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Innovation



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NEC's Cloud Solution

The Cloud is essential for “lean management”

It has become a common trend for businesses these days to reform themselves by the active utilization of outsourcing. Amidst these circumstances, the most obvious merit of Cloud computing is the great cost reductions it affords by cutting down on initial investment and management costs. The quick installation and flexible expandability are also considered attractive benefits.

However, there are still some companies that feel hesitant about shifting to the Cloud, because of concerns over information security and stability.

NEC has constructed its own private Cloud, to which it has moved its core internal systems. The Cloud operates a system used by as many as 120,000 people from all areas of the globe, and has accumulated an extraordinary amount of know-how to achieve the stable running of this system.

Further, NEC's robust data centers and high quality network support provide the system construction and operation services provision offer clients of all scales and usage formats. NEC continues to offer clients the optimum utilization method for their use of the Cloud environment.

Based on this extensive experience and range of achievements both in Japan as well as around the world, NEC has launched its Cloud business for the global market, with China and Singapore as the first locations for this business to unfold.

We asked Yuji Okumura, Executive Expert from the International SI Service Business Development Division about the service's characteristics and prospects for the future.



In Asian hub Singapore, customers have absolute faith in NEC

NEC STEE Cloud Services is a joint venture between NEC and Singapore national corporation Singapore Technologies Electronics (STEE). How did this company manage to step ahead of other Japanese companies to unfold the Cloud business outside of Japan?

“Singapore is the business center for Japanese, American, and European corporations in Asia. This means that there is a great demand for Cloud support from Singapore to other Asian nations. Businesses are required to adapt to the different taxation laws and regulations of each country in Asia, so we provide a range of templates called the “Verticore Series,” which is based on SAP® and has systematized NEC’s unique know-how. We offer this to our customers in accordance with their industry and the countries they deal with. We have a partner license with SAP® Gold Partner, and we are the only company in the Asia Pacific region that is able to provide a one-stop service covering everything from introduction through to operation, and maintenance, and licensing. So we feel that our customers really appreciate having access to this service. Another aspect which our customers in Singapore seem pleased with is our extensive lineup of applications, which we provide in collaboration with our partners. We offer a diverse range of applications which are essential to corporate accounting, human resources, and even disaster recovery, such as HRaaS, TestaaS, and DRaaS.”

The biggest reason why many companies hesitate to shift to the Cloud is concerns about security. But all the servers and networks at NEC STEE Cloud Services have double layers, and achieve the highest local levels of security utilizing Japanese technology. Plus, NEC boasts the world’s top level



Singapore Technologies Electronics (STEE)

of physical security technology, making it uniquely capable of providing this combination of physical and virtual security with a higher safety level, which leads to its great reliability.

“In Singapore, where our business mainly revolves around large-scale ERP, we have received praise for our high quality infrastructure. We have some customers in Malaysia and the Philippines, who have concerns about the infrastructure situations in these and other Asian regions. Singapore is in fact a hub for international networks, and we even have some Japanese customers who wish to use it as a disaster recovery site.”

For more than thirty years, NEC has provided mission-critical systems to companies from a variety of industries and with a wide range of scales. With this basis of high reliability, supported by excellent technical capabilities, NEC’s cloud business for companies from Japan and other Asian nations, as well as from the United States and Europe, is likely to increasingly expand in the future.



With its proficiency and extensive knowledge of Asia, strong support is enjoyed from local and Japanese corporations

China, driving force not only for Southeast Asia's economic growth, but for that of the entire world. Its unique business customs make many companies feel that venturing into the Chinese market will be too challenging. Why is NEC being selected by top Chinese and Japanese companies?

"I think one major reason is because we are operating our business in partnership with NeuSoft. There are many European and American companies launching their businesses in China. But NeuSoft, one of China's best IT solution service providers, possesses a wealth of industry know-how and a wide range of customer resources, the ability to respond swiftly, and excellent operations management and support capabilities. Coupled with NEC's technical abilities and credibility, these have brought us a strong reputation for being "good with Asia."

"In China, various circumstances mean that IaaS is used as the norm, but we also provide SaaS which is adaptable to unique customs. For example, we have HR systems, and a mobile

phone position information service used for employee safety management. Our order and receipt system, known as EBWebM is used across multiple corporations, and system for remote control of mobiles, MDM, are the representative examples and we have high expectations particularly from Japanese companies listed on the first section of the stock exchange."

NEC's operation which accounts for local infrastructure situations, various laws and regulations, and security needs is another reason why NEC receives such high support. Business began in 2011, and its robust infrastructure, which has operated for two years with no difficulties, is highly acclaimed. Just like in Singapore, the strictest security standards are enforced in China too.

"I think in the future, we will have now entered into an era in which manufacturing and logistics service companies use the Cloud to sell services with added value. This means it is inevitable that IaaS introduction not only focusing on Cloud services for improving the efficiency of customer work tasks, but also to be used as a tool for business expansion and service improvement, will become the norm. NEC will strive to become a partner who can work alongside customers to develop their businesses."



While providing services that accommodate local circumstances, aim to lower costs through global standardization

So what do you think about the global development of the Cloud business?

"Based on our achievements in Asia, we are considering expansion into North America, South America, and Europe. One key point for achieving globalization is maintaining robustness and credibility, while also minimizing infrastructure costs. Our data centers themselves are positioned appropriately in terms of customer needs, laws and regulations, and data protection, but operation can be performed almost completely remotely. They are operated remotely and maintenance and conservation tasks are centralized. Therefore centralizing operation and maintenance allows know-how to be accumulated more easily, and also improves efficiency.

Another key point is having software which can be used globally standardized, and consolidating this and the support for it as much as possible. This is also based on the same reasoning. onto a uniform platform.

By doing so, we are able to provide our customers with lower prices. However, we intend to continue to provide strong onsite support for each region, and to further strengthen our customized software which has been introduction support adapted to local conditions, and SaaS applications for specific nations and regions. We will use the best possible mix of global and local, to allow us to provide our customers with as well as precise services at reasonable costs."