



hp

HP CASE STUDY
Glenmark Pharmaceuticals



Case Summary

The challenges

- Integrate legacy distribution application with SAP R/3 system
- Provide reliable infrastructure to support mission-critical operations across 13 offices, two factories, and an R&D center
- Setup scalable infrastructure to meet a decade of rapid industrial growth

The solution

- Highly mission-critical ERP applications on RISC-based HP 9000 series servers
- Networking and standard operations on HP TC2110 servers
- Oracle database running on HP-UX, 'the deadliest combination of a SAP implementation in the world today'

The benefits

- Zero downtime for mission-critical processes
- Easily available support through vendors and in the market
- Assured scalability to comfortably meet demands of fast-paced growth
- Enhanced operational competitiveness through best-of-breed technology

Glenmark Pharmaceuticals is a research-based pharmaceuticals company with its headquarters in Mumbai, India.

With a focus in areas such as dermatology, gynecology, respiratory, gastrointestinal, diabetes, and cardiology, Glenmark Pharmaceuticals conducts original research and also manufactures and markets pharmaceutical products. Incorporated in 1977, the Company now has 15 offices overseas, a workforce of over 2000 (including around 150 scientists and researchers), and operations in 27 countries spanning USA, Asia, Europe, and the CIS countries.

Several changes in economic conditions and government policies—such as improved healthcare facilities, privatization of health insurance, spurt in disposable income and increased longevity, and a stronger rural penetration—meant that the Indian pharma sector could expect a double-digit growth rate in the coming decade. Ranked among the top 25 companies in the Indian pharmaceutical industry, Glenmark Pharmaceuticals is already riding that exciting wave of growth. The company grew at a phenomenal annual rate of 33.4% in the past three years, far outperforming its industry average of 8.1%.





The challenge

Interestingly, it was three years ago that the company made a transition from legacy systems to global standard ERP systems to take on expected leaps and bounds in growth. The process was initiated by Mr. Glenn Saldanha, Managing Director and CEO who was aided by Mr. Edsel Pereira, Deputy General Manager, Information Technology, at Glenmark Pharmaceuticals.

The Company's head office at Mahalaxmi in Mumbai functions as a nerve centre of operations. Other locations include the R&D center in Mhape, New Bombay; bulk drug plants in Kurkumbh and Ankleshwar; a formulation plant in Nasik and another one coming up in Goa; and a central warehouse in Bhiwandi near Mumbai. These locations are linked to the WAN by a leased line and backed up by ISDN. The critical process of assessing various ERP products in the market—first JD Edwards and then Baan, before deciding to go with SAP—began in early 1998 and continued for over a year. Independent market surveys were performed and the assessing team also visited clients in the pharma as well as non-pharma industries to study their cases before the legacy distribution application could finally be integrated with the SAP R/3 system.

Moving from primitive island systems in 2000 to a completely networked SAP environment across 13 offices, two factories, and an R&D center meant a ten-fold increase in spending on technology infrastructure. "Glenmark has recently established its US subsidiary, Glenmark Pharmaceuticals Inc. USA, to help file ANDAs and market API and finished formulations in the lucrative US market. Glenmark has moved from a very low level of IT spending to one which is now comparable to that of an IT company" says Mr. Pereira, who has been with the company since 1990.



Working with HP

When Glenmark Pharmaceuticals migrated their mission-critical applications to a SAP environment, they chose to adopt HP storage solutions across the company.

The year-long study of ERP solutions undertaken by Mr. Pereira and team resulted in some interesting findings. Mr. Pereira revealed, "In the course of our independent studies, we found that roughly around 60 per cent of the world's SAP implementations run on HP hardware. I strongly believe that HP-UX along with an Oracle database is the deadliest combination of a SAP implementation in the world today."

The infrastructure backbone of Glenmark Pharmaceuticals comprises a disaster recovery server, a production server, and another server used for test & development. These are served by the highly successful HP 9000 line running HP PA-RISC processors and proven for business-critical performance. The Microsoft ISA Firewall, domain controller, DNS, WINS, Anti-Virus and user data, SMS and MS SQL, and Helpdesk systems are efficiently handled by HP TC2110 servers, which deliver exceptional performance at an attractive price point, ideal for small and medium-sized businesses making their first network infrastructure investment. In fact, all PCs and servers, including the High Performance Liquid Chromatography (HPLC) systems which record quality data that is critical in the pharmaceutical industry are on HP servers. Also on the cards is an implementation of a Share Point Portal Server (a document management and knowledge management system) on the HP ML350G3.

"We are a pure HP buyer in terms of hardware. I'm happy to say that in the last three years, we've not had a single hour's downtime" says Mr. Pereira, establishing the case for his continued relationship with HP.

One of the secrets of deriving maximum value from his investments, says Mr. Pereira, is "the philosophy of one-product, one-vendor management. We are dealing with altogether 12 vendors now. They are all the top IT companies in the world. We have decided now that we will entrust our IT to only one manufacturer [in each of the infrastructure segments] across the company."

Glenmark Pharma's HP Infrastructure for SAP R/3

Production Site



Test & Development Server
HP L100 Server
 1*360 Mhz CPU, 1.6GB RAM
 2*18GB disk, DVD, ext. DLT
 HP-UX 11i

HP AutoRAID 12H Storage Array
 Dual RAID controllers,
 5*36GB & 4*73 disks



2 Gb/s Fibre

Database & Application Server
HP L100 Server
 1*360 Mhz CPU,
 1.6GB RAM
 2*18GB disk, DVD, ext. DLT
 HP-UX 11i

HP VA7100 Fibre Storage Array
 Dual RAID controllers
 with 256MB cache
 each and
 11*73 FC disks

Disaster Recovery Site

HP AutoRAID 12H Storage Array
 Dual RAID controllers,
 8*36GB disks



Database & Application Server
HP L2000 Server
 2*440MHz CPU, 2GB RAM
 2*18GB disk, DVD, DLT,
 HP-UX 11i

Server function	Model
SAP Development & Test	HP 9000 L-1000
SAP DRS	HP 9000 L-2000
SAP Production	HP 9000 L-2000
Microsoft ISA Firewall	HP TC2110
Domain Controller, DNS, WINS	HP TC2110
Anti-Virus & User Data	HP TC2110
SMS + MS SQL	HP TC2110
Wipro Helpdesk	HP TC2110
MS Exchange Mail	HP Net LC2000
Share Point Portal Server	HP ML350G3

Operating Systems used

HP-UNIX B.11.00 64 bit and Windows 2000

Data Backup

HP C1537A SCSI Sequential Drive

HP is deeply ingrained into the infrastructure implementation of Glenmark Pharmaceuticals for the benefits that are accrued from it. First and foremost on Mr. Pereira's checklist is support: "For me, as an information systems manager, support is the most important thing. When I talk about hardware, I stick with HP. I know they'll be there to support me right through to the end. Also, I avoid systems that are highly customised to the company. Instead, I prefer products that are very specialised in one area and universal so that it's easy to get people who can manage them."

A close second comes reliability. "We appreciate the reliability of data which we are getting today," acknowledges Mr. Pereira, "I know that once I put in an HP server in its place, I don't have to do much. Once it is configured and installed, it gets covered during a 5-7 day period and then there's no issue provided there's proper maintenance, air-conditioning, and basic administration. Other than for planned operations, we have not had to deal with a single hour's downtime."

When the modern infrastructure of SAP R/3 in combination with Oracle databases and HP servers were brought in to replace existing legacy systems in the year 2000, Glenmark Pharmaceuticals was a Rs. 150 crore company. Within three years, revenues have doubled. Mr. Pereira is confident that the infrastructure can absorb the rapid pace of growth and scale up to meet the demands of the coming decade.

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