FOR FOUNDERS CONSIDERING A SALE

Software Combined

Five questions worth asking any acquirer

Due diligence should work both ways. These questions apply to any buyer, including Software Combined. Founders who ask them early make better decisions.

01 Are they planning to sell you again?

Most private equity firms work on a fixed timetable, typically five to seven years, after which they have to sell. Ask directly: do they have a fund with a fixed end date? If yes, you are not selling once. You are selling twice.

02 Where is their primary market focus?

When an acquirer's main customers and growth agenda are not in your market, that is where the investment and leadership attention go. Ask how many of their portfolio companies are in your region, and who on their team owns this market. The answers tell you whether you will be a priority or an afterthought.

03 Who controls your product roadmap after the deal?

Your product is built around your customers' needs. If the acquirer starts pulling it towards a different market or different workflows, your customers will feel the gaps. Ask how product decisions are made in their existing companies. Who has the final say: the local team or head office?

04 What does "independence" mean in practice?

"We keep you independent" is a common acquisition pitch. Ask for specifics: will the brand stay? Will the leadership team stay? What decisions can the local team make without approval? The right acquirer will answer these without hesitation.

05 Ask to speak to founders they have already bought.

Request introductions to two or three people who sold similar businesses two or more years ago. What they tell you carries more weight than any pitch deck. If an acquirer cannot produce those introductions, that is an answer too.

Want to talk through any of these?
Hit reply or reach us at softwarecombined.com