

MARKET BRIEF

Economic indicators mostly showed negative movement in February, with the unemployment rate rising slightly to 4.1%, and the Consumer Price Index increasing 0.2% on a seasonally adjusted basis for the month. The Consumer Confidence Index declined by 7.0 points in February to 98.3, reflecting the largest monthly decline since August 2021. The major U.S. public markets saw a decline during the month of February, fueled by macroeconomic uncertainties. As 2025 progresses, middle-market M&A is expected to see a rebound in deal activity, backed by private equity capital availability and strategic demand for growth and expansion, although the expected increase in deal activity may be impacted by broader economic activity and uncertainty.

Unemployment Rate Increased Slightly in February

The unemployment rate changed slightly in February, increasing from 4.0% to 4.1%. The number of unemployed people increased to 7.1 million. Although January's total nonfarm payroll employment was revised down to 125,000 from 143,000, February's nonfarm payroll employment increased to 151,000. Sectors showing decreased employment in February included retail trade (-6,000) and federal government (-10,000). Sectors adding jobs in February included healthcare (52,000 jobs), transportation and warehousing (18,000 jobs) and social assistance (11,000). The labor force participation rate, at 62.4%, changed little over the month and has remained in a narrow range between 62.6% and 62.4% since December 2024.

[Bureau of Labor Statistics](#)

US Consumer Confidence Dropped Sharply in February

The Conference Board Consumer Confidence Index® declined by 7.0 points in February to 98.3 (1985=100). The Present Situation Index—based on consumers' assessment of current business and labor market conditions—fell in February, dropping 3.4 points to 136.5. The Expectations Index—based on consumers' short-term outlook for income, business, and labor market conditions—fell 9.3 points to 72.9, officially falling below the 80-point threshold that signals a recession ahead.

"In February, consumer confidence registered the largest monthly decline since August 2021," said Stephanie Guichard, Senior Economist, Global Indicators at The Conference Board. "This is the third consecutive month on month decline, bringing the Index to the bottom of the range that has prevailed since 2022. Views of current labor market conditions weakened. Consumers became pessimistic about future business conditions and less optimistic about future income. Pessimism about future employment prospects worsened and reached a ten-month high."

[The Conference Board](#)

S&P CORELOGIC CASE-SHILLER INDEX RECORDS 3.9% ANNUAL GAIN IN DECEMBER 2024

The S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index, covering all nine U.S. census divisions reported a 3.9% annual return for December, up from a 3.7% annual gain in the previous month. The 10-City Composite saw an annual increase of 5.1%, up from a 5% annual increase in the previous month. The 20-City Composite posted a year-over-year increase of 4.5%, up from a 4.3% increase in the previous month. The pre-seasonally adjusted U.S. National and 20-City Composite Indices' decline decelerated in December, with both posting a -0.1% drop. The 10-City Composite's monthly return dropped 0.04%.

Brian D. Luke, Head of Commodities, Real & Digital Assets noted, "it has been five years since the Covid-19 outbreak took hold of the global economy, sparking unprecedented volatility, massive fiscal and monetary stimulus, and a housing market that responded to national migratory changes in how we work and where we live. National home prices have risen by 8.8% annually since 2020, led by markets in Florida, North Carolina, Southern California, and Arizona. While our National Index continues to trend above inflation, we are a few years removed from peak home price appreciation of 18.9% observed in 2021 and are seeing below-trend growth over the history of the index."

[S&P Global | National Home Price Index](#)

The Consumer Price Index

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2% on a seasonally adjusted basis in February, after rising 0.5% in January. Over the last 12 months, the all items index increased 2.8% before seasonal adjustment.

The index for all items less food and energy rose 0.2% in February, following a 0.4% increase in January. Components that increased over the month include medical care, used cars and trucks, household furnishings and operations, recreation, apparel, and personal care. The components for airline fares and new vehicles were among the few major indices that decreased in February.

The all items index rose 2.8% for the 12 months ending February, after rising 3.0% over the 12 months ending January. The all items less food and energy index rose 3.1% over the last 12 months. The energy index decreased 0.2% for the 12 months ending February. The food index increased 2.6% over the last year.

[Bureau of Labor Statistics](#)

PUBLIC MARKET

The U.S. public markets experienced negative returns during the month of February. The S&P 500 posted a loss of 1.3%, the Dow Jones was down 1.5%, and the Nasdaq Composite finished the month down 3.9%, reflecting overall uncertainty around the administration's trade, immigration, tax, and international policies, as well as a cooling labor market.

Public Trading Multiples

As of February 28, 2025

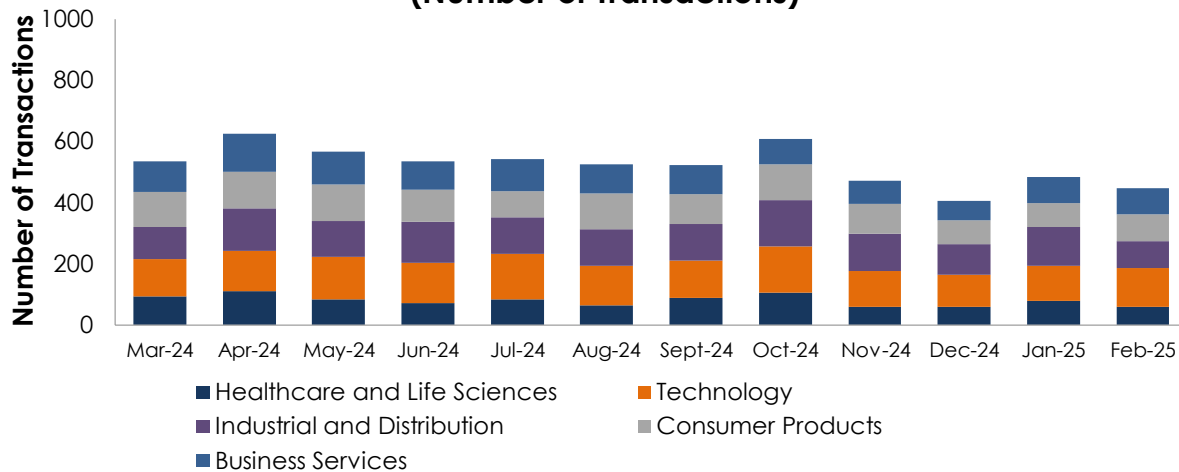
Category	EV / Revenue	EV/ EBITDA	Revenue Growth		EBITDA Growth		EBITDA Margin
			1 Year	3 Year	1 Year	3 Year	
Healthcare and Life Sciences							
Healthcare Technology	4.5x	26.4x	6.3%	5.7%	29.1%	-0.6%	7.3%
Healthcare Equipment and Supplies	4.6x	19.7x	2.4%	2.0%	7.6%	-4.1%	16.1%
Healthcare Providers and Services	0.7x	11.2x	7.7%	7.8%	1.2%	1.1%	9.8%
Healthcare and Life Sciences Aggregate	3.2x	19.1x	5.4%	5.2%	12.7%	-1.2%	11.0%
Technology							
IT Services	2.9x	18.3x	1.0%	3.1%	3.2%	3.2%	15.5%
Software	9.9x	26.4x	9.2%	9.9%	20.4%	15.6%	7.6%
Computers and Other Electronic Equipment	2.2x	15.6x	4.2%	-0.9%	11.7%	-3.0%	17.3%
Technology Aggregate	5.0x	20.1x	4.8%	4.0%	11.7%	5.3%	13.4%
Industrial and Distribution							
Aerospace and Defense	2.6x	17.0x	2.1%	4.5%	3.4%	3.0%	11.5%
Building Products	1.8x	11.6x	-2.8%	0.6%	-1.5%	-0.4%	17.8%
Construction and Engineering	0.8x	9.7x	3.6%	3.7%	6.2%	4.5%	7.9%
Machinery	1.8x	12.6x	0.1%	3.2%	1.0%	6.8%	8.7%
Distributors	1.0x	11.2x	-5.6%	-0.9%	-0.8%	1.3%	4.3%
Industrial and Distribution Aggregate	1.6x	12.4x	-0.5%	2.2%	1.7%	3.1%	10.1%
Consumer Products							
Food and Beverage	1.8x	10.8x	-0.9%	3.3%	4.8%	3.1%	13.6%
Household and Personal Products	3.0x	14.6x	-1.6%	0.8%	5.1%	1.6%	13.3%
Household Durables	1.1x	9.5x	1.4%	0.2%	4.3%	-3.2%	8.8%
Textiles, Apparel, and Luxury Goods	2.4x	12.5x	0.0%	4.8%	-1.7%	3.6%	8.3%
Consumer Products Aggregate	2.1x	11.8x	-0.3%	2.3%	3.1%	1.3%	11.0%
Business Services							
Human Resource and Employment Services	1.7x	17.0x	-1.1%	2.9%	-0.8%	0.9%	9.9%
Research and Consulting Services	3.2x	17.5x	3.1%	5.2%	9.1%	5.6%	15.3%
Business Services Aggregate	2.4x	17.3x	1.0%	4.1%	4.2%	3.3%	12.6%
Travel and Hospitality							
Hotels, Resorts, and Cruise Lines	4.0x	14.9x	11.9%	33.7%	0.0%	0.0%	14.7%
Restaurants	2.8x	14.5x	8.3%	11.6%	13.3%	19.1%	4.8%
Leisure Facilities	3.9x	12.3x	9.1%	19.2%	4.8%	36.5%	31.2%
Travel and Hospitality Aggregate	3.5x	13.9x	9.7%	21.5%	6.0%	18.5%	16.9%

M&A MARKET

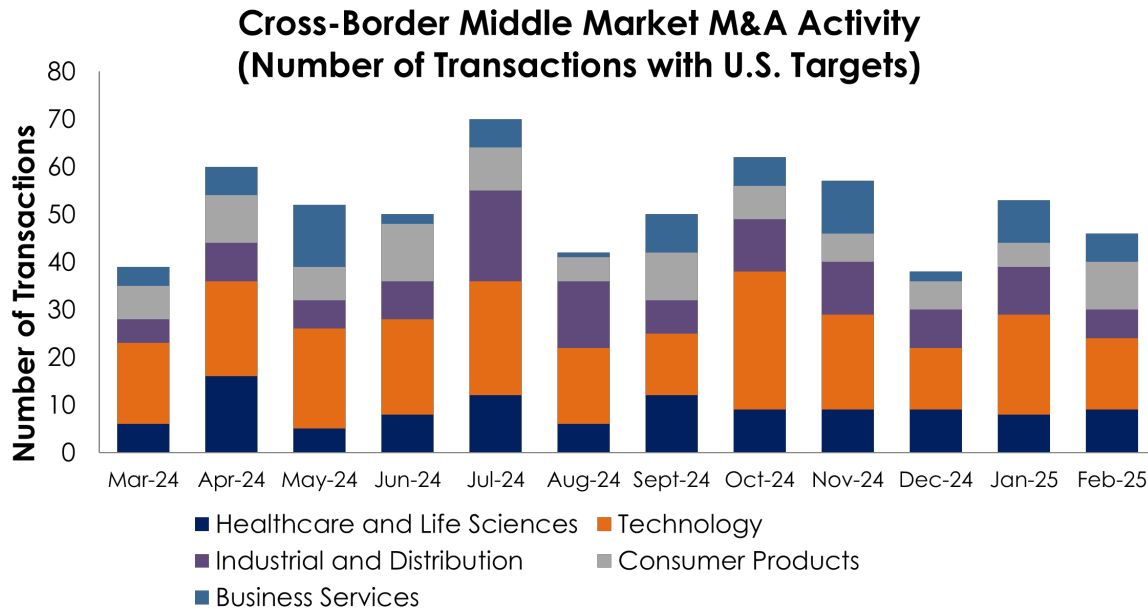
Some of the largest deals announced in February included the \$4.9 billion acquisition of Inari Medical, Inc., a provider of innovative solutions for venous thromboembolism (VTE) clot removal, by Stryker Corp. (NYSE: SYK), a global leader in medical technology; IBM's (NYSE: IBM) acquisition of HashiCorp, Inc., a software company dedicated to creating unique software infrastructure, for \$6.4 billion; and Tempur Sealy International, Inc.'s (NYSE: TPX) acquisition of Mattress Firm Group Inc., the nation's largest mattress specialty retailer, for approximately \$5 billion.

U.S. middle-market M&A activity experienced a slight decrease in February. The Technology sector saw a slight increase in deal volume compared to January, while the Industrial and Distribution sector saw decreased deal volume.

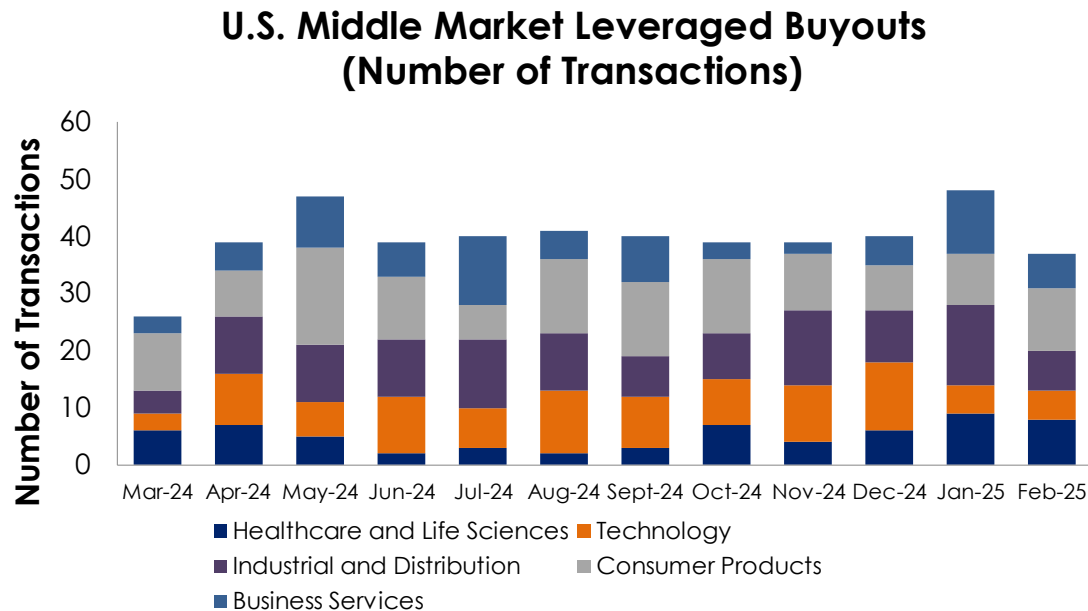
**U.S. Middle Market M&A Activity
 Select Industries
 (Number of Transactions)**



Cross-border middle-market M&A activity fell in February, as the number of Technology, Industrial and Distribution, and Business Services transactions decreased; however, the Consumer Products sector saw an increase in activity during February.



LBO transaction activity fell during February, with a noticeable decrease in the volume of Industrial and Distribution and Business Services transactions. The Consumer sector saw a small increase in deal volume. Sectors with relatively unchanged activity include Healthcare and Life Sciences, and Technology.



SELECT MIDDLE MARKET M&A TRANSACTIONS – CONSUMER

BUBLUV acquired by Core Home

[Full Article](#)

BUBLUV, makers of BUBLUV Bubble Tea—a ready-to-drink, shelf-stable, “better-for-you” boba tea with both milk and fruit flavors—has been acquired by Core Home, an innovator in housewares and lifestyle products, known for its trend-forward approach. Core Home is the parent company to a portfolio of more than 20 houseware brands, including BKLYN Steel Co, Core Bamboo, Thyme & Table, Manna, and Wild & Woofy. The acquisition of BUBLUV marks Core Home’s expansion into the food & beverage sector.

BUBLUV founder Diana Ark Chen stated, “I am thrilled to be joining the Core Home family. This acquisition marks an exciting new chapter for BUBLUV. With Core Home’s talented cross-functional team, retailer network, and shared commitment to innovation, BUBLUV will continue to thrive and reach its full potential. I’m incredibly excited for the future and confident that this partnership will allow us to achieve even greater success together.”

Lancaster Colony completes \$75m facility acquisition and co-manufacturing agreement with Winland Foods

[Full Article](#)

Lancaster Colony Corporation (NASDAQ:LANC), the specialty food manufacturer and owner of T. Marzetti Co., has completed the acquisition of Winland Foods’ sauce and dressing production facility in Atlanta, GA, for \$75 million in cash. The acquisition, which was announced last November, includes the related real estate and certain Winland Foods assets, as well as a co-manufacturing agreement where Lancaster Colony will manufacture certain products for Winland Foods, which will be purchased by Winland Foods for up to twelve months.

Campbell’s completes sale of Noosa to Lakeview Farms

[Full Article](#)

The Campbell’s Company (NASDAQ:CPB) completed the sale of the noosa yoghurt business to Lakeview Farms, LLC, a manufacturer of fresh dips, desserts and specialty products, and portfolio company of CapVest Partners. Terms of the transaction were not disclosed. Lakeview Farms and noosa will combine and now be known as Novus Foods.

Tom Davis, CEO of Lakeview Farms, stated: “We are thrilled to join the noosa yoghurt business with Lakeview Farms as we create Novus Foods. This represents a huge opportunity for both businesses to leverage their strengths and innovate within the growing yogurt category and beyond. Novus Foods will embody the companies’ combined expertise and passion for delivering high-quality, innovative fresh foods to consumers.”

FURTHER INFORMATION

Successful business owners have turned to Mirus Capital Advisors for more than 35 years to help them realize their ultimate accomplishment – the sale of their business. As a mid-market investment bank focused on mergers and acquisitions, Mirus drives successful deals for companies in the technology, industrial, consumer, business services, and healthcare industries. Mirus has proven time and again that its deep industry expertise, focus on relationships, thorough preparation and unwavering commitment to every deal lead to meaningful accomplishments for business owners. Our affiliate Mirus Securities, Inc. is a registered broker-dealer and FINRA member.

For any questions about the Middle Market Monitor or Mirus Capital Advisors, please contact Mirus Capital Advisors at 781-418-5900 or visit <http://merger.com>. You can also contact our senior bankers directly:

[Alan Fullerton](#)
[Andy Crain](#)
[Brendan Kiernan](#)
[Kate Soto](#)
[Stuart Rose](#)
[Rudy Minar](#)
[Patrick West](#)
[Sean Sundstrom](#)
[Mark Young](#)
[Greg Fanikos](#)

Sources: Capital IQ, Bloomberg, Forbes, Reuters, The New York Times, The Wall Street Journal, Bureau of Labor Statistics, Ernst & Young, JP Morgan, Financial Times, The Middle Market, other sources as referenced within, and Mirus analysis. Copyright 2025, Mirus Capital Advisors, Inc. All rights reserved. Mirus Capital Advisors does not assume any liability for errors or omissions.



Follow us on LinkedIn

To read more reports on the M&A markets, visit our website: www.merger.com

The information in this document does not constitute investment advice or an offer to sell or a solicitation to buy any security. Some of the statements above contain opinions based upon certain assumptions, and these opinions and assumptions may prove incorrect. Actual results could vary materially from those implied or expressed in such statements for any reason. This document has been created on the basis of information provided by third-party sources that are believed to be reliable, but Mirus Capital Advisors has not conducted an independent verification of such information. Mirus Capital Advisors makes no warranty or representation as to the accuracy or completeness of the content of this report.