EQUINIX CUSTOMER CASE STUDY

ORION ENGINEERED CARBONS

ORION ENGINEERED CARBONS

Carbon black manufacturer centralizes global IT in three Equinix locations, improving resilience, reducing risk and cutting running costs by 50%

Business results

- Improved service reliability and scalability, and added redundancy among sites and data centers

- Reduced data and security risks to maintain Sarbanes-Oxley (SOX) compliance

- Decreased costs by 50%

- Increased performance of critical services by a factor of ten, due to additional bandwidth for external connectivity

- Provided connectivity to support modern cloud services, improving scalability and flexibility

Executive overview

Orion Engineered Carbons (OEC) is a global supplier of carbon black products for a variety of applications, including coatings, printing inks, polymers and rubber. Headquartered in Luxembourg with operational headquarters in Frankfurt, Germany, OEC has customers in 80 countries. It operates 14 production plants in Brazil, Europe, North America, South Africa, China and South Korea. The company consolidated its IT systems into three Equinix locations in Germany, Hong Kong and the U.S.

Business challenges

OEC previously provided IT services to its business from hub sites in Korea, Germany and the U.S., as well as from various local production facilities. It also worked with a managed service provider in the U.S., with high fees.

"We had a heterogeneous, multi-vendor infrastructure with a lot of hardware that was beyond its life cycle and was lacking maintenance and support contracts," said Benjamin Scherer, Vice President of Global Infrastructure Services, Orion Engineered Carbons. "We had no standardization, with service performance issues and outages. Overall, we had a high risk of failure."

The greatest challenge that OEC faced was outages that significantly increased its risk of disrupted services. For example, its worldwide email delivery was provided by one production site, so a failure would impact production and operations globally. It was crucial to partner with a global company with a high level of standards to maintain compliance.

EQUINIX

WHERE OPPORTUNITY CONNECTS

Equinix.com

> "We centralized everything first, and now we can decide how we're running our hybrid cloud platform. Equinix is the strategic enabler for our transformation process that allows us to get there."
>
> Benjamin Scherer, Vice President of Global Infrastructure Services,
> Orion Engineered Carbons

Solution

To address these issues, OEC defined a three-year data center strategy to transform its infrastructure footprint, with services centralized and consolidated across three regional hubs.

Scherer explained, "These hubs would be independent from our business operations, so disruption at an office or production site would not have any consequence for the enterprise as a whole. Through our requests for proposals (RFP) process, we identified Equinix as the most qualified company for our global data centers. We wanted a single partner, and Equinix could provide the high-quality locations and certifications we needed."

To improve scalability, the solution employed a hybrid cloud solution to integrate on-premise services with cloud resources. OEC first consolidated its on-premise IT services into two Equinix International Business Exchange™ (IBX®) data centers in Frankfurt, Germany, and Dallas, TX, U.S. Later, the company also consolidated into Equinix Hong Kong to complete its global transformation.

By leveraging an Interconnection Oriented Architecture™ (IOA™) strategy deployed on Platform Equinix™, OEC revised its infrastructure for a digital edge. The IOA strategy removed cost and complexity from the network, giving OEC the ability to shift more workloads to the cloud through greatly improved connectivity bandwidth and reduced risk of service disruption.

OEC uses its data centers to provide global distributed services along with localized regional services. This allows OEC to minimize latency and creates redundancy where there previously was none, preventing a problem in one location from halting business operations in all locations. For example, when a hurricane in the U.S. put its Texas based Americas headquarters out of action, OEC could provide critical services including email, file, printing and VPN within a few hours from the Dallas data center.

"We are working towards full disaster recovery (DR) for critical services," said Scherer. "The uptime (Equinix provided) has been good with no outages."

Reducing risk and ensuring compliance were vital for OEC. "Since we are SOX-compliant, we needed to find a global partner that has good compliance ratings and relevant certifications." said Scherer. "It is important to satisfy internal and external compliance needs, and from a physical security perspective it is now easier for us as we have Equinix dealing with that aspect, not tying up internal Orion resources."

About Orion Engineered Carbons

Orion is a worldwide supplier of Carbon Black. We produce a broad range of Carbon Blacks that include high-performance Specialty Gas Blacks, Furnace Blacks, Lamp Blacks, Thermal Blacks and other Carbon Blacks that tint, colorize and enhance the performance of polymers, plastics, paints and coatings, inks and toners, textile fibers, adhesives and sealants, tires, and mechanical rubber goods such as automotive belts and hoses. Orion runs 14 global production sites and four Applied Technology Centers. The group has approximately 1,441 employees worldwide. For more information visit our website **www.orioncarbons.com**.

Equinix.com

Value realized

By replacing its previous managed service partner and centralizing its services, OEC has reduced its total cost of ownership (TCO) by around 50%. "We have achieved many benefits with Equinix, and also saved significant money," commented Scherer.

Scherer reports that service performance has improved by a factor of ten because of high bandwidth at the data center locations and improvements made in the external connectivity of OEC sites.

While the company has already moved various services to the cloud, it is working on adopting more, including a recent migration to Microsoft Office 365. Scherer said, "The availability of high bandwidth paired with the many carriers that Equinix has in each location, along with excellent connectivity to cloud providers such as Amazon and Microsoft, is a real enabler for OEC. This makes it easy for us to get suitable network lines and move more workloads to the cloud."

To maximize its ability to scale, OEC plans to adopt a hybrid cloud solution for critical services. This will enable it to cover peak workload times by utilizing additional cloud provider resources.

Key take aways

Partnering with Equinix to consolidate its IT services gave OEC these benefits:

- A global presence to deliver highly standardized IT services to the business

- The ability to make changes faster and easier, with more flexibility among sites

- A solid and reliable technology foundation for the digital ecosystem of the company

- Significant cost savings, allowing for investment in other areas of the business

"We're satisfied with the way everything is provided by Equinix. I would recommend the company and I've had a very positive impression of its Solutions Architects and global service portfolio," concluded Scherer. "We are a leader in the carbon black industry—and Equinix is the leader in the colocation data center business."

About Equinix

Equinix, Inc. (Nasdaq: EQIX) connects the world's leading businesses to their customers, employees and partners inside the most interconnected data centers. In 48 markets across five continents, Equinix is where companies come together to realize new opportunities and accelerate their business, IT and cloud strategies. In a digital economy where enterprise business models are increasingly interdependent, interconnection is essential to success. Equinix operates the only global interconnection platform, sparking new opportunities that are only possible when companies come together.

Learn more at **Equinix.com**

Equinix.com