

NEC solves challenging IT infrastructure problems created by global acquisition program

SONIC HEALTHCARE

Supporting rapid global expansion by a multinational such as leading Australian medical group Sonic Healthcare requires integrated IT infrastructure that can cater for both current and future needs. With this end in mind, over two years ago, NEC Business Solutions and Sonic formed a strategic alliance for systems integration and wide area network (WAN) implementation across Sonic's Australian businesses and eventually its worldwide operations.

Sonic Healthcare's complex IT requirements are made even more challenging by its marketing strategy. While seeking to realise scale efficiencies and synergies by acquiring multiple businesses, Sonic is largely maintaining the autonomy of their brands and customer relationships. Customers continue to be served by familiar brands such as Douglass Hanley Moir in Australia, or TDL in the United Kingdom. Behind the scenes, however, NEC's star-mesh WAN and integration services ensure that these apparently separate businesses are being tightly integrated into one Sonic organisation.

The company had been seeking core infrastructure for all its business units, while preserving the autonomy of their individual local networks. Additionally, Sonic needed a partner with the technical and physical resources to reliably back-up its in-house IT group. Following a competitive evaluation, Sonic chose NEC as an outsourcing partner to provide, support and maintain its data network infrastructure, frame relay carriage platform, and future Telephony over IP services.

"We were impressed by NEC's service and engineering presence in all states, and solid network management infrastructure. NEC boasts continuous operations, and a high level of service commitment. Also important to us were their strong relationships with key partners like telecommunications carriers," said Mr Alan Drew, National Network Manager, Sonic Healthcare.

Sonic chose to forge a strategic alliance with NEC as system integrator to compliment existing support personnel and manage the entire data infrastructure. This included establishing and maintaining the network. Ensuring ongoing integration of subsidiary networks coming online in Sydney, Queensland and Western Australia is also an essential part of the NEC service. Growing together into the future, NEC is also aiming to integrate New Zealand, Hong Kong and UK businesses into the Sonic network in the future.

Offering robust global data infrastructure and integration services requires a specialist facility such as NEC's Network Operations Centre (NOC). Sonic's Alan Drew looked carefully at the NOC as part of his evaluation.

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“We were keen to visit the NOC site and look at the processes in place for dealing with network faults,” he says. “NEC’s procedure for call management and escalation is first class. Effective management of our service level agreement is also important, as is use of best-practice network management tools.”

As one of several customers supported by the NOC, Sonic is taking advantage of world-best-practice technology and operating procedures. These include the latest HP OpenView network management software, voice PBX, ongoing network performance reporting and a comprehensive service level agreement.

Sonic can also access the award-winning NECare. Top-ranked by East and Partners* and ISO 9000-certified, this 24 by 7 help desk provides service continuity and responsiveness that Sonic can depend upon.

With the new NEC WAN and integration solution in place, Sonic can incorporate new businesses and emerging technologies without disruption. With an eye to the future of cheaper and more effective communication, the partners are now trialling NEC’s voice platform including voice over IP services that, with least-cost routing, could yield potential savings of 20-30 per cent.

A technology partner for today and tomorrow, NEC continues to support Sonic’s global expansion, ensuring ongoing access to world-best-practice technology, and maintaining its competitive edge in a fast changing environment.

* Results quoted in East & Partners’ The Corporate Report, May and August 2002 and The Canberra Report, June 2002.

About Sonic Healthcare

www.sonichealthcare.com

Sonic Healthcare is a multinational healthcare group listed on the Australian Stock Exchange (ASX:SHL). The company is a leading global provider of pathology, radiology, medical testing and clinical drug trial services, and has 8,000 staff working in businesses in Australia, New Zealand the United Kingdom and Hong Kong. Revenue for FY2001-02 was \$860 million and expected to reach \$975 million in FY02-03.

This is based upon organic growth of 6 per cent in the core business, together with the impact of strategic acquisitions such as West Australia-based SKG Radiology and The Doctors Laboratory, the largest private pathology group in the UK.

To extract full value from its acquisitions, Sonic commenced Amalgamation Team Initiatives two years ago as part of broader rationalisation. Significant benefit is expected to flow from the initiatives, particularly in the areas of purchasing and IT, and also radiology, where the process has only recently commenced.

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