NEC renews core system platform for faster and more efficient management

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Tokyo, November 5, 2015 - NEC Corporation (NEC; TSE: 6701) today announced plans to renew the platform for its backbone system that supports the Group's sales, accounting and purchasing operations by March 2017.

In recent years, NEC has been standardizing the sales, accounting and purchasing operations that were developed separately for each member of the Group. This is being done in order to enhance the speed and efficiency of management. In line with such efforts, NEC established an IT system that supports these core operations through the use of SAP ERP, the ERP software from SAP. The system has been provided as a cloud service to the NEC Group companies in Japan and other countries since 2010.

NEC has decided to use SAP HANA, an in-memory platform, as the first step in the application of SAP S/4HANA, SAP's next generation business suite. The platform will improve production efficiency through faster online processing of daily operations such as the receiving of orders, posting of sales, and reservation of accounts receivable. In addition, the software makes it possible to accelerate the speed of management decisions and operational decisions through the real time processing and analysis of hundreds of millions of items of management data, such as business performance information, forecast information and income/expenditure information stored in the backbone system.

NEC will also establish virtual environments based on VMware products, while using its own products that offer high availability and high reliability, such as the Express5800 Scalable Enterprise Servers, the NEC Storage M Series unit, the EXPRESSCLUSTER X high-availability clustering software, and the UNIVERGE PF Series of SDN-supporting solutions. These environments will support stable core operations, while at the same time reduce the number of physical servers to 70% less than the number used in existing systems.

In addition, NEC will utilize the integrated delivery management infrastructure that implements the virtual environment management and account management included in the NEC Cloud IaaS, NEC's cloud infrastructure service, as well as the operation expertise developed through the provision of the service. These initiatives will make it possible to lower operating costs for the current system by 25% and improve service quality.

"NEC is working to reform management systems around the world, and to accelerate growth based on its social solutions business," said Takehisa Sekime, General Manager, Management Information Systems Division, NEC Corporation. "The renewal of our backbone systems is an important part of these initiatives. The results and expertise gained from renewing the platform will create valuable operation models for provision to client companies, thereby helping to reinforce their management infrastructure."

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