

Business Services Industry

Mirus Business Process Outsourcing **REPORT**

In This Issue:

- Industry News
- Transactions
- State of the Industry
- About Mirus
- Mirus Business Services Spotlight

Business Process Outsourcing

Outsourcing Statistics in 2024: Key Trends and Forecasts

DOIT Software [Full Article](#)

U.S. businesses outsource over 300,000 jobs annually. With tight economic conditions and increased technological competition, firms are leaning on the BPO industry to cut costs, shift operating models, and gain access to new capabilities.

The global business process outsourcing industry is estimated to reach \$370 billion in 2024. Analysts forecast the market will grow by 9.4% per year, hitting \$525.2 billion in 2030.

The Top Business Process Outsourcing Companies for 2024

CXToday [Full Article](#)

The contact center and customer experience subsectors are largely responsible for the rapidly increasing value of the Business Product Outsourcing (BPO) industry. The growing ability to outsource various processes to global teams has allowed companies to streamline their management and administration departments, while freeing up time to focus on core competencies.

The largest BPO vendors in 2024 include Accenture, specializing in IT and consulting services, Genpact, a provider of HR and compliance technology, Teleperformance, an advanced digital technology and AI provider, and Concentrix, focusing on digital customer service and customer experience.

Concentrix Debuts on the Fortune 500® List

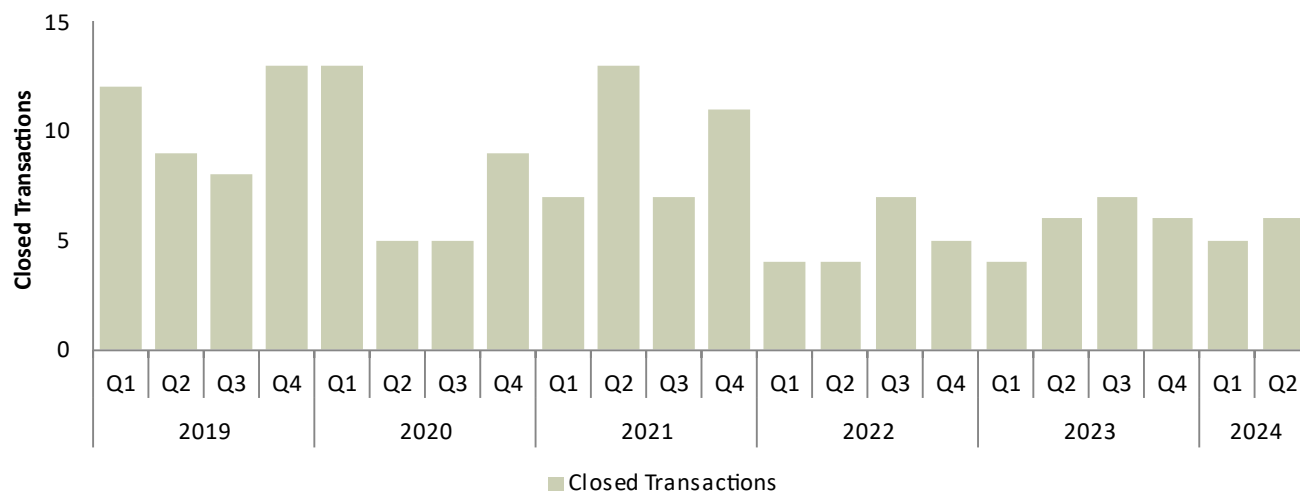
Concentrix.com [Full Article](#)

Based in Newark, California, Concentrix Corporation (NASDAQ: CNXC), a global technology and services leader, has debuted on the Fortune 500® list, securing the 499th position. This milestone, reached in June 2024, marks a significant achievement in Concentrix' history. Concentrix offers a range of BPO solutions, covering everything from automation to digital engineering and data analytics. The company has experienced rapid expansion and growth through its generative AI solutions.

“We are incredibly proud to be joining the Fortune 500®,” said Chris Caldwell, President and CEO of Concentrix. “It is not only a testament to our game-changers’ hard work and dedication but also a clear indicator of our position as a leading technology and services company that designs, builds, and runs fully integrated, end-to-end solutions across the entire enterprise, at speed and scale.”

Business Process Outsourcing M&A Environment

BPO M&A



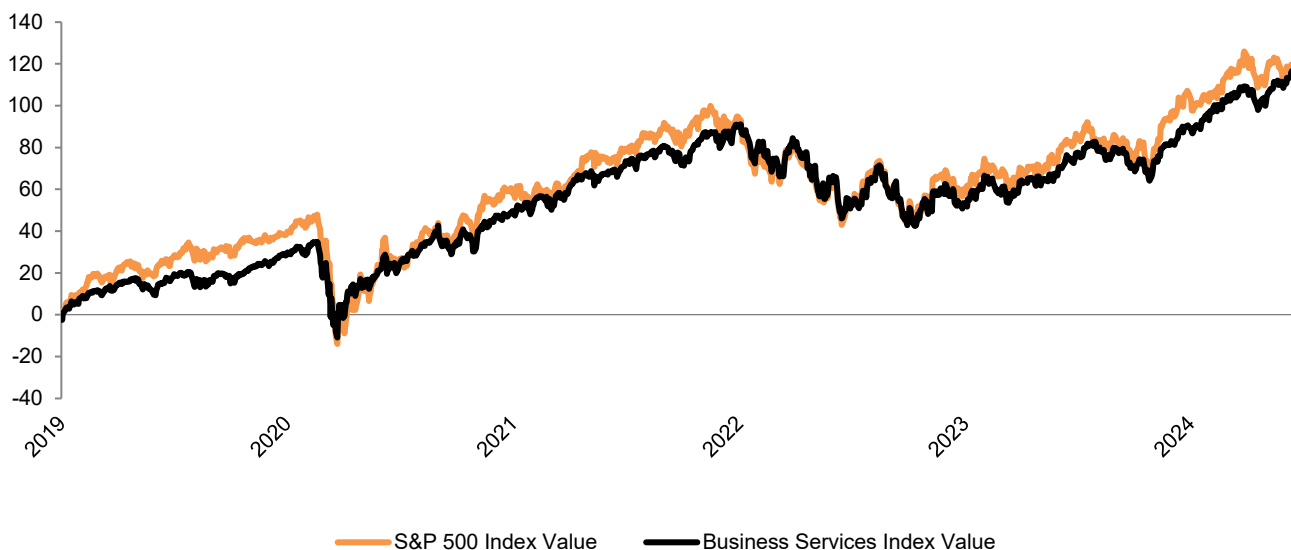
Selected Q2 2024 Business Process Outsourcing Transactions

Date Closed	Target	Buyer
06/19/2024	CQFD	Briconord SARL
06/17/2024	iQor, Inc.	Mill Point Capital LLC
06/07/2024	Centro de Interaccion Multimedia, S.A.	Vensure HR, Inc.
04/29/2024	First Call LLC	Private Investor

Sector Update: Business Services

The Business Services sector continued to accelerate in the second quarter of 2024 after picking up at the end of 2023. The sector is seeing strong growth, with outsourcing allowing businesses to shift focus to core competencies, economic recovery, and migration into digitalization.

Select Business Services Index v. S&P 500



Select Business Services Public Companies

Company Name	Ticker	Enterprise Value (\$M)	LTM Financials (\$M)			Valuation Metrics			LTM Margins	
			Revenue	Gross Profit	EBITDA	EV / Revenue	EV / Gross Profit	EV / EBITDA	Gross Margin	EBITDA Margin
ABM Industries Incorporated	NYSE:ABM	\$4,509	\$8,209	\$1,117	\$452	0.5x	4.0x	10.0x	13.6%	5.5%
ACCO Brands Corporation	NYSE:ACCO	\$1,378	\$1,789	\$589	\$212	0.8x	2.3x	6.5x	32.9%	11.8%
Barrett Business Services, Inc.	NasdaqGS:BBSI	\$751	\$1,080	\$241	\$61	0.7x	3.1x	12.3x	22.3%	5.7%
Brady Corporation	NYSE:BRC	\$3,066	\$1,344	\$687	\$269	2.3x	4.5x	11.4x	51.1%	20.1%
CBIZ, Inc.	NYSE:CBZ	\$4,373	\$1,631	\$229	\$210	2.7x	19.1x	20.8x	14.0%	12.9%
Cintas Corporation	NasdaqGS:CTAS	\$73,588	\$9,410	\$4,560	\$2,300	7.8x	16.1x	32.0x	48.5%	24.4%
Clean Harbors, Inc.	NYSE:CLH	\$14,884	\$5,478	\$1,693	\$993	2.7x	8.8x	15.0x	30.9%	18.1%
Copart, Inc.	NasdaqGS:CPRT	\$49,165	\$4,165	\$1,942	\$1,781	11.8x	25.3x	27.6x	46.6%	42.8%
Deluxe Corporation	NYSE:DLX	\$2,595	\$2,182	\$1,167	\$394	1.2x	2.2x	6.6x	53.5%	18.1%
Equifax Inc.	NYSE:EFX	\$35,546	\$5,353	\$2,970	\$1,620	6.6x	12.0x	21.9x	55.5%	30.3%
FTI Consulting, Inc.	NYSE:FCN	\$7,770	\$3,611	\$1,184	\$461	2.2x	6.6x	16.8x	32.8%	12.8%
Healthcare Services Group, Inc.	NasdaqGS:HCSG	\$732	\$1,678	\$224	\$58	0.4x	3.3x	12.6x	13.4%	3.5%
HNI Corporation	NYSE:HNI	\$2,710	\$2,543	\$1,008	\$277	1.1x	2.7x	9.8x	39.6%	10.9%
Huron Consulting Group Inc.	NasdaqGS:HURN	\$2,231	\$1,400	\$433	\$157	1.6x	5.2x	14.2x	30.9%	11.2%
ICF International, Inc.	NasdaqGS:ICFI	\$3,456	\$1,974	\$711	\$209	1.8x	4.9x	16.6x	36.0%	10.6%
Insperty, Inc.	NYSE:NSP	\$3,177	\$6,518	\$1,050	\$235	0.5x	3.0x	13.5x	16.1%	3.6%
Interface, Inc.	NasdaqGS:TILE	\$1,251	\$1,255	\$456	\$161	1.0x	2.7x	7.7x	36.3%	12.9%
Kelly Services, Inc.	NasdaqGS:KELY.A	\$611	\$4,613	\$913	\$99	0.1x	0.7x	6.2x	19.8%	2.1%
Korn/Ferry International	NYSE:KFY	\$3,087	\$2,763	\$606	\$313	1.1x	5.1x	9.9x	21.9%	11.3%
ManpowerGroup Inc.	NYSE:MAN	\$4,134	\$18,566	\$3,259	\$484	0.2x	1.3x	8.6x	17.6%	2.6%
Matthews International Corporation	NasdaqGS:MATW	\$1,634	\$1,873	\$582	\$185	0.9x	2.8x	8.9x	31.1%	9.9%
On Assignment, Inc.	NYSE:ASGN	\$4,997	\$4,371	\$1,250	\$451	1.1x	4.0x	11.1x	28.6%	10.3%
Pitney Bowes Inc.	NYSE:PBI	\$2,837	\$3,262	\$1,026	\$283	0.9x	2.8x	10.0x	31.5%	8.7%
Quad/Graphics, Inc.	NYSE:QUAD	\$925	\$2,846	\$561	\$224	0.3x	1.6x	4.1x	19.7%	7.9%
Robert Half International Inc.	NYSE:RHI	\$6,301	\$6,152	\$2,448	\$423	1.0x	2.6x	14.9x	39.8%	6.9%
Rollins, Inc.	NYSE:ROL	\$24,368	\$3,164	\$1,655	\$716	7.7x	14.7x	34.0x	52.3%	22.6%
Steelcase Inc.	NYSE:SCS	\$1,881	\$3,135	\$1,022	\$217	0.6x	1.8x	8.7x	32.6%	6.9%
Stericycle, Inc.	NasdaqGS:SRCL	\$7,297	\$2,640	\$999	\$407	2.8x	7.3x	17.9x	37.9%	15.4%
Team, Inc.	NYSE:TISI	\$365	\$860	\$213	\$27	0.4x	1.7x	13.7x	24.8%	3.1%
Tetra Tech, Inc.	NasdaqGS:TTEK	\$11,890	\$4,113	\$799	\$538	2.9x	14.9x	22.1x	19.4%	13.1%
The Brink's Company	NYSE:BCO	\$7,391	\$4,925	\$1,211	\$798	1.5x	6.1x	9.3x	24.6%	16.2%
TransUnion	NYSE:TRU	\$19,515	\$3,912	\$2,369	\$1,177	5.0x	8.2x	16.6x	60.6%	30.1%
TriNet Group, Inc.	NYSE:TNET	\$5,646	\$4,940	\$1,064	\$473	1.1x	5.3x	11.9x	21.5%	9.6%
TrueBlue, Inc.	NYSE:TBI	\$323	\$1,844	\$482	\$12	0.2x	0.7x	26.0x	26.2%	0.7%
UniFirst Corporation	NYSE:UNF	\$3,144	\$2,359	\$810	\$299	1.3x	3.9x	10.5x	34.3%	12.7%
Viad Corp	NYSE:VVI	\$1,495	\$1,251	\$106	\$138	1.2x	14.2x	10.8x	8.4%	11.0%
VSE Corporation	NasdaqGS:VSEC	\$2,128	\$913	\$118	\$124	2.3x	18.1x	17.2x	12.9%	13.5%

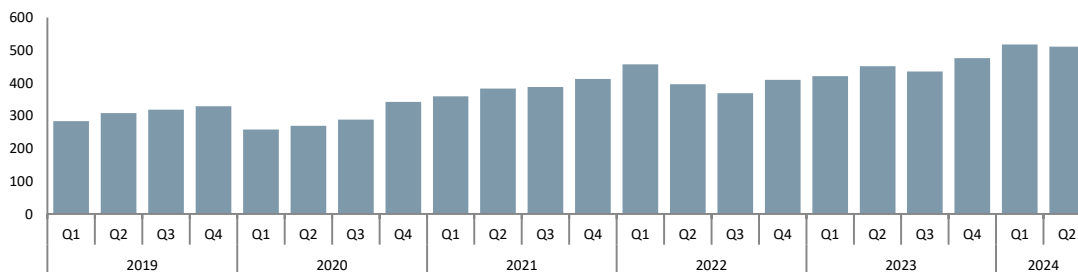
Dated: 6/30/2024

Median	1.1x	4.0x	12.3x	30.9%	11.2%
Mean	2.1x	6.6x	14.3x	30.8%	12.7%

Sector Update: Business Services

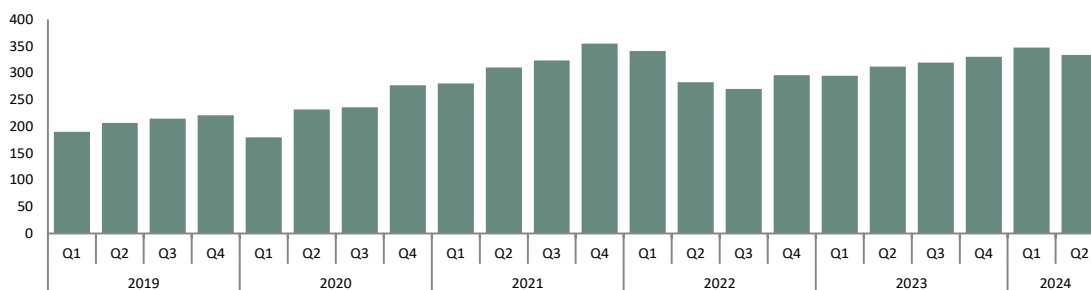
State of the Industry

S&P North America BMI Commercial & Professional Services Index



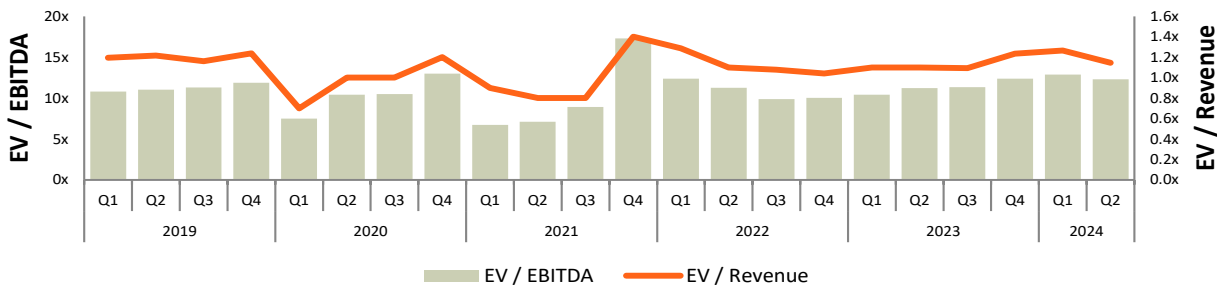
Source: Capital IQ

S&P 500 Professional Services Index



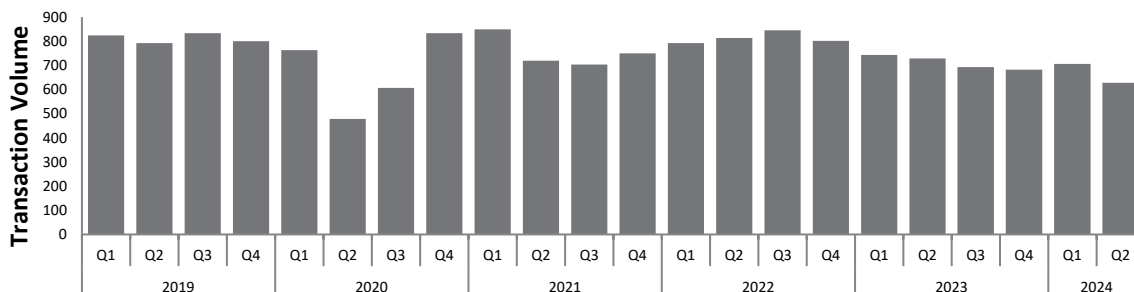
Source: Capital IQ

Industry Valuations



Source: Capital IQ

Business Services Transaction Volume



Source: Capital IQ



35 Years. 350 Deals.

The Value of Accomplishment

About Mirus

Our global Business Services group understands the challenges of service delivery, client demands, and market dynamics in this sector, with a clear appreciation for how these factors drive value and investor interest.

Mirus provides direct access to sector-specific expertise, as well as global buyers and sellers. Our professionals have deep experience and expertise in the following Business Services subsectors: Business Process Outsourcing, Human Capital Management, Tech-Enabled Services, and Professional Services.

35 Years. 350 Deals.

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.
- 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.



MIRUS
CAPITAL ADVISORS

Partner Spotlight

Brendan Kiernan

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An investment banker to middle market firms since 2004, Brendan Kiernan has worked on more than 75 M&A engagements, managing deals for business services, technology, software and healthcare clients. Brendan is a graduate of Boston College and earned his MBA from Bentley's McCallum Graduate School of Business. He holds series 7, 79 and 63 certifications from FINRA.

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Trusted advisors to businesses just like yours

Notable Mirus business services transactions



has received a strategic investment from

SERVICE POINT

a portfolio company of

MILL POINT CAPITAL

Headquartered in Boston, MA, INNO4 is a leading technology integrator and solutions provider that designs, installs, and supports custom, mission-critical data infrastructure, audio visual, IT services, and managed services solutions for medium and large enterprises in the U.S. and Canada. Founded in 2010, INNO4 serves over 200 customers across a variety of sectors including e-commerce & retail, healthcare, real estate, technology, and financial services, among others. The company employs over 180 people across its five U.S. locations. Mill Point Capital is a private equity firm focused on control investments in lower-middle market companies in North America across the business services, industrials and IT services sectors.



has been acquired by



a portfolio company of



Syrinx is a leading provider of high-end software development and technology staffing solutions serving clients in the greater Boston area. The company has built a strong reputation in the marketplace since its founding in 1998. DeWinter Group (“DeWinter”), is a Silicon Valley-based provider of finance & accounting and technology staffing and recruitment. The acquisition of Syrinx adds significant scale to DeWinter’s fast-growing technology line of business, Maris Consulting Group, and expands its skillset offering to its clients.



has been acquired by



Applied Geographics, Inc. (AppGeo) has helped hundreds of governments and businesses develop the best GIS, location intelligence, and geospatial solutions for their needs. The Sanborn Map Company, Inc. is a geospatial solution provider of analytics, imagery, lidar, photogrammetry, software applications, and related services to government and commercial clients. AppGeo will continue to operate under the AppGeo brand name as a wholly owned subsidiary of Sanborn, aligning its full range of products and services with the extensive capabilities of Sanborn.



has merged with



a portfolio company of



Bedford is an independent professional services firm specializing in cost segregation and innovative tax and energy solutions for the commercial real estate industry has joined forces with Source Advisors. Source Advisors is a leading specialized tax consulting firm providing R&D tax credit, cost segregation, LIFO inventory, §179D and §45L solutions nationwide for more than 38 years.

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