

# Livewire Cloud: From Vendor Lock-In to Infrastructure Independence

How a US cloud provider cut costs by 45%, tripled provisioning speed, and built a sustainable platform for 3,500+ cores across seven data centres

## Livewire Cloud had a problem. A big one.

The company runs cloud infrastructure for MSPs across North America. Five Tier-3 data centres. 3,500+ cores. Production environments, disaster recovery systems, M365 backup repositories, VOIP platforms, secure application hosting. All running on VMware vSphere under the VCSP program.

## Then Broadcom acquired VMware.

Everything changed overnight. Licensing costs escalated. Contractual terms became restrictive. The VCSP partner model that made sense for MSP aggregators suddenly stopped making sense. The engineering team ran the numbers. The finance team ran them again. Same conclusion both times: continuing with VMware under the new structure would kill their ability to offer competitive pricing to partners.

*"We needed to pivot," the team concluded.  
"And we needed to do it fast."*

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- Livewire Cloud Team

## The Breaking Point

Cost alone would have been enough to trigger a migration. But the problems ran deeper.

The existing VMware environment lacked modern automation. API integration was limited. Multi-tenant visibility across seven data centres required juggling multiple interfaces. Provisioning new VMs took six minutes. Customer onboarding felt slow. Partner feedback pointed to the same issues: speed, flexibility, and predictable costs.

## The team mapped out requirements:

1. Eliminate per-core licensing that scaled unpredictably
2. Build transparent cost structures partners could trust
3. Enable true multi-tenant workflows at scale
4. Provide comprehensive automation capabilities
5. Remove vendor lock-in permanently

One option emerged: open-source infrastructure.

# Building the New Stack

Livewire chose Proxmox VE as the hypervisor foundation. Open-source. No per-core licensing. Strong community support. Proven track record in production environments. But a hypervisor alone does not make a cloud platform. MSPs need more. They need multi-tenant management. Billing integration. Unified visibility. Automated provisioning. The team needed a control plane that understood shared environments.

## The final stack took shape:

1. [Proxmox VE \(v8.x\) for virtualization](#)
2. [DataCore SANsymphony for storage and replication](#)
3. [Veeam and Nakivo for backup and disaster recovery](#)
4. [MultiPortal Enterprise as the multi-tenant overlay](#)

Each layer served a specific purpose. Proxmox handled the VMs. DataCore managed storage. Veeam protected the data. MultiPortal sat on top and tied everything together, providing the single-pane management interface the team needed to operate seven data centres as one unified platform.

*"For our MSP-focused model, the multi-tenant overlay made the difference," the team noted. "It turned hundreds of individual customer environments into one manageable cloud platform."*



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## Testing the Theory

Theory is cheap. Production is expensive. The team started with proof-of-concept deployments at two locations: SV4 and ORD4.

They simulated real workloads. Mixed environments. Different storage tiers. Production traffic patterns. The tests ran for weeks. Performance benchmarks compared against the existing VMware infrastructure. The results needed to show parity or better.

### They did.

Performance matched VMware. In some cases, it exceeded it. The team green-lit production migration.

The rollout followed a phased approach. Internal services first. Low-risk workloads. Test the migration tools. Validate the processes. Then MSP customer clusters. Monitor everything. Adjust as needed.

## The Migration

Moving 3,500+ cores across seven data centres required multiple strategies. No single approach worked for every workload.

The team used Proxmox VM import tools for straightforward transitions. Custom rsync-based scripts handled live migrations. DataCore SANsymphony enabled seamless LUN migration at the storage layer. Veeam backup chains provided cross-platform recovery for complex scenarios.

Challenges appeared. Driver compatibility issues. VM registration quirks. The team documented every problem. Developed standard solutions. Once refined, the migration framework became repeatable.

Customer disruption stayed minimal. Downtime windows stayed tight. The migration progressed steadily across all seven data centres.



# The Numbers Tell the Story

Six months after completing the migration, the results were clear.



## Operating costs dropped 35–40%.

VMware licensing fees disappeared. VCSP program overhead vanished. Per-core costs that once scaled with every new customer stopped completely. The company eliminated thousands of dollars in monthly recurring expenses.



## Total Cost of Ownership fell by 45%.

The calculation included everything. Licensing. Support contracts. Hardware refresh cycles. Administrative overhead. The new stack cost less than half of the previous VMware environment when measured across the full infrastructure.



## VM provisioning time dropped from 6 minutes to 2 minutes.

A 67% reduction. What seems like a small number becomes massive at scale. Hundreds of provisioning requests each month. The time savings compound. Engineering teams move faster. Customers get resources quicker. Partner satisfaction improves.



## Existing Dell R-series servers stayed in production.

No forced hardware refresh. No unnecessary capital expenditure. The open-source stack ran on the same equipment that powered the VMware environment. Hardware refresh decisions now follow actual capacity needs, not licensing constraints.



## Administrative overhead decreased across the board.

One interface for seven data centres. No context switching between management tools. Unified monitoring. Centralized provisioning. Integrated billing. The infrastructure team operates more efficiently with the same headcount.

## What This Means Long-Term

The immediate savings solved the crisis. The long-term implications changed the business model.



## Costs became predictable.

No more exposure to vendor pricing changes. No risk of another Broadcom-style acquisition disrupting the business. Costs scale linearly with hardware and support needs. Business planning works again. Partner pricing makes sense again.



## Growth stopped triggering licensing escalation.

Every new customer used to mean additional per-core fees. Growth came with built-in cost increases. Now growth means hardware costs only. The economics of expansion fundamentally improved.



## Partner margins improved.

The 45% TCO reduction created pricing flexibility. MSP partners can offer competitive rates without eroding margins. Some partners passed savings to customers. Others improved profitability. Both strategies work now.



## The company controls its own roadmap.

Feature development follows business needs. Integration happens based on partner requirements. API access stays unrestricted. No vendor dictates capabilities or timing. Livewire responds to market changes on its own schedule.



## Vendor risk disappeared.

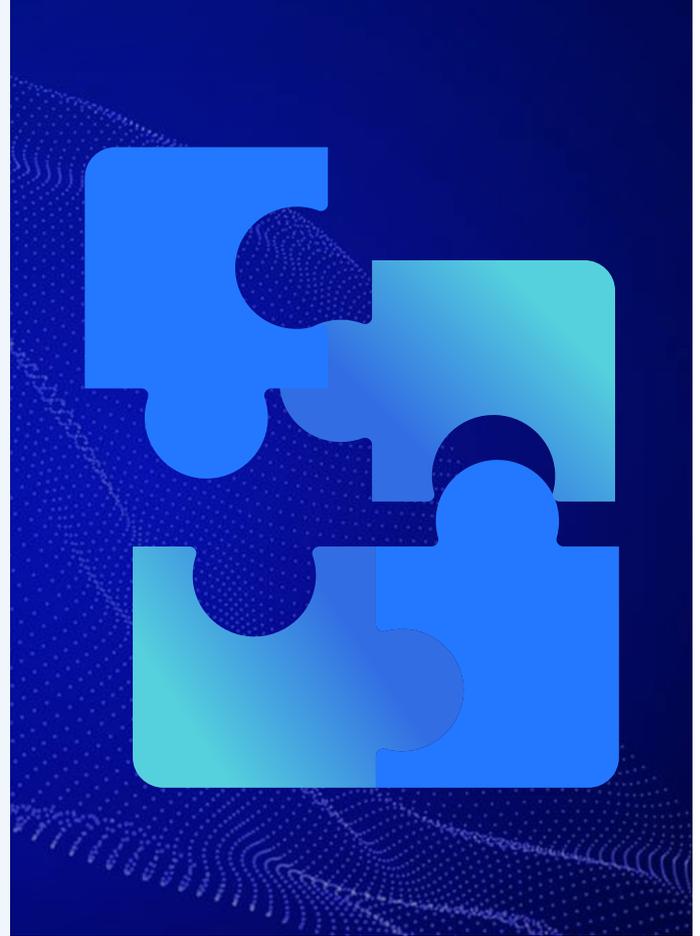
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## Building a Partnership, Not Just Using a Product

Livewire does not view MultiPortal as just another vendor. The relationship runs deeper.

The company actively contributes feedback. Real-world deployment experience across 3,500+ cores and seven data centres generates insights. What works. What breaks. What MSPs actually need versus what vendors think they need.

This input shapes MultiPortal's product roadmap. New features get validated in LiveWire's production environment before broader release. The partnership benefits both sides. MultiPortal builds better products. Livewire gets features that matter.



*"We see this as long-term collaboration," the team explains. "We are not just customers. We are partners helping build the future of multi-tenant cloud management."*

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- Livewire Cloud Team



## Alignment with the Bigger Vision

The migration solved immediate problems. Cost. Flexibility. Speed. But it also aligned perfectly with Livewire's broader Cloud Infrastructure Service Provider (CISP) strategy. The goal: empower MSPs to operate their own branded clouds. Give them transparency. Give them control. Give them scalability. Do it without vendor lock-in. Do it with predictable economics.

The new infrastructure stack delivers exactly that. MSPs build on Livewire's platform knowing the foundation stays stable. No surprise pricing. No forced upgrades. No vendor roadmap conflicts.

Livewire positions itself as the backbone for MSPs in the Americas building cloud-native offerings. The technology stack now matches that positioning.

## Lessons for Other Providers

Livewire's team offers direct advice for other infrastructure providers considering similar moves:



### Start with a small pilot.

Test your assumptions. Validate storage performance. Verify networking configurations. Run real workloads. Benchmark against your current environment. Do not skip this step. Production migration depends on proof-of-concept success.



### Calculate true TCO.

Include everything. Licensing. Support contracts. Hardware refresh cycles. Administrative overhead. Training costs. The real cost comparison often reveals bigger gaps than initial estimates. Livewire's 45% TCO reduction came from looking at the complete picture.



### Plan for the long term.

Migration is not just a technology change. It changes your business economics. Your vendor relationships. Your strategic flexibility. Think five years ahead, not just next quarter.



### Build in layers.

Choose your hypervisor first. Then add storage management. Then backup and DR. Then the multi-tenant control plane. Each layer serves a specific purpose. Trying to solve everything at once creates complexity.



### Understand your business model.

MSPs and cloud providers serving multi-tenant environments need more than a hypervisor. You need a control plane that understands shared infrastructure. Customer isolation. Billing integration. Multi-tenant visibility. Pick your stack accordingly.

## The Bottom Line

Livewire faced a crisis. Broadcom's acquisition of VMware threatened the entire business model. The company could have absorbed the cost increases. Passed them to partners. Hoped for the best.

Instead, they rebuilt their infrastructure from the ground up.

The results speak clearly. Operating costs down 35-40%. Total cost of ownership down by 45%. Provisioning speed up 67%. Same performance. Better automation. Complete vendor independence.

More than solving an immediate problem, they transformed their business. Predictable costs. Scalable economics. Partner-friendly pricing. Strategic control.

The crisis became an opportunity. The forced change became a competitive advantage.

*"This was not just about replacing VMware," the team reflects. "This was about building the foundation we need for the next decade of growth."*



- Livewire Cloud Team

## Get in touch with us

To learn more about MultiPortal, get in touch with us at [sales@multiportal.io](mailto:sales@multiportal.io)

