



ing capacity will end up concentrated in relatively few large data centres.

Sweet liberation Domino Sugar

Don Whittington prefers not to concern himself with technology – he would rather stick to sugar, writes **Jane Bird**.

As chief information officer of Domino Sugar, the US's largest refined sugar manufacturer, he likes to spend his time thinking about business challenges, delegating IT management to others.

Hence his decision in 2009 to transfer all the company's key applications, used by thousands of employees, to the cloud.

It is part of a process that began a decade ago when network management was outsourced to Verizon, the telecommunications company, says Mr Whittington. Next, responsibility for PCs was handed over to third parties. Then an increasing amount of IT infrastructure was transferred to servers in hosted data centres.

The problem was, Mr Whittington still had to concern himself with hardware. "If I decided we needed a new server, I'd have to sign up for three years," he says. "Although we had more flexibility, and I had removed the capital expense, it was still an operating cost."

Now, thanks to a cloud computing service provided by Virtustream, Domino Sugar has no IT capital commitments. Moreover, its bill is calculated according to the computer power used rather than on a specific number of servers, which is traditionally the case with data centres.

"It's incredibly liberating not to have to worry about things like hardware and storage capacity," says Mr Whittington. And the savings have been huge, with the IT bill reduced by 30 per cent a year.

The cloud service has also speeded up the company's applications, which include enterprise resource planning, customer relationship management and payroll among others. Users report response times up by about 30 per cent.

This enables faster development of systems or projects. What previously took up to seven days, can be done in two, says Mr Whittington. He hopes to reduce this to one day.

Given that the company is paying for its computing

on a by-usage basis, development can be done at "almost no cost", he says.

Cloud computing also makes acquisitions faster and cheaper. When Domino this year took over the refining operations of Tate & Lyle, the UK food ingredients company, it was able to integrate Tate & Lyle data and applications via the cloud.

"We agreed with the seller that we would create a separate cloud-based area to do the testing," says Mr Whittington.

This enabled the acquisition to be completed in four months, rather than the nine it would typically take. And instead of having to put data on tapes, it could be transferred instantly via the cloud, without the risks involved in physically moving it.

Virtustream is able to make its cloud computing service cost-competitive by



Don Whittington: It's liberating not to have to worry about IT

combining the efficiencies of a "public" cloud, shared by multiple organisations, with the security of an exclusive or "private" cloud.

This is done by managing the "virtual machines" that run on its servers at a more fundamental level, called infrastructure units, says Rodney Rogers, the company's chairman and co-founder.

"Companies such as Domino Sugar can take a bigger share of the virtual machines when they need the extra computing power, and release it to the pool when they don't," he says.

Another advantage of the transition involves legacy systems that are kept for historical reference but are needed only occasionally. "Previously, these applications would have required hardware and administration, even though we might only use them a couple of times a year," says Mr Whittington.

"Now, we can spin them up to the cloud when we need them, and back down when we don't. This is the way we have to go with our IT systems. I can't imagine ever going back."