Nutrition Company Upgrades IT Infrastructure for Flexibility

Herbalife leverages Cisco Unified Data Center and network architecture for fast communications and data sharing.

Executive Summary

- **Customer Name:** Herbalife International of America, Inc.
- **Industry:** Nutrition Retail
- **Location:** Los Angeles, California
- **Number of Employees:** 7000

Challenge
- Establish flexible networking infrastructure that efficiently scales
- Improve collaboration and communication between employees and customers globally
- Deliver reliable network and agile services

Solution
- Cisco Unified Data Center solutions for reliable performance
- Cisco Unified Communications for greater manageability and enhanced communications

Results
- Reduced deployment costs by 40 percent and WAN circuit costs by as much as $1.5 million
- Managed double the requests and services with same IT staff
- Streamlined data center infrastructure to accelerate deployment and gain efficiencies

Challenge

Herbalife Ltd. (NYSE: HLF) is a global nutrition company that sells weight-management, nutrition, and personal care products intended to support a healthy lifestyle. Herbalife products are sold in more than 85 countries to and through a network of independent distributors. Herbalife is experiencing significant growth around the world: in the past 10 years alone, the company has grown over 270 percent, from 2003 net sales of US$1.1 billion to $4.1 billion in 2012, and the company expects its growth to continue.

While the rapid growth is a boon for the company, Herbalife Information Services was challenged with keeping up with the demands placed on its data center and network. Whether distributors order online, through the Herbalife mobile app, or by contacting a call center, the IT infrastructure is a key component of the ordering process. The global nature of the business also created a greater need for 24-hour network reliability to provide vendors and employees with the tools to serve distributors worldwide.

"Our legacy network wasn't initially built to handle our incredible growth," says Jose Salgado, IS Director for Herbalife. "We were struggling to resolve issues and update service for all of our users. We needed a new solution with greater reliability and speed, but most importantly we needed flexibility to keep up with future demands."

As Herbalife's legacy switches reached end-of-life, the company decided to upgrade to Cisco® Unified Data Center solutions across its data centers for the scalability needed for future growth. Building upon the Cisco solution in the data center, Herbalife also standardized its IP telephony to Cisco Unified Communications for improved management
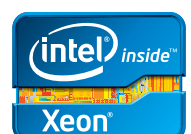
> "By reducing hardware requirements, Cisco cuts the costs to deploy a new call center location by 40 percent while minimizing management points for staff. With 36 call centers worldwide and growing, the savings are enormous."
>
> – Mohsen Tavakoli
> Unified Communications Architect
> Herbalife International of America, Inc.

and communication tools. Whether supporting internal communications or one of the global call centers, the fully integrated Cisco solution facilitates sharing and communications throughout the organization.

Solution

Herbalife worked with Cisco to bring Cisco solutions into data centers and offices around the world. Cisco routers, from smaller Cisco 891 Integrated Services Routers to enterprise-ready Cisco 7206 Routers and Cisco ASR 1000 Series Aggregation Services Routers, provide flexible and high-speed access to data, applications, voice, and video across the company with enhanced security. Routers such as the Cisco 3945 Integrated Services Routers also add enhanced support for Cisco Unified Communications.

In Herbalife's eight data centers located in California, Colorado, Utah, The Netherlands, China, Hong Kong, Mexico, and Brazil, Cisco Nexus® Series Switches bring next-generation performance and capacity that Herbalife needs to efficiently handle the increasing volume of network traffic. High-density Cisco Nexus 7000 Series Switches form the core of the data center network with high-performance connections and support for virtualization with Cisco Overlay Transport Virtualization (OTV), an industry-first technology that simplifies expanding Layer-2 LANS over networks for simple scalability.

Cisco Nexus 5000 Series Switches further enhance network flexibility and scalability with support for a broad range of connections, including Gigabit Ethernet, Fibre Channel, and Fibre Channel over Ethernet. Working with Cisco Nexus 5000 and 7000 Series Switches, the Cisco Nexus 2000 Series Fabric Extenders easily build out the network while maintaining fewer points of management and streamlining administration. Designed around scalability, continuity, and flexibility, the Cisco Nexus Series Switches provide all of the features that Herbalife needs to meet the needs of a growing, global network.

The Cisco Nexus 1000V Series Virtual Switch was an important addition to the data centers, not only for the easy-to-manage virtual switching, but also the visibility that it brought to the network. When troubleshooting the slow legacy network, IT staff often had difficulty determining whether the source of the errors was in the servers or the network. Leveraging the Cisco Nexus 1000V Series Switches, the networking team has full visibility within the enclosure to better locate the sources of errors.

Herbalife will also be deploying Cisco Wide Area Application Services (WAAS) for WAN optimization and acceleration in its data centers. The company tested Cisco WAAS against Riverbed WAN acceleration, but ultimately Cisco provided the better performance for the Herbalife infrastructure, as well as reduced WAN circuit costs by as much as $1.5 million globally. "In a proof of concept, Cisco WAAS accelerated WAN traffic 400 percent," says Peter Chien, senior manager, Network Services at Herbalife. "Users immediately commented on the difference, and we boosted productivity across the company just by enabling faster access to data center applications and services."

With Cisco routers and switches forming the foundation for a faster, more flexible network, Herbalife further opted to standardize its communications and IP telephony solutions on Cisco Unified Communications (UC). At the core of Cisco UC, Cisco Unified Communications Manager (UCM) provides a unified communications infrastructure that manages and optimizes video and voice sessions over the Cisco network.

For the global call centers, Cisco Unified Contact Center Enterprise (UCCE) delivers intelligent call routing and multichannel call management. With advanced resource

monitoring and comprehensive customer profiles, UCCE enhances call center productivity and increases customer satisfaction through improved agent performance. Additional benefits are gained by using Cisco Unified Computing System™ (UCS®) B200 M3 Blade Servers to run the UC applications, providing outstanding performance, maintainability, and scalability to the UC system.

Employees, particularly at the executive level, praise the integrated Cisco Jabber™ solution for providing access to instant messaging, desktop sharing, voice, and high-definition videoconferencing with Cisco TelePresence® EX60 Series. "We have approximately 300 sites in 38 countries, so reliable communications are important for us," says Mohsen Tavakoli, Unified Communications Architect at Herbalife. "Looking at the integrated Cisco solutions, we saw an opportunity to enhance collaboration and improve our responsiveness anywhere worldwide."

Results

Streamlined Cisco IP telephony has significantly reduced costs, while boosting manageability of phone systems. While other systems may require expensive peripherals, Cisco Unified Communications only requires Cisco UCM. "By reducing hardware requirements, Cisco cuts the costs to deploy a new call center location by 40 percent while minimizing management points for staff," says Tavakoli. "With 36 call centers worldwide and growing, the savings are enormous."

With the Cisco Unified Data Center solutions, Herbalife gains an integrated system that is easy to configure, deploy, and manage, boosting productivity and efficiency for IT staff. While deploying the new Cisco infrastructure, Salgado took it upon himself to install the new Cisco UCS servers. Even though Salgado had no formal UCS training, he was able to set up the new servers by himself in less than two days.

"I was impressed by how easy Cisco UCS was to work with," says Salgado. "There were minimum configurations and little complexity; it was almost as easy to use as a plug-and-play device." With Cisco Unified Computing System (UCS) Manager streamlining configuration and deployment, the IT infrastructure gains greater flexibility and faster deployment to better scale to meet growing demand. The streamlined management also boosts efficiency, enabling staff to spend less time adding capacity and more time optimizing configurations or adding new services.

The greater efficiency also enables Herbalife to maintain the same number of IT staff while managing twice as many requests and services. The improved availability reduces costs associated with lost productivity caused by network slowdowns and failures, while better performance reduces the equipment needed for performance gains. Salgado estimates that Herbalife would need three times as many stacks of the legacy equipment to achieve the same capacity. With the ability to do more with fewer servers, the Cisco Data Center solution draws far less power and requires less cooling, reducing costs while minimizing environmental impacts.

Next Steps

Herbalife is already expanding its use of Cisco solutions with plans for an additional data center built on Cisco Unified Data Center architecture. A migration plan also lays the groundwork to transition the rest of the 35 global call centers over to Cisco Unified Communications and Cisco Jabber, cohesively integrating the Cisco Solutions with existing Polycom video and Nortel voice systems.

Product List

Data Center Solutions
- Cisco Unified Computing System (UCS)
- Cisco UCS B200 M3 Blade Servers

Routing and Switching
- Cisco Nexus 7000 Series Switches
- Cisco Nexus 5000 Series Switches
- Cisco Nexus 2000 Series Fabric Extenders
- Cisco Nexus 1000V Series Switches
- Cisco 891 Integrated Services Router
- Cisco 3945 Integrated Services Router
- Cisco 7206 Router
- Cisco ASR 1000 Series Aggregation Services Router

Network Management
- Cisco Unified Computing System (UCS) Manager
- Cisco Unified Contact Center Enterprise
- Cisco Unified Communications Manager

Voice and IP Communications
- Cisco TelePresence EX60
- Cisco Jabber

Applications
- VMware
- Cisco Wide Area Application Services (WaaS)

Herbalife has also introduced several pilot programs that will enhance communication and cost savings for the company. Cisco Virtual Office, for example, will enable Herbalife to provide work-at-home call center employees with a powerful office environment that includes full IP phone, wireless, data, and video services. Herbalife is also piloting the Cisco TelePresence Video Communication Server (VCS) for simplified management and control of telepresence conferences to expand the benefits of virtual face-to-face meetings.

For More Information

To find out more about Cisco Unified Data Center, please visit: www.cisco.com/go/unifieddatacenter.
To find out more about Cisco Nexus, please visit: www.cisco.com/go/nexus.
To find out more about Cisco Unified Communications, please visit: www.cisco.com/go/uc.