

# BUSINESS SERVICES MONTHLY

JANUARY 2025

*Our team brings a uniquely tech-enabled focus to mission critical, outsourced service companies in the facilities, industrial, value-added distribution, logistics and business process outsourcing sectors*

Facilities

Industrial

Distribution

Logistics
















Business Process Outsourcing (BPO)

## HEADLINE TRANSACTIONS

TARGET

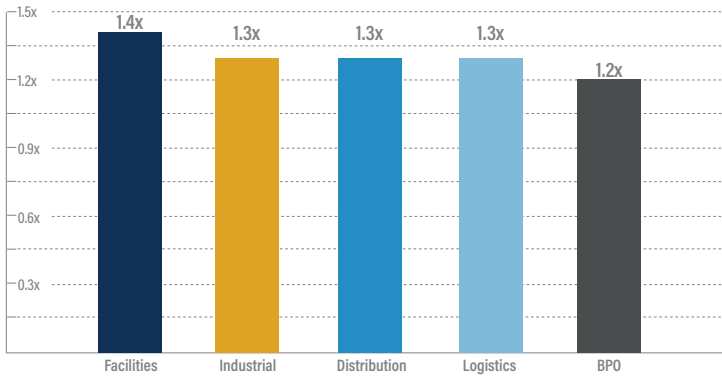
ACQUIROR

ACQUISITION SYNOPSISIS

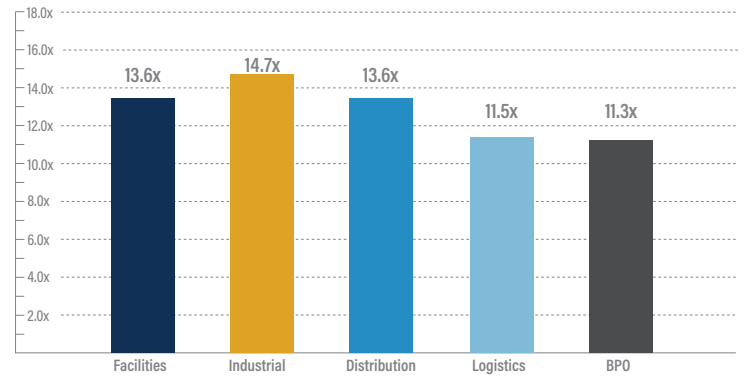
|              | TARGET   | ACQUIROR   | ACQUISITION SYNOPSISIS   |
|--------------|--|--|--|
| Facilities   | <br>  |   | <ul style="list-style-type: none"> <li>TM Capital served as exclusive financial advisor to Comvest Private Equity ("Comvest") in its acquisition of Bland Landscaping, an Apex, North Carolina-based provider of commercial landscaping services, from Prospect Partners</li> <li>Bland Landscaping is a leading provider of a comprehensive suite of premium landscaping maintenance and replacement services to commercial clients across a diverse array of end markets</li> <li>This transaction marks Comvest's entry into the commercial landscaping and stormwater management space and establishes Bland Landscaping as a standalone platform in Comvest's portfolio</li> </ul>  |
| Industrial   | <br> | <br> | <ul style="list-style-type: none"> <li>Rose Paving, a provider of restorative pavement maintenance solutions, has merged with Atlantic Southern Paving ("ASP"), a provider of commercial pavement construction and related services</li> <li>ASP is a leading provider of a wide array of parking lot management and pavement maintenance solutions, including asphalt patching, sealcoating, pavement marking and related services</li> <li>This merger creates one of the largest self-performing paving companies in the U.S.; Tenex Capital Management will own a majority share in the combined entity, while Harbor Beach Capital will continue to invest in the go-forward platform</li> </ul>                                      |
| Distribution |   |   | <ul style="list-style-type: none"> <li>Crossplane Capital ("Crossplane"), a Dallas-based private equity firm, has acquired Distributor Wire and Cable ("DWC"), a distributor of electrical wire and cable products</li> <li>DWC is a leading, value-added distributor of a wide array of specialty electrical wire and cable products, serving customers across the industrial, commercial and residential end markets</li> <li>Crossplane plans to leverage DWC's deep customer and supplier relationships to help drive organic growth via adding new products, capabilities and distribution locations in underserved regions across the U.S.</li> </ul>  |
| Logistics    | <br> |   | <ul style="list-style-type: none"> <li>Berkshire Partners, a Boston-based private equity firm, has acquired RJW Logistics Group, a leading logistics solutions provider for packaged goods brands, from Milwaukee-based private equity firm Mason Wells</li> <li>With over 850 retail partners nationwide, RJW Logistics is a leading provider of transportation, logistics and warehousing solutions to customers in the consumer packaged goods sector</li> <li>Berkshire Partners plans to continue executing the organic growth initiatives that began under Mason Wells' ownership, hoping to further expand the platform's geographic footprint and service offering</li> </ul>  |
| BPO          | <br> |   | <ul style="list-style-type: none"> <li>Arthur J. Gallagher &amp; Co. (NYSE: AJG) ("Gallagher"), a global brokerage and consulting services firm, has acquired Assured Partners, a provider of insurance brokerage services, from GTCR, a Chicago-based private equity firm, for \$13.5 billion</li> <li>Assured Partners is a leading provider of various insurance solutions including property and casualty insurance, employee benefits and risk management services to a diverse array of customers</li> <li>With this acquisition, Gallagher significantly expands its middle-market employee benefits practice across the U.S. and expands its reach into new end markets including transportation, energy and healthcare</li> </ul> |

# BUSINESS SERVICES GROWTH & VALUATION TRENDS

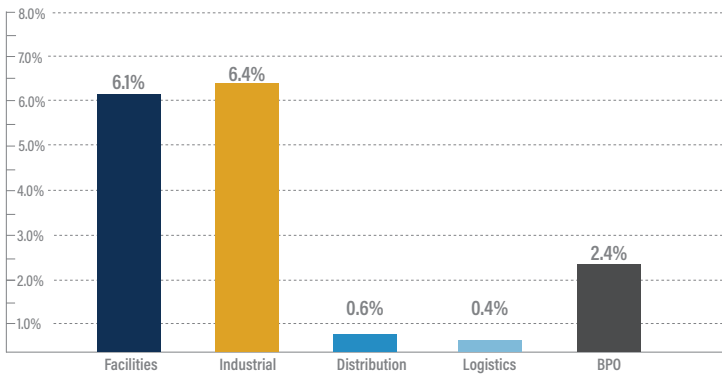
Enterprise Value / LTM Revenue



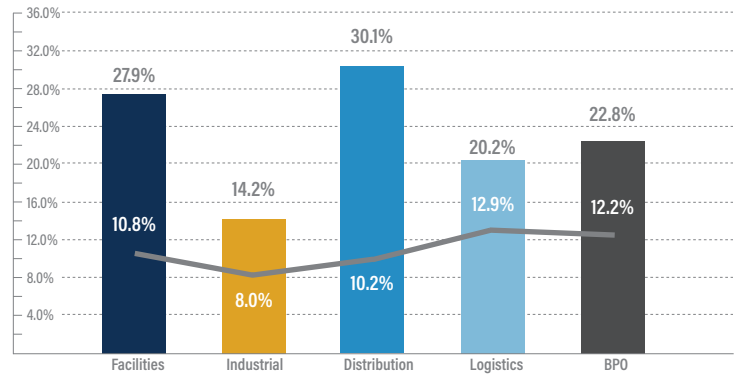
Enterprise Value / LTM EBITDA



LTM Revenue Growth

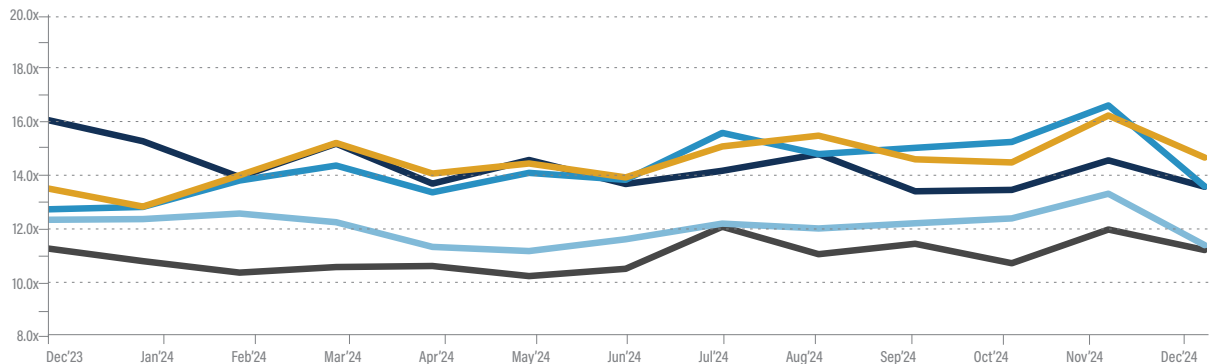


LTM Gross & EBITDA Margins\*



\*EBITDA Margins shown as the gray line.

EBITDA Multiples Trends



13.6x Facilities    14.7x Industrial    13.6x Distribution    11.5x Logistics    11.3x BPO

# SELECTED BUSINESS SERVICES TRANSACTIONS

| Target                | Acquiror          | Facilities Transactions  |
|-----------------------|-------------------|--|
| Security Fire Systems | Blackford Capital | Security Fire Systems provides design, installation and maintenance of commercial fire sprinkler systems |

|                      |   |  |
|----------------------|---|--|
| Restocon Corporation | Valcourt Building Services (Littlejohn & Co.) | Restocon Corporation provides commercial restoration services, including waterproofing, roof coating and fire proofing |
|----------------------|---|--|

|               |   |   |
|---------------|---|---|
| J.W. Dielmann | Sciens Building Solutions (The Carlyle Group) | J.W. Dielmann provides design, installation, inspection and maintenance of fire safety systems for commercial customers |
|---------------|---|---|

| Target                  | Acquiror  | Distribution Transactions   |
|-------------------------|---|---|
| Applied Thermal Systems | Thermal Technology Distribution Systems (Gryphon Investors) | Applied Thermal Systems distributes electric heaters, controls, thermocouples and related thermal management products |

|                      |                                  |  |
|----------------------|----------------------------------|--|
| Fresno Pipe & Supply | Ferguson Enterprises (NYSE:FERG) | Fresno Pipe & Supply distributes industrial pipes, valves and fitting products |
|----------------------|----------------------------------|--|

|                           |                      |  |
|---------------------------|----------------------|--|
| Northern Wholesale Supply | Sun Capital Partners | Northern Wholesale Supply distributes marine and recreational parts and products |
|---------------------------|----------------------|--|

| Target  | Acquiror         | BPO Transactions   |
|---|------------------|--|
| Welfare & Pension Administration Service (Periscope Equity) | Rainier Partners | Welfare & Pension Administration Service provides employee benefits administration and record retention services |

|     |                 |  |
|-----|-----------------|--|
| UHY | Summit Partners | UHY provides tax, auditing and accounting services to customers across a wide range of end markets |
|-----|-----------------|--|

|                         |            |  |
|-------------------------|------------|--|
| BIS Management Services | VIU by HUB | BIS Management Services provides outsourced insurance agency services for financial institutions |
|-------------------------|------------|--|

| Target                                  | Acquiror                               | Industrial Transactions   |
|---|--|---|
| Unified Power (Incline Equity Partners) | Pearce Services (New Mountain Capital) | Unified Power provides maintenance and repair of power systems, turnkey electrical solutions and battery services |

|  |                      |   |
|--|----------------------|---|
| Latite Roofing & Sheet Metal (Lincolnshire Management) | Sun Capital Partners | Latite Roofing & Sheet Metal offers roof construction and repair services for commercial and residential buildings across the Southeast |
|--|----------------------|---|

|                  |   |  |
|------------------|---|--|
| Bates Mechanical | Interstate AC Service (Point 41 Capital Partners) | Bates Mechanical provides plumbing installation and repair services to commercial and industrial customers |
|------------------|---|--|

| Target                    | Acquiror                              | Logistics Transactions   |
|---------------------------|---------------------------------------|--|
| PSS Distribution Services | Partners Warehouse (Red Arts Capital) | PSS Distribution Services provides third-party logistics, warehousing and transportation services throughout the Northeast |

|                  |                    |   |
|------------------|--------------------|---|
| Parker & Company | Scarborough Global | Parker & Company provides specialized international trade and transportation services |
|------------------|--------------------|---|

|                  |                |   |
|------------------|----------------|---|
| Henry Industries | ADL Final Mile | Henry Industries provides freight brokering, warehousing and courier services to customers throughout the Midwest |
|------------------|----------------|---|

## TM Capital's Business Services Industry Contacts



**Jarrad Zalkin**  
Managing Director & Co-Head of TM Capital  
jzalkin@tmcapital.com  
617.259.2207



**Kevin Atchue**  
Managing Director  
katchue@tmcapital.com  
617.259.2209



**Jordan Cleare**  
Director  
jcleare@tmcapital.com  
404.995.6236



**Steven Hunter**  
Managing Director, Head of Financial Sponsor Coverage  
shunter@tmcapital.com  
404.995.6232

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