

Rapid IT transformation positions retailer for \$10M in tax credits post-divestiture

Summary

A discount retailer with more than 7,500 locations across North America moved away from its parent company to new private equity ownership. This change required major IT transformation on a tight timeline with a limited team. GDT enabled the company to stand up data center and disaster recovery architecture to achieve full separation from parent systems in under six months, qualifying the company for \$10 million in tax credits.

Customer overview

Our customer is a national discount retailer offering a broad assortment of everyday essentials and household products through a large network of retail locations.

The challenge

After a decade of ownership by another retail chain, divestiture required our client to stand up its own IT infrastructure for more than 7,500 retail stores. And, despite GDT's history with the company, the new C-suite was unfamiliar with GDT and felt pressure from private equity owners to use their preferred solution partners. The customer required a partner that could own the build-out, navigate a complex separation under a strict Transition Services Agreement (TSA), and meet an accelerated timeline to qualify for \$10 million in tax incentives.

To achieve fully independent retail IT and avoid financial penalties, the customer needed to deploy three new greenfield data centers: a primary site, headquarters site, and disaster recovery (DR) site. From assessment and design to procurement cabling and build-out, project workstreams would need to be conducted simultaneously and under an extremely tight deadline. To complicate matters, only one-third of the company's original IT staff made the transition, leaving the company with a skeleton crew to triage operations.

**Challenges included:**

- Limited internal IT resources
- Need for a full DR architecture between sites in NC and VA
- Pressure from private equity owners to use their preferred partners
- A hard deadline tied to tax incentives and avoidance of penalties

Solution: Enterprise WAN refresh

GDT won the company's trust, and the project, through our proven capability, speed, and domain expertise, as well as our ability to jump-start the project quickly and commit to a compressed delivery schedule.

We delivered a comprehensive program across all major solution areas, acting as a general contractor responsible for stitching together all technical components, timelines, and workstreams. This included overseeing work by our competitors.

Our solution included:

- Assessment, architecture, and design of three data centers
- Layer 1 cabling, rack, and stack
- Networking, compute, and storage
- Firewall deployment and security architecture
- DR connectivity between NC and VA
- Program management across all legs of the initiative

With delivery led, governed, and orchestrated entirely by GDT, we were able to ensure consistency, quality, and timeline control for the customer, earning not only the trust of the retail company's leadership but also the position of Tier 1 enterprise technology provider.

The results

With GDT for oversight, execution, and support, our client was able to create modern, scalable data center environments with the performance and resilience needed for a high-volume retail enterprise. Benefits included:

- Accelerated discovery and reduced risk thanks to pre-existing GDT relationships
- 30% faster deployment through cross-tower collaboration and optimized workstreams
- Financial penalties avoided through on-time exit from the TSA
- Qualified for \$10M in federal tax incentives
- DR posture aligned to new operational requirements

About GDT services

Enterprise IT services from GDT offer decades of experience, a proven track record of performance, and a broader, more versatile portfolio than other leading GSIs. This helps us create big wins for our customers, with accelerated project delivery defined by clarity, collaboration, and control.

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