Reducing M&A risks based on facts

The most advanced, ISO-based, machine-generated intelligence for high-accuracy technology due diligence



Blackbox reality

Your M&A target's software is maze of technologies and millions of lines of code. How do you or an advisor objectively know if it is rock-solid, efficient, and safe? Interviews, guesswork, and commodity tools are no longer enough.

Zero subjectivity

Now, ISO 5055 provides the only way to accurately unearth hidden flaws and avoid post-deal surprises. It codifies the key rules for software resiliency, efficiency, maintainability, security - based on a ten-year effort by CMU, MIT, CISQ, Mitre, OMG.

MRI-like precision

CAST automatically 'understands' how complex software works. It deciphers the application internals and finds all you must know about its condition. Today, it is the only product fully applying ISO 5055, the global standard for structural quality.

High-accuracy value & risk assessment done in a week

Machine-generated software intelligence enables deep, ISO-based technology due diligence

Composition

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

IP risks

Legal exposures, security risks, obsolescence of opensource 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 <u>OMG-ATDM</u> spec and <u>ISO 5055</u> standard.

Cost savings

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

O Cloud maturity

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

Green impact

Opportunities for changing the code for reducing energy consumption.

Benchmarks

Unique comparison of the application against peers in same industry.



ISO 5055 based



Without developers



Any size application



Any mix of technologies



At the heart of due diligence done by









Deloitte.











Fact-based Technology Due Diligence



What our clients have experienced



CAST has been 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

BCG

CAST complements our offerings with hard facts and metrics.

Benjamin Rehberg Partner & Managing Director

Sample report



How it works

- Choose applicable assessment type Light or Deep (source code required).
- Light: Point agent to target repository.

 Deep: Collect target source artifacts.
- Receive 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)

Example - EY cutting M&A tech due diligence time by more than 75%

75%

reduction in tech due diligence assessment time

<1 week

to undertake source code analysis

Challenge

EY was engaged to perform due diligence for a private equity (PE) firm that was considering investing in a software technology company. In addition to the commercial due diligence EY performed, they needed to deliver a technology due diligence assessment of the target firm's software products.

Historically, this was a manual process that 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 firm's software assets.

Solution

EY used CAST Highlight to rapidly assess the firm's portfolio of software products that comprised of 2,600 files and over 1.2 million code lines.

A source code analysis combined with surveys to capture qualitative business metrics was completed in less than a week compared to several weeks in the past using the manual approach.

Software intelligence metrics such as Resiliency, Agility, and Elegance, along with Software Composition Analysis (SCA) to identify open-source software risks enabled EY to incorporate greater objectivity into its due diligence process.

Results

EY uncovered several important risks in the firm's software that needed to be addressed before the investment could be considered as part of the investment valuation.

required

CAST Highlight identified serious IP licensing risks related to eight open-source components with GPL licenses in use in the software products.

It then showed that three business-critical software apps had seriously low resiliency scores, making them prone to production issues and/or outages.

The firm made a more informed decision with a more accurate valuation based on software intelligence.