

— CLOUD & DEVOPS · DATACENTER EXIT

Exit the *Datacenter.* Compound the Savings.

A century-old global manufacturer was spending \$2.35M annually on a datacenter that had become a liability. Kansoft migrated 80+ enterprise workloads to Azure — *zero business disruption, savings that compound from year one.*



INDUSTRY

Premium
Components Mfg.

PRACTICE

Cloud & DevOps ·
Azure Migration

ENGAGEMENT

Datacenter Exit ·
Hybrid

FY27+ SAVINGS

~\$1.26M / year

— THE CLIENT & THE CONTEXT

A hundred years of precision engineering. A datacenter that had stopped keeping up.

The client is a global premium components manufacturer with 100+ years of manufacturing heritage — a business built on operational precision, with manufacturing, finance, identity, EDI, and analytics workloads running around the clock across multiple continents.

Their on-premise datacenter had become a \$2.35M annual obligation — and the trajectory was upward. Aging hardware, growing support costs, and an infrastructure model that couldn't flex with the business. Leadership made the call to exit.

The question wasn't whether to move to cloud. It was how to execute a full datacenter exit without disrupting a business that ships, invoices, and reports every single day.

ENGAGEMENT SNAPSHOT

What the client needed

Industry Premium components mfg.

Heritage 100+ years global

Engagement Full datacenter exit

Target Microsoft Azure

Architecture Hybrid cloud · MPLS

Workloads 80+ enterprise servers

— KEY CHALLENGES

Three constraints pulled in different directions. The engineering plan had to hold all three.

01

Cost trajectory was unsustainable

Annual hosting, support, and infrastructure spend had crossed \$2.35M, with the curve pointed upward. Continuing on-prem was not a steady-state — it was an accelerating obligation.

02

The estate was both old and entangled

80+ enterprise servers, hybrid networking, ADFS, EDI, PLM, analytics gateways — each with dependencies on the others, and none documented in a way that survived a clean cut-over.

03

The business does not pause for an exit

Manufacturing operations across multiple regions. EDI traffic with global partners. Reporting cycles that don't accept a maintenance window. Migration had to happen inside the running business.

04

FinOps had to be designed in, not bolted on

Lift-and-shift defaults inflate cloud bills quietly. The savings the business was counting on had to be designed into landing zones, SKU selection, and reserved capacity — before the first VM moved.

05 · FAILURE MODES

And every classic datacenter exit failure mode was on the table.

Under-scoped dependencies. Networking stitched together under pressure. Cost models that look right until the first Azure bill arrives. Phased reductions that leave half the legacy cost intact. The engagement was structured specifically to prevent each of those failure modes — not respond to them after they showed up.

— OUR APPROACH

A datacenter exit is a sequencing problem, not a lift-and-shift problem.

We structured the engagement in five phases — each gated, each measurable, each designed to make the next one safer rather than larger. Cloud rationalization came before migration. Hybrid networking came before workload moves. Cost modeling ran throughout.

01

PHASE 01 · RATIONALIZE

Cloud Rationalization

Inventoried every workload. Classified each for migration, re-platform, or decommission. The cheapest workload to run on Azure is the one you no longer need.

02

PHASE 02 · ARCHITECT

Azure Target Architecture

Designed VM and PaaS landing zones with cost-aware SKU choices, private endpoints, and load balancing — not lift-and-shift defaults that quietly inflate bills.

03

PHASE 03 · NETWORK

Hybrid Networking

MPLS connectivity and hybrid cloud routing established before workload migration began, so on-prem and Azure could co-exist during transition rather than be stitched together under pressure.

04

PHASE 04 & 05 · EXECUTE

Phased Migration & Datacenter Exit

Workloads moved in dependency-aware waves — ADFS and identity first, application tiers next, analytics gateways last. Every wave had a tested rollback path, and the legacy estate was fully decommissioned at the end.

— SOLUTION DELIVERED · PART 1 OF 2

62 VMs. 15 PaaS resources. One hybrid architecture that holds together when the datacenter is no longer there.

The first three components establish the Azure foundation: the enterprise compute footprint, the hybrid networking layer, and the modern operating model the next decade of strategy will run on.

01 Enterprise Azure Footprint

- 62 Azure Virtual Machines provisioned with cost-aware SKU selection
- 15 PaaS resources across identity, application, integration, file storage, and analytics tiers
- Right-sized from day one — not migrated and optimized later

02 Hybrid Cloud Architecture

- MPLS-backed connectivity between Azure and remaining datacenter footprint
- Private endpoints and load balancing established before workload migration
- No "we'll fix the networking later" technical debt

03 Modern Cloud Operating Model

- Power BI Gateway, Integration Runtime, Azure File Share repositioned on Azure
- ADFS, SMTP relay, Web EDI repositioned as cloud-native services
- EDM Library and PLM QA workloads moved with operational runbooks updated, not rewritten

— SOLUTION DELIVERED · PART 2 OF 2

Every named workload, repositioned with dependencies preserved.

Identity, integration, reporting, and engineering workloads — each repositioned on Azure with the operational runbook updated rather than rewritten under fire. The deliverable was not the migration. It was a new operating model.

04 Identity & Integration Stack

- ADFS federated identity migrated cleanly — no break in single sign-on or authentication
- Web EDI repositioned for continued global partner exchange
- Integration Runtime on Azure for data orchestration across hybrid estate

05 Cost-Aware FinOps Foundation

- Reserved capacity and right-sized SKUs locked in at the architecture stage
- Cost-aware landing zones — savings designed in, not negotiated after
- Hosting model the finance team can forecast and the CFO can defend

06 Datacenter Exit, Fully Executed

- Complete exit from the legacy estate — not a phased reduction
- Infrastructure rationalization carried through end-to-end so the cost baseline actually resets
- No half-decommission carrying residual on-prem cost into the new operating model

— TECHNOLOGY STACK

An Azure foundation chosen for cost predictability — and the next decade of modernization.

Every choice in the stack maps to a question that comes after the migration: observability, elasticity, cost forecasting, and the foundation the next initiative starts from. Lift-and-shift defaults were not the answer.

LAYER 01 · COMPUTE

Azure Virtual Machines · 62 instances

Right-sized VM SKUs across identity, application, integration, and analytics tiers — provisioned for actual workload load, not legacy spec mapped 1:1.

[Azure VMs](#)

LAYER 02 · PLATFORM

Azure PaaS · 15 resources

PaaS-first wherever the workload allowed — reducing operational overhead and unlocking elasticity on-prem hardware couldn't deliver.

[Azure PaaS](#)

LAYER 03 · STORAGE

Azure File Share

Enterprise file services repositioned on managed storage — operational continuity preserved, hardware refresh cycle eliminated.

[File Share](#)

LAYER 04 · NETWORKING

MPLS · Hybrid cloud routing

Carrier-grade connectivity between Azure and the remaining on-prem footprint. Private endpoints and load balancers established before workloads moved.

[MPLS · Hybrid](#)

LAYER 05 · IDENTITY

ADFS · Federated SSO

Federated identity migrated cleanly — no break in authentication, no compensating workaround, no quiet downgrade of security posture.

[ADFS](#)

LAYER 06 · DATA & BI

Power BI Gateway · Integration Runtime

Analytics and integration tiers on Azure-native services — reporting cycle never stopped, foundation for the next analytics initiative already in place.

[Power BI](#)

— MEASURED OUTCOMES

The infrastructure stopped depreciating. The savings started compounding.

METRIC	BEFORE	AFTER
Infrastructure model	Legacy on-prem datacenter	Microsoft Azure + optimized hybrid
Annual hosting cost	~\$2.35M	~\$1.77M
FY26 cost reduction	Baseline	~\$618K saved
FY27+ recurring savings	Baseline	~\$1.26M / year
Infrastructure scalability	Hardware-bound	Cloud-elastic
Datacenter dependency	High	Eliminated

— BUSINESS IMPACT

~\$618K hosting cost removed in FY26 — the first full year on the new operating model	~\$1.26M recurring annual savings from FY27 onwards, against the \$2.35M legacy baseline
80+ enterprise workloads migrated to Azure with zero business disruption events	Manufacturing operations, EDI traffic with global partners, and reporting cycles ran through the entire migration window
Cloud-native starting point for every modernization initiative that follows — analytics, AI, ERP, security hardening — no longer fighting a legacy estate	

— WHAT CHANGED FOR THE BUSINESS

Beyond the cost line — an infrastructure posture the next decade of strategy can build on.

Cost optimization at scale

The hosting baseline reset rather than partially declined. ~\$618K removed in year one. ~\$1.26M removed every year that follows. Predictable, modeled, and visible to finance.

Infrastructure modernisation

Workloads now sit on Azure-native services with elasticity, observability, and a deployment posture that supports — rather than slows — the next wave of modernization initiatives.

Reduced operational overhead

Hosting, patching, and support operations consolidated. Engineering hours that were going into keeping the lights on are now available for work that compounds.

Strategic datacenter exit, complete

Not a deferred decommission. Not a partial reduction. A full exit from the legacy estate, executed without disturbing the business that depends on it.

— WHY KANSOFT

Datacenter exits fail in predictable ways. This one didn't.

01 Azure migration executed, not learned — multi-region, multi-workload migrations across regulated and mission-critical environments.

02 Full datacenter exit, start to finish — not a partial decommission that leaves half the legacy cost intact.

03 FinOps built into the architecture — cost optimization designed in from day one, not negotiated after the first cloud bill.

04 Hybrid networking that holds — MPLS-backed connectivity designed to outlast the migration window by years, not improvised during it.

— READY TO BUILD SOMETHING LIKE THIS?

If your *legacy run-rate* is a strategic decision, treat it like one.

If you're carrying infrastructure that costs more every year than it enables, the calculus has already shifted. The question now is how to execute an exit without making the next 18 months harder than the last five years. Our Cloud & DevOps practice has done this before — let's talk about what a structured Azure migration looks like for your specific estate.

SPEAK TO OUR TEAM

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VISIT

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