



Got a Code Time Bomb?

The due diligence process associated with mergers & acquisitions, joint ventures, portfolio assessments, spin-offs, strategic alliances, and OEM procurements are now including an increasing level of sophistication regarding intellectual property. Identifying the origins and value of intellectual property and assuring compliance with obligations relating to licensed assets has become a vital due diligence requirement. With source code becoming increasingly available - for free - diligence teams today need to understand the pedigree of the target software intellectual property:

- * Where did the code originate?
- * What license obligations come with its use and distribution?
- * What is proprietary and what is open source?
- * How can I get an accurate assessment within the short deadlines of this transaction?

Semaphore has added Black Duck Software's transactIP software compliance management system to our portfolio of due diligence services as an additional tool to reduce risk for investors, buyers and sellers of intellectual property.

Payback from this service includes risk reduction for the buyer or investor due to fewer surprises, a clearer understanding of going-forward obligations, and better information on the makeup of the assets. For the seller, it offers less disruption to its development team, a clearer picture its IP, and the potential for more favorable values and escrows. Overall this review reduces risk for both buyers and sellers, providing better information upon which to establish value of the software assets.

We employ advanced digital Code Print technology and an online KnowledgeBase of thousands of open source projects and their associated licenses to quickly and accurately identify open source code within target software. transactIP evaluates associated software licenses and determines conflicts and legal constraints on the code's use. The system can also be extended to track proprietary and licensed commercial software. We get in-depth, accurate information fast - within hectic due diligence timelines - and without major disruption to target development teams.

Semaphore uses Black Duck to eliminate the time-consuming, expensive, and limited accuracy of manual code audits. Our certified team uses the transactIP product to assess code remotely, easily, and immediately. Based on findings, we then perform additional analysis to help you understand the results and define remediation steps as necessary.