Lactalis Group USA

Lactalis Group is the largest dairy products company in the world and the second-largest food producer in France. Maintaining a portfolio of respected global brands such as Sorrento, Parmalat, Siggi's Dairy, Skånemejerier, Rachel's Organic, and Stonyfield Farm, Lactalis operates 250 production sites globally, supported by a workforce of over 90,000 distributed across 90+ countries.

Starting with an import-export office in New York City, Lactalis USA has expanded through the acquisition of a number of manufacturing facilities over the years, now manufacturing brands such as Galbani, Président, and Rondelé. Today, Lactalis businesses operate 11 plants in the US, employing over 1,600 workers to drive 21% of Lactalis Group's global revenue.

# Upgrading a Business-Critical IBM i Implementation with Minimal Downtime

The Challenge:

Upgrade a Business-Critical IBM i Implementation While Transitioning to a Platform-as-a-Service Model

The server for Lactalis Group USA was on its last legs and no longer supported by IBM. Repeated hardware failures created an urgent need to find a replacement before this aging system risked causing production downtime. Lactalis Group USA's production facilities operate almost 24/7/365, only shutting down for Thanksgiving Day and Christmas Day each year. With this demanding operating schedule, **the switchover to a new system would need to occur in a tight window of less than 24 hours.**

As part of this server replacement, Lactalis decided now was the time to upgrade from a legacy version of IBM i (5.4) to the latest possible version compatible with their applications (7.3) Because their system was jumping so many versions at once (5.4's final update was released in 2006, 7.3 in 2016) this upgrade would be accompanied by serious challenges, including navigating a major IBM i architecture shift associated with Version 6.1

With internal resources already overstretched, Lactalis USA's IT team needed a partner who could help evaluate, plan, and execute a carefully orchestrated IBM i upgrade with minimal disruptions to hundreds of programs running on the system, many of them business-critical. With plans for continued
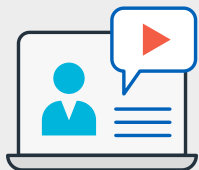
growth via acquisition, Lactalis also sought to leverage this opportunity to transition to a more flexible Platform-as-a-Service (PaaS) model for their Power i / IBM i system, which they determined could bring down long-term costs.

System resilience also played a key role in the decision to shift to a PaaS strategy; Lactalis Application Development Manager Jason Ball noted, "We have so many geographically distinct manufacturing facilities around the US, but a disruption at our main data center in Buffalo would have caused all of our production to go dark. With our previous centralized on-prem data center, that location going down would affect production everywhere in the country. Employing PaaS in a certified, external data center was a huge factor for our executive leadership."

The Solution:

PSGi Manages a Meticulous System Upgrade Process

Lactalis Group had engaged PSGi as a PRISM support partner about a decade prior. While this engagement had concluded successfully after Lactalis decided to hire an internal support resource, the Lactalis IT team remained active in PSGI's PRISM User Group and kept in touch with our team over the years. When the time came to navigate this challenging hardware-software transition, Lactalis Group NA knew PSGi was the right team to call.

PSGi began this engagement with an in-depth systems analysis to ensure that this upgrade could be made without risking disruption to business-critical applications. Our team's evaluation suggested that an upgrade was viable, but that several programs, most notably older modules of Robot Schedule Enterprise, could not be upgraded due to an

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incompatible security module. This issue had been holding back the division's systems for years, but they had long lacked the resources to execute the development work needed to solve the issue. PSGi worked to upgrade to a newer scheduling solution as part of the upgrade to IBM i 7.3, an extensive effort that required customization to over 200 programs.

The Results:

A Smooth Upgrade And Transition to PSGi Managed Services

At the end of this upgrade project, Lactalis Group USA seamlessly transitioned to a more up-to-date version of IBM i, all while upgrading to a newer version of Robot Schedule Enterprise (an upgrade that would have eventually been necessary anyway).

The switchover to the new system was a high-visibility event that was closely monitored by Lactalis Group NA executives and required buy-in from a large number of internal stakeholders. **Any misstep could result in an immensely costly disruption to a billion-dollar operation, and the spotlight was trained squarely on PSGi's team.** We planned extensively and positioned the requisite resources needed to ensure a smooth transition. The new, upgraded PaaS system went live in August 2023. PSGi's team started the switchover process at 2 PM in the afternoon and executed the complete project overnight to successfully prepare the system to go live by the start of the following day with zero downtime.

This upgrade provided an ideal opportunity to transition to a PaaS model, utilizing PSGi's data center for both development and production systems. This shift has allowed Lactalis Group USA to finally get out of the hardware management business. **Even users who formerly sat within 25 feet of the old on-premise data center have reported**

that PRISM ERP and other applications are faster than ever before, with dramatic reductions in compute times for day-to-day workflows. For example, weekly close processing times were reduced from 3-4 hours to just 45 minutes. PSGi also helps protect business continuity through Backup-as-a-Service provided through our data center.

Next Steps:

A Comprehensive Support Partnership with PSGi

Based on this smooth upgrade project, Lactalis Group USA retained PSGi for a broader long-term support of their mission critical ERP applications and programming services engagement starting in October 2023. This partnership will free up internal IT staff to focus on strategic work while ensuring that Lactalis Group will continue to have stable access to a team of IBM i experts as they navigate a wave of retiring resources. With this addition, Lactalis now takes advantage of all four pillars of IBM i's offerings: managed services, consulting, hosting, and third-party application support.