



Overview

Country or Region: United States

Industry: Manufacturing—High tech and electronics

Customer Profile

Sensata provides sensors, controls, and power management solutions to a broad range of markets and applications. The company is based in Attleboro, Massachusetts, and employs more than 9,000 people worldwide.

Business Situation

As part of a companywide cost-cutting effort, Sensata evaluated new ways to deliver IT services, including delivering key software over the Internet using cloud-based services.

Solution

Sensata replaced its on-premises installation of Microsoft Exchange Server 2003 with Microsoft Business Productivity Online Standard Suite, a collection of online communications and collaboration services.

Benefits

- Email costs cut by 50 percent
- IT resources freed up
- High email availability
- Increased business agility

Manufacturer Slashes Costs by \$500,000 Annually by Moving Email into the Cloud

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Aaron Weis, Chief Information Officer, Sensata Technologies

Sensata got serious about cost-cutting when a tough economy hit its target industries hard in 2008. As part of a fresh look at how it delivered IT services, the IT staff decided to move key applications to a cloud-based model, where applications and services are delivered from third-party data centers over the Internet. For email, Sensata subscribed to Microsoft Business Productivity Online Standard Suite, which includes Microsoft Exchange Online and other Microsoft communications programs. By unplugging its in-house messaging servers and going to a cloud-based email service, Sensata has slashed email costs by 50 percent, or U.S.\$500,000 annually. It has also reallocated IT resources to strategic projects that make the company more competitive. Additionally, Sensata can integrate acquisitions faster with subscription-based email.

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Aaron Weis, Chief Information Officer,
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Situation

When you step on your car’s brake pedal, hear your central air conditioning system switch on, or take an airline trip, a Sensata sensor may well be involved. Sensata is a leading global supplier of sensing, electrical protection, control, and power management solutions. Called Texas Instruments Sensors & Controls until 2006 when it was spun off from Texas Instruments as an independent company, Sensata makes sensors and control systems used in the automotive, home appliance, aircraft, military, industrial, heating, cooling, telecommunications, marine, and other markets. The company is based in Attleboro, Massachusetts and employs more than 9,000 people around the world.

When Sensata divested from Texas Instruments in 2006, it created its own data center and replicated the same IT services, including the Microsoft Exchange Server 2003 communication and collaboration server for email messaging. However, when the recession of 2008 hit, Sensata initiated several rounds of cost-cutting that stretched into its IT department. “By January 2009, we realized that belt-tightening was the ‘new norm,’” says Aaron Weis, Chief Information Officer for Sensata. “The industries that we sell to—automotive, aerospace, and home building—were all hit especially hard, and we didn’t know when our revenues would snap back.”

But Sensata management also recognized that the “new norm”—no travel, no new projects, no hiring—was not sustainable if the business was to survive. “We in the IT department needed to rethink how we delivered IT services to the company,” Weis says. “We were intent on restructuring rather than reducing—on tossing out old preconceptions and really looking at services in a fresh way.”

For starters, Weis and team rearchitected and downsized the company’s wide area network (WAN) links, downgraded some mobile services, and eliminated seldom-used business applications. It then virtualized 90 percent of the company’s Windows operating system–based servers by using the Windows Server 2008 operating system with Hyper-V technology and moved key business applications from an on-premises model to a cloud-based one, where applications and services are delivered from third-party data centers over the Internet.

Email messaging is one of the applications that Sensata wanted to move into the cloud. Not only did its on-premises messaging infrastructure represent a significant cost, but reliability and scalability would improve by converting email to an Internet-based service. “We once lost our data center during an ice storm and had no way to communicate with email down,” Weis says. Sensata has also grown through acquisition, and it took weeks to migrate an acquired company’s email system to its infrastructure, which slowed each acquisition’s profitability.

Solution

In February 2009, Sensata began to evaluate online messaging services and quickly narrowed its search to Microsoft Business Productivity Online Standard Suite and the Google Gmail service. “We didn’t want to simply host our messaging environment somewhere else; we wanted to be in a shared environment with someone else owning and caring for the infrastructure,” Weis says.

Microsoft Business Productivity Online Standard Suite, part of Microsoft Online Services, includes Microsoft Exchange Online for email, Microsoft SharePoint Online for collaboration, Microsoft Office

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Communications Online for presence and instant messaging, and Microsoft Office Live Meeting for web-based videoconferencing. These services are hosted at Microsoft data centers and delivered online.

Going into the Cloud with Trust

The Sensata IT staff performed a rigorous evaluation of the Microsoft and Google online services, comparing storage limits, password and directory synchronization with the company's Active Directory service, encryption, accessibility from mobile devices and the web, migration efforts, and many other criteria. In the end, in May 2009, Sensata decided to use Business Productivity Online Standard Suite, mainly because of its longstanding relationship with Microsoft. “Microsoft had been a great partner to us, and we wanted to go into the cloud with someone we knew and trusted,” Weis says. “We just weren't convinced that Google understood what it took to serve enterprise customers.”

Migrating 5,000 Mailboxes in Three Months

During the evaluation process, Sensata called in Clearway Technology Partners, a Microsoft Gold Certified Partner and authorized provider of Microsoft Online Services, to help it understand Business Productivity Online Standard Suite. After Sensata decided in favor of the Microsoft solution, Clearway helped with migration planning and execution and helped upgrade Sensata desktop computers to the Microsoft Office Outlook 2007 messaging and collaboration client and Microsoft Office Communicator 2007. “Having the benefit of Clearway's expertise and experience helped ensure our success and accelerated our deployment,” says Weis.

From July to October 2009, Sensata migrated 5,000 Exchange Server mailboxes

and several hundred BlackBerry smartphone accounts to Exchange Online (4,000 Sensata employees are production workers who do not have email). “We went site by site around the world, upgrading desktop computers where needed, installing Office Outlook 2007 and Office Communicator 2007,” Weis says. “On the back end, we migrated email accounts, mail, and calendaring data. When employees came in to work, they found an email telling them that they had been migrated to Microsoft Online Services and logon instructions. It went very smoothly from our users' perspective.”

Working Without Disruption

Perhaps the biggest compliment that Weis has for Exchange Online is that Sensata employees hardly noticed the change. “The user experience didn't really change with the move to online email, which is a big advantage of Microsoft Online Services,” Weis says. “Office Outlook works the way it has always worked, and employees were able to continue using what they were already familiar with. We avoided a disruptive companywide training that would have been necessary with a move to Google.”

While employees experienced a seamless transition with familiar services, Sensata gained new capabilities with the move to Exchange Online. Specifically, it received an instant, painless upgrade to the latest version of Exchange Server—Microsoft Exchange Server 2007—and will soon upgrade to Microsoft Exchange Server 2010. The company also enjoys better support for mobile clients and for specific smartphones such as the Apple iPhone.

Sensata also received strong protection from malicious software by using Microsoft Forefront Online Protection for Exchange, which provides layered technologies that

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help protect inbound and outbound email from spam, viruses, phishing scams, and email policy violations. Sensata also plans to use the Microsoft Exchange Hosted Archive service, which provides email and instant message archiving.

Additionally, Sensata is using Microsoft Office Live Meeting to give its information workers PC-based access to web conferencing. It is evaluating Microsoft SharePoint Online (to cost-effectively extend its on-premises deployment of Microsoft Office SharePoint Server 2007) and Microsoft Office Communications Online.

Sensata is a member of the Microsoft Online Services Customer Advisory Board, through which it can give Microsoft prompt and detailed feedback on Microsoft Online Services. “Being on the Customer Advisory Board has been instrumental in helping us work closely with Microsoft on online services and has also been a great opportunity for Sensata to add value and be heard,” Weis says.

Benefits

With its move from an on-premises to an online email platform, Sensata has cut email costs in half, trimming U.S.\$500,000 from its IT budget, and freed up IT resources to focus on higher-value tasks. Now that it is delivered from Microsoft data centers, email is more reliably available, and the company can deliver email services faster to new acquisitions.

Email Costs Slashed by 50 Percent

By adopting Microsoft Online Services, Sensata has realized significant savings. “By eliminating on-premises messaging, we reduced our email costs by 50 percent,” Weis says. “We’re saving \$500,000 a year with the move to Microsoft Online Services, while delivering the same services.” This

savings includes hardware, software licensing fees, backup and recovery services, and management time.

IT Resources Freed Up

The time that IT staff members used to spend managing, troubleshooting, and upgrading messaging servers is now spent on higher-value activities. “We were able to take our smart people who ran Exchange Server and put them on projects such as business intelligence, where they contribute at a more strategic level,” Weis says.

Additionally, using the Exchange Hosted Archive service will reduce the IT staff’s involvement in e-discovery efforts and improve the results. “IT teams often get pulled into e-discovery efforts, because corporate legal staffs ask us to go through computerized employee records and other assets for investigations,” Weis says. “With the Exchange Hosted Archive service, we’ll be able to put a dashboard in front of forensic analysts and let them do the e-discovery searches themselves with minimal support from IT.”

High Reliability

Sensata also enjoys better disaster protection and greater peace of mind with its business-critical email service running in Microsoft data centers, which provide guaranteed service-level agreements and continuous replication of data to data centers in different geographic locations. “We were able to take email out of our data center disaster recovery plan, which reduces our disaster recovery infrastructure and also ensures higher email availability,” Weis says. “With Microsoft Online Services, even if we lost everything, we would still have email because it’s independent of our infrastructure.”

For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers in the United States and Canada who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to:

www.microsoft.com

For more information about Clearway Technology Partners products and services, call (800) 711-5068 or visit the website at:

www.clearwaypartners.com

For more information about Sensata Technologies products and services, call (508) 236-3800 or visit the website at:

www.sensata.com

Increased Business Agility

Email scalability has also vanished as a concern, because Sensata can now quickly provision email accounts for employees of newly acquired companies rather than slowly expanding its on-premises infrastructure and manually migrating accounts. "Despite the economy, we're still growing, and acquisition is a key part of our strategy," Weis says. "Instead of taking weeks to deliver email, we can give new employees a Sensata email account on day one."

Microsoft Online Services

Microsoft Online Services are business-class communication and collaboration solutions delivered as a subscription service and hosted by Microsoft. With these offerings, customers can cost-effectively access the most up-to-date technologies and immediately benefit from streamlined communications, simplified management, and business-class reliability and security features. For IT staffers, Microsoft Online Services are backed by strong service level agreements and help reduce the burden of performing routine IT management, freeing up time to focus on core business initiatives.

For more information, visit:

www.microsoft.com/online

Software and Services

- Microsoft Online Services
 - Microsoft Business Productivity Online Standard Suite
 - Microsoft Exchange Online
 - Microsoft Forefront Online Protection for Exchange
 - Microsoft Office Communications Online

- Microsoft Office Live Meeting
- Microsoft SharePoint Online
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