DXC TECHNOLOGY

O-I

O-I Glass shapes future of manufacturing, cuts IT costs to invest in modernization

CUSTOMER
O-I Glass Inc.

LOCATION
Perrysburg, Ohio, USA

INDUSTRY
Manufacturing

O-I Glass needed to transform manufacturing operations, reduce costs and reinvest in future modernization initiatives.

Challenge

- Transform the business to compete effectively against other packaging manufacturers including plastic and aluminium sectors
- Reduce spending to free up funds for innovative manufacturing technologies
- Improve operational resiliency and disaster recovery

Solution

- DXC IT Outsourcing and Security services to consolidate, modernize and protect data center infrastructure and applications, dedicated storage as a service, and performance and capacity management
- Migration of business applications to next-generation solutions for seamless operation of business
- Cloud-based disaster recovery on Microsoft Azure to support business continuity

Results

- Reduced cost of IT hardware, storage and support from DXC by 35% to reinvest in modernization
- Increased focus on strategic initiatives for the business, rather than managing back-end infrastructure
- Improved recovery times and recovery point objectives to support business resilience

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Founded in 1903, O-I Glass Inc. developed the industry's first automatic bottle-making machine. Over a century later, the company is remaking its manufacturing operations into smart factories to meet shifting market demands.

"Our philosophy is to modernize wherever we can, from the data center to devices, and only deploy cloud where it makes sense. DXC focused on finding the right IT solutions to support our business — not just a cloud-only approach."

— Rodney Masney
CIO, O-I Glass

Reimagining the glass-making process

Manufacturing automation has long been a driver of success for O-I, the largest manufacturer of glass containers for many of the world's largest food and beverage companies, operating in 23 countries.

The Perrysburg, Ohio-based company is reimagining the glass-making process with a smaller, mobile furnace technology called MAGMA (Modular Advanced Glass Manufacturing Asset). This technology lets O-I create smaller batches of custom products for new markets such as craft brewers looking for customized, decorative containers.

O-I runs its factories 24x7x365 on thin margins to stay on top of a price-driven market. The company not only competes against other glass bottle manufacturers, but also makers of plastic bottles and aluminium cans. With consumer preferences for glass packaging solutions playing an increasingly important role in sales,

the sustainability of glass is a big part of O-I's story, and it flows through the whole organization.

"That's why we're so focused on transforming our costs and telling our sustainability story, which really resonates with today's consumers," says Rodney Masney, chief information officer at O-I. "Glass is by far the most sustainable product from cradle to end use and then reuse. It can be washed and reused. It can be crushed and put back in furnaces. It's inert. It's one of the safest products on the planet."

Technology refresh

DXC rehosted and updated all of O-I's critical business applications to new, higher-performance hardware and migrated from a leveraged to a dedicated storage environment to boost availability and flexibility.

O-I trusts DXC Technology, its largest IT partner, to support infrastructure, security and IT modernization. DXC hosts the manufacturer's servers at DXC's data centers, as well as provides application management and development for SAP, ServiceNow and other key business applications.

"DXC has been an invaluable partner since 2008, providing comprehensive support for our IT infrastructure and applications, and I have tremendous confidence in DXC's expertise and in the individuals who manage our business-critical SAP applications," Masney says. "With DXC focused on these things, we can focus on initiatives that are more strategic in nature to the company such as MAGMA and our overall digital transformation."

In 2020, O-I turned to DXC for a comprehensive technology refresh of hardware platforms, operating systems and applications. DXC rehosted and updated all of O-I's critical business applications to new, higher-performance hardware and migrated from a leveraged to a dedicated storage environment to boost availability and flexibility. O-I's cost for IT hardware, storage and support from DXC were cut by 35 percent under the new IT outsourcing contract.

For the company's SAP applications, DXC refreshed O-I's Fujitsu FlexFrame hardware to a next-generation PRIMEFLEX environment, which enables dynamic, demand-based deployment of SAP components across physical and virtual resources. The team consolidated its SAP environment into a DXC data center, while implementing a mirrored Fujitsu appliance in a separate disaster recovery site in a different geographic region.

For non-SAP applications, DXC created a hybrid solution that mirrored DXC's ITO production environment in the cloud, using Microsoft Azure Site Recovery to provide robust disaster recovery (DR). Thanks to this hybrid setup, the DXC team designed and implemented a DR solution to manage failovers – events in which the backup system automatically takes over when the main system fails – without impacting the production system or business operations. The new system improved both recovery times and recovery point objectives.

"Our philosophy is to modernize wherever we can, from the data center to devices, and only deploy cloud where it makes sense," Masney says.

"We appreciate DXC's flexibility in helping us build, run and maintain the best platforms to meet our unique business needs, even though they may not be the conventional solutions. We're pleased to have DXC as a partner to move our technology program forward."

— **Rodney Masney**
  CIO, O-I Glass

"DXC focused on finding the right IT solutions to support our business — not just a cloud-only approach. Quite frankly, in my view, cloud-first companies are spending more money, not less money, and they're not getting all of the power or savings of the purported utility model."

Securing the environment

As part of this modernization program, DXC's security team provided key advisory services to design the security architecture for protecting the new servers and connected devices, as well as scanning the new servers for vulnerabilities.

DXC provides ongoing security services to patch servers, monitor endpoints, review employee access, oversee ticketing and remediation, assess risks, and provide periodic audits to ensure

SOC 1 and 2 operational compliance. O-I and DXC meet regularly to refresh the company's long-range security roadmap and prepare for emerging threats.

"As a manufacturer, we need to consider both IT and OT security," Masney says. "Not only do we need to protect our IT environment, but we also need to secure the operational technologies that automate our manufacturing processes. We look to DXC to help instill security throughout the organization and identify ways to cost-effectively maintain our security posture."

35%
reduction in cost of IT hardware, storage and support from DXC

8
months for modernizing data center hardware platforms, operating systems and applications with a dedicated storage environment

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Leading multiple partner teams

DXC also supports O-I by introducing solutions from its extensive partner ecosystem. Through DXC's relationships with Dell Technologies and Fujitsu, for example, DXC delivered substantial cost savings as well as updated equipment for O-I. Dell provided attractive volume pricing on servers that made the dedicated storage arrangement more affordable for O-I.

All of the partners on the project faced challenges from the impact of COVID-19 lockdowns on the supply chain but managed to deliver the solution in 8 months. "DXC was great at finding new ways of working," Masney says. "We negotiated new contract terms while working from home, and DXC didn't let COVID-19 get in the way of delivering services. The entire team led by DXC was incredibly responsive in getting through the supply chain issues."

Masney adds, "We appreciate DXC's flexibility in helping us build, run and maintain the best platforms to meet our unique business needs, even though they may not be the conventional solutions. We're pleased to have DXC as a partner to move our technology program forward."

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