



INDUSTRIALS

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Spotlight

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Telecom & Communications

Industry News

Tunstall Americas Acquired by Connect America

Mirus [Full Article](#)

Connect America has acquired the US subsidiary of the Tunstall Healthcare Group, Tunstall Americas, bringing together over 1000 employees, more than 300,000 shared subscribers, and over 1000 healthcare network partners.

The companies will come together under the Connect America brand name, and deliver a best-in-class, connected health experience that will allow healthcare providers to better manage their patients' health, safety, and security, thereby enhancing ongoing quality of life while reducing hospital admissions and readmissions.

"As a company, Connect America is continually innovating and looking at new ways to solve the most pressing issues facing individuals and healthcare providers," said Oscar Meyer, President & CEO, Tunstall Americas. "By bringing together our respective businesses, we will deliver an unbeatable connected health experience."

Motorola Solutions Acquires Avtec Inc.

Motorola Solutions [Full Article](#)

Motorola Solutions, Inc. (NYSE: MSI) today announced it has acquired Avtec, Inc., a leading U.S. provider of advanced dispatch solutions for public safety and commercial customers. Based in South Carolina, Avtec provides voice over internet protocol (VoIP) dispatch services over land mobile radio (LMR) and broadband networks. Its services enable customers, including airlines, railroads and energy companies, to connect operations center personnel using Avtec dispatch solutions with workers in the field using two-way radios.

"Avtec's industry-leading solutions enable business-critical communications across diverse industries," said John Kedzierski, corporate vice president of Infrastructure and Systems, Motorola Solutions. "Avtec expands our public safety and commercial portfolios, allowing us to offer an end-to-end platform for customers to communicate, coordinate resources and secure their facilities."

Progress on Proposed T-Mobile-Sprint Merger

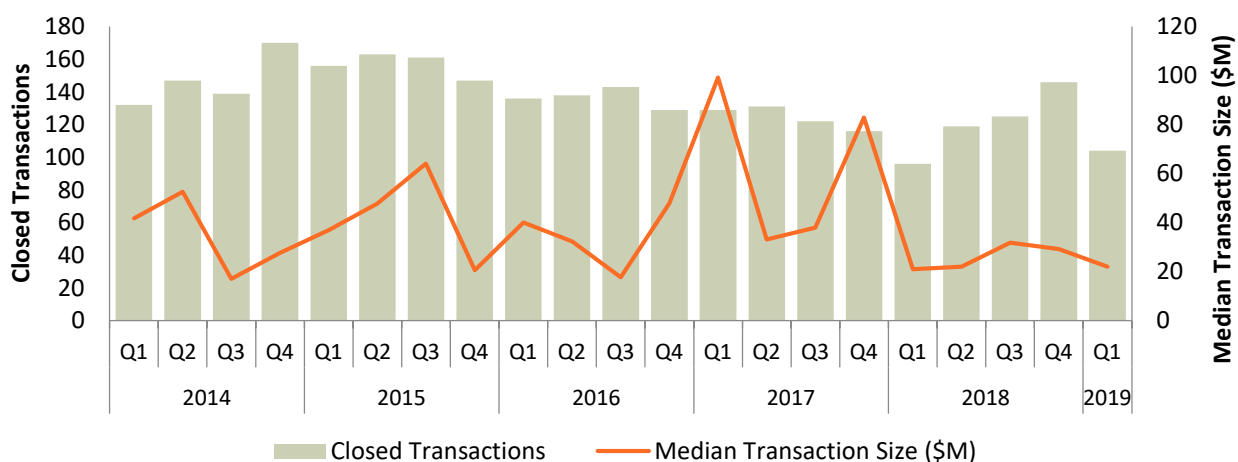
Wired [Full Article](#)

T-Mobile (NASDAQ: TMUS) and Sprint's (NYSE: S) proposed merger is scrambling telecom politics. Furthermore, the U.S. government's objections to the merger are starting to evaporate as Federal Communications Commission Chairman Ajit Pai and Commissioner Brendan Carr both signaled their support for the merger.

If approved, the deal would reduce the number of major carriers in the US from four to three. Rather than try to reverse or halt this consolidation, US representative Anna Eshoo argues, the best way to preserve competition is to allow even more consolidation— otherwise smaller companies will be crushed by the giants.

Telecom & Communications

Telecom & Communications M&A Environment

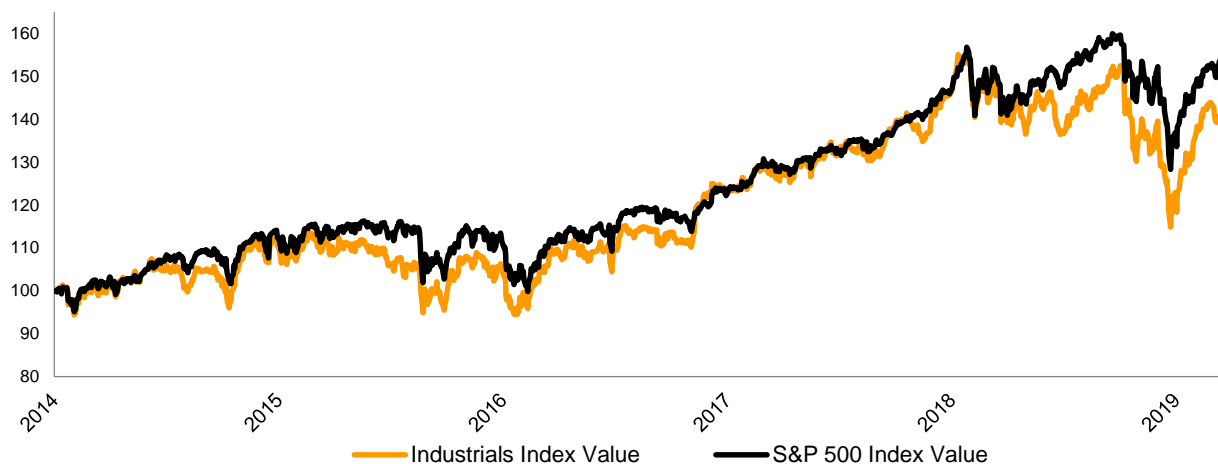


Selected Q1 2019 Telecom & Communications Transactions

Date Closed	Target	Buyers/Investors	Sector	Value (\$M)	Enterprise		
					Revenue	EBITDA	EV / LTM
3/25/2019	PT. DHost Telekomunikasi Nusantara	TJ Systems (S) Pte Ltd; Beaqon Pte. Ltd.	Telecommunication Services	0	-	-	-
3/22/2019	TNW Wireless Inc.	United American Corp, Inc. (OTCPK:UAMA)	Telecommunication Services	3	-	-	-
3/16/2019	Radio Tower WKSE-FM	Vertical Bridge, LLC	Communications Equipment	2	-	-	-
3/13/2019	Public Joint Stock Company MegaFon (MISX:MFOR)	-	Telecommunication Services	-	-	-	-
3/11/2019	Avttec, Inc.	Motorola Solutions, Inc. (NYSE:MSI)	Communications Equipment	136	-	-	-
3/4/2019	General Photonics Corporation	Luna Technologies, Inc.	Communications Equipment	20	-	-	-
2/28/2019	TAIF-TELCOM Open Joint Stock Company	-	Telecommunication Services	-	-	-	-
2/25/2019	Netett Sverige AB	Teracom Boxer Group AB	Telecommunication Services	19	-	17.5x	-
2/25/2019	TRACKER Network (UK) Ltd	CalAmp Corp. (NasdaqGS:CAMP)	Communications Equipment	13	-	-	-
2/23/2019	133 Telecom Towers	Swiss Towers AG	Telecommunication Services	3	-	-	-
2/15/2019	NextGenTel Holding ASA	Kistefos A.S.	Telecommunication Services	31	0.3x	2.5x	-
2/14/2019	Hangzhou Dafu Technology Co., Ltd.	Zenlayer Inc.	Telecommunication Services	-	-	-	-
2/6/2019	Deutsche Telefon Standard AG	NFON AG (DB:NFN)	Communications Equipment	22	-	-	-
1/31/2019	LightSpeed Communications, LLC	MetroNet Fiber Inc.	Telecommunication Services	-	-	-	-
1/31/2019	Ercom/Suneris	Thales S.A. (ENXTPA:HO)	Communications Equipment	-	-	-	-
1/30/2019	Pepperl+Fuchs Control Inc.	Pepperl+Fuchs GmbH	Communications Equipment	-	-	-	-
1/28/2019	JN Projects, Inc.	Dropbox, Inc. (NasdaqGS:DBX)	Telecommunication Services	-	-	-	-
1/18/2019	Business Marketers Group, Inc.	Halma plc (LSE:HLMA)	Communications Equipment	42	2.7x	-	-
1/8/2019	Solacom Technologies, Inc.	Comtech Telecommunications Corp. (NasdaqGS:CMTL)	Communications Equipment	33	-	-	-
1/8/2019	Nimsys B.V.	Gamma Communications plc (AIM:GAMA)	Telecommunication Services	9	2.2x	5.1x	-
1/8/2019	Gamma Nu Inc. (KOSDAQ:A192410)	-	Communications Equipment	52	1.8x	-	-

Industrials

Both the S&P 500 and Industrials are off to a great start from an M&A and valuation perspective, rebounding close to previous valuations. Despite the December 2018 market downturn, industry valuations remain near all time highs. Compared to the past year, M&A is off to a quick start, and a robust deal pipeline buoyed by recent tax reforms suggests that 2019 will be another strong year for M&A.



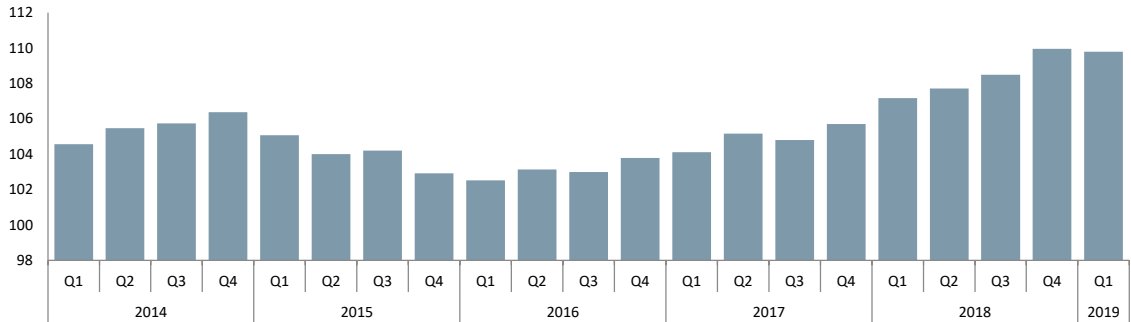
As of 3/31/19		LTM Financials				Valuation Metrics			LTM Margins	
Company Name	Ticker	Enterprise Value	Revenue	Gross Profit	EBITDA	EV / Revenue	EV / Gross Profit	EV / EBITDA	Gross Margin	EBITDA Margin
3M Company	NYSE:MMM	\$131,207	\$32,350	\$15,844	\$9,061	4.1x	8.3x	14.5x	49.0%	28.0%
Alaska Air Group	NYSE:ALK	\$7,808	\$8,308	\$2,209	\$1,213	0.9x	3.5x	6.4x	26.6%	14.6%
American Airlines Group	NasdaqGS:AAL	\$43,531	\$44,724	\$12,111	\$5,819	1.0x	3.6x	7.5x	27.1%	13.0%
Arconic	NYSE:ARNC	\$12,778	\$14,110	\$2,663	\$1,841	0.9x	4.8x	6.9x	18.9%	13.0%
Boeing Company	NYSE:BA	\$220,659	\$100,662	\$19,351	\$13,450	2.2x	11.4x	16.4x	19.2%	13.4%
C. H. Robinson Worldwide	NasdaqGS:CHRW	\$12,873	\$16,457	\$1,403	\$1,027	0.8x	9.2x	12.5x	8.5%	6.2%
Caterpillar	NYSE:CAT	\$107,646	\$55,329	\$15,086	\$11,133	1.9x	7.1x	9.7x	27.3%	20.1%
CSX	NasdaqGS:CSX	\$74,468	\$12,387	\$6,356	\$6,356	6.0x	11.7x	11.7x	51.3%	51.3%
Cummins	NYSE:CMII	\$26,638	\$24,205	\$6,069	\$3,365	1.1x	4.4x	7.9x	25.1%	13.9%
Deere & Co.	NYSE:DE	\$91,459	\$38,388	\$9,215	\$5,877	2.4x	9.9x	15.6x	24.0%	15.3%
Delta Air Lines	NYSE:DAL	\$50,785	\$44,942	\$11,383	\$7,690	1.1x	4.5x	6.6x	25.3%	17.1%
Dover	NYSE:DOV	\$16,389	\$7,079	\$2,596	\$1,235	2.3x	6.3x	13.3x	36.7%	17.4%
Eaton Corporation	NYSE:ETN	\$41,321	\$21,663	\$7,152	\$3,906	1.9x	5.8x	10.6x	33.0%	18.0%
Emerson Electric Company	NYSE:EMR	\$46,836	\$18,061	\$7,715	\$3,717	2.6x	6.1x	12.6x	42.7%	20.6%
Expeditors International	NasdaqGS:EXPD	\$12,121	\$8,304	\$1,071	\$845	1.5x	11.3x	14.3x	12.9%	10.2%
FedEx Corporation	NYSE:FDX	\$62,815	\$69,200	\$18,622	\$8,785	0.9x	3.4x	7.2x	26.9%	12.7%
Fluor	NYSE:FLR	\$5,001	\$18,536	\$674	\$742	0.3x	7.4x	6.7x	3.6%	4.0%
Fortive	NYSE:FTV	\$30,342	\$6,553	\$3,370	\$1,433	4.6x	9.0x	21.2x	51.4%	21.9%
General Dynamics	NYSE:GD	\$60,337	\$37,919	\$6,798	\$5,380	1.6x	8.9x	11.2x	17.9%	14.2%
General Electric	NYSE:GE	\$201,486	\$121,113	\$23,311	\$15,617	1.7x	8.6x	12.9x	19.2%	12.9%
Grainger (W.W.)	NYSE:GWVW	\$18,587	\$11,254	\$4,352	\$1,635	1.7x	4.3x	11.4x	38.7%	14.5%
Honeywell Int'l	NYSE:HON	\$121,242	\$40,294	\$12,560	\$8,779	3.0x	9.7x	13.8x	31.2%	21.8%
Illinois Tool Works	NYSE:ITW	\$52,803	\$14,576	\$6,094	\$3,997	3.6x	8.7x	13.2x	41.8%	27.4%
Ingersoll-Rand	NYSE:IR	\$29,372	\$15,860	\$4,965	\$2,361	1.9x	5.9x	12.4x	31.3%	14.9%
J. B. Hunt Transport Services	NasdaqGS:JBHT	\$12,160	\$8,756	\$1,489	\$1,130	1.4x	8.2x	10.8x	17.0%	12.9%
Jacobs Engineering Group	NYSE:JEC	\$12,364	\$16,506	\$3,070	\$1,032	0.7x	4.0x	12.0x	18.6%	6.3%
Johnson Controls International	NYSE:JCI	\$46,637	\$31,708	\$9,427	\$4,666	1.5x	4.9x	10.0x	29.7%	14.7%
L-3 Communications Holdings	NYSE:LLL	\$18,731	\$10,573	\$2,737	\$1,402	1.8x	6.8x	13.4x	25.9%	13.3%
Lockheed Martin	NYSE:LMT	\$98,275	\$56,463	\$7,900	\$8,879	1.7x	12.4x	11.1x	14.0%	15.7%
Masco	NYSE:MAS	\$14,177	\$8,347	\$2,709	\$1,381	1.7x	5.2x	10.3x	32.5%	16.5%
Nielsen Holdings	NYSE:NLSN	\$16,472	\$6,468	\$3,687	\$1,440	2.5x	4.5x	11.4x	57.0%	22.3%
Norfolk Southern	NYSE:NSC	\$60,927	\$11,581	\$5,234	\$5,267	5.3x	11.6x	11.6x	45.2%	45.5%
Northrop Grumman	NYSE:NOC	\$58,780	\$31,549	\$6,957	\$5,149	1.9x	8.4x	11.4x	22.1%	16.3%
PACCAR	NasdaqGS:PCAR	\$29,300	\$24,329	\$3,671	\$3,352	1.2x	8.0x	8.7x	15.1%	13.8%
Parker-Hannifin	NYSE:PH	\$26,577	\$14,456	\$3,661	\$2,545	1.8x	7.3x	10.4x	25.3%	17.6%
Quanta Services	NYSE:PWR	\$6,365	\$11,561	\$1,543	\$884	0.6x	4.1x	7.2x	13.3%	7.6%
Raytheon	NYSE:RTN	\$53,248	\$27,520	\$7,602	\$3,936	1.9x	7.0x	13.5x	27.6%	14.3%
Republic Services	NYSE:RSG	\$34,121	\$10,084	\$3,881	\$2,793	3.4x	8.8x	12.2x	38.5%	27.7%
Robert Half International	NYSE:RHI	\$7,350	\$5,873	\$2,445	\$664	1.3x	3.0x	11.1x	41.6%	11.3%
Rockwell Automation	NYSE:ROK	\$22,088	\$6,728	\$2,915	\$1,482	3.3x	7.6x	14.9x	43.3%	22.0%
Ryder System	NYSE:R	\$9,858	\$8,685	\$1,678	\$2,120	1.1x	5.9x	4.7x	19.3%	24.4%
Southwest Airlines	NYSE:LUV	\$28,392	\$22,170	\$7,105	\$4,154	1.3x	4.0x	6.8x	32.0%	18.7%
Textron	NYSE:TXT	\$14,644	\$13,785	\$2,312	\$1,577	1.1x	6.3x	9.3x	16.8%	11.4%
Union Pacific	NYSE:UNP	\$141,923	\$22,741	\$11,779	\$10,735	6.2x	12.0x	13.2x	51.8%	47.2%
United Parcel Service	NYSE:UPS	\$113,873	\$71,908	\$13,066	\$7,540	1.6x	8.7x	15.1x	18.2%	10.5%
United Rentals	NYSE:URI	\$20,706	\$8,430	\$3,548	\$2,462	2.5x	5.8x	8.4x	42.1%	29.2%
United Technologies	NYSE:UTX	\$152,804	\$69,624	\$17,415	\$11,875	2.2x	8.8x	12.9x	25.0%	17.1%
Waste Management	NYSE:WM	\$54,095	\$15,099	\$5,736	\$4,247	3.6x	9.4x	12.7x	38.0%	28.1%

Median	1.8x	7.2x	11.4x	27.0%	15.5%
Mean	2.1x	7.2x	11.2x	29.2%	18.4%

Industrials

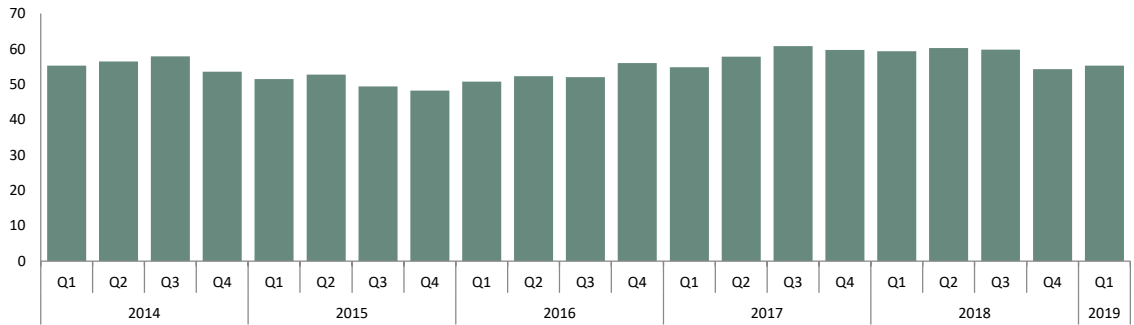
State of the Industry

U.S. Industrial Production Index (Seasonally Adjusted)



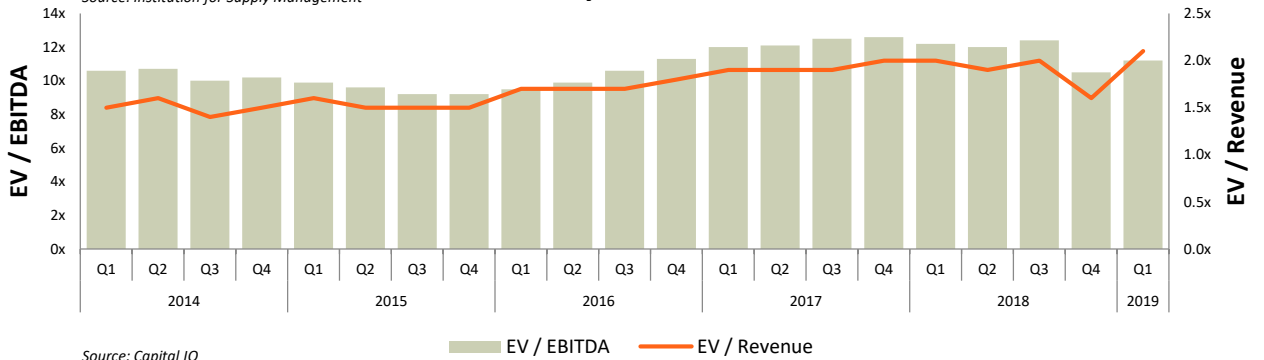
Source: Federal Reserve

Purchasing Managers Index



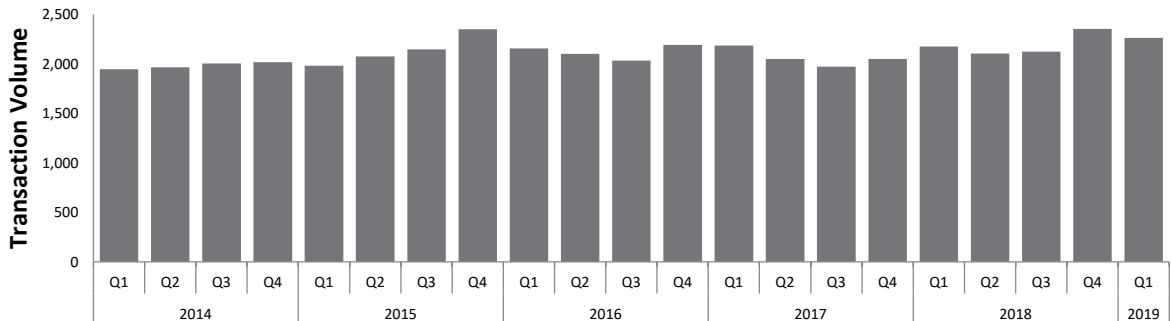
Source: Institution for Supply Management

Industry Valuations



Source: Capital IQ

Industrials Transaction Volume



Source: Capital IQ



The Value of Accomplishment

The highest level of expertise and hard work is what accomplishment requires. It's what you deserve and what we do.

- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished something meaningful, too.

About Mirus

Mirus' Industrial team has experience working with owners of growth industrial businesses and distressed industrials, executing corporate carve-outs, strategic sales and leveraged buy-outs. Much of our work is with closely-held companies – niche leaders who have the industry leading solution in a sub \$200 million market. The companies often have strategic value to large corporations serving the broader market - acquirers who can integrate a product line into their portfolio. For larger industrial companies, Mirus has advised buyers and sellers on M&A, including leveraged buy-outs, and has executed corporate divestitures and restructurings.

Partners Spotlight

Alan Fullerton and Andrew Crain are the leaders of our Industrial team. Alan and Andrew have decades of experience advising companies in the Industrial space. They have a demonstrated record of managing and closing dozens of engagements with companies in the industry. Alan has been nationally recognized by M&A Advisor as a sector finalist across multiple industries and has an MBA from Ecole des Ponts (France), an MS in Electrical Engineering from Brown University, and a BS in Mechanical Engineering from MIT. Andrew began his career as an attorney at Foley Hoag LLP and has prior experience as a fifth-generation family business owner and CEO. Andrew graduated from Williams College and the University of Michigan Law School.



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"The Mirus team successfully guided us through every aspect of the transaction, from identifying prospective buyers through closing. They conducted a thorough process and we are delighted by the outcome."

Mirus Industrial Spotlight



has been acquired by



Casco Development, Inc. is a leading provider of shop floor productivity software for mid-sized and large manufacturers. CAI Software is a business consulting, enterprise resource planning software development and IT support services company with products and services related to the lumber, seafood, wholesale food processing and distributions sectors, as well as the jewelry manufacturing and distribution, and precious metals recycling, refining and manufacturing sectors.



has been acquired by



AIC is a leading specialty chemical and ingredients distributor based in Framingham, Massachusetts. LeBaronBrown is a private investment firm with a multi-decade orientation and a strategy to bring capital and resources to company management teams to enable growth over a multi-decade period. AIC joins Charkit Chemical Company LLC, acquired in June of 2017, under the same parent company. This transaction positions AIC for long-term, continued growth, building upon the success of its dedicated team.



has been acquired by



MagneMotion is a provider of intelligent transport systems based on patent protected linear synchronous motor (LSM) technology. Rockwell Automation Inc. (NYSE: ROK), the world's largest company dedicated to industrial automation and information, makes its customers more productive and the world more sustainable. The acquisition of MagneMotion expands Rockwell Automation's independent cart technology and complements its acquisitions of iTRAK Technology and Jacobs Automation.



has been acquired by



FleetLogix provides outsourced labor to rental car agencies across the U.S.. The company uses a proprietary technology platform to track and analyze performance at each site, to ensure quality and efficiency in its service delivery, and to provide data and metrics to its managers and its clients. Striker Partners is a private, family-based investment firm formed to make majority equity investments in profitable and growing businesses. Striker Partners brings technology expertise to the company and represents a great cultural fit.



has been acquired by



a portfolio company of



Tunstall is a market-leading provider of technology-based health and care solutions and services which improve its customers' ability to deliver new, more efficient and effective models for health and care management in the community setting. Connect America provides personal medical response system (PERS) kits for Americans who wish to continue to live an independent life at home.