

BUSINESS SERVICES MONTHLY

JANUARY 2023

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

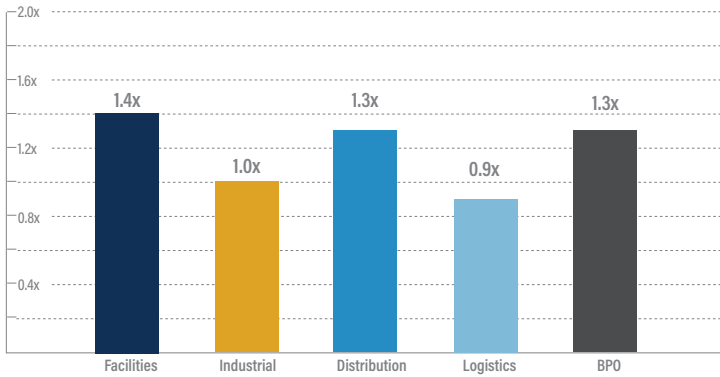
ACQUIROR

ACQUISITION SYNOPSISIS

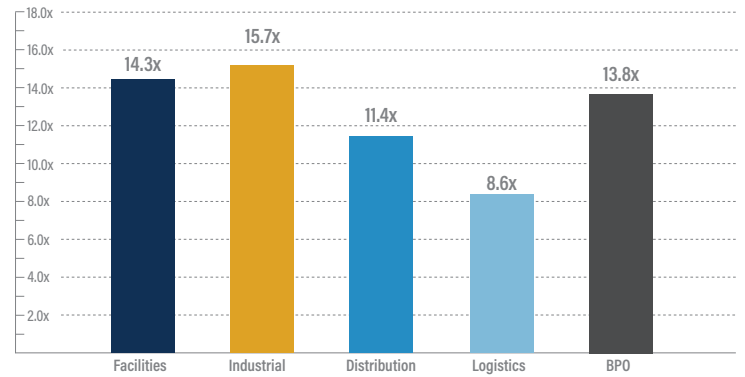
	TARGET	ACQUIROR	ACQUISITION SYNOPSISIS
Facilities	  		<ul style="list-style-type: none"> ABRY Partners, a Boston, Massachusetts-based private equity firm that manages over \$5 billion of capital, has formed Better Protection through the acquisitions of three fire and life safety companies - Assurant Fire Protection, Complete Fire Pump Service and Xtreme Fire Protection The consolidated platform will deliver a broad range of fire and life safety services including fire detection, alarm and suppression systems, equipment maintenance and emergency services, focused on commercial facilities throughout the midwestern and southeastern United States ABRY Partners will leverage the combined scale, leadership, resources and technology of the acquired businesses to provide an expansive fire and life safety services offering and accelerate growth in the business through both organic initiatives and add-on acquisitions
Industrial			<ul style="list-style-type: none"> The Jordan Company, an international private equity firm, has acquired The Industrial Service Group ("ISG"), a provider of industrial maintenance and repair services, from KCM Capital Partners ISG offers maintenance and repair services including inspection, condition assessment and replacement services for a variety of rotating equipment in industrial facilities, operating through six divisions throughout the United States Since ISG was formed by KCM Capital in 2019, the Company has completed six add-on acquisitions to expand its services offering and accelerate financial growth - since 2019, ISG has averaged nearly 30% EBITDA growth annually
Distribution			<ul style="list-style-type: none"> The Stephens Group, a New York-based private equity firm with nearly \$2 billion of assets under management, has acquired Quality Valve, a Mobile, Alabama-based distributor of safety and relief valves, from Pflingsten Partners Quality Valve is a leading distributor of OEM valve replacements and parts, offering a broad range of relief and control valves and pump accessories for the chemical, energy and food and beverage industries The Stephens Group plans to accelerate growth and extend Quality Valve's leadership in the specialty distribution market - Quality Valve has grown to one of the largest distributors of safety and relief valves, completing 25,000+ orders annually to over 500 unique customers
Logistics			<ul style="list-style-type: none"> World Group, a Cleveland, Ohio-based transportation and logistics conglomerate, has acquired Pacific Cascade, an asset-light provider of third-party logistics Pacific Cascade, comprised of Pacific Cascade Distribution and Pacific Cascade Trucking, offers a broad range of logistics and transportation services including drayage, warehousing, transloading, transportation and fulfilment to the Pacific Northwest The acquisition will provide World Group with an additional 50 trucks and a central warehouse near the ports of Seattle and Tacoma to offer its customers in the Pacific Northwest full-service solutions that spans ocean, trucking, distribution and warehousing logistics services
BPO			<ul style="list-style-type: none"> Arthur J. Gallagher & Co. (NYSE:AIG), a global insurance broker and risk manager, has acquired BCHR Holdings ("Buck"), an international provider of HR and benefits services, for ~\$660 million With more than 100 years of experience in the professional services industry, Buck is a leading retirement, benefits and HR consulting and administration service provider for a broad range of businesses throughout North America and the United Kingdom Arthur J. Gallagher plans to leverage Buck's leading professional services platform to enhance its services offering for its clients - Buck's existing services organization consists of ~2,300 professionals, including 200+ actuaries, and a proprietary software platform, bSuite, used for benefits administration and employee engagement

BUSINESS SERVICES GROWTH & VALUATION TRENDS

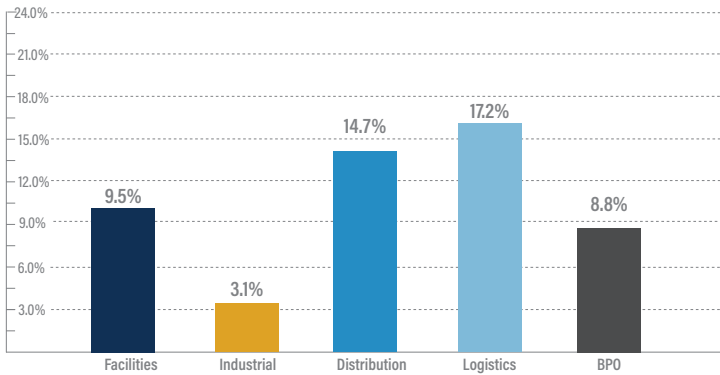
Enterprise Value / LTM Revenue



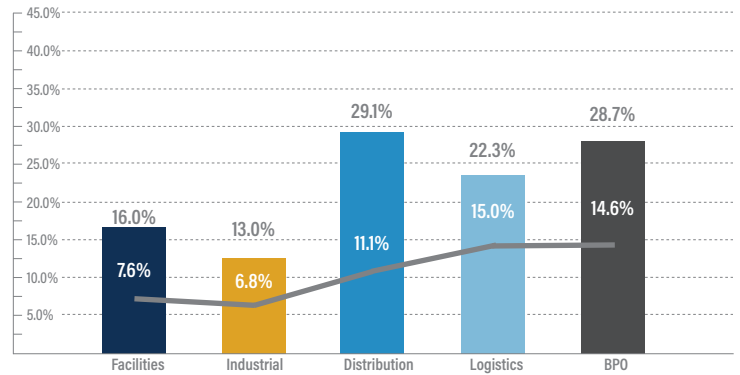
Enterprise Value / LTM EBITDA



LTM Revenue Growth

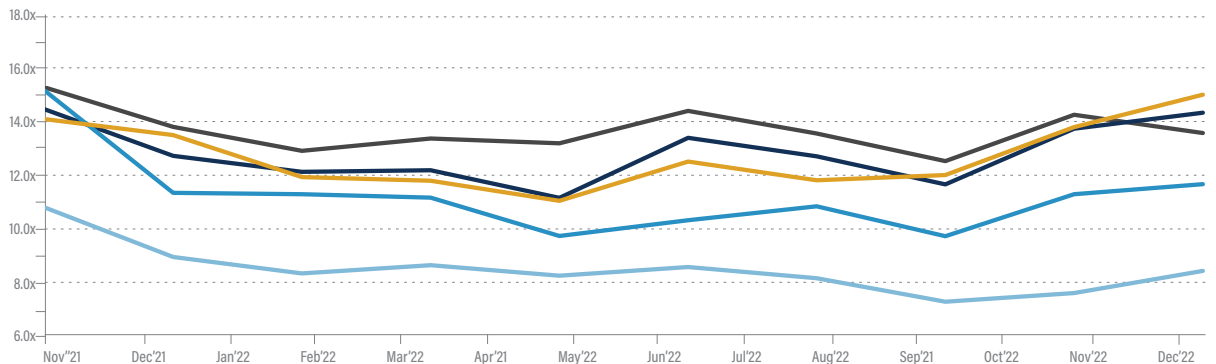


LTM Gross & EBITDA Margins*



*EBITDA Margins shown as the gray line.

EBITDA Multiples Trends



14.3x Facilities 15.7x Industrial 11.4x Distribution 8.6x Logistics 13.8x BPO

SELECTED BUSINESS SERVICES TRANSACTIONS

Target	Acquiror	Facilities Transactions
Reliable Termite & Pest Control, Inc.	PestCo Holdings LLC	Reliable Termite and Pest Control provides pest control services to commercial and residential facilities

DTG Recycling Group	Macquarie Asset Management Inc.	DTG is a Woodinville, Washington based waste collection, processing and recycling service provider
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Aspen Tree Service, Inc.	SavATree, LLC	Aspen Tree Services is a Carbondale, Colorado based tree pruning, removal and planting and lawn care provider
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Target	Acquiror	Distribution Transactions
Maintenance Supplies and Marketing, Inc.	SiteOne Landscape Supply, Inc. (NYSE:SITE)	Maintenance Supplies and Marketing is a Northern California based distributor of facilities maintenance and food service products

Country Clean Paper Supplies	Imperial Dade Intermediate Holdings, LLC	Country Clean Paper distributes kitchen products, janitorial supplies, restaurant and party products
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Lab Development, LLC	Graybar Electric Company, Inc.	Lab Development is a Buffalo, Illinois based distributor of electrical equipment and components
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Target	Acquiror	BPO Transactions
Rayne Staffing, LLC	Critical Energy Infrastructure Services, LLC	Rayne is a Houston, Texas-based recruitment agency for engineering and skilled trade roles for industrial service providers

Jp Recovery Services, Inc.,	Meduit Group, LLC	Jp Recovery Services provides collection support services across the healthcare, banking, commercial and retail industries
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Forcontact Europe SA	Transcom WorldWide AB (publ)	Forcontact Europe is a Chiasso, Switzerland-based international outsourced customer service provider
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Target	Acquiror	Industrial Transactions
Industrial Service Solutions, LLC	Wynnchurch Capital, L.P.	Industrial Service Solutions offers inspection, maintenance and repair services for industrial equipment and machinery

BG Bonnard & Gardel Holding S.A.	WSP Global Inc.	BG Bonnard is a provider of engineering consulting services to infrastructure, construction and energy end markets
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SGC Engineering, LLC	Magnolia River Services, Inc.	SGC Engineering offers engineering, surveying and geographical analysis services in the United States
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Target	Acquiror	Logistics Transactions
UV Logistics Holding Corp.	Bluestem Equity, Ltd	UV is a Lafayette, Louisiana based transportation and logistics provider for companies across North America

Sunset Transportation, Inc.	Armada Supply Chain Solution, LLC	Sunset Transportation is a third-party logistics company that provides transportation, management and SaaS services
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Bulk Express Transport, LLC	Alterna Equity Partners	Bulk Express Transport offers long haul, collection and loading services across the state of Florida
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TM Capital's Business Services Industry Contacts



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