

Case Study

Fortium Partner Successfully Completes IT Carve-Out for a Major Private Equity Acquisition

The Challenges

Acquiring a fully integrated global subsidiary by a Private Equity (PE) Firm required the carve-out of numerous technologies, applications, contracts, and processes from an international multi-divisional manufacturing company.

The Private Equity firm partnered with Fortium to lead all IT separation activities, starting well before the completion of the deal.

For entangled services (e.g., ERP, email, payroll) needed beyond the effective date of the acquisition, the firm needed a Transition Services Agreement (TSA). C-level technology leadership expertise was required to ensure all IT Separation activities were completed until the final Transition Service was exited.

The Solution

- Establish aggressive but realistic TSAs for the minimum number of services required
- Effectively separate all Day-1 Entanglements
- Exit all TSAs on-time and without business disruptions
- Archive all pertinent legacy data
- Identify synergies between short-term separation and future state integration/transformation opportunities

The Results

After establishing a favorable TSA, 17 distinct separation deliverables were successfully executed by day 1 of the acquisition under the leadership of the Fortium Partner. In the following year, another 37 separation deliverables were completed as planned with no business disruptions. By the end of the transition period, all global client entities were effectively operating independently of their former parent company, poised to realize the synergies from further integration into the PE Firm's Portfolio Group.

Client Profile

- PE acquires a global technology leader to create a broad portfolio group of highly configurable solutions
- Carve-out from previous parent company
- Sales: \$200M
- 650 Employees
- International Sales
- Manufacturing & Industrial

