



Auxis

Private Equity Companies Get a Fast Track to ERP With NetSuite's BPO Model



Auxis, a leading digital transformation and nearshore pioneer, has been offering business process outsourcing (BPO) and IT outsourcing services to its private equity clients since 2010. But the firm couldn't offer them an Enterprise Resource Planning (ERP) platform until it signed on as a NetSuite BPO Partner in 2020.

"We built our brand around our shared services consulting capabilities and added outsourcing services over time," said Eric Liebross, Auxis' senior managing director of business transformation.

NetSuite's BPO partner program provides a single, flexible solution to manage clients of any size, from growing businesses to Global 2000 corporations. Through this model, Auxis can quickly implement a full-featured ERP solution for its clients. This approach is highly valued in the private equity space, where companies making acquisitions, carving out portions of existing organizations, and/or building value within their existing portfolios need cloud-based, end-to-end operating platforms.

"We have worked with a lot of private equity companies over the years, and we wanted to be able to offer them a turnkey solution for their finance and business operations, managed services, and an operating platform versus just working with the clients' own systems."

Eric Liebross, Senior Managing Director of Business Transformation, Auxis



“We considered Dynamics and a few others, but the main driver behind our final decision was NetSuite’s footprint in the market, and particularly in the private equity world. We felt NetSuite was the right choice.”

Eric Liebross, Senior Managing Director of Business Transformation, Auxis

“Two years ago, we were working with a few different private equity clients that all needed ERP platforms,” Liebross said. “That’s when we made the decision to become a NetSuite BPO Partner. We’ve since implemented for several other PE-backed clients using NetSuite’s BPO model, which enables Auxis to acquire and stand up the system on their behalf, and also allows the client to assume ownership of the license at the appropriate time, if they so desire. This has proven to be a great model that benefits all parties.”

The ‘Right Choice’

Founded in 1997, Auxis has around 1,000 employees across its Fort Lauderdale, Fla. offices and its nearshore operations in Costa Rica and Colombia. Both of these countries are among the top nearshore destinations in Latin America for shared services, with proven accounting talent supporting the full Americas and in some cases the globe.

Before selecting NetSuite, the company also considered Microsoft Dynamics, a platform that Liebross and Auxis had worked with extensively in the past.

The professional services firm especially liked that NetSuite’s BPO offering would serve as a viable entry point for its private equity portfolio clients, who could get up and running on the ERP platform very efficiently in terms of both cost and time to value thanks to the attractive and flexible licensing model available under the BPO partnership.

“That investment can be a big hurdle for companies that are doing carve-outs or buying startups and need to get new platforms in place quickly,” said Liebross. Without an

ERP solution to offer them, Auxis had to wait for a thumbs-up from the private equity firms — which had to source their own platforms or work with existing solutions.

As a NetSuite BPO Partner, Auxis can now offer an operating platform that includes finance, accounting, back-office, and IT services to its private equity clients.

“Once we understood NetSuite’s BPO approach, taking that path and becoming a partner became a no-brainer for us,” said Liebross.

Support Is Key

Liebross has worked with ERP for years, but he didn’t have much experience with NetSuite until Auxis joined the software provider’s BPO Partner program. He was immediately impressed with NetSuite’s partner support structure and willingness to help him learn the ropes.

“NetSuite answered all of our questions very quickly and supported us in any way that they could,” he said. “Early on, we had some clients with interesting operational challenges, and NetSuite helped us navigate those issues and come up with the right solutions.”

That high level of support has extended throughout Auxis’ relationship with NetSuite, and the latter continues to help the firm leverage new opportunities and solve its clients’ challenges.

“The partnership has been great, and the working relationship we’ve established with NetSuite gives us confidence to continue offering the ERP platform to our private equity clients,” said Liebross. “I know NetSuite always has our back.”

IT System With NetSuite as the Foundation

Recently, Auxis worked with a nutritional supplements company that makes protein bars, shakes, and related products. The \$500 million business was being acquired and then separated from its parent corporation. Auxis got involved just before that carve-out transaction was completed, at which point the target company needed help designing a new operating model.

The company had worked with another consulting firm to plan a preliminary operating model, but it now needed something that it could put into action.

“They wanted us to take that preliminary model and operationalize it, but they weren’t necessarily thinking of outsourcing or ERP at that point,” Liebross said. “They just needed to get off a transitional service agreement [TSA] that was costing them millions of dollars a month.”

A TSA is an arrangement between the buyer and seller of a company spelling out how much money the buyer will pay the seller in exchange for continuing operations and services for key processes, such as finance and accounting, IT, supply chain, and human resources.

Understanding the challenge that the nutritional supplements maker was facing, Auxis proposed standing up a team to handle the new entity’s finance operations on an outsourced basis, with NetSuite as the core ERP system. It also built out capabilities that the new company needed and designed an IT system architecture and footprint.

“We provided all of the resources for implementing, configuring, and integrating NetSuite into the company’s other systems,” said Liebross. “Everyone was happy with the result.”

Eager to terminate its TSA, the company gave the go-ahead and Auxis got to work.

“Our role evolved from pure consulting to building out the operating platform for the company and separating it out from its parent corporation,” Liebross said. “We got them off the TSA months earlier than they expected, which resulted in millions of dollars in cost savings.”

Opening New Doors

As a NetSuite BPO partner, Auxis has been able to expand its reach in the private equity world, particularly to clients that are doing carve-outs. In fact, private equity firms are now seeking out Auxis for help managing that aspect of their investment strategies.

“We’ve always had a lot of private equity relationships, but we never aggressively pursued carve-outs,” said Liebross. “Now, we view them as a new line of business.”

Overall, Liebross considers NetSuite a “very strong player” in the private equity sector and views it as a go-to ERP platform due to its ease of implementation and end-to-end business management capabilities.

“When you’re dealing with growing and mid-market companies that lack good platforms, NetSuite is a great option that can be up and running quickly,” he said, “It offers a broad set of capabilities that more than meet the needs of private equity firms.”

The Auxis logo features the word "auxis" in a lowercase, sans-serif font. The letters "a", "u", and "i" are in a dark blue color, while the letters "x", "s", and "i" are in a bright yellow color.

Company Snapshot

Company: Auxis

Location: Fort Lauderdale, Fla.

Industry: Professional Services and Outsourcing