THREE VENTURES

SERVICE OVERVIEW

M&A Technical Due Diligence

Know what you're buying before you buy it. A rigorous technical due diligence engagement built for acquisitions in operating industries, surfacing the operational and technology liabilities that don't show up in the financial model.

3–4 Months
Fixed timeline tied to deal schedule

Site Visit
We see what we're assessing

Risk Model
Quantified, not qualitative

EXECUTIVE SUMMARY

What the balance sheet won't tell you

M&A Technical Due Diligence is a fixed-scope, three-to-four-month engagement tied to your deal timeline. Financial due diligence finds what is on the balance sheet; we find what is behind the firewall: legacy core systems, operational technology security exposure, integration costs that were never in the model, and operational data that may not support the investment thesis. The output is a risk-scored due diligence report and a quantified integration cost model, structured for your investment committee, with critical findings surfaced early enough to inform final negotiations.

PROBLEM STATEMENT

Technology risk is systematically underpriced

Acquisitions in operating industries carry technology risk that standard diligence consistently misses. These are the liabilities we surface before they become your problem.

Core systems on life support

Heavily customized ERPs, legacy dispatch systems, aging WMS platforms. Nobody fully understands them, they run on end-of-life infrastructure, and the true cost never makes it into the LOI.

Operational technology security exposure

Fleet systems, building controls, SCADA, remote access. These operations have significant OT exposure that a standard IT security review misses entirely.

Data that doesn't support the thesis

The KPIs reported in the CIM versus what the actual systems show. The gap matters for the model, and it comes out either in due diligence or post-close.

IP and licensing liabilities

Software licenses that do not transfer, open-source code embedded in proprietary systems, and IP ownership disputes in custom tooling or routing algorithms.

WHY THIS SERVICE EXISTS

Why independent technical diligence exists

The average acquisition in these industries carries $2M to $8M in unmodeled technology risk. Most deals we assess contain at least one critical technology risk that financial due diligence did not identify, and stated integration costs are routinely a fraction of the real number. This engagement exists to put those numbers in front of your investment committee before you sign, not after you close.

82%
of deals we assess have at least one critical technology risk not found in financial DD

3–5×
the stated integration cost is what we typically find when core systems are fully scoped

4 wks
typical time for critical findings to emerge, fast enough to inform final negotiations

OUR APPROACH

Three phases. No surprises.

1. **Document Review** — MONTH 1

   Data room analysis, system documentation, IT and OT architecture, software contracts, licensing, IP ownership, and security policies and incident history.

2. **Deep Dive** — MONTHS 2–3

   Technical interviews with operations, IT, and engineering leadership; live system access; a site walk and OT/field network review; and operational data validation against reported metrics.

3. **Risk Report & Readout** — MONTHS 3–4

   Findings consolidation, risk scoring and prioritization, an integration cost model, an executive and IC readout, and negotiation support if needed.

ENGAGEMENT TIMEFRAME

Tied to your deal timeline

3–4 Months

Fixed scope, tied to deal schedule

Site Visit	Yes, Month 2
Deliverable	DD Report + Risk Model
IC Presentation	Available on request
NDA / Confidentiality	Executed at engagement start

ABOUT US

About Three Ventures

Three Ventures Technology, Inc. is an independent, outcome-driven consultancy built on data work since 2012. We serve the backbone of the economy: manufacturing, logistics and distribution, construction, supply chain, energy, field services, unions and the trades, and agriculture. We work in partnership with operators, embedded in the operation and accountable to your outcomes, never to a software vendor's agenda. From AI readiness and data governance to fractional technology leadership and M&A support, every engagement is designed to leave your organization stronger and able to sustain the work without us.

CONTACT

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Ready to know what's really inside the deal?

Every engagement starts with a 30-minute call. Bring your deal timeline and we will tell you whether we can fit it. Visit threeventures.com to get started.

SCHEDULE A DISCOVERY CALL