

Auxis Helps Carve-Out Beat Aggressive Separation Deadline from Global Healthcare Corporation

Client Profile

Our South Florida-based client provides a world-class Laboratory Information Management System (LIMS) solution. Its product suite helps improve quality and safety throughout product lifecycles for more than 1,100 organizations in 60 countries. Since 1986, its business has grown to about 300 employees and 17 offices worldwide. Previously part of a leading global healthcare corporation, the client was recently acquired by a global private equity investment firm that specializes in partnering with technology businesses.



Business Challenge

To cancel the pricey Temporary Separation Agreement (TSA) that had the seller continuing to operate IT for up to 9 months during the transition, the client was incentivized to quickly separate into a standalone organization. However, carving out its IT infrastructure and standing up IT operations represented a key challenge, with no IT team or leadership included as part of the divestiture to offer support.

- With **no IT infrastructure staff or even a CIO** to lead the organization, the client **didn't have a vision of what it needed to separate from the selling company, as well as the costs and changes involved.**
- The client **lacked the expertise to design, select, and implement an entirely new IT infrastructure platform**, including end-user workstation imaging, productivity software (Messaging, Document Collaboration), voice services, business application and server migrations, security services, and IT governance and controls.
- The **TSA period was short**, based on the complexity and dependencies of the existing IT platform.
- **Policies and procedures used to govern IT at the giant-sized, complex healthcare corporation didn't translate** to the smaller carve-out company. The client needed to design and implement new policies and procedures that could deliver the speed and agility it required while also supporting its new modern technologies.
- **Collaborating with a significantly larger, bureaucratic selling company can prove challenging during a carve-out.** This deal was no exception: leading to friction, delays, and difficulty obtaining accurate information promptly. The seller also attempted to change direction after a migration approach was approved, causing additional delays while it was convinced the original proposal was correct.
- In addition to the 300 employees and contractors included in the divestiture, the client was hiring new staff and **forming a new corporate culture at the same time it was building a technology footprint** – triggering some delays and misunderstandings.
- The small Project Management Office (PMO) spearheading the carve-out opted to run each departmental divestiture as a unique workstream instead of a unified program. This approach created some **conflicts over competing priorities** as it scrambled to simultaneously carve out key areas like Finance, HR, IT, Marketing, and Commercial Sales.



Solution & Approach

A longtime partner of the private equity investment firm acquiring the client's business, Auxis was tapped to lead the separation and buildout of the new standalone company's core IT infrastructure services and supporting processes.

After a **comprehensive discovery and planning process** that included a full inventory, the Auxis team used its 24+ years of extensive IT expertise to design a new infrastructure platform and network redesign, separation, and migration strategy.

While the selling corporation kept its infrastructure on-premises, the separating company had already undergone an AWS cloud implementation that predominantly hosted its LIMS solution for clients. **Moving the new company servers to the existing, modernized cloud platform - while strengthening the architecture and security - was the right strategy for the carve-out.**

Auxis also **proposed hiring a temporary CIO-as-a-service as a critical first step.** Filling this role not only put a strong leader in place to manage the IT function but created awareness and communication with other workstreams operated by the carve-out SMO (Separation Management Office) to avoid misunderstandings.

To meet the client's aggressive TSA deadline, Auxis implemented **daily standups and action planning** that ensured agility and quick change adaptation from its teams. The project included a project manager and solutions architect to deliver the expected results, as well as additional resources and overtime to compress the delivery schedule - especially during the end-of-year holiday season.

Auxis divided the carve-out transition plan into five tracks, securing licensing for all office applications, operating systems, and cloud services:

Track 1: End-User Computing and Mobility

- Design, creation, and deployment of desktop images and technologies.
- Consolidation and migration of all business and desktop applications.
- Implementation of MS-Intune with Autopilot, enabling global end-users to run the brand-new workstation image on their desktops and mobile devices with automated software deployments and updates.

Track 2: Microsoft 365 Migration

- Implementing a new Microsoft 365 tenant, allowing end-users to run a suite of cloud-based Microsoft products that includes email, SharePoint, OneDrive, and Teams.
- Selection, design, and migration of voice services to Microsoft Teams.

Track 3: Networking

- Design, planning, and migration of a segregated LAN/WAN network.
- New network and telecom circuits connecting global locations across the U.S., France, Germany, U.K., Netherlands, and China to the cloud platform.
- Implementation of an end-user VPN solution.

Track 4: Server Migration

- Creation of a hybrid server infrastructure. That included migration of hundreds of AWS EC2 (Elastic Compute Cloud) instances from the seller's on-premise VMWare environment.



Track 5: Security Tools Implementation

Without any security technologies to migrate from the seller's environment, Auxis recommended the implementation of multiple solutions designed to protect users and infrastructure, including:

- Multi-factor Authentication (MFA) to add a layer of protection to the sign-in process. Email security using Proofpoint technologies.
- Microsoft Defender for Cloud to detect vulnerabilities in servers and workstations.
- Microsoft Defender URL Content Filtering to protect against advanced web-based threats and data theft while on and off the corporate network.
- Microsoft Defender antivirus monitoring for nearly 700 computers, servers, and mobile devices.
- Knowbe4 Security Awareness Training for end-users.

Results

To accelerate completion of the IT carve-out, Auxis made sure all pieces were in place to start the migration as soon as the acquisition closed. The client now operates successfully as a standalone entity, working on its own IT domain and cloud tenant with Auxis as its end-user and infrastructure management provider.

Key results include:



Early IT TSA Termination

Auxis **helped the client save millions by completing the IT carve-out on-time within six months.** With successful standalone operations, the client was able to stop paying for the IT TSA about three months before it expired.



Corporate Network Built with Redundancy in Mind

Auxis designed the new network to eliminate single points of failure, ensuring **better stability and uptime during events that would otherwise take it offline.** For instance, the design includes global telecom circuits and redundant end-user VPN platforms and office firewalls.



Seamless End-User Migration

With a proven migration strategy, Auxis enabled **zero disruptions** to the client's 268 employees and 120 subcontractors during the transition. That includes the imaging of employee computers worldwide and provisioning of AWS workspaces for contractors, as well as **migration of 400 mailboxes, 23 SharePoint sites (and their libraries), and OneDrive for 388 users** to the new Microsoft 365 tenant.



World-Class IT Policies, Procedures, and Governance Practices

With the seller's IT practices mostly inapplicable, the Auxis team used its deep industry and IT experience to create and implement best-in-class, structured IT processes and governance practices for the new company. Auxis defined and implemented IT infrastructure controls and procedures. It also **implemented monthly operational reporting**, using analytics to help the client create visibility, measure performance, and address issues before they impact the business.



Maximizing the Value of a Modern IT Cloud Infrastructure

The Auxis team designed and implemented a robust cloud migration and infrastructure strategy – delivering accelerated and achievable results aligned with the new company's business goals. With its server infrastructure running smoothly, the client has been able to **reap cloud benefits like cost efficiencies, increased speed to market, enhanced agility, and 24/7 redundancy.**



Continued Partnership

Pleased with the success of the IT carve out, the **client decided to outsource day-to-day IT management and operations to Auxis Managed Services at the end of the migration.** That includes 24/7 service desk support for end-users, End-Point Management and Support, 24/7 cloud and on-premises infrastructure network management, security, and Microsoft 365 services.



Easing the Divestiture of Other Departments

With every department ultimately dependent on reliable IT operations, completing the IT carve-out quickly and successfully supports the separation of other business functions.

The client also **tapped Auxis to support another carve-out phase**, defining HR processes and procedures for onboarding and offboarding employees.

