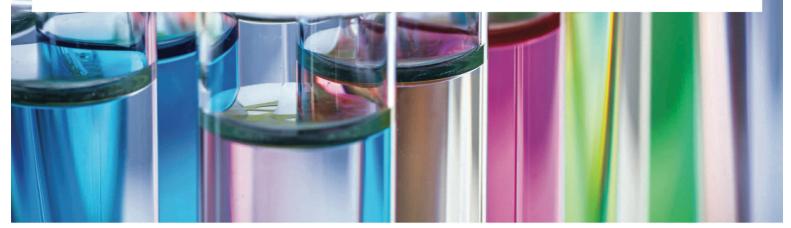# Zuellig Pharma moves to the public cloud as it takes big step towards digital transformation goals

T··Systems·

Tapping on T-Systems' expertise, one of the largest healthcare services groups in Asia blazed the trail for healthcare by moving all its core business systems onto the public cloud.

Since starting its five-year transformation journey in 2015, Zuellig Pharma has made many bold moves to become a leader in using technology to power its business and the services it provides to the healthcare industry.

One of the first steps was to upgrade its core business systems, which included warehouse management, customer relationship management (CRM) and other functions. Given the extensive network that Zuellig Pharma operates in, the decision to move to the public cloud brought the required scalability and flexibility to their transformation. It would also enable the company to reinvent and extend some of the services that it had been providing.

Since 1922, Zuellig Pharma has been providing various solutions to the healthcare industry. Beyond the distribution of pharmaceuticals, their solutions also include data analytics, patient care, payor services, commercial and supply chain solutions for clinical trials.

Zuellig Pharma realised early on that it needed new infrastructure to support its growing solutions, in order to digitally transform its operations. With the business landscape evolving quickly and disruptive competitors on the horizon, it was incumbent on the company to move fast.

"Data has to be available in an instant, and it needs to be helpful to us, our clients and everyone else that we support in the community," said Maikel Kuijpers, Chief Information Officer & Senior Vice President Operations, Zuellig Pharma. "We were very clear that these investments were not just made for us, but to power the healthcare industry so we can move forward together, and extend the possibilities of making healthcare more accessible."

To get there, one big challenge was the scale of its operations. To move its existing systems from an SAP enterprise resource planning (ERP) system, Zuellig Pharma also had to manage the potential disruption it could cause.

More than 13,000 employees across 13 markets depended on the system to run flawlessly in the region, not to mention thousands of suppliers and customers that they serve.

Zuellig Pharma sought to migrate to a new version of the SAP software, which meant a change of databases, from DB2 to the newer, more powerful version called HANA. This also meant it had to update its business applications and upgrade its cloud setup to support the new HANA functionality.

Moving Mountains Kicking off the project in January 2018, a region-wide team from T-Systems studied the various components to be migrated, to get the infrastructure ready at the chosen public cloud provider – Microsoft Azure.

The scale of the migration quickly became apparent. The capacity that Zuellig Pharma required to run its daily operations meant that the datacentres would have to be configured with cloud components that are capable of supporting large volumes of transactional data.

Working with Microsoft, the T-Systems team ordered several M-series virtual machines, the largest that Microsoft had because SAP HANA runs on memory instead of disk. In other words, it can retrieve huge volumes of data faster, enabling information to be literally at the fingertips of users.

"From the start, Zuellig Pharma understood how the public cloud would accelerate its transformation goals," said Arkadiusz Czopor, Managing Director of T-Systems Asia South. "After taking this bold step, it now reaps the benefits of being a first mover and leader in its sector."

After nine months of project preparation, the T-Systems team and Zuellig Pharma completed the production cutover in October 2018. Altogether, the cutover was safely completed over two different weekends.

Ready For The Future By tapping into the flexibility and scalability of its new cloud platform, Zuellig Pharma now has a springboard to launch solutions that run on their new data capabilities. This was a key step forward in its transformation efforts.

Key to this is data analytics. With its new SAP system in place, Zuellig Pharma can make use of the faster database to transform its raw data ready for artificial intelligence (AI) or machine-to-machine (M2M) applications. It can better predict outcomes for many of its operations, from logistics to managing patient care.

"This move has opened new possibilities for us today, but perhaps more importantly, it has enabled us to build more solutions that will solve healthcare challenges in the future," said Maikel. "We are all very excited about the boundless potential this has created and we fully intend to explore the different avenues we see ahead of us."

The Solution

- Migration to public cloud on Microsoft Azure

- Upgrade of SAP system running on ECC to SAP Suite on Hana (SOH)

- Search and transform existing SAP apps to run on new database

The Benefits

- Faster access to data that enables future data analytics capabilities

- Platform to develop and run apps drawing on Big Data

- Nimbler, more flexible and scalable cloud platform

About Zuellig Pharma

Zuellig Pharma is one of the largest healthcare services groups in Asia and our purpose is to make healthcare more accessible. We provide world-class distribution, commercial and digital services to support the growing healthcare needs in this region.

The company started almost a hundred years ago, and has grown to become a US$13 billion business covering 13 markets with 13,000 employees. We serve over 350,000 medical facilities and work with more than 1,000 clients, including the top 20 pharmaceutical companies in the world.

More recently, we launched our Zuellig Health Solutions Innovation Centre to develop new services and address some pressing healthcare needs in Asia. Since then, our teams have been focused on creating data, digital and disease management solutions, supporting patients with chronic conditions and helping payors manage healthcare costs.

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