M&A Tech Due Dilligence Report for Widgets Ltd and Acme Inc

Prepared date   10/11/2024

Goals

* G1: Complete integration Acme's customers using their Anvil line of products within 6 months of close
* G2: Seemless transition for Acme's customers to Widgets Ltd.

Criteria

M&A Goals
Culture
Architectural
Intellectual Property
IT Operations
External Factors & Dependencies
Security Risks & Compliance
Projects In-flight

Details

M&A Type	Partial Acquisition
Deal Summary	Acquiring anvil unit of Acme Inc
Est Announce Date	1/1/2025
Est Close Date	4/30/2025

Identified Risks

Category	Component	Severity	Issue	Impact	Remediation Options	Timeline	Actions	Implications	Estimated Costs
Architectural	External Customer Portal	High	Current portal cannot support 10x growth of users acquired business will bring in	* G1: Impact timetable for integration * G2: Negative customer experience	Primary portal will need to be refactored to introduce a caching option	Up to 6 months	* Separate out all read requests to support a pre-fetch * Partition out the writes to allow multiple copies of the application to run	* Adds complexity to Widgets Ltd's infrastructure and architecture * Additional training maybe required to support the new caching layer	* Licensing costs for the caching library, and at least 1 FTE to support going forward * At least one development team (2 devs + PM) to develop
Architectural	Customer Notification System (CNS)	Medium	CNS must complete within a 4 hour SLA. Influx of new users will blow the SLA	* G2: Impact on internal SLAs	Break up customers being notified into batches and run more frequently	Up to 1 month	* Stand up additional infrastructure to support multiple copies of the CNS * Come up with partitioning approach for how to batch customers	Additional complexity in the CNS	* Additional VM to support multiple copies of the CNS * One developer to perform the work
					Increase the SLA timeframe from 4 hours to 8 hours	Couple of weeks	Renegotiate the SLA to account for the increase in load	Temporary solution. Will no longer work if this exceeds normal business hours.	SLA change impact