

# BUSINESS SERVICES MONTHLY

OCTOBER 2022

*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

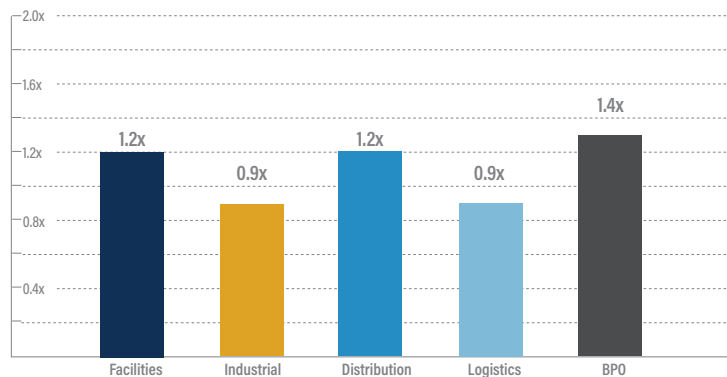
ACQUIROR

ACQUISITION SYNOPSIS

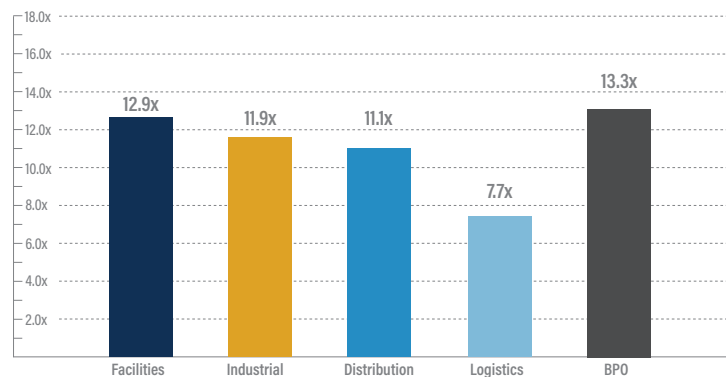
Facilities	 	<ul style="list-style-type: none"><li>Crete Mechanical Group ("Crete"), a portfolio company of Ridgemont Equity Partners, has acquired AC Corporation ("AC Corp."), a Greensboro, NC-based provider of mechanical contracting services</li><li>AC Corp. offers a broad range of facility services including HVAC, electrical, plumbing and building automation services to commercial, industrial, multi-family, government and healthcare facilities along the East Coast and southeastern United States</li><li>AC Corp. represents Crete's eleventh add-on acquisition in 2022; the acquisition will expand Crete's geographic presence in the Southeast and enhance its services offering to accelerate growth</li></ul>
Industrial	 	<ul style="list-style-type: none"><li>TranSystems Corporation ("TranSystems"), a Kansas City, MO-based infrastructure engineering and consultancy firm, has acquired SEPI Engineering and Consulting ("SEPI"), a civil engineering and construction management services provider</li><li>SEPI provides a full suite of construction and engineering services including infrastructure design, permitting and construction administration services to commercial, industrial and municipal clients throughout the southeastern United States</li><li>TranSystems will add 330 professionals to its national employee base of over 1,100 and expand its geographic presence into North Carolina</li></ul>
Distribution	 	<ul style="list-style-type: none"><li>Sonepar, a Paris, France-based international electrical products distributor, has agreed to acquire Professional Electric Products Co. ("PEPCO"), an Eastlake, OH-based distributor of electrical products</li><li>PEPCO distributes a broad range of electrical products for the utility, construction, industrial and communications markets throughout the "Rust Belt" region of Ohio and Pennsylvania</li><li>The acquisition will expand Sonepar's international presence in the Midwest – the 6th largest electrical distribution market in the U.S. – and adds 10 regional branches and 190 employees to Sonepar's global presence of 3,000 branches and 48,000 employees</li></ul>
Logistics	 	<ul style="list-style-type: none"><li>Total Transportation Services ("TTSI"), a portfolio company of Sun Capital Partners, has acquired SalSon Logistics ("SalSon"), a Newark, NJ-based logistics services provider</li><li>SalSon provides "port-to-shelf" logistics services including drayage, final mile deliveries, transload, pooled distribution, warehousing and cross-docking for consumer and automotive end markets throughout the East Coast and Central U.S.</li><li>SalSon represents TTSI's fourth acquisition along the East Coast, expanding its national footprint and presence at major trade hubs and ports</li></ul>
BPO	 	<ul style="list-style-type: none"><li>Falfurrias Capital Partners ("Falfurrias"), a Charlotte, NC-based private equity firm, has acquired Said Differently, a global marketing and consulting agency founded in 2020</li><li>Said Differently provides strategic consulting, business optimization, design and development services for innovative brands, products, campaign concepts and organizational projects, utilizing its proprietary network of over 3,000 specialists worldwide</li><li>Falfurrias' acquisition of Said Differently fits well within the firm's "Future of Work" investment thesis – targeting companies making dramatic changes in how work gets done – with Said Differently marketing itself as an "Untraditional Marketing Agency"</li></ul>

# BUSINESS SERVICES GROWTH & VALUATION TRENDS

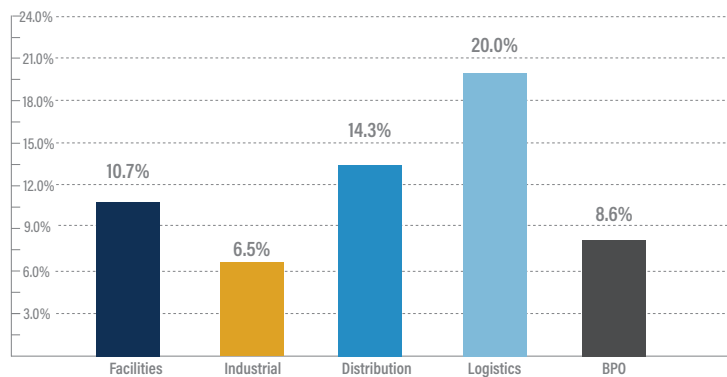
Enterprise Value / LTM Revenue



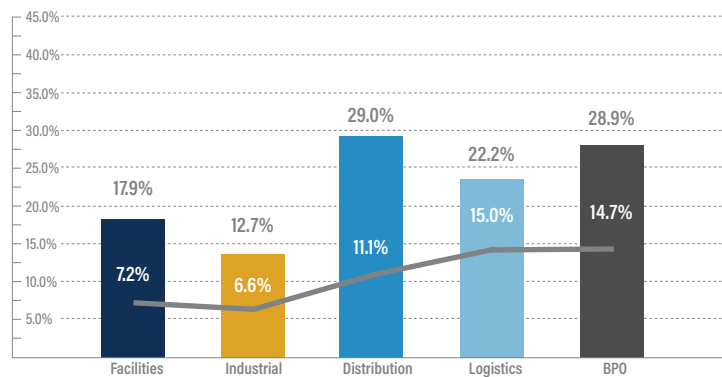
Enterprise Value / LTM EBITDA



LTM Revenue Growth

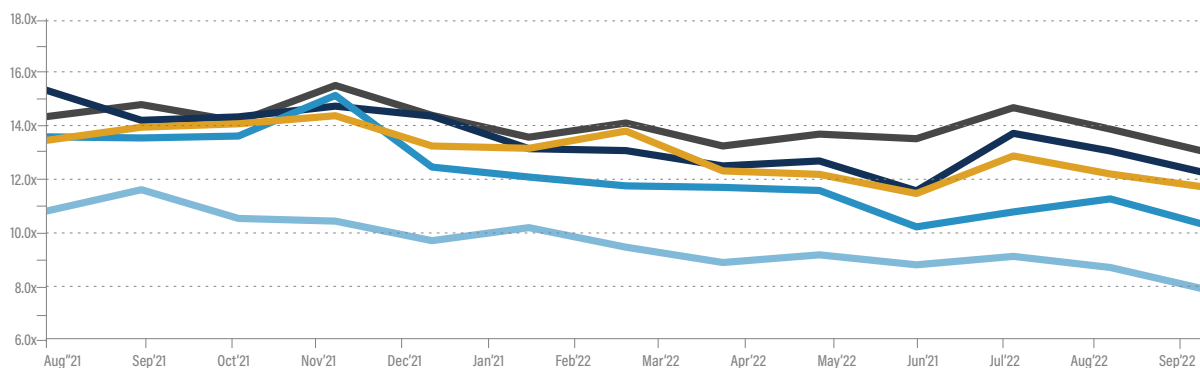


LTM Gross & EBITDA Margins\*



\*EBITDA Margins shown as the gray line.

EBITDA Multiples Trends



12.4x Facilities

11.9x Industrial

10.3x Distribution

7.7x Logistics

13.3x BPO

# SELECTED BUSINESS SERVICES TRANSACTIONS

Target	Acquiror	Facilities Transactions
Alliance Plumbing Service & Repair, Inc.	Caprice Capital Partners, LLC; Shadow Lake Partners	Alliance is a Phoenix, AZ-based provider of plumbing, HVAC and repair services to commercial and multi-family facilities

Eagle Enterprises Ltd.	4M Building Solutions, Inc.	Eagle Enterprises is a Berlin, WI-based provider of cleaning services for commercial, educational, industrial and retail facilities
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Integrated Security Group, Inc.	Pye-Barker Fire & Safety, LLC	Integrated Security designs, installs, monitors and services commercial fire and security systems across New England
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Target	Acquiror	Distribution Transactions
H.T. Berry Company, Inc.	"SiteOne Landscape Supply, Inc. (NYSE:SITE)"	H.T. Berry Company is a distributor of paper products used in a variety of industrial, commercial, educational and healthcare facilities

Stone Plus, LLC	SiteOne Landscape Supply, Inc. (NYSE:SITE)	Stone Plus distributes landscape and hardscape materials to commercial and residential customers
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Quest Engineering, Inc.	Motion & Control Enterprises, LLC	Minneapolis, MN-based Quest distributes of hydraulic and industrial valves, gauges and instrumentation products
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Target	Acquiror	BPO Transactions
Linkage, Inc.	Society for Human Resource Management	Linkage provides in-person and virtual leadership development, coaching and conference services for a broad range of businesses

Optionis Group	Alcentra	Optionis provides consulting services including accounting, tax, payroll and HR-related to small businesses
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RTM Consulting, LLC	Belcan, LLC	RTM offers resource, workforce and business optimization solutions to optimize service based businesses
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Target	Acquiror	Industrial Transactions
RPS Group	Tetra Tech, Inc. (NASDAQ:TTEK)	RPS is an international provider of infrastructure consultancy services for commercial, government and infrastructure projects

Shephard-Wesnitzer, Inc.	Ardurra Group, Inc.	Shephard-Wesnitzer provides civil and structural engineering, surveying and geographic information system services in northern Arizona
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AG Concept	Egis	AG Concept provides design and construction services for controlled industrial environments, including clean rooms and laboratories
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Target	Acquiror	Logistics Transactions
Langar 123	The Swain Group	Langar 123 operates as a trucking company that offers land-based freight transportation services in the United Kingdom

Universal Transport Michels GmbH & Co.	GRUBER Logistics	Universal Transport is an international provider of oversized, special and heavy-duty transportation and logistics services
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A-Link Freight, Inc.	Santova (JSE:SNV)	A-Link Freight is a Los Angeles, CA-based provider of air freight forwarding and warehousing services
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## TM Capital's Business Services Industry Contacts



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