

BUSINESS SERVICES MONTHLY

FEBRUARY 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

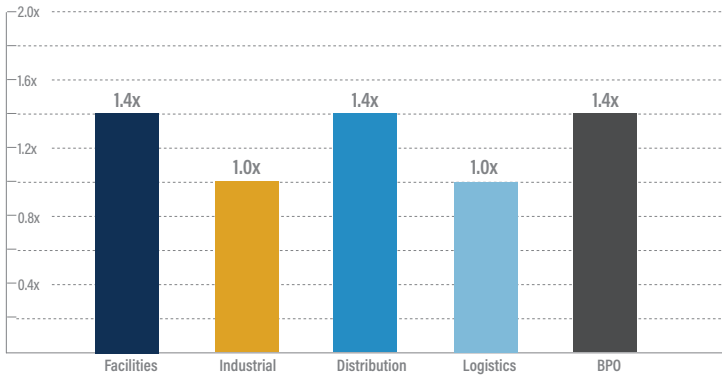
ACQUIROR

ACQUISITION SYNOPSIS

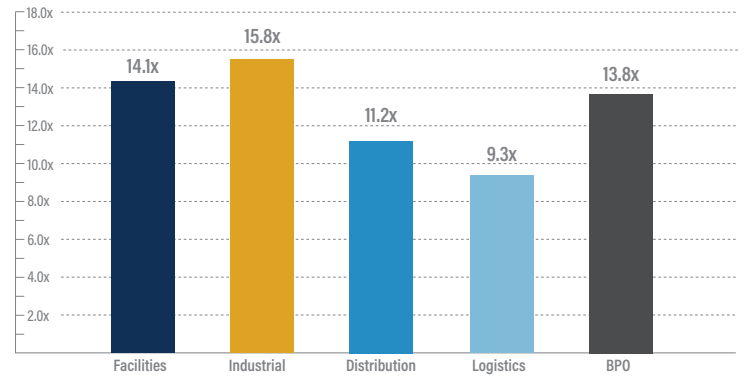
	TARGET	ACQUIROR	ACQUISITION SYNOPSIS
Facilities	 	 	<ul style="list-style-type: none"> TM Capital served as exclusive financial advisor to New Market Waste Solutions ("New Market"), a portfolio company of Zabel Companies, in its sale to Waste Harmonics, a portfolio company of Arcapita Founded in 2001 and headquartered in North Carolina, New Market is a leading managed services provider dedicated to designing and implementing cost-effective waste, recycling and sustainability solutions for clients throughout the U.S. The combination of Waste Harmonics and New Market will form a powerful duo in this large, high-growth category, blending the companies' combined strengths in dedicated customer service, superior delivery and innovative, tech-enabled monitoring, reporting and analytics In 2020, TM Capital served as exclusive financial advisor to Waste Harmonics, a portfolio company of Prospect Partners, in its sale to Arcapita
Industrial			<ul style="list-style-type: none"> GI Partners ("GI"), an international private equity firm, has acquired a significant stake in Atlas Technical Consultants (Nasdaq:ATCX), a leading provider of environmental and infrastructure solutions, from Bernhard Capital Partners, representing a purchase of ~43% of the business for a total enterprise value \$1.05 billion Atlas is a leading provider of infrastructure services, delivering environmental, engineering, inspection and program management services for public and private infrastructure projects, with an employee base of 3,500+ Atlas has become a leading platform in professional and technical services through both organic initiatives and strategic add-on acquisitions; Atlas has completed nine add-on acquisitions since Bernhard Capital founded the company
Distribution			<ul style="list-style-type: none"> Wynnchurch Capital, a Rosemont, Illinois-based private equity firm with nearly \$5.3 billion of assets under management, has acquired a majority interest in FloWorks, a provider of flow control products, from Clearlake Capital Group FloWorks is a leading specialty flow control distributor of a broad range of solutions for non-discretionary maintenance, repair and overhaul ("MRO") applications, operating through over fifty locations throughout North America and Asia Since Clearlake acquired the business in 2017, FloWorks has completed seven add-on acquisitions, meaningfully enhancing its product offering; Wynnchurch plans to continue to build the platform through organic initiatives and strategic add-on acquisitions
Logistics		 	<ul style="list-style-type: none"> Fitzmark, a portfolio company of Calera Capital, has acquired GTO 2000 Transportation Logistics ("GTO"), a Gainesville, Georgia-based temperature-controlled logistics provider GTO was founded in 1975, and has since been providing truckload services with a primary focus on temperature-control services and additional offerings including dry van, flatbed, expedited, intermodal and less-than-truckload transportation GTO represents Fitzmark's seventh add-on acquisition under Calera Capital's ownership and solidifies FitzMark's position as a leading third-party logistics platform
BPO		 	<ul style="list-style-type: none"> PrestigePEO ("Prestige"), a portfolio company of TriSpan, has acquired Advantage Personnel Resources ("APR"), a Gainesville, Florida-based professional employer organization ("PEO") provider APR provides a range of HR services, employee benefits, payroll administration and workers' compensation to small and medium-sized businesses ("SMBs") through its highly-skilled team of HR and business administration experts The acquisition represents Prestige's third add-on acquisition since TriSpan acquired the business in 2020; APR enhances Prestige's service offering for SMBs, extends its geographic footprint in the southern U.S. and improves its technology platform

BUSINESS SERVICES GROWTH & VALUATION TRENDS

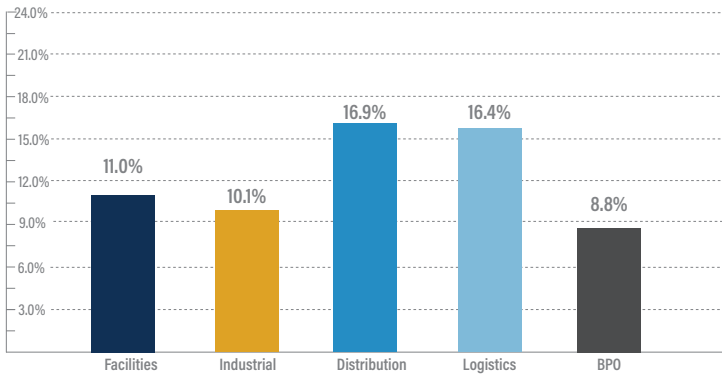
Enterprise Value / LTM Revenue



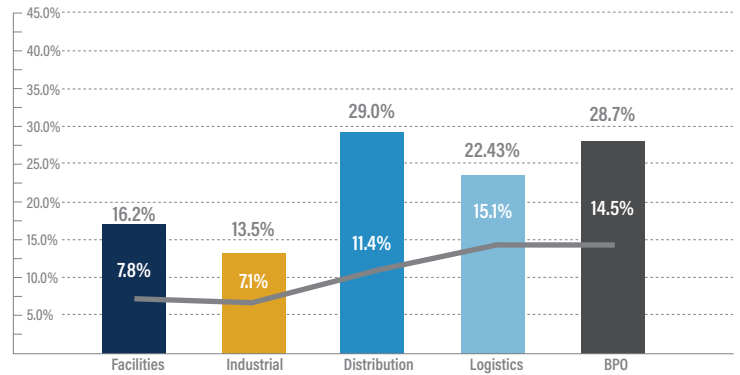
Enterprise Value / LTM EBITDA



LTM Revenue Growth

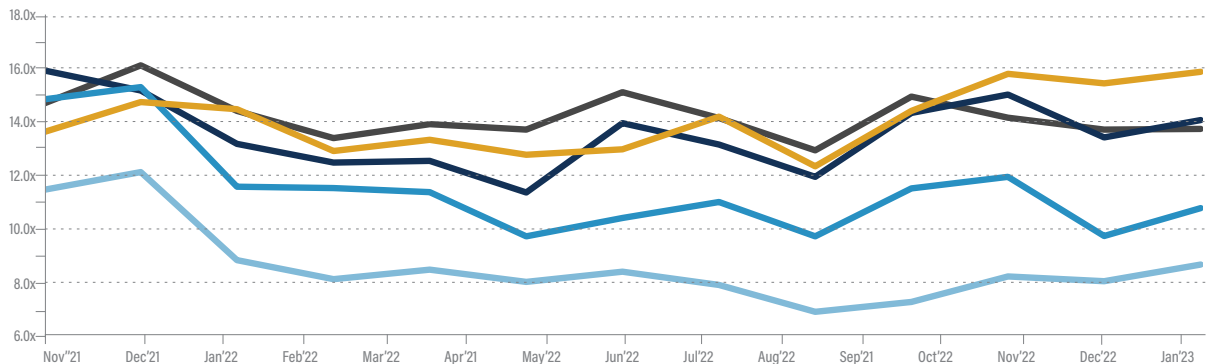


LTM Gross & EBITDA Margins*



*EBITDA Margins shown as the gray line.

EBITDA Multiples Trends



14.1x Facilities

15.8x Industrial

11.2x Distribution

9.3x Logistics

13.8x BPO

SELECTED BUSINESS SERVICES TRANSACTIONS

Target	Acquiror	Facilities Transactions
4M Building Solutions, Inc.	O2 Investment Partners, LLC	4M Building Solutions is a provider of cleaning and maintenance services for commercial facilities across the eastern United States

Botanical Designs, LLC	Beach Point Capital Management	Botanical Designs is a commercial landscaping and professional plant maintenance services provider in the Seattle area
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Bevan Security Systems, Inc.	Pye-Barker Fire & Safety, LLC	Bevan Security Systems manufactures and services fire alarms, CCTV, security systems and access control systems
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Target	Acquiror	Distribution Transactions
Royal Corporation	SiteOne Landscape Supply, Inc. (NYSE:SITE)	Royal is a Santa Fe Springs, California-based distributor of janitorial, sanitary and foodservice disposable goods

Industrial Service Products, LLC	Triad Technologies, LLC	Industrial Service Products distributes custom fabricated hoses, valves and fittings for liquid and dry goods
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S.P. Richards Company	Central National Gottesman, Inc.	S.P. Richards is a distributor of business and office products across the United States and Canada
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Target	Acquiror	BPO Transactions
Flatworld Solutions, Inc.	Boyne Capital Partners, LLC	Flatworld is an artificial intelligence empowered international provider of a full suite of outsourced business processes

Simpeo, LLC	Group Management Services, Inc.	Simpeo is a professional employer organization (PEO) that provides outsourced handling of wages, taxes and compliance
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Dataline Systems, LLC	CardWorks Servicing, LLC	Dataline Systems is a provider of payment, financial reporting, correspondence and business process automation services
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Target	Acquiror	Industrial Transactions
Borton-Lawson Engineering, Inc.	Verdantas, LLC	Borton-Lawson offers architectural and engineering design services for commercial, industrial and municipal projects

Weeks Marine, Inc.	Kiewit Corporation	Weeks Marine is a provider of marine construction, dredging and tunneling services to North and South America and the Pacific Rim
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S&C Engineers, Inc.	Legence Holdings, LLC	S&C Engineers provides professional program management and construction management services to the west coast of the United States
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Target	Acquiror	Logistics Transactions
UV Logistics	Bluestem Equity, Ltd	UV Logistics is a land transportation and logistics services provider to customers across North America

Sunset Transportation, Inc.	Armada Supply Chain Solution, LLC	Sunset is a third party logistics (3PL) company serving customers across the Midwest and mid-Atlantic United States
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Elmer Buchta Trucking, LLC	Transport Acquisitions, LLC	Elmer Buchta offers transportation and logistics services to customers that handle coal, limestone and aggregate
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TM Capital's Business Services Industry Contacts



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