

Penske Transportation Group International



SUNDATA

Right people, right tools, perfect execution

Living the values that determine success for their V8 Supercar race team, Penske Transportation Group International is a dynamic organisation that relies on precision and teamwork to survive and thrive in a competitive market.

After acquiring a new line of business with particular IT infrastructure requirements, Penske was faced with an own or outsource decision. In choosing to subscribe to Sundata's Infrastructure as a Service, Penske have mitigated risk while maintaining flexibility for continued growth.

About Penske

Penske Transportation Group International is part of Penske Automotive Group, a Fortune 500 company operating a variety of automotive interests worldwide. Penske in Australia and New Zealand distributes commercial vehicles as well as diesel engines, gas engines and power systems with related parts and service interests. The company is also represented in the Australian motorsport industry through DJR Team Penske.

The Challenge

In 2013, Penske seized the opportunity to purchase Western Star Trucks. An aggressive transition services agreement provided a 2-3 month timeframe to establish the IT infrastructure and migrate core business systems. The business application mandated the operating system and database, making IBM Power Systems the required platform. The choice was to buy or outsource.

Building and maintaining the system to the required level of availability in-house would have required a level of technical skill that Penske didn't have. The culture of selecting specialist resources for specialist jobs so that the team collectively can deliver the best possible outcomes weighed towards an outsource decision.



COMPANY:

Penske Transportation Group International

LOCATIONS:

Australia & New Zealand

INDUSTRY:

Heavy Duty Trucks & Diesel Engines

DESCRIPTION:

Penske distributes commercial vehicles from Western Star Trucks, MAN Truck & Bus and Dennis Eagle, as well as diesel engines, gas engines and power systems with related parts and service interests.

SUNDATA SOLUTIONS:

- IBM PowerCloud IaaS

Solution

Penske's General Manager IT in Australia, Andrew Kerridge, tested the market and found that "as a service" was simply a glorified long-term payment plan for many providers.

"We didn't want to end up owning the equipment at the end of the contract term," Kerridge says. "More importantly, we didn't want to retain ultimate responsibility for system maintenance and upgrades, which would not solve the problem of having to recruit or develop a highly specialised skill set within our team."

Sundata's IBM PowerCloud Infrastructure as a Service offered a wholistic solution that would help Penske mitigate technical and performance risk, in line with the performance and execution ethos. Despite "as a service" being relatively new at the time, the model was appealing because it offered:

- a clear delineation of responsibilities – Sundata is responsible for everything up to the operating system level, while the application vendors take care of the application;
- fixed fee subscription for agreed service level; and
- accountability for performance against the agreed service level and platform availability.

"Building a solution is more than just installing equipment or consuming services. Sundata takes the time to understand the business, and as a result are in a position to add real value"

- Andrew Kerridge, General Manager IT

"We can't afford any unnecessary down-time. Sundata's solution sets agreed availability targets with transparency of performance, which was more than enough to justify a change from a traditional own and operate approach," Kerridge says. "Although it may be more expensive than outright purchase in the long-term, IaaS represents the right balance of risk versus effort for us to achieve the same outcome."

Outcomes

Three years on from the transition to IaaS, Andrew Kerridge returns to the V8 Supercar race team analogy to illustrate the value delivered through the partnership with Sundata.

"To be a success on race day, you need the right people, with the right tools and the perfect execution," he says. "That's how we work as an organisation. Making sure IT systems never let the team down is Sundata's contribution to that winning formula."

Kerridge finds Sundata's proactive approach to building strong relationships a welcome and valuable feature of the engagement. Monthly review meetings serve to provide full accountability of performance against agreed service levels and provide a forum for communication about broader business priorities and opportunities.

"Unlike many cloud service providers, who push towards self-service as much as possible, Sundata builds a relationship around their service," Kerridge explains. "We've found them to be remarkably consistent in both their technical and account management performance, which means there are rarely any surprises."

As a result, Sundata and Penske now work from a position of trust. With reliable infrastructure that will readily scale without upfront capital investment, Kerridge and his team can focus on how IT can facilitate, rather than limit, digital innovation and business improvement initiatives in each line of business.

"There are many infrastructure service providers out there to choose from and working with a larger organisation might well be beneficial in some respects. But nowhere have I found the open communication, honesty and genuine commitment to understand our business that I've experienced with Sundata. This is what makes the difference between true business partners and just another IT service provider."