

Q3
24

Business Services Industry

Mirus Facility Services REPORT

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Facility Services

4 Defining Trends of the Next 5 Years in Facilities Management

Facility Executive [Full Article](#)

This has been a time of rapid change within the facilities management industry. Sustainability demands and economic uncertainty coupled with rapid tech advancements and environmental pressures are transforming how facilities are operated and maintained. Four trends—the circular economy, AI and digital transformation, materials innovation, and talent shortages—are expected to reshape the facility management industry within the next five years. With the U.S. facilities management industry estimated to be valued at \$3.5 trillion by 2030 (up from \$2.1 trillion in 2023), there is great opportunity for innovation and growth through the adoption of new technology, a focus on environmental goals and the exploration of creative staffing solutions.

4M Building Solutions has Acquired Hi-Tec Building Services and Thario Building Services

Business Wire [Full Article](#)

4M Building Solutions, a full-service commercial cleaning and janitorial services platform, has completed the acquisition of Hi-Tec Building Services and Thario Building Services for an undisclosed amount. The acquisition was backed by O2 Investment partners, a Michigan-based private equity firm focused on investing in the middle-market space.

Thario, with over 30 years of industry experience, serves clients across Wisconsin and is recognized as the largest medical cleaner provider in the northeastern part of the state. Hi-Tec services a diverse portfolio of medical, educational, and state facilities in the Michigan area. 4M has acquired seven companies in the upper Midwest since partnering with O2 Investment Partners in January 2023, further enhancing 4M's scale, market reach, and service diversity within the industry.

Titan Security Group Merges with Marksman Security Corporation

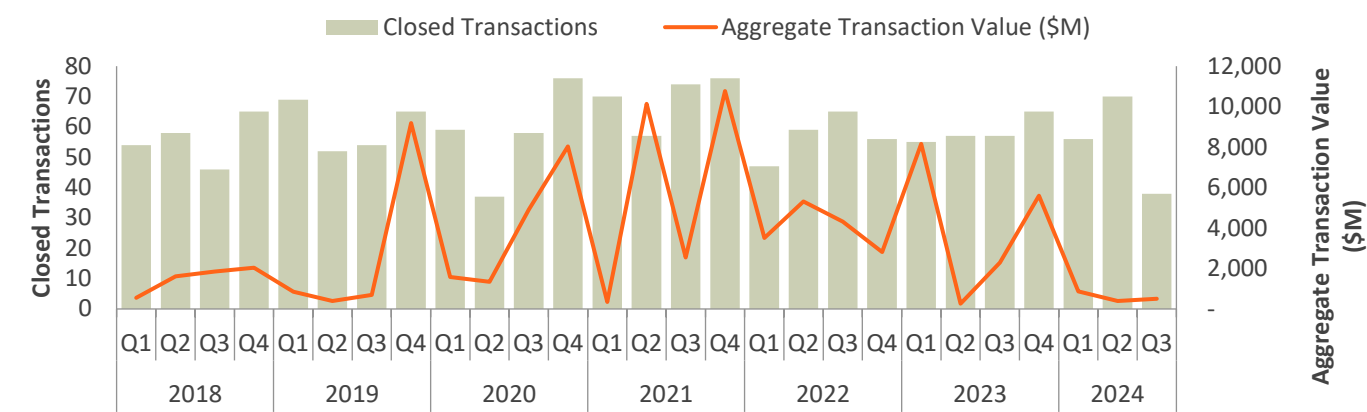
Staffing Industry Analysts [Full Article](#)

Titan Security Group, based in Chicago, Illinois, is a provider of security solutions, offering services such as staffing and advanced security systems. Similarly, Marksman Security Corporation, located in Fort Lauderdale, Florida, is known for providing premium security staffing services. The two companies have announced a merger backed by the private equity firm Quad-C Management, combining their strengths to enhance capabilities within the industry.

The merger aims to leverage the expertise of both companies to deliver greater value to clients and employees and positions the combined company as a premier boutique services provider. Dave Pack, CEO of Titan Group, commented, “By teaming up with Marksman Security, we are bringing together two teams with a shared vision for the future. This is a growth-oriented transaction. Our intention is to add services and headcount, not reduce. We believe this combination will allow us to provide more opportunities for our team members.”

Facility Services M&A Environment

Facility Services M&A



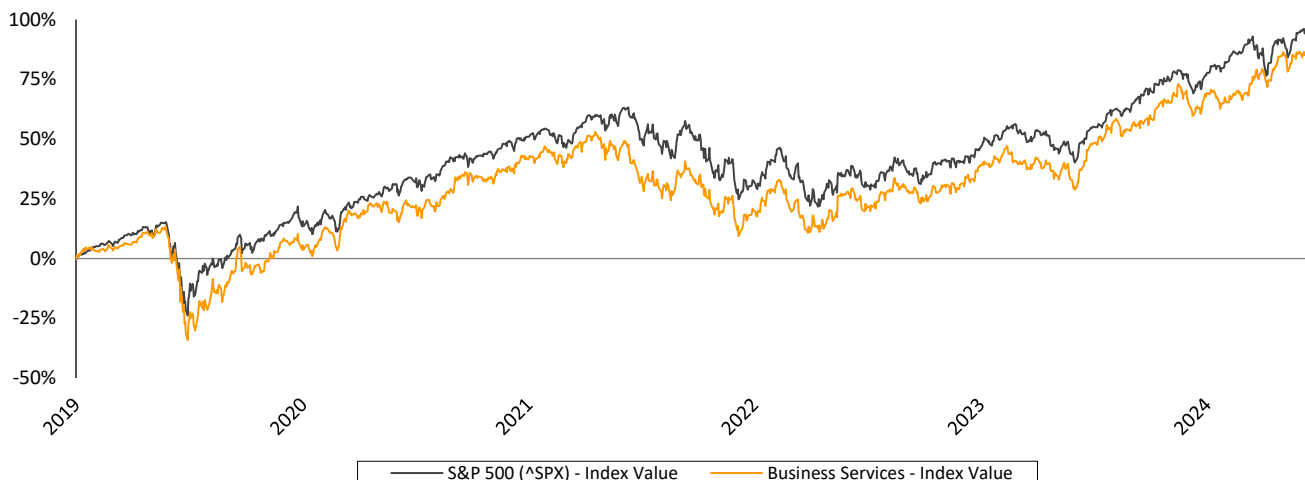
Selected Q3 2024 Facility Services Transactions

Date Closed	Target	Buyers/Investors
9/26/2024	Alexander Gow Fire Equipment Co.	Performance Systems Integration, Corp.
9/16/2024	Marksman Security Corporation	Titan Security Group, LLC
9/11/2024	Merseyside Energy Recovery Holdings LTD	Semperian Ppp Investment Partners No.2 Ltd
9/10/2024	Visentry LLC	Scutum North America Inc.
9/9/2024	Esscoe, LLC	Convergent Technologies LLC
9/5/2024	Security & Fire Systems (Scotland) Limited	Connelly Group Holdings
9/4/2024	Phoenix Fire Systems, Inc.	Pye-Barker Fire & Safety, LLC
8/19/2024	Security Kings Limited	Monarch Security Services Ltd
8/14/2024	Western Fire Protection, Inc.	Sciens Building Solutions, LLC
8/9/2024	PestWork Solutions LLC	Rocket Pest, Inc.
8/7/2024	Chicago Security Integrators, Inc.	Security Franchisors, LLC
8/1/2024	Whitetail Disposal, Inc.	Casella Waste Systems, Inc. (NasdaqGS: CWST)
7/31/2024	Integrated Fire and Security Solutions, Inc.	Fortis Fire & Safety Inc.
7/31/2024	Feldkamp Enterprises, Inc.	Marsden Services, L.L.C.
7/30/2024	Hub Legacy, LLC	American Security, L.L.C.
7/25/2024	American Restoration Operations LLC	Morgan Stanley Private Equity
7/25/2024	Access Security Corporation	Minuteman Security Technologies, Inc.
7/23/2024	First Choice Disposal, LLC	York1 Inc.
7/23/2024	Standard Electronics, Inc.	Sciens Building Solutions, LLC
7/22/2024	Axis Europe Holdings Limited	H.I.G. Europe Realty Partners
7/22/2024	Secuni	Minuteman Security Technologies, Inc.
7/15/2024	Winters Bros Waste Systems of Long Island, LLC	Waste Management Of New York Inc.
7/11/2024	PROTELEC J.L. S.A.	Segurma Sociedad Anonima
7/11/2024	Reston Waste Management Limited	Sortera Group AB
7/10/2024	Onyx-Fire Protection Services Inc.	Blackstone Inc. (NYSE:BX)
7/9/2024	ETSCAF	DSS Sustainable Solutions Switzerland SA
7/8/2024	Recubec Inc	Jmv Environnement Inc.
7/3/2024	McKinzie Pest Control Inc.	Plunkett'S Pest Control, Inc.
7/3/2024	Klepps, Inc	Washington Alarm, Inc.
7/3/2024	Nexgen Holdings 1 Limited	Bidvest Noonan (UK) Limited
7/2/2024	Arexa AS	Garda Sikring Group AS
7/2/2024	Twin Landfill, LLC	Apex Waste Solutions

Sector Update: Business Services

The Business Services industry has experienced a slowdown in M&A activity, largely driven by the challenging interest rate environment and labor shortages. Despite the dip in transaction volume, valuation multiples remain steady, and the Business Services index continues to track closely with the S&P 500. The Federal Reserve's recent 50bps rate cut has renewed optimism, making financing more accessible for acquisitions. Companies are expected to leverage this more favorable environment, and many are looking to explore growth opportunities.

Select Business Services Index v. S&P 500



Select Business Services Public Companies

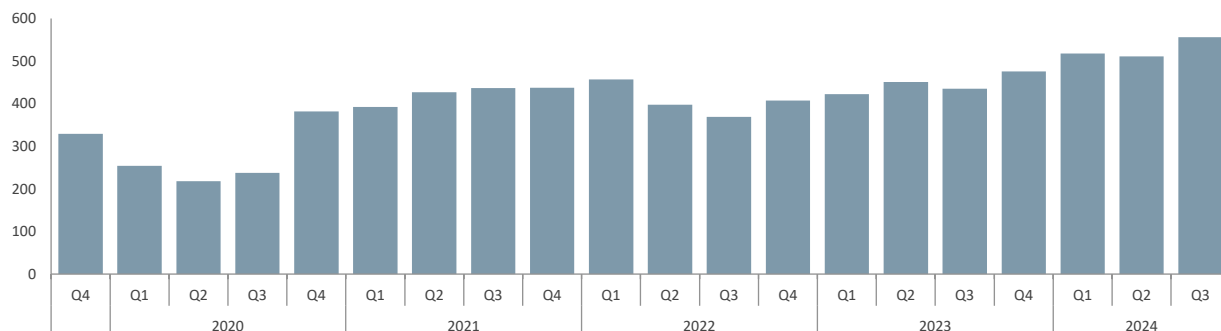
As of 9/30/2024

Company Name	Ticker	LTM Financials				Valuation Metrics		LTM Margins	
		Enterprise Value	Revenue	Gross Profit	EBITDA	EV / Revenue	EV / EBITDA	Gross Margin	EBITDA Margin
ABM Industries Incorporated	NYSE:ABM	\$4,686	\$8,275	\$1,118	\$370	0.6x	12.7x	13.5%	4.5%
ACCO Brands Corporation	NYSE:ACCO	\$1,487	\$1,734	\$578	\$204	0.9x	7.3x	33.3%	11.8%
Barrett Business Services, Inc.	NasdaqGS:BBSI	\$891	\$1,095	\$241	\$60	0.8x	14.8x	22.0%	5.5%
Brady Corporation	NYSE:BRC	\$3,526	\$1,341	\$688	\$273	2.6x	12.9x	51.3%	20.4%
CBIZ, Inc.	NYSE:CBZ	\$3,973	\$1,652	\$228	\$198	2.4x	20.0x	13.8%	12.0%
Cintas Corporation	NasdaqGS:CTAS	\$86,097	\$9,756	\$4,797	\$2,450	8.8x	35.1x	49.2%	25.1%
Clean Harbors, Inc.	NYSE:CLH	\$15,707	\$5,633	\$1,760	\$1,030	2.8x	15.3x	31.2%	18.3%
Deluxe Corporation	NYSE:DLX	\$2,463	\$2,148	\$1,157	\$396	1.1x	6.2x	53.9%	18.4%
Equifax Inc.	NYSE:EFX	\$41,829	\$5,588	\$3,103	\$1,698	7.5x	24.6x	55.5%	30.4%
FTI Consulting, Inc.	NYSE:FCN	\$8,114	\$3,728	\$1,223	\$461	2.2x	17.6x	32.8%	12.4%
Healthcare Services Group, Inc.	NasdaqGS:HCSG	\$763	\$1,685	\$215	\$45	0.5x	16.8x	12.8%	2.7%
HNI Corporation	NYSE:HNI	\$3,107	\$2,603	\$1,054	\$301	1.2x	10.3x	40.5%	11.6%
Huron Consulting Group Inc.	NasdaqGS:HURN	\$2,316	\$1,425	\$444	\$164	1.6x	14.1x	31.2%	11.5%
ICF International, Inc.	NasdaqGS:ICFI	\$3,757	\$1,986	\$719	\$216	1.9x	17.4x	36.2%	10.9%
Insperty, Inc.	NYSE:NSP	\$3,035	\$6,538	\$1,085	\$242	0.5x	12.5x	16.6%	3.7%
Interface, Inc.	NasdaqGS:TILE	\$1,491	\$1,273	\$466	\$171	1.2x	8.7x	36.7%	13.5%
Kelly Services, Inc.	NasdaqGS:KELY.A	\$994	\$4,453	\$886	\$112	0.2x	8.9x	19.9%	2.5%
Kforce Inc.	NYSE:KFCR	\$1,195	\$1,445	\$397	\$76	0.8x	15.6x	27.5%	5.3%
Korn/Ferry International	NYSE:KFY	\$3,816	\$2,738	\$618	\$330	1.4x	11.6x	22.6%	12.0%
ManpowerGroup Inc.	NYSE:MAN	\$4,520	\$18,230	\$3,182	\$477	0.2x	9.5x	17.5%	2.6%
Matthews International Corporation	NasdaqGS:MATW	\$1,563	\$1,829	\$578	\$172	0.9x	9.1x	31.6%	9.4%
On Assignment, Inc.	NYSE:ASGN	\$5,150	\$4,275	\$1,225	\$433	1.2x	11.9x	28.6%	10.1%
Pitney Bowes Inc.	NYSE:PBI	\$3,115	\$3,279	\$1,033	\$293	1.0x	10.6x	31.5%	8.9%
Quad/Graphics, Inc.	NYSE:QUAD	\$865	\$2,777	\$568	\$226	0.3x	3.8x	20.5%	8.1%
Robert Half International Inc.	NYSE:RHI	\$6,588	\$5,985	\$2,365	\$380	1.1x	17.3x	39.5%	6.4%
Rollins, Inc.	NYSE:ROL	\$25,265	\$3,235	\$1,700	\$745	7.8x	33.9x	52.6%	23.0%
Steelcase Inc.	NYSE:SCS	\$1,812	\$3,136	\$1,035	\$222	0.6x	8.2x	33.0%	7.1%
Stericycle, Inc.	NasdaqGS:SRCL	\$7,574	\$2,632	\$1,002	\$410	2.9x	18.5x	38.1%	15.6%
Team, Inc.	NYSE:TISI	\$411	\$849	\$216	\$33	0.5x	12.5x	25.4%	3.9%
Tetra Tech, Inc.	NasdaqGS:TTEK	\$13,467	\$4,235	\$833	\$568	3.2x	23.7x	19.7%	13.4%
The Brink's Company	NYSE:BCO	\$8,032	\$4,962	\$1,254	\$817	1.6x	9.8x	25.3%	16.5%
TransUnion	NYSE:TRU	\$25,249	\$4,101	\$2,459	\$1,233	6.2x	20.5x	60.0%	30.1%
TriNet Group, Inc.	NYSE:TNET	\$5,517	\$4,957	\$1,036	\$449	1.1x	12.3x	20.9%	9.1%
TrueBlue, Inc.	NYSE:TBI	\$271	\$1,764	\$453	\$1	0.2x	NM	25.7%	0.1%
UniFirst Corporation	NYSE:UNF	\$3,641	\$2,359	\$810	\$299	1.5x	12.2x	34.3%	12.7%
Viad Corp	NYSE:VVI	\$1,520	\$1,310	\$126	\$158	1.2x	9.6x	9.6%	12.1%
VSE Corporation	NasdaqGS:VSEC	\$2,005	\$974	\$119	\$124	2.1x	16.2x	12.3%	12.7%
Median						1.2x	12.7x	31.2%	11.6%
Mean						2.0x	14.8x	30.4%	11.7%

Sector Update: Business Services

State of the Industry

S&P North America BMI Commercial & Professional Services Index



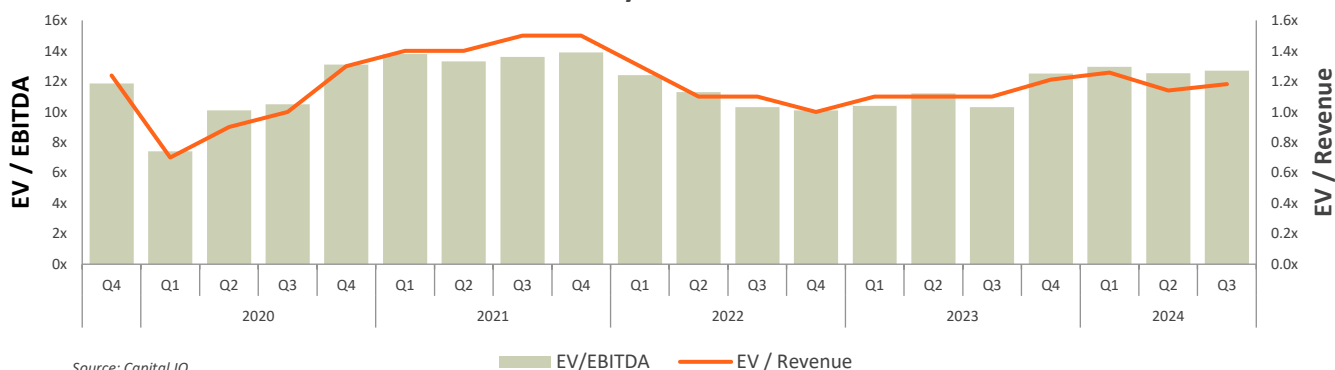
Source: Capital IQ

S&P 500 Professional Services Index



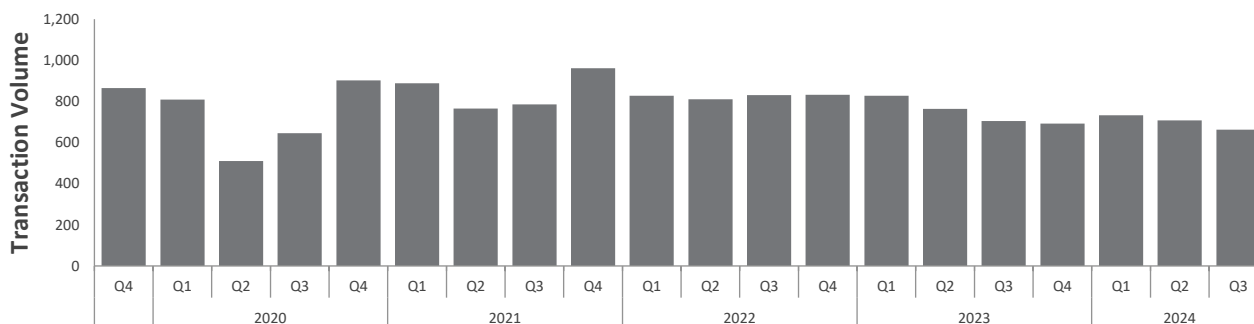
Source: Capital IQ

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, Facility Services, 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.



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



State Cleaning Service, Inc. is a full-service janitorial and building maintenance expert providing a full array of services to general office buildings, life science properties and manufacturing buildings. Pritchard Industries, Inc. is the largest privately-held facility maintenance company in the United States. Since 1914, the Company has been a full-service provider of cost-effective, precision building services and facility maintenance to commercial office buildings, corporate facilities, industrial plants, educational facilities, medical complexes, and entertainment arenas



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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