentrate on developing new services and applications — their central goal.

"The TCO reduction achieved through our new system will be paid back to customers by lowering service fees. Of course, this will give our IT Keeper service an even bigger competitive edge," said Mr. Hattori.

As more and more corporate IT environments of all scales become cloud-based, and more companies employ cloud-based workstyles utilizing mobile devices and Wi-Fi networks, Ricoh Japan will collaborate with NTT Com to proactively deliver services that meet their needs.

Figure: Service utilization in Ricoh Japan Corp.
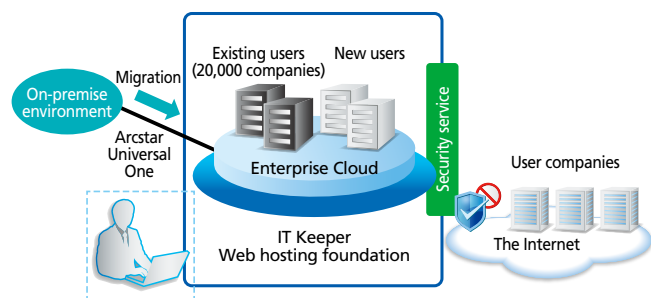
The service platform for IT Keeper that Ricoh Japan previously managed was migrated to Enterprise Cloud, enabling adjustment of IT resources on demand.

NTT Communications Corporation
Website www.ntt.com