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Rubens Serrano Muchao, Technology Manager, Riachuelo

Brazil-based Riachuelo Improves Application Response Time by 60% with F5 Solution

Riachuelo retail chain is one of several companies that belong to Grupo Guararapes. The company consolidated its IT and telecom administration centers, which support the retail stores as well as a financial services group, three distribution centers, and a call center. To accommodate the increased demand, Riachuelo needed to redesign its infrastructure.

It chose F5® BIG-IP® Local Traffic Manager® (LTM) Application Delivery Controller and the BIG-IP® WebAccelerator™ product module, which together ensure high availability of the company’s systems and quick response from its web-based applications. Since deploying the F5 solution, the company has seen a 60 percent improvement in network bandwidth and application response time.

Business Challenges

The Riachuelo retail chain, which sells clothing, linens, and other household items, operates 112 stores throughout Brazil that together generated revenue of R\$2.4 billion (U.S.\$1.3 billion) in 2009. Adding 1 to 1.5 million new customers each year, the company today has more than 13 million registered customers.

To transact sales at its stores, to coordinate all factory production, and to manage logistics at distribution centers, Riachuelo relies on its mission-critical applications. The company wanted to consolidate multiple IT

and telecom administration centers to have a single data center at Santana, São Paulo. Under this centralized model, the IT and telecom teams will provide services to the retail stores; to Midway, the group’s financial arm; to three distribution centers located in Guarulhos, Natal, and Manaus; and to two industrial plants, located in Fortaleza and Natal. The data center will also support the company’s Natal-based call center, which has more than 1,200 employees.

For Riachuelo’s technology manager, Rubens Serrano Muchao, and his team, the priority

Overview

Industry

Retail

Challenges

- Ensure availability of existing web-based applications
- Add more network-intensive applications, including video conferencing
- Support increasing IT demands from other Grupo Guararapes companies

Solution

- BIG-IP Local Traffic Manager
- BIG-IP WebAccelerator

Benefits

- Improved network bandwidth by 60%
- Improved business application response time by 60%

was to redesign the telecom infrastructure to ensure quality service across the company's key business systems. "Since we work mainly with web-based applications, where data are processed in a distributed way by gathering information from remote websites, it was fundamental to resize our network for the company's new phase," said Serrano. "The performance of the dynamic pages is directly affected by the available bandwidth." The company also needed to increase available bandwidth for video conferencing, a new service that Riachuelo is introducing.

Today, one of the key applications at Riachuelo is the SICC credit card system. "The SICC is the backbone of Midway, our group's financial services arm," explained Serrano. In 2010, Riachuelo began processing the Visa and MasterCard credit card brands, so the SICC became even more critical to the business.

Another strategic application that must always be available is the HR system. The original mainframe-based application is now web-based. These and other applications represent the core of the business processes that support Riachuelo's stores, financial services, distribution centers, factories, and call center.

Solution

Serrano—who has 35 years of market experience and 20 years of experience working for Riachuelo—set up an entire hardware, software, and TIC (Technology of Information and Communication) services structure to address all these challenges. "We choose to manage our environment with internal resources and staff. All devices used at Riachuelo are owned by the company, and the management system for the entire environment was developed in-house," said Serrano.

"We succeeded in improving our system response time up to 60 percent."

A team monitors the network traffic and behavior on a 24/7/365 basis. Serrano continued, "Demand for high availability is not limited to the working hours. Many jobs are also processed overnight, on weekends, and even on holidays." A dashboard provides a control panel for the network management application and keeps the network managers informed. Color-coded alerts and messages tell what must be done to ensure business continuity.

To further consolidate and improve the quality of the services provided by its data center, Riachuelo acquired two BIG-IP Local Traffic Manager devices, which it installed between the Cisco routers and the IBM servers. Riachuelo chose BIG-IP WebAccelerator for improved delivery of the web-based applications.

F5 Brazilian partner **IPconnection** deployed the F5 solution. Serrano explained, "The IPconnection team accomplished the work quickly. The environment's fine-tuning stage, which involves many details, took no more than a few weeks." IPconnection was involved with the project since its proof-of-concept stage. "The IPconnection team met the deadlines and addressed the project's challenges. Their flexibility during this agreement's negotiation stage also deserves to be highlighted," he said.

Benefits

With the introduction of the F5 solution, Riachuelo has realized its expected results. "With BIG-IP WebAccelerator, we achieved a 60 percent reduction of bandwidth use," said Serrano. According to him, the same earning applies to Riachuelo's applications' response time. Serrano explained, "There is an equivalence between bandwidth use and application speed. That's why we succeeded in improving our system response time up to 60 percent."

In addition to acquiring BIG-IP LTM, Riachuelo decided to increase its bandwidth purchase from Embratel and Telefonica. "With this bandwidth increase and the adoption of F5 technology, we hope we will not be compelled to negotiate with the telecom providers for at least one year," Serrano explained.

Serrano was quick to make the distinction between the strategy of ensuring bandwidth availability through renegotiation of telecom provider's agreements and the strategy of improving bandwidth availability through the BIG-IP system's data compression technology. He said, "Everything that we paid to the telecom providers is accounted for as a liability, while the two BIG-IP systems are accounted for as Riachuelo data center assets."

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