

BUSINESS SERVICES MONTHLY

APRIL 2020

Our business services team brings a uniquely tech-enabled focus to mission critical, high value outsourced services companies providing facilities, industrial and distribution services, logistics and business process outsourcing.

Facilities











Industrial

Distribution

Logistics

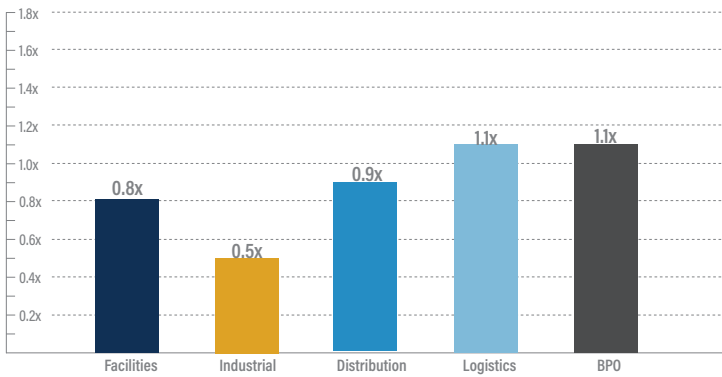
Business Process Outsourcing (BPO)

HEADLINE TRANSACTIONS

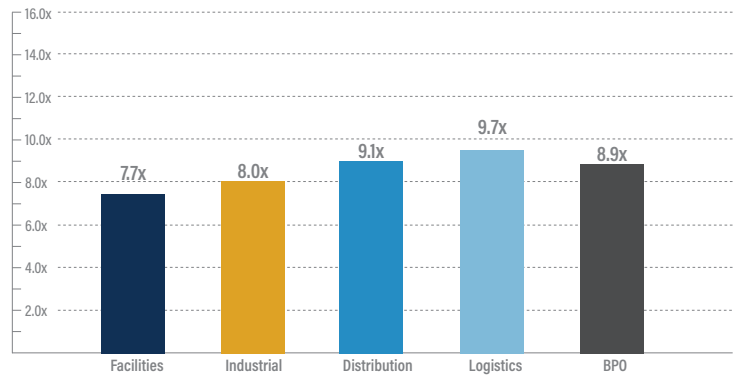
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Facilities			<ul style="list-style-type: none"> Saskatchewan, Canada-based Westbridge Capital acquired Cartersville, GA-based Scopes Facility Services, a leading provider of commercial floor care, landscaping and other specialty facility services Scopes operates in multiple states in the Southeast, providing 7500+ retail locations with floor cleaning, maintenance and repair, mowing and landscaping, parking lot refurbishments and office janitorial services Westbridge Capital is an industry agnostic private equity firm focused on investing in mature operating companies in the United States and Canada with EBITDAs between \$1 - \$10 million
Industrial			<ul style="list-style-type: none"> Leading global investment firm KKR & Co. (NYSE:KKR) agreed to acquire Exeter, United Kingdom-based Viridor Limited, a subsidiary of Pennon Group Plc (LSE:PNN), for approximately \$4.9 billion Viridor is one of the U.K.'s leading recycling and residual waste management platforms, boasting a client roster of over 150 municipal and corporate clients and operating through a network of more than 300 recycling and landfill facilities Having raised over forty investment funds since its founding, KKR currently has approximately \$220 billion in assets under management, deployed across multiple alternative asset classes including private equity, energy, infrastructure, real estate and credit
Distribution			<ul style="list-style-type: none"> Markel Ventures, based in Glen Allen, VA, agreed to acquire Lansing Building Products, a leading national distributor of building products based in Richmond, VA Lansing Building Products supplies exterior building products and other durable materials to professional contractors and construction firms throughout the United States Markel Ventures, which seeks to invest in mature, industry-leading businesses outside of the insurance or financial services sectors, is the private equity investment arm of Markel Corp. (NYSE:MKL), a leading national insurance underwriter
Logistics			<ul style="list-style-type: none"> Costco Wholesale Corp. (NASDAQ:COST) acquired Hoffman Estates, IL-based Innovel Solutions, a leading provider of supply chain solutions and other third-party logistics management services, for \$1 billion Innovel Solutions, which formerly operated as a subsidiary of Transform Holdco (Sears), offers a comprehensive suite of retail logistics solutions, particularly within the middle and final mile delivery and installation service categories Costco, with total annual revenue of approximately \$160 billion, is a leading international chain of wholesale clubs, with more than 785 locations across North America, Europe, Asia and Australia
BPO			<ul style="list-style-type: none"> Leading French private equity firm Abenex Capital agreed to acquire Paris-based AEROW, a digital services firm specializing in consulting, integration and document and information management for public and private sector clients in a range of industries AEROW provides enterprise content management, customer communication management, business intelligence and other KPI tracking solutions to a range of blue-chip municipal and commercial clients in France and internationally Abenex Capital is an independent private equity firm focused on investing in the business services and healthcare industries, with approximately \$490 million in assets currently under management

BUSINESS SERVICES GROWTH & VALUATION TRENDS

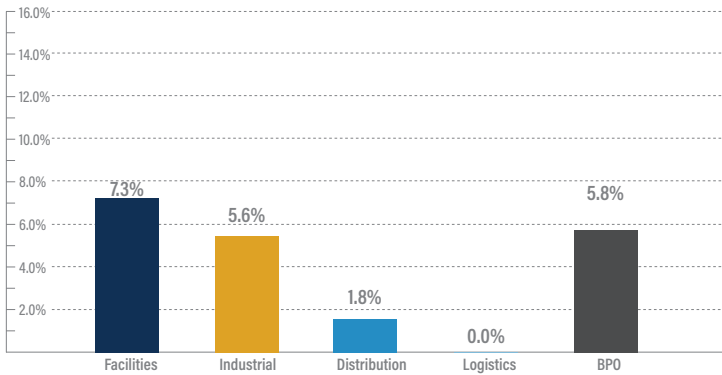
Enterprise Value / LTM Revenue



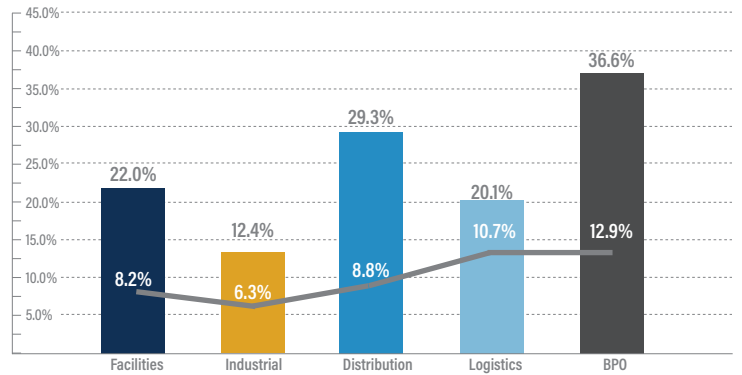
Enterprise Value / LTM EBITDA



LTM Revenue Growth

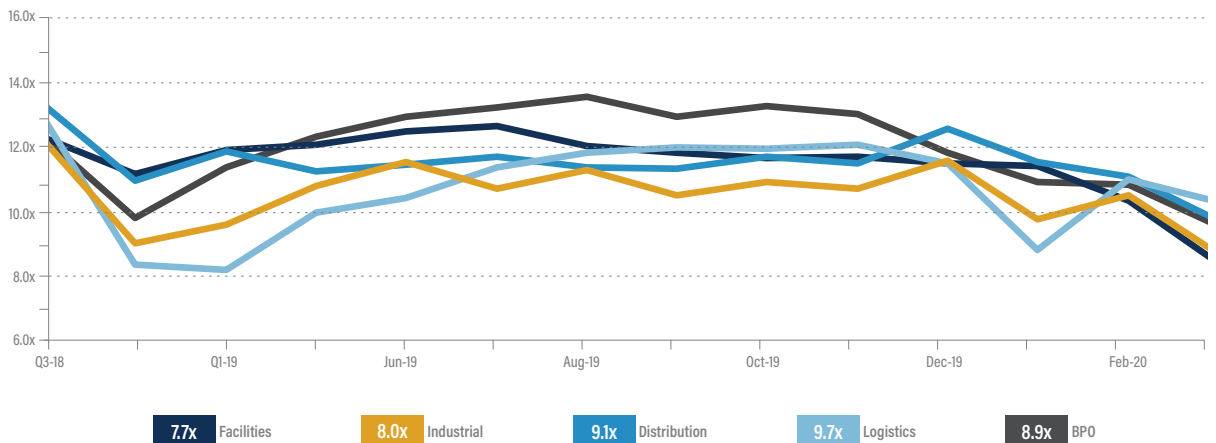


LTM Gross & EBITDA Margins*



*EBITDA Margins shown as the gray line.

EBITDA Multiples Over Time



7.7x Facilities

8.0x Industrial

9.1x Distribution

9.7x Logistics

8.9x BPO

SELECTED BUSINESS SERVICES TRANSACTIONS

Target	Acquiror	Facilities Transactions
Donovan Heat and Air, Inc.	Wrench Group, LLC	Jacksonville Beach, FL-based Donovan Heat and Air provides commercial HVAC installation, maintenance and repair services to clients across the Southeast

C&M Waste Management Ltd	UK Waste Management Ltd.	C&M Waste Management, based in the United Kingdom, offers recycling and resource management services to corporate clients across the U.K.
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High Rise Fire Protection Corp.	Scutum Group	Headquartered in Brooklyn, NY, High Rise Fire Protection Corp. (dba High Rise Fire and Security) offers fire and life safety system services in New York City
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Target	Acquiror	Distribution Transactions
Northeast Masonry Distributors, LLC	Instone Co.	Plainville, MA-based Northeast Masonry Distributors distributes domestic and imported natural stones to the landscape and building products markets in the Northeast

ASAP Industrial Supply, Inc.	Winsupply Inc.	ASAP Industrial Supply, based in Fontana, CA, distributes pipes, valves and fittings to industrial and manufacturing clients in the western United States
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Sherwood-Logan & Associates, Inc.	Vessco, Inc.	Based in Annapolis, MD, Sherwood-Logan & Associates distributes water and wastewater treatment equipment to commercial and industrial clients in the Mid-Atlantic
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Target	Acquiror	BPO Transactions
ProService Boise	Valor IT, Inc.	ProService Boise, based in Meridian, ID, provides outsourced customer service and IT management solutions for businesses in the Midwest and Northwest

Oil & Gas Business Solutions, Inc.	Baker Tilly Virchow Krause, LLP	Dallas, TX-based Oil & Gas Business Solutions offers a full suite of outsourced back office services, including billing and financial bookkeeping, to clients in the oil and gas industry
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Trilogy Group Benefits, LLC	Alera Group, Inc.	Trilogy Group Benefits, based in Mount Joy, PA, offers employee benefits administration and management solutions to a range of corporate clients in Pennsylvania
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Target	Acquiror	Industrial Transactions
Deere & Ault Consultants, Inc.	Schnabel Engineering, Inc.	Longmont, CO-based Deere & Ault provides geotechnical engineering and mine reclamation services to municipal and private sector clients nationwide

Reach Construction Group, LLC	CUI Global, Inc.	Reach Construction Group, based in Apex, NC, provides construction services for the renewable energy, utilities and commercial real estate industries
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ACIEM Group Ltd	Ross-Shire Engineering Ltd.	Based in the United Kingdom, ACIEM Group offers mechanical, civil and electrical engineering services to the water processing and treatment industry
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Target	Acquiror	Logistics Transactions
Transportation Impact, LLC	The Jordan Company	Transportation Impact, based in Emerald Isle, NC, offers less-than-truckload shipping services, carrier management and other supply chain solutions to commercial and retail clients

Volunteer Express, Inc.	Central Freight Lines, Inc.	Volunteer Express, headquartered in Nashville, TN, offers expedited less-than-truckload and full-service freight services to manufacturing and retail clients in the Southeast
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NAL Group, Inc.	CRST International, Inc.	NAL Group offers final-mile delivery, installation, warehousing and direct fulfillment services to manufacturing and retail clients nationwide
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TM Capital's Business Services Industry Contacts



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