Reducing M&A Risks

Empirical Tech Due Diligence

Blackbox reality

How do you or an advisor objectively know if your target's software is rock-solid, efficient, and safe? Interviews and commodity tools are not enough.

Zero subjectivity

Now, ISO 5055 provides the only way to accurately unearth hidden flaws and avoid post-deal surprises, after a ten-year effort by CMU, MIT, CISQ, OMG.

MRI-like precision

CAST deciphers the insides of software applications and finds all you must know about their condition, based on ISO 5055, without involving developers.

High-Accuracy Assessment

Delivered in one week

Composition

Complete software bill of material - own source, open source, 3rd-party components.

IP risks

Legal exposures, security risks, obsolescence of open-source used in the software.

Architectural flaws

Critical flaws in the application construction. Remediation actions and effort estimates.

Structural condition

ISO 5055-based view of the application Reliability, Security, Efficiency, Maintainability.

Technical debt

Cost of corrective maintenance based on OMG-ATDM spec and ISO 5055 standard.

Cost savings

Opportunities to reduce the costs of software maintenance and infrastructure use.

Cloud maturity

Cloud optimization blockers, estimated remediation effort, best-fit cloud-native services.

Green impact

Opportunities for changing the code for reducing energy consumption and CO2 emissions.

Benchmarks

Unique comparison of the application against peers in the same industry.

ISO 5055 based

Without developers

Any size application

Any mix of technologies

At the heart of due diligence done by

BAIN & COMPANY · BCG · BearingPoint · CROSS LAKE PARTNERS · Deloitte. · EY · IT ALLY · westMONROE · VISTA EQUITY PARTNERS · PASG

CAST

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Case Study: Cutting tech due diligence time by more than 75%

Challenge

EY was engaged in due diligence for a private equity (PE) firm. Historically, the manual process required software code reviews that were long and sometimes inaccurate. EY needed a more objective method to rapidly assess the quality, risk, and cloud readiness of the target's software.

Solution

In a week, 2,600 files and over 1.2 million code lines were analyzed using CAST, and the empirical data was combined with qualitative business metrics. Traditionally that took one month. Software resiliency, agility, open-source risks were factored in, injecting objectivity into its due diligence process.

Results

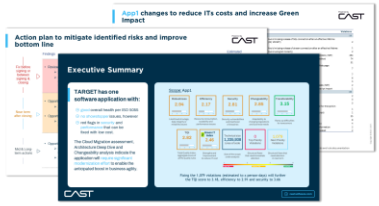
CAST technology identified serious IP licensing risks related to eight open-source components with GPL licenses in use in the software products, and three business-critical applications prone to production outages. The firm made a more informed decision with a more accurate valuation based on software intelligence.

How it works:

- Choose assessment the type – **Light** or **Deep.** For Deep Assessment, source code is required.
- **Light:** Point agent to target repository. **Deep:** Collect target source artifacts
- Receive the software intelligence report in a week from CAST or a CAST partner.

	Light Assessment	Deep Assessment
Composition	●	●
IP Risks	●	●
Cloud Maturity	●	●
Green Impact	●	●
Technical Debt	◐	●
Cost Savings	◐	●
Benchmarks	◐	●
Structural Condition		●
Architectural Flaws		●
ISO 5055 Scores		●
	No source code access required	Access to source code (on premise) required

Sample: castsoftware.com/dd-report



CAST is a game changer in the way we do diligence in M&As.

Keith MacKay
Managing Director

We worked with CAST and blew our client's mind.

Vishy Padmanabhan
Partner

CAST complements our offerings with hard facts and metrics.

Benjamin Rehberg
Senior Partner & Managing Director