



CASE STUDY: C&J ENERGY

GOING PUBLIC AND OUTGROWING ITS INFRASTRUCTURE

C&J Energy, a Houston-based oilfield services firm, has experienced a major growth spurt over the last year and a half. Since the beginning of 2011, the company has grown from approximately 400 employees to over 1,850, and continues to add about 100 employees per month.

At the time of C&J Energy's IPO (on July 29, 2011, the company's stock began trading on the NYSE under the symbol "CJES"), the company's IT infrastructure was 100 percent outsourced to a managed service provider (MSP). But given its explosive growth and near-term plans to continue doing so, coupled with the necessity of Sarbanes-Oxley (SOX) compliance, the company decided to build an internal IT team, starting with the hire of Bill McCown as the Director of IT.

As McCown quickly discovered upon his arrival, the effectiveness of the company's current solution was deteriorating as rapidly as the company was growing—the high cost of the solution was matched by a slippage in service and a complete disconnect between the business and its IT functionality. The negative impact of the IT infrastructure was also apparent to C&J Energy's employees, approximately 85 percent of whom noted a poor view of the IT organization when polled.

McCown realized that his new, in-house IT organization needed to focus on the daily operational needs of the company, with the aim of improving IT's reputation and utilization within the company. While McCown was confident that this undertaking, enormous though it was, could be accomplished with his in-house resources, adding the newly required - and equally complicated - task of SOX compliance would only serve to make both tasks more cumbersome as resources had to be allocated between them.



ABOUT

C&J Energy Services, Inc. is an independent provider of premium hydraulic fracturing, coiled tubing, pressure pumping, wireline and other complementary services with a focus on complex, technically demanding well completions. C&J Energy also manufactures and repairs equipment to fulfill its internal needs as well as for third party companies in the energy services industry.

SOLUTIONS

Replace its managed service provider with a combination of in-house IT support and as-a-service security and compliance from Alert Logic.



Ultimately it was determined that in order to efficiently and effectively work towards SOX compliance while simultaneously addressing employee needs at a satisfactory level, C&J Energy would need to implement a combination of in-house and outsourced functionality, with user satisfaction leading the in-house responsibilities, and security and compliance leading the outside vendor functions.

"Security and log management were the perfect candidates for outsourcing," said McCown. "C&J Energy lacked the internal resources for the time-intensive task of log management, so we decided immediately that security would be outsourced."

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- Bill McCown, Director of IT

MEETING RAPID GROWTH WITH RAPID SOLUTIONS

With the objective of quick and successful implementation, C&J Energy selected Alert Logic's Log Manager with LogReview and Threat Manager with ActiveWatch solutions to assist with achieving SOX compliance around several key controls and secure its sensitive information. Alert Logic Log Manager with LogReview provides on-demand and automated log collection, storage, reporting, correlation and alerting, a time-intensive and resource-heavy set of tasks. Threat Manager with ActiveWatch is a fully-managed vulnerability assessment and intrusion detection solution delivered as a service. Together, the products cost-effectively defend and protect networks against internal and external threats.

McCown viewed Alert Logic's solutions as the preferred solution for his time-sensitive challenge: achieving compliance quickly, without compromising protected information, and without spending unnecessary time and energy on installation and implementation.

"Implementation was so easy that we were able to start generating evidence for a significant number of our key IT controls around SOX compliance within three months," said McCown. "It would have been very difficult, if not impossible, to meet that goal without Alert Logic."

The ease of implementation has enabled C&J Energy's IT team to focus more of its attention on employee operational needs. Since its compliance goals are on track to being met, the IT team has been able work almost exclusively on internal operations, gaining a positive reputation amongst its employee base. This is exactly what C&J Energy sought to achieve with its infrastructure reorganization.

"It is important to focus on security, but it is impossible for us to handle it entirely in-house while still seeing to other needs," said McCown. "With Alert Logic's solutions, we are able to offload time-intensive tasks without compromising the security of our sensitive information. That has been invaluable to us as an IT team in a rapidly expanding environment."

ABOUT ALERT LOGIC

Alert Logic, the leader in security and compliance solutions for the cloud, provides Security-as-a-Service for on-premises, cloud, and hybrid infrastructures, delivering deep security insight and continuous protection for customers at a lower cost than traditional security solutions. Fully managed by a team of experts, the Alert Logic Security-as-a-Service solution provides network, system and web application protection immediately, wherever your IT infrastructure resides. Alert Logic partners with the leading cloud platforms and hosting providers to protect over 3,000 organizations worldwide. Built for cloud scale, our patented platform stores petabytes of data, analyses over 400 million events and identifies over 50,000 security incidents each month, which are managed by our 24x7 Security Operations Center. Alert Logic, founded in 2002, is headquartered in Houston, Texas, with offices in Seattle, Dallas, Cardiff, Belfast and London. For more information, please visit www.alertlogic.com.