



# TECHNOLOGY

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Spotlight

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# Manufacturing Automation

## Industry News

### **How Automation Can Help Manufacturers Navigate COVID-19**

Manufacturing Global [Full Article](#)

While the manufacturing industry today still faces the many challenges that it had before, such as changing customer demand, the need for faster production lines and increasing the efficiency of operations with industry 4.0, the 'new normal' that is emerging from the impact of COVID-19 is highlighting an even greater need for smart manufacturing operations and the importance of technology to maintain flexible and agile operations, as manufacturers around the world experience halts in production.

### **Rapid Growth of Autonomous Forklifts**

Robotics and Automation [Full Article](#)

Autonomously driven forklifts, whether in distribution centers, manufacturing, or some hybrid, are much more cost-effective than manned forklifts for extremely repetitive processes.

They can be integrated into continuous round-the-clock operations covering several shifts. Self-controlling these trucks can coordinate perfectly in terms of routing and speed. This enables material flows to maintain optimal levels and the energy consumption is kept to a minimum.

The additional benefit reported by facilities managers includes substantially less damage to shelving, loads, pallets, and other trucks, as they navigate more accurately and safely than manned forklifts.

### **Elementary Robotics raises \$12.7 million to automate industrial inspections**

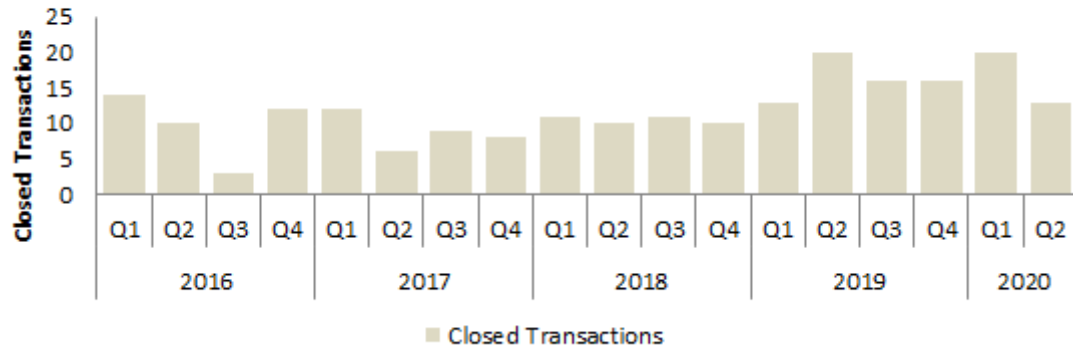
Venture Beat [Full Article](#)

Elementary Robotics, a robotics company developing tools to automate industrial tasks, today announced it has raised a \$12.7 million round. The fresh capital will be used to deploy the Los Angeles-based startup's automation products at scale, a spokesperson told VentureBeat.

# Manufacturing Automation

## Manufacturing Automation M&A Environment

### Closed Transactions



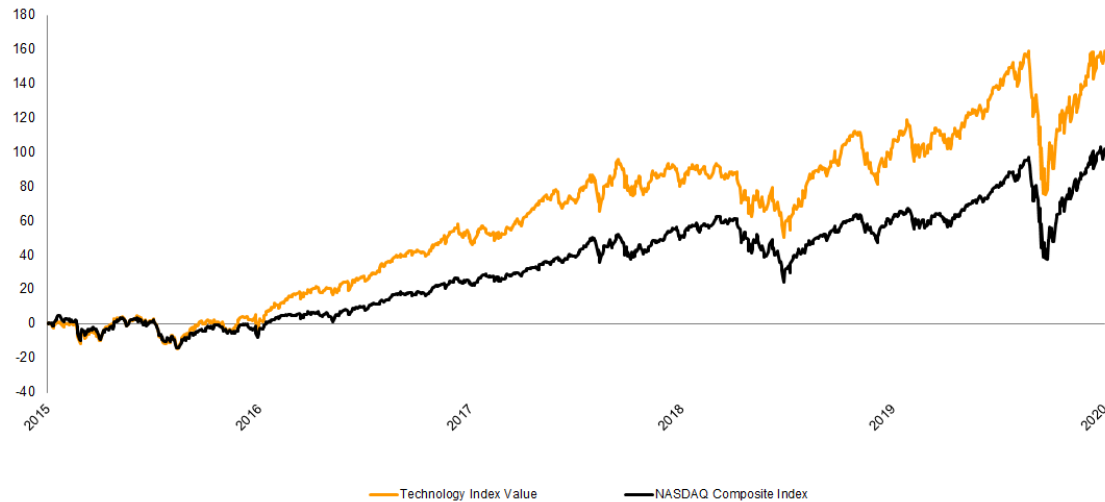
## Selected Q2 2020 Manufacturing Automation Transactions

			Enterprise	EV / LTM	
Date Closed	Target	Buyers/Investors	Value (\$M)	Revenue	EBITDA
04/01/2020	Lumerical Inc.	ANSYS, Inc. (NasdaqGS:ANSS)	107.5	-	-
04/02/2020	Yesler, Inc.	Accenture plc (NYSE:ACN)	-	-	-
04/07/2020	Revolutionary Security LLC	Accenture plc (NYSE:ACN)	-	-	-
04/27/2020	Pixology Ltd.	Oracle Corporation (NYSE:ORCL)	0.854	-	-
04/30/2020	NIKE Group S.p.A.	Accenture plc (NYSE:ACN)	-	-	-
04/30/2020	Symantec Cyber Security Services Business of Broadcom Inc.	Accenture plc (NYSE:ACN)	200.0	-	-
05/05/2020	Callisto Integration Corporation	Accenture plc (NYSE:ACN)	-	-	-
05/06/2020	Kates Kesler Organization Consulting, LLC	Accenture plc (NYSE:ACN)	-	-	-
06/01/2020	Vlocity, Inc.	salesforce.com, inc. (NYSE:CRM)	-	-	-
06/02/2020	Gekko SAS	Accenture plc (NYSE:ACN)	-	-	-
06/10/2020	Qualtera SAS	Synopsys, Inc. (NasdaqGS:SNPS)	-	-	-
06/11/2020	Cracking Logistics Limited	The Descartes Systems Group Inc (TSX:DSG)	12.0	-	-
06/26/2020	UltraSoC Technologies Ltd.	Siemens Aktiengesellschaft (XTRA:SIE)	-	-	-



# Technology

The Technology sector rebounded quickly in the second quarter of 2020 after plummeting in March due to the global impact of COVID-19. The NASDAQ-100 Technology Sector rose 29.4% over the quarter as increases in remote work boosted demand for information technology.



As of 6/30/2020

Company Name	Ticker	Enterprise Value	LTM Financials			Valuation Metrics			LTM Margins	
			Revenue	Gross Profit	EBITDA	EV / Revenue	EV / Gross Profit	EV / EBITDA	Gross Margin	EBITDA Margin
Activision Blizzard, Inc.	NasdaqGS:ATVI	\$55,175	\$6,452	\$4,421	\$2,055	8.6x	12.5x	26.8x	68.5%	31.9%
Adobe Systems Incorporated	NasdaqGS:ADBE	\$209,149	\$12,045	\$10,311	\$4,346	17.4x	20.3x	48.1x	85.6%	36.1%
Alliance Data Systems Corporation	NYSE:ADS	\$18,820	\$5,629	\$1,029	\$976	3.3x	18.3x	19.3x	18.3%	17.3%
Amphenol Corporation	NYSE:APH	\$31,118	\$8,129	\$2,548	\$1,863	3.8x	12.2x	16.7x	31.3%	22.9%
Apple Inc.	NasdaqGS:AAPL	\$1,605,875	\$267,981	\$102,127	\$77,305	6.0x	15.7x	20.8x	38.1%	28.8%
Applied Materials, Inc.	NasdaqGS:AMAT	\$56,756	\$15,435	\$6,806	\$4,041	3.7x	8.3x	14.0x	44.1%	26.2%
Arrow Electronics, Inc.	NYSE:ARW	\$7,908	\$28,142	\$3,165	\$915	0.3x	2.5x	8.6x	11.2%	3.3%
Automatic Data Processing, Inc.	NasdaqGS:ADP	\$64,745	\$14,757	\$6,667	\$3,689	4.4x	9.7x	17.6x	45.2%	25.0%
Booz Allen Hamilton Holding Corporation	NYSE:BAH	\$12,568	\$7,464	\$1,786	\$745	1.7x	7.0x	16.9x	23.9%	10.0%
CDW Corporation	NasdaqGS:CDW	\$20,267	\$18,464	\$3,124	\$1,445	1.1x	6.5x	14.0x	16.9%	7.8%
Cisco Systems, Inc.	NasdaqGS:CSCO	\$185,427	\$50,575	\$32,573	\$16,181	3.7x	5.7x	11.5x	64.4%	32.0%
Cognizant Technology Solutions Corporation	NasdaqGS:CTSH	\$29,833	\$16,898	\$6,098	\$3,390	1.8x	4.9x	8.8x	36.1%	20.1%
Corning Incorporated	NYSE:GLW	\$28,535	\$11,082	\$3,633	\$2,465	2.6x	7.9x	11.6x	32.8%	22.2%
DXC Technology Company	NYSE:DXC	\$12,345	\$19,577	\$4,676	\$3,340	0.6x	2.6x	3.7x	23.9%	17.1%
eBay Inc.	NasdaqGS:EBAY	\$41,620	\$10,761	\$8,266	\$3,070	3.9x	5.0x	13.6x	76.8%	28.5%
Facebook, Inc.	NasdaqGS:FB	\$597,978	\$73,357	\$59,944	\$32,545	8.2x	10.0x	18.4x	81.7%	44.4%
Fidelity National Information Services, Inc.	NYSE:FIS	\$102,039	\$11,354	\$4,036	\$3,922	9.0x	25.3x	26.0x	35.5%	34.5%
Hewlett Packard Enterprise Company	NYSE:HPE	\$25,246	\$27,390	\$9,045	\$4,827	0.9x	2.8x	5.2x	33.0%	17.6%
HP Inc.	NYSE:HPQ	\$27,511	\$57,097	\$11,194	\$5,169	0.5x	2.5x	5.3x	19.6%	9.1%
Insight Enterprises, Inc.	NasdaqGS:INSIT	\$2,761	\$8,190	\$1,215	\$311	0.3x	2.3x	8.9x	14.8%	3.8%
Intel Corporation	NasdaqGS:INTC	\$272,436	\$75,732	\$45,067	\$36,705	3.6x	6.0x	7.4x	59.5%	48.5%
International Business Machines Corporation	NYSE:IBM	\$164,948	\$76,536	\$36,369	\$16,027	2.2x	4.5x	10.3x	47.5%	20.9%
Jabil Inc.	NYSE:JBL	\$7,182	\$26,540	\$1,935	\$1,449	0.3x	3.7x	5.0x	7.3%	5.5%
Lam Research Corporation	NasdaqGS:LRGX	\$46,849	\$9,614	\$4,409	\$2,798	4.9x	10.6x	16.7x	45.9%	29.1%
Leidos Holdings, Inc.	NYSE:LDO	\$17,722	\$11,406	\$1,587	\$1,144	1.6x	11.2x	15.5x	13.9%	10.0%
Mastercard Incorporated	NYSE:MA	\$298,688	\$17,003	\$17,003	\$10,220	17.6x	17.6x	29.2x	100.0%	60.1%
Micron Technology, Inc.	NasdaqGS:MU	\$55,959	\$20,249	\$5,879	\$7,926	2.8x	9.5x	7.1x	29.0%	39.1%
Microsoft Corporation	NasdaqGS:MSFT	\$1,489,689	\$138,699	\$94,548	\$64,091	10.7x	15.8x	23.2x	68.2%	46.2%
Motorola Solutions, Inc.	NYSE:MSI	\$28,680	\$7,885	\$3,964	\$2,123	3.6x	7.2x	13.5x	50.3%	26.9%
NCR Corporation	NYSE:NCR	\$6,257	\$6,882	\$1,920	\$737	0.9x	3.3x	8.5x	27.9%	10.7%
NetApp, Inc.	NasdaqGS:NTAP	\$8,766	\$5,412	\$3,623	\$1,085	1.6x	2.4x	8.1x	66.9%	20.0%
NVIDIA Corporation	NasdaqGS:NVDA	\$224,920	\$11,778	\$7,476	\$3,861	19.1x	30.1x	58.3x	63.5%	32.8%
Oracle Corporation	NYSE:ORCL	\$200,904	\$39,068	\$31,130	\$16,330	5.1x	6.5x	12.3x	79.7%	41.8%
PayPal Holdings, Inc.	NasdaqGS:PYPL	\$203,129	\$18,262	\$8,026	\$3,298	11.1x	25.3x	61.6x	43.9%	18.1%
QUALCOMM Incorporated	NasdaqGS:QCOM	\$109,128	\$24,741	\$16,099	\$9,693	4.4x	6.8x	11.3x	65.1%	39.2%
Salesforce.com, Inc.	NYSE:CRM	\$165,194	\$18,226	\$13,651	\$2,051	9.1x	12.1x	80.5x	74.9%	11.3%
Sanmina Corporation	NasdaqGS:SANM	\$1,692	\$7,350	\$532	\$362	0.2x	3.2x	4.7x	7.2%	4.9%
SYNNEX Corporation	NYSE:SNX	\$7,783	\$23,582	\$2,837	\$1,179	0.3x	2.7x	6.6x	12.0%	5.0%
Texas Instruments Incorporated	NasdaqGS:TXN	\$118,338	\$14,118	\$8,991	\$6,537	8.4x	13.2x	18.1x	63.7%	46.3%
Visa Inc.	NYSE:V	\$423,053	\$23,885	\$23,144	\$16,353	17.7x	18.3x	25.9x	96.9%	68.5%
VMware, Inc.	NYSE:VMW	\$67,622	\$11,095	\$9,241	\$2,176	6.1x	7.3x	31.1x	83.3%	19.6%
Western Digital Corporation	NasdaqGS:WDC	\$20,166	\$16,083	\$3,163	\$1,342	1.3x	6.4x	15.0x	19.7%	8.3%
Xerox Corporation	NYSE:XRX	\$5,491	\$8,746	\$3,485	\$1,346	0.6x	1.6x	4.1x	39.8%	15.4%

Median	3.6x	7.2x	14.0x	43.9%	22.2%
Mean	5.0x	9.5x	18.4x	45.8%	24.8%

# Technology

## State of the Industry

**NASDAQ 100 Technology Index**



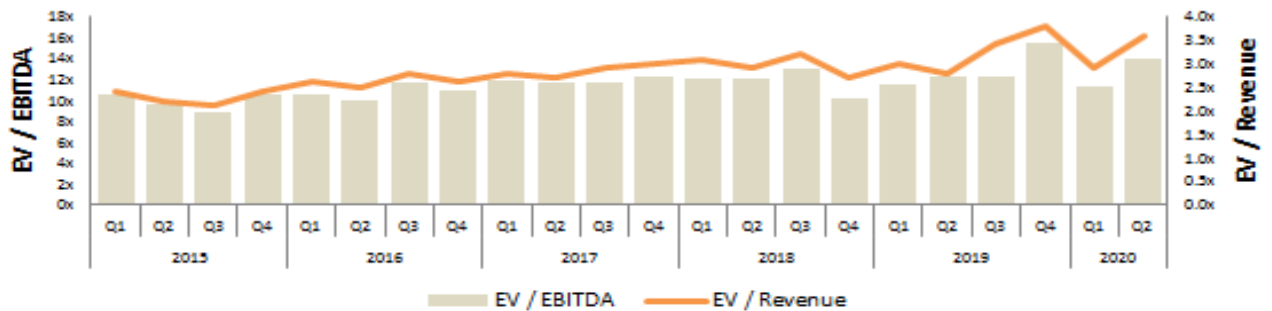
Source: Capital IQ

**S&P North American Technology Sector Index**



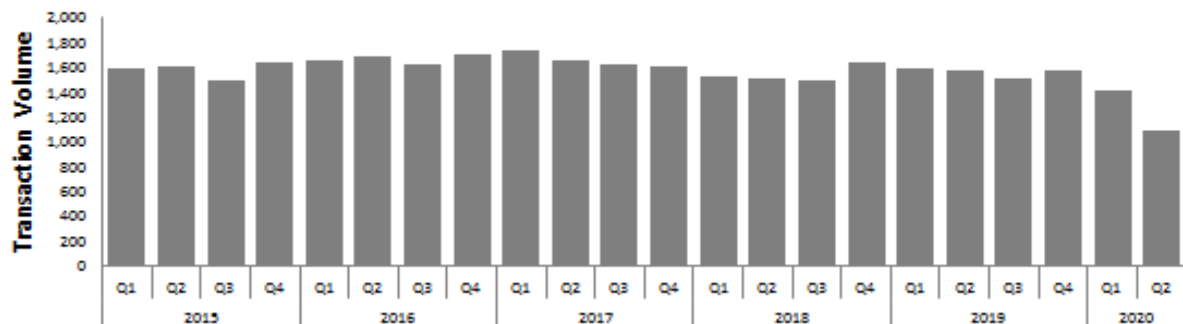
Source: Capital IQ

**Industry Valuations**



Source: Capital IQ

**Technology 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.

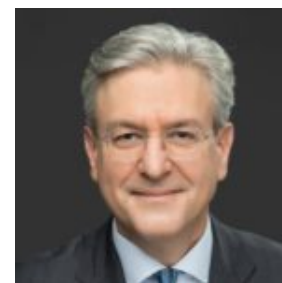
- We sweat the small stuff.
- Take a 3:00am call.
- Say yes.
- Say no.
- Dig deeper when things get tough.
- And celebrate with you when your efforts pay off and you can reflect on it all and say, "It's really remarkable what we've accomplished here."
- Then and only then, will we know that we've accomplished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

### About Mirus

Mirus has been an active technology deal maker for the last 30 years. Representing professional investors and boards, as well as bootstrapped closely held businesses, Mirus has closed over 100 transactions in industry sectors including: Manufacturing Automation, Software, Hardware and Peripherals, Internet and Digital Media, Telecom and Networking.

### Partner Spotlight

As a Partner with Mirus Capital Advisors, Rudy Minar brings over 20 years of experience in investment banking and corporate finance. Prior to Mirus he was a partner at M&A tech boutique AGC Partners and worked in the technology investment banking groups of various Wall Street firms including CIBC World Markets and Oppenheimer on a broad range of financial transactions spanning large-cap public M&A, IPOs and private equity and debt financings. He has completed over 75 financial and advisory transactions aggregating over \$8 billion. Trained as an electrical engineer, Rudy brings deep domain knowledge and extensive relationships within the software and communications and networking sectors. He enjoys working with entrepreneurs, CEOs and senior management of technology companies to identify strategic growth initiatives, evaluate exit alternatives and execute transactions. He earned his Master in International Affairs from Columbia University and received his BSEE from Worcester Polytechnic Institute.



Rudy Minar

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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 Technology 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



now a part of



Eutecus Inc., the global technical leader in embedded video analytics; providing single-chip, multi-channel video and fusion analytics solutions, has been acquired by Sensity Systems Inc., a provider of a leading Internet of Things (IoT) platform for Smart Cities, now part of Verizon. "The combined company will provide customers with leading computer vision powered solutions in a comprehensive IoT platform for Smart Cities," according to Bruce Boes and Peter Alternative, the lead bankers representing Eutecus shareholders in the sale to Sensity Systems.



has been acquired by



Magestic Systems provides a variety of integrated manufacturing software solutions for CNC cutting applications of advanced materials such as composites and honeycomb laminates, as well non-composite materials such as heavy plate and sheet metal. Magestic Systems' solutions are used around the world by leading manufactures in the aerospace, automotive, transportation, energy, defense, industrial and construction industries. Autodesk is a leading design, engineering and entertainment software based in San Rafael, California.



has been acquired by



a portfolio company of



MAM Software is a leading global provider of cloud-based business and on-premise management solutions for the auto parts, tire and vertical distribution industries. The company provides a portfolio of innovative software (SaaS and packaged), data (DaaS), and integration (iPaaS) services that enable businesses to intelligently manage core business processes, control costs and generate new profit opportunities. MAM's integrated platforms provide a wealth of rich functionality including: point-of-sale, inventory, purchasing, reporting, data and e-commerce. Kerridge Commercial Systems (KCS) provides specialist software, services and support to deliver fully integrated trading and business management solutions to distributive trades customers, large and small.