



## KaMin Saves Six Months and More Than \$1 Million on Divestiture Using Informatica

By using Informatica Data Subset from Informatica's application information lifecycle management solution, the leading producer of kaolin clay divested its IT systems quickly, inexpensively, and at reduced risk to the business.

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### FAST FACTS

#### BUSINESS INITIATIVES

- Support rapid divestiture from parent company
- Enable the new business to be operational more quickly and at reduced cost
- Minimize the risk associated with divestiture strategy

#### TECHNOLOGY STRATEGY

Implemented single, scalable Informatica Data Subset solution to create a smaller, targeted, referentially intact Oracle E-Business Suite database from large customized version of similar database. Solution tracked provisioning of data through comprehensive audit logs and reports.

“Thanks to Informatica, . . . KaMin has become its ‘own master’ faster—being in a position to target, acquire, and support kaolin customers up to six months more quickly than if we had used an alternative divestiture strategy.”

— Senad Hadzic, CIO, KaMin LLC

### Consider the KaMin Dilemma

When the decision was made to divest KaMin from its parent company J.M. Huber, blood pressures rose. Merger, acquisition, and divestiture activities are always stressful: aggressive timelines must be adhered to and risk needs to be mitigated. In the case of KaMin, the company needed to divest its critical Oracle E-Business Suite data from J.M. Huber to operate as a successful new entrant into the kaolin clay market. The pressure was compounded by the complexity of the heavily integrated Oracle data, which featured more than 600 custom tables.

An automated Informatica subset solution has enabled KaMin to streamline the creation of a smaller, targeted version of its Oracle E-Business Suite database from the large, complex J.M. Huber database. By separating the data along business lines and quickly building the divested system, KaMin saved more than \$1 million. Moreover, using data relating specifically to its own business activities, KaMin was able to come to market as a new operating company six months faster than if it had used a traditional data divestiture solution. Risk? According to KaMin, there was more risk involved in migrating the data between the two data centers than there was in the Informatica® Data Subset™ from Informatica's application information lifecycle management solution.

## Divestiture in the Shortest Possible Timeframe

The common threads running through any merger, acquisition, or divestment activity are speed and effectiveness. Regulatory authorities, shareholders, executives, and staff all work toward the common purpose of integrating or separating both organizations in the shortest possible time—with minimal margin for risk or error. This was the situation facing J.M. Huber Corporation, a multinational supplier of engineered materials and natural resources, when it decided to sell its kaolin business unit (part of Huber Engineered Materials) to a private equity capital fund.

Headquartered in Macon, Georgia, the newly formed company was named KaMin LLC. KaMin mines and produces high-quality hydrous and calcined kaolin (commonly referred to as China clay) exclusively in the United States and sells its products to paper and industrial customers worldwide. Historically, the kaolin business unit was a closely integrated business unit within J.M. Huber, with both parties using the Oracle E-Business Suite as the core enterprise resource planning (ERP) system. As soon as KaMin became an independent legal entity, the divestiture activity began, with the company deciding to also adopt its own shrunken version of the Oracle E-Business Suite to support finance, purchasing, manufacturing, transport, and other activities.

From the day its legal entity status came into force, KaMin set itself the deadline of nine months to divest its ERP information from J.M. Huber and create its own technology infrastructure. The deadline included the divestiture of the chemical industry-specific Oracle Process Manufacturing (OPM) module of Oracle E-Business Suite. Senad Hadzic joined the company as its chief information officer three months after the project had been kicked-off, meaning there was only six months remaining if the deadline was going to be met. “Against these deadlines, we had several divestiture options on the table,” he explains. “First, we could have run our own custom scripts to delete the data from the Oracle tables, but that would have been prohibitively slow and resource intensive. Second, we could have implemented a new instance of Oracle, but again, time and budget were not on our side. The third option—and the one which was clearly the most rational—was to deploy a data subset solution to untangle the complex operational ERP system and separate the Oracle data along business lines.”

## Rapid Deployment of Effective Operational Oracle E-Business Suite

J.M. Huber and KaMin had separate goals. For J.M. Huber, the objective was to delete all the necessary competitive data from its Oracle E-Business Suite by the deadline. This data included the commercially sensitive recipes and formulas J.M. Huber needs to manufacture its core products. For KaMin, the objective was to ensure that it had an effective operational Oracle E-Business Suite (including the crucial OPM module) that could support the business. The project risk was exacerbated by one other factor: The Oracle E-Business Suite had been subject to a high degree of customization, including more than 600 custom tables.

“We needed a partner with experience in divestiture, one with a sound Oracle partnership,” says Hadzic. “Two of the three hosting companies we turned to as part of our platform hosting strategy recommended Informatica. When we examined them, we found they had a proven, cost-effective divestiture solution. The Informatica Data Subset solution would enable KaMin to cost-effectively create a targeted copy of the relevant Oracle production data and quickly build our divested system. You could argue it was a ‘leap of faith’ to deploy a new tool at such a critical point in time, but Informatica’s experience in divestiture, the professionalism of their team, and the proven nature of the Informatica subset solution cast aside those fears.”

Once the scope of work had been defined, Hadzic and his team looked carefully at the data. Every business object, every table, and every rule that separated the J.M. Huber and KaMin data was put under the microscope, so that the data deletion criteria could be defined. Following this, the team ran a series of test deletion iterations to build their confidence and fine-tune the exact data set that would be divested. As part of the physical divestiture, the business was shut down on Friday evening, and during 15 hours the necessary Oracle E-Business Suite data was “sliced” and filtered from a copy of J.M. Huber’s systems. Moreover, during that period, the team physically copied the data, transferred the tapes from one data center to another, and then restored the data. By Monday morning, the new KaMin operational infrastructure, consisting of financials, purchasing, manufacturing, and other modules, was live and productive on the systems of KaMin’s hosting partner, Core Services.

“KaMin could not have achieved this divestiture strategy without Informatica, it’s as simple as that,” says Hadzic. “We estimate that this Informatica Data Subset solution enabled KaMin to complete the corporate divestiture in half the time it would have taken using scripting techniques. Moreover, we also estimate that the Informatica solution saved KaMin more than \$1 million in avoiding ERP implementation costs, people costs, and temporary hosting costs.”

## Minimized Risk Associated With Creating New Legal Entity

Informatica also enabled KaMin to minimize the risk associated with creating its new legal entity status. “We were always confident that the Informatica solution would address the data filtering process. After all, the worst scenario would have been we hadn’t deleted some part of the data—and that’s something we could always have returned to do afterwards. During the project, our major concern was never, ‘Will Informatica deliver?’; it was something as simple as, ‘How do we get the data from one data center to another?’”

Pat Plante, VP, Professional Services and Support, ILM Informatica, provides an interesting perspective on KaMin’s deployment of the Informatica subset solution. The kaolin producer purchased the solution on a “one-time” basis, and despite her close involvement on the project, Plante is proud of the fact that she didn’t receive any calls from Hadzic in the days immediately following the divestiture. “The phone didn’t ring once. That just goes to show how reliable the solution is, how well it performed, and how satisfied KaMin is with Informatica,” she says.

Hadzic concludes, “All divestitures have aggressive timelines. Thanks to Informatica, this divestiture was completed on time, at a fraction of the cost of a typical divestiture project. It means that KaMin has become its ‘own master’ faster—being in a position to target, acquire, and support kaolin customers up to six months more quickly than if we had used an alternative divestiture strategy.”

### LEARN MORE

Learn more about Informatica’s application information lifecycle management solution and the entire Informatica Platform. Visit us at [www.informatica.com](http://www.informatica.com) or call 800.653.3871.

### ABOUT INFORMATICA

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### BENEFITS

- Saved KaMin more than \$1 million in avoiding ERP implementation costs, people costs, and temporary hosting costs
- Enabled divested business to launch an effective operational Oracle E-Business Suite six months more quickly than other divestiture strategies
- Positioned KaMin to target, acquire, and support kaolin customers more quickly
- Minimized risk associated with creating new legal entity
- Ensured that all sensitive parent data was deleted
- Overcame significant complexity and customization inherent in parent company’s Oracle E-Business Suite
- Subset solution created divested Oracle E-Business system within 24 hours

### NUTS AND BOLTS

- Solution: Data subset for divestiture
- Product: Informatica Data Subset
- Source: Oracle E-Business Suite, including OPM module and hundreds of custom tables
- Target: New divested instance of Oracle E-Business Suite



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