

Consulting Tip of the Month

Top 5 Questions When Choosing an Expert for Technical Due Diligence for M&A Firms

by Michael Fisher, [The CECON Group, Inc.](#)

Traditionally, the basic skills required for merger & acquisition projects have been finance, accounting and marketing, but these backgrounds may not be adequate for a project that includes technical aspects. If you are considering getting assistance from a technical expert, here are some of the basic questions you should ask yourself:

1) **Do I really need a scientific or engineering consultant?**

A technical consultant's knowledge can often provide you with an assessment of how your product or process compares with existing technology and if the patent situation is favorable.

2) **How do I find the right consultant for my need?**

If you're "out of your element" from a technical standpoint, it might be best to work with a consultant agency that has an experienced technical staff that can understand your needs and help you translate these into a better, more-defined set of criteria for your search. This can save you tremendous time by conducting only one search vs. multiple search campaigns.

3) **Can I be sure to select the right technical expert?**

Once your search criteria are defined, you can now better conduct your search, either on your own or with the help of an experienced search staff. An experienced staff can save you time and help you avoid the "wheel spinning" you often experience when you try to find a highly specialized expert on your own. Remember, you're not just looking for a person with a general knowledge, you're probably looking for a very specific expertise and specialty, such as "a biochemist with microencapsulation expertise in ...", and you'll need someone who has the technical skills and background to properly vet the candidates.

4) **Can I work with this consultant?**

Before you actually engage a consultant for your project, in addition to reviewing the person's résumé, you should talk directly to the prospective consultant about your project. It is also common for a client to prudently divulge enough information, under a non-disclosure agreement, to the best candidate before executing a contract, to confirm that the candidate is the correct choice.

5) How do I handle needing more than one type of technical expert?

If the technical areas are closely related, you may be able to find a single consultant who can handle both. If this isn't practicable, you can embark on a separate search, or use an agency that can network with consultants with other technical expertise to help you assemble an interdisciplinary team if required. Sourcing the team from one company is preferred, for reduced costs, alignment, and ease of management (by you), as well as for project administration.

For any due diligence work involving unfamiliar technology, the use of a technical consultant can be the difference between success and failure. A professional consulting agency that has the technical experience to help you find the appropriate expert can be very helpful. Just make sure you ask the right questions.

For more on this subject and related articles, click [here](#).

Michael Fisher is the president of The CECON Group, Inc., a science and engineering consulting company that has been providing expert witnesses to legal firms, insurance companies, and M&A firms since 1985. Prior to coming to CECON, he worked for various chemical firms, mostly in business management, marketing and sales. Mike has a BS in mechanical engineering and an MBA.

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