



## How spotting a risk and taking action prevented a real crisis for Cargill Treasury



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*"The time to repair the roof is when the sun is shining." -John F. Kennedy*

Averting a crisis is rarely about being lucky – it usually comes down to the right groups of people considering the risk and knowing what the plan is before something happens.

In the case of Cargill Treasury, having a plan for a critical application failure meant preventing not just a tremendous loss of time and productivity, but potentially hundreds of millions of dollars.

Cargill's business groups use a financial server to process foreign exchange (FX) hedge trades. Processing more than 400 time-sensitive trades worth a total of approximately \$650 million each day, the FXTE server protects Cargill's businesses from significant risk. Preventing the potential loss of that revenue by ensuring the security of FXTE doesn't happen without oversight, planning and testing.

### Spotting a risk and taking action

Using a sound framework and Cargill's three lines of defense model to manage and govern risk, Global IT and TGRC identified gaps in IT resiliency planning, leading to the identification of incorrect disaster recovery capabilities for a critical Treasury server, FXTE. TGRC's Resiliency Team, led by **Andrea Foppiani**, reviewed the FXTE disaster recovery plan with **Ramanan Venkat**, FXTE solution manager.

"Technology resiliency is a shared responsibility," Foppiani said. "Businesses and technology teams need to ensure the right resiliencies are built into their IT solutions. It's one of the most important ways that we protect Cargill from material impacts to the business – be it business operations, financial or health and human services."

### Putting it to the test

After some important changes were made to FXTE's disaster recovery solution, Treasury and TGRC's Resiliency Team tested what would happen if FXTE's servers failed. Having plans in place on paper is one thing, but real disasters can happen at the worst times – so the team decided to do its test during normal business hours. A lot was at stake. Could the team switch to the backup servers if the main servers went down? Would real business transactions be impacted? How quickly could the traders get back to their trading activities? There was only one way to find out.

Fortunately, the test was successful. Fortunate for a host of reasons, but mostly because of real-world incidents that happened in December 2020 when hundreds of Cargill's production servers were affected, including the server that hosts FXTE.

"We could have been disrupted for days, but most people in Treasury weren't even aware there was a major incident – so that really says it all," said **Judith Mawhood**, Global Treasury Lead. "I'm so grateful to **Holly Lamond**, Treasury IT Portfolio Owner, and her team because they understand our business, which enabled them to identify the risk in this critical application and work within Global IT to develop a DR plan, practice it, and then successfully execute it."

### Takeaways

For Cargill Treasury, being able to look back at a server outage and realize they didn't miss a beat is a reaffirmation of why we need to plan for the best but prepare for the worst.

"This example is so beautiful because we actively planned for this interruption," Foppiani said. "Treasury quickly decided that they needed to switch to their new backup servers. When you're confident you can be decisive."

"What could have been a very bad day – or days – for Treasury was nearly business as usual. As our CIO, **Justin Kershaw**, likes to say, 'This is good IT.' I agree completely," Lamond said.

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