



Q1 2023 Business Services Update

April 2023

LAKESIDE'S BUSINESS SERVICES PRACTICE

Differentiated transaction experience across multiple business services subsectors

MEET OUR BUSINESS SERVICES TEAM



Josh Garner
Managing Director



Chase Wichelmann
Vice President



Jacob Atkinson
Associate

- Our experience advising business services companies is unmatched by firms of our size who serve the lower middle market
- We have executed dozens of business service transactions across various subsegments, geographies, and sizes.
- We maintain regular dialogue with acquirers of business services companies, including corporate buyers, private equity firms, and family offices

REPRESENTATIVE BUSINESS SERVICES TRANSACTIONS

 has received an equity investment from 	 has been acquired by portfolio company of 	 portfolio company of has been acquired by 	 has been acquired by Concierge Building Services
 has been acquired by 	 portfolio company of has been acquired by 	 has been acquired by 	 has been acquired by
 has been acquired by 	 has been acquired by 	 has been acquired by 	 has been acquired by portfolio company of
 has been acquired by 	 has been acquired by 	 has been acquired by 	 has been acquired by

SELECT BUSINESS SERVICES EXPERIENCE

- | | |
|-----------------------|----------------------------|
| Marketing Services | Remediation Services |
| Education & Training | Supply Chain Services |
| Professional Services | Linen and Laundry Services |
| Janitorial Services | IT Services |

Note: Select transactions completed by Lakeside team members while at prior firms

INDUSTRY NEWS

Lakeside is committed to keeping our finger on the pulse of the business services market

WORTHWHILE READS

The articles below are taken from various industry periodicals, websites, and blogs from around the web that highlight key themes in industrial products.

Labor Costs and Productivity Remain Top of Mind

RSM

"The unit labor cost index and labor productivity index have moved in concert in recent years but shifted to an inverse relationship in the second and third quarters of 2022. As expected, given the tight labor market, unit labor cost continues to increase. But why has labor productivity tailed off?"

Read the article [here](#)

Changing Dynamics In The Business Process Services Marketplace

Forbes

"So, there is a big appetite in today's BPS market to invest in technology, often combining that investment with labor arbitrage to save money. Pipelines and business are growing rapidly for third-party service providers in the BPS arena today."

Read the article [here](#)

Modern Facilities Management in Schools and the Tech Behind It

EdTech Magazine

"Upgraded software, hardware and networks help K-12 facilities management teams work more efficiently and save districts money."

Read the article [here](#)

Trucking Industry Looks to Women to Overcome Shortage

CNBC

"Women made up almost 14% of professional drivers in 2022, according to Women In Trucking, up from just 7.9% in 2018. Associations like Women In Trucking work to increase the rate of women drivers, technicians and executives, particularly younger women or those switching careers."

Read the article [here](#)

Staffing Employment Eases Slightly in March

American Staffing Association

"Staffing employment eased for a seventh straight week in the week of March 13-19, with the ASA Staffing Index decreasing by 0.2% to hold at a rounded value of 98. Staffing jobs were 6.6% below the same week last year."

Read the article [here](#)

RECENT NOTABLE TRANSACTIONS

The transactions highlighted below were high profile transactions completed in recent quarters.

UTEGRATION

has been acquired by



U-Tegration, Inc. provides SAP consulting and solutions, with a focus on customer engagement, in North America.

Cognizant is a publicly traded global provider of IT consulting and business process outsourcing services. The Company serves customers across multiple industries including banking, health care, manufacturing, media, and entertainment.



has been acquired by



Grove Resource Solutions, Inc. provides information technology solution, such as technology infrastructure modernization and architecture design, to federal, military, and commercial clients.

DLH Holdings Corp. engages in the provision of technology enabled business process outsourcing program management solutions, public health research, and analytics.



has been acquired by

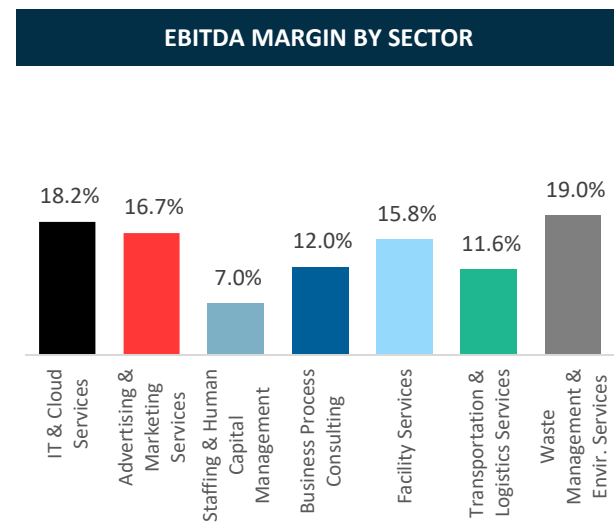
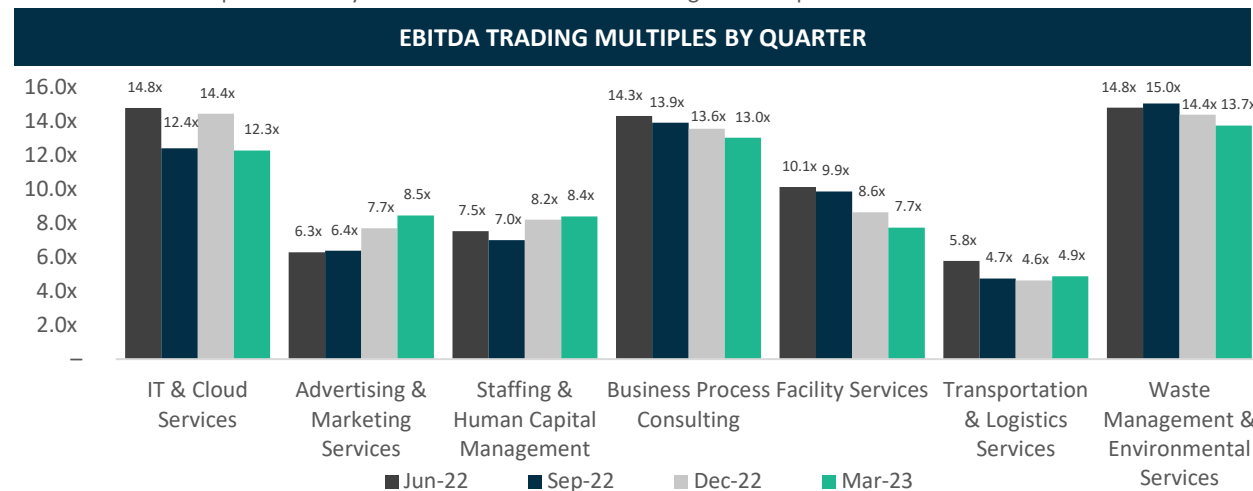
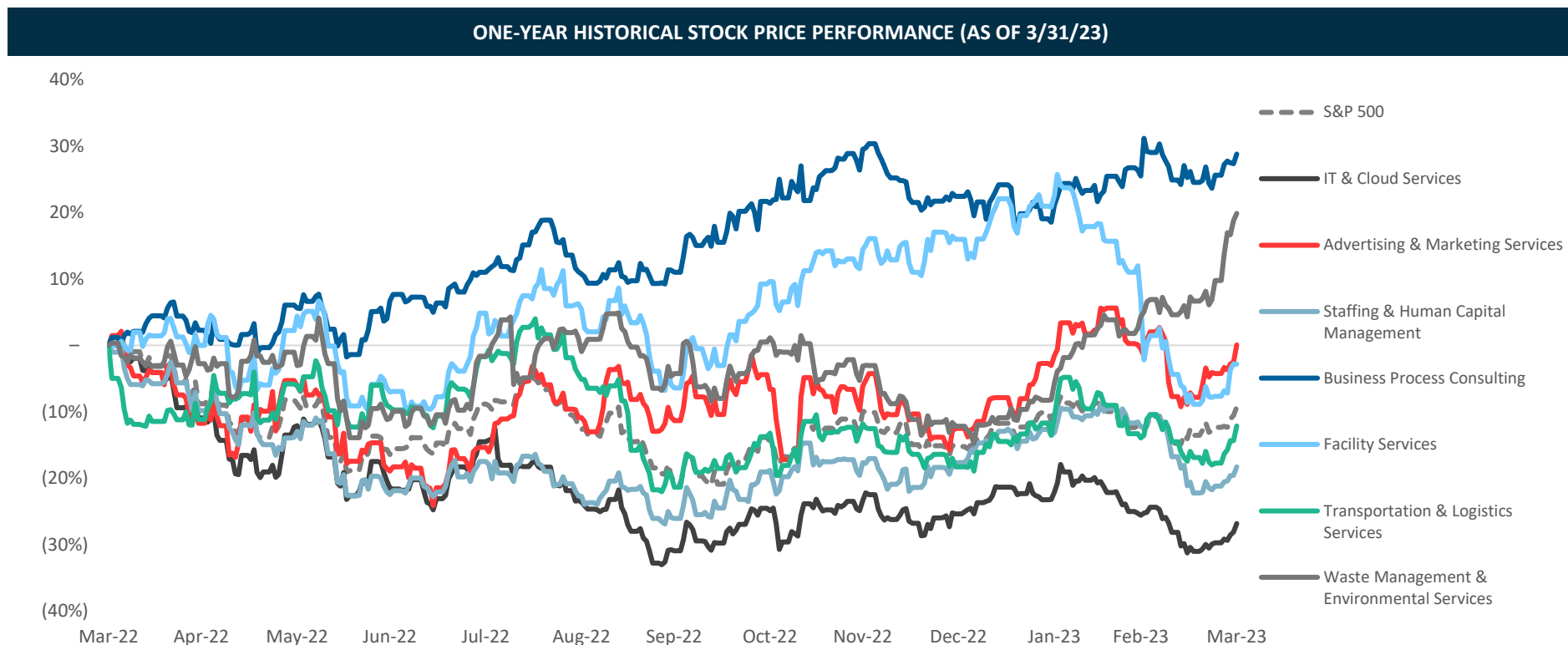


Nielsen is a global leader in third-party audience measurement, data and analytics across all forms of media and content.

Brookfield Business Partners is a publicly traded global company focused on owning and operating companies in the business services and industrial space. Its operations are diversified across the industrial, infrastructure services and business services sectors.

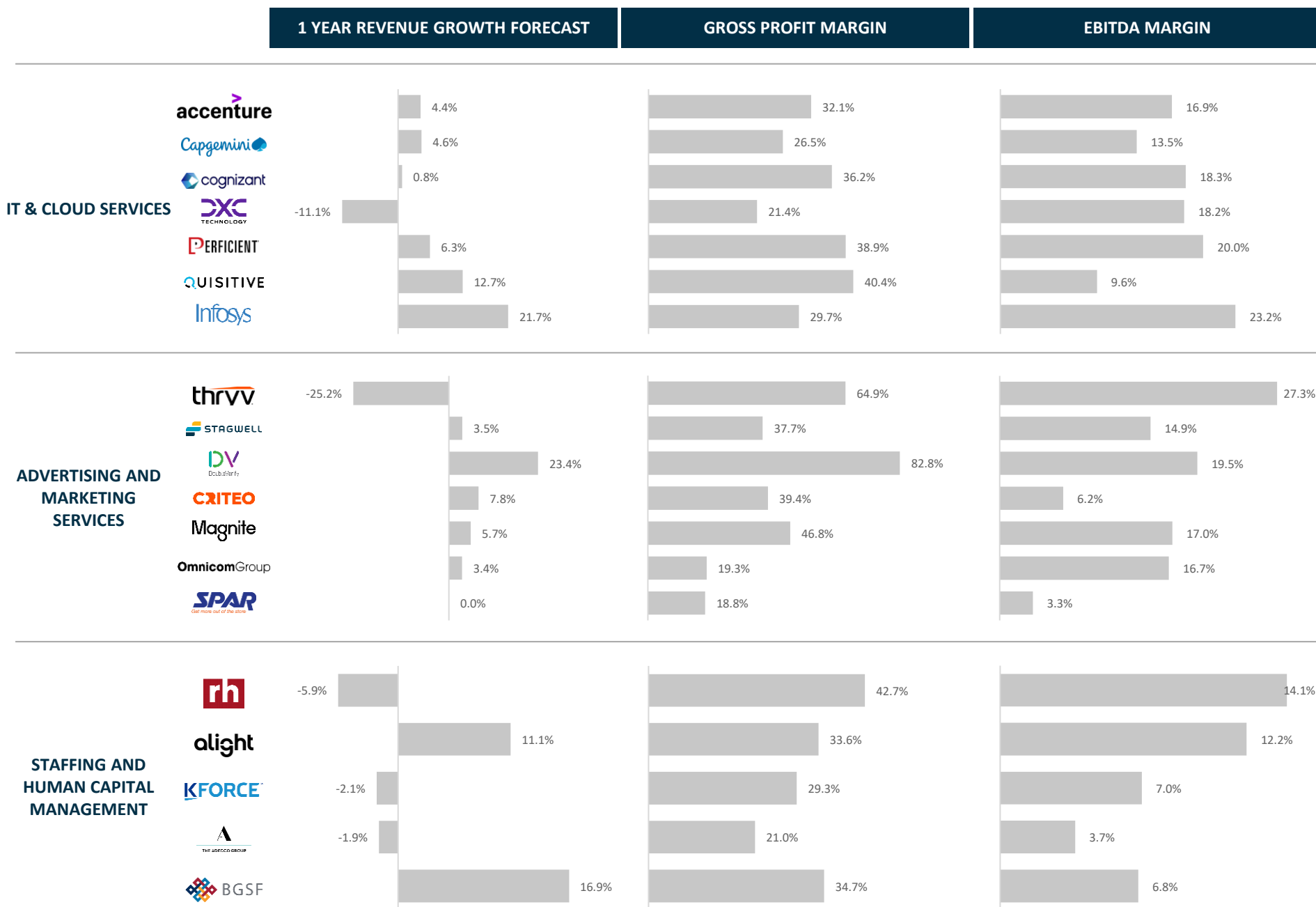
BUSINESS SERVICES PUBLIC COMPANY PERFORMANCE

Below is a look at how publicly traded business services companies performed by sector

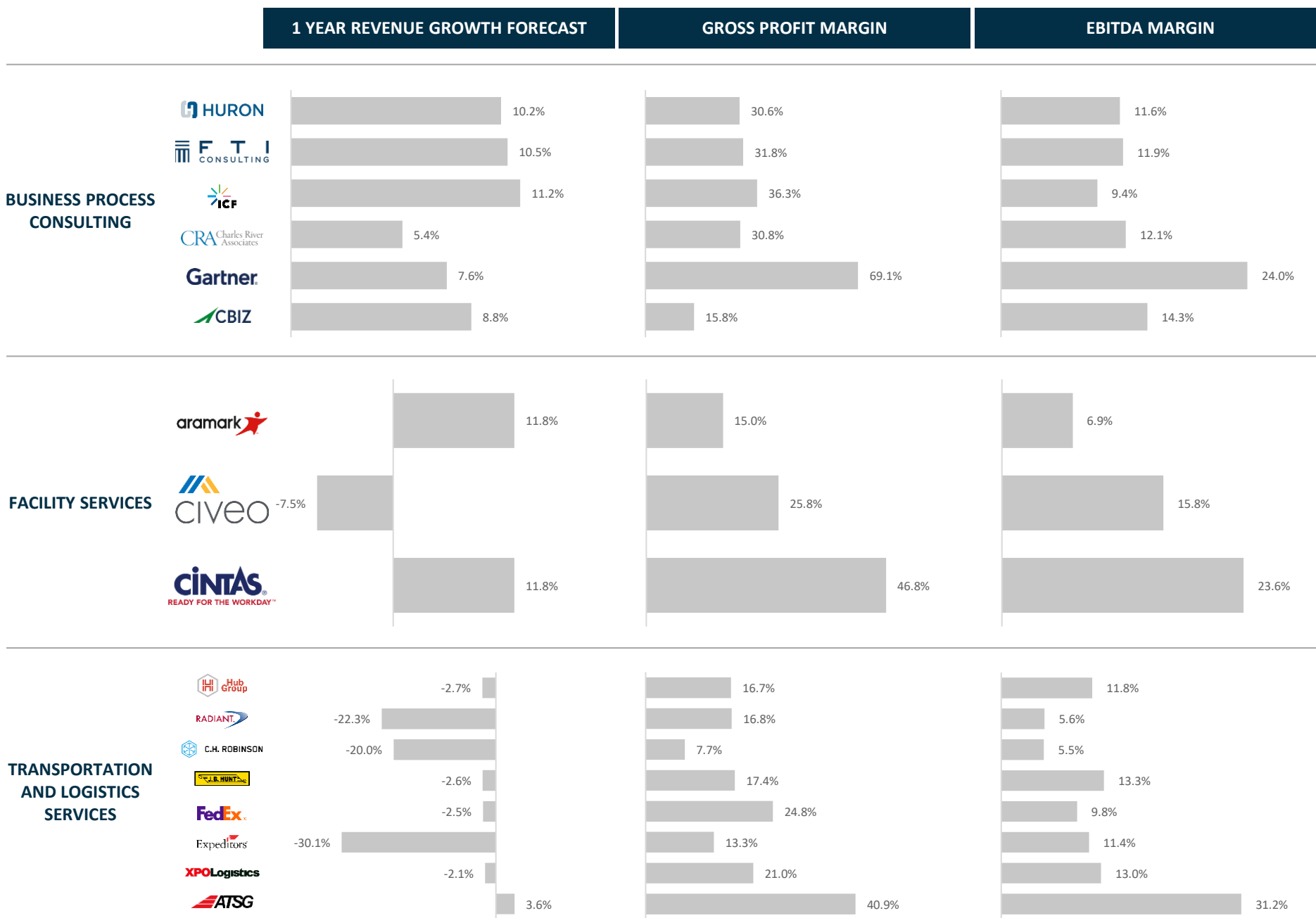


Source: Capital IQ

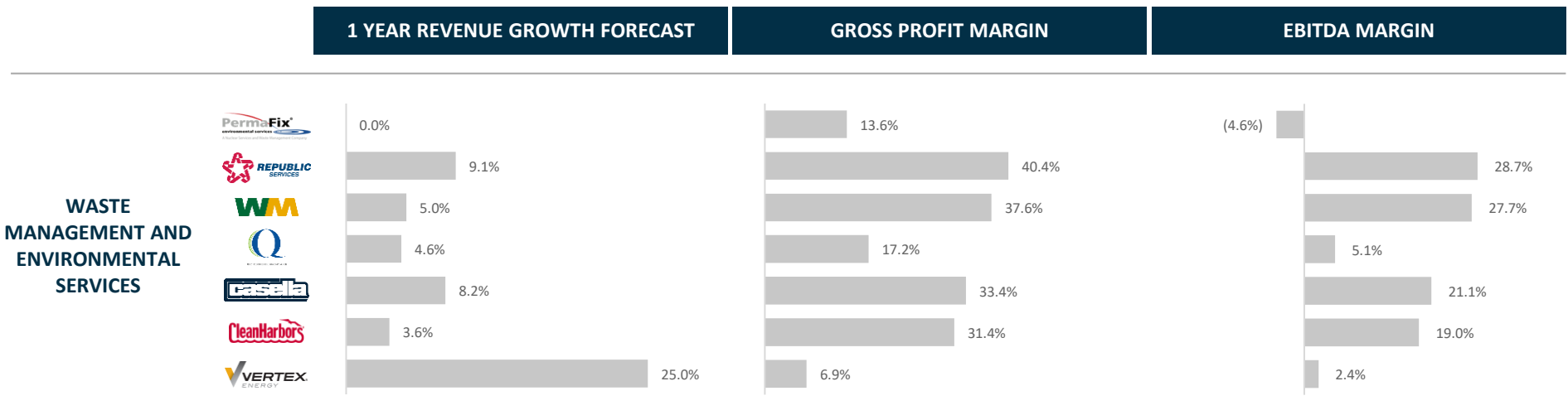
BUSINESS SERVICES PUBLIC COMPANY BENCHMARKING BY SECTOR



BUSINESS SERVICES PUBLIC COMPANY BENCHMARKING BY SECTOR (CONT'D)



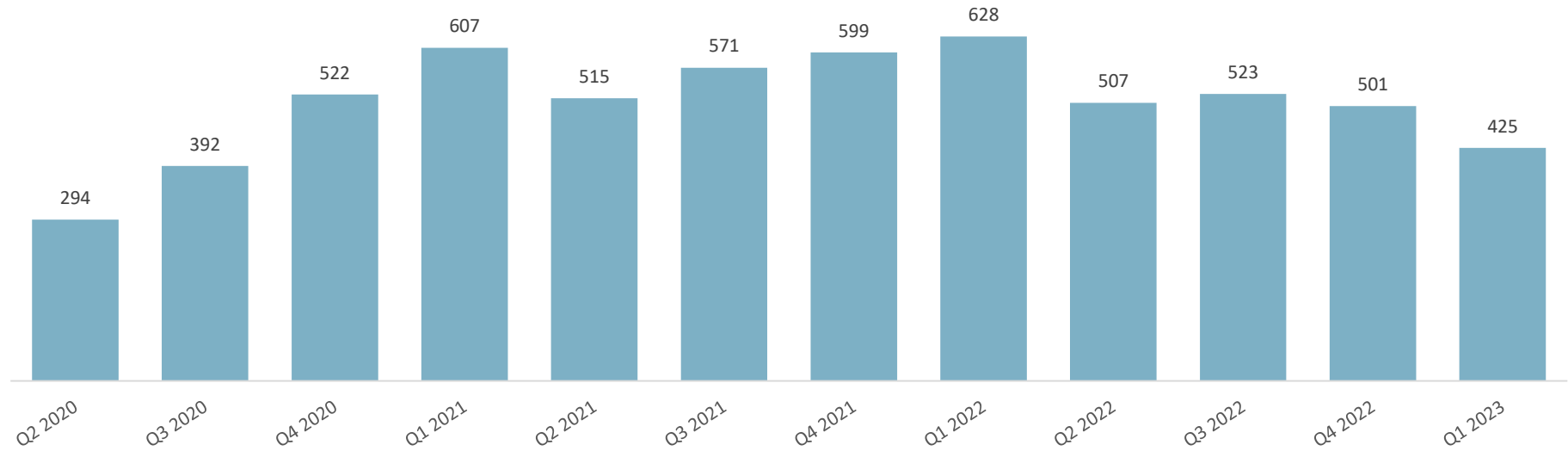
BUSINESS SERVICES PUBLIC COMPANY BENCHMARKING BY SECTOR (CONT'D)



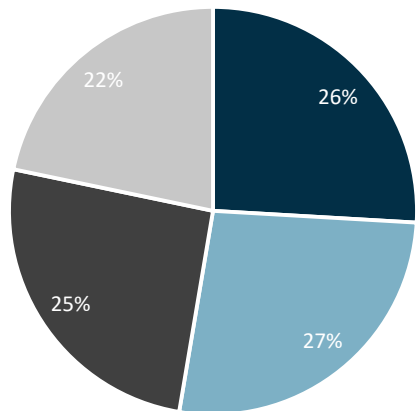
BUSINESS SERVICES M&A STATISTICS

Below is an overview of M&A volume by quarter for Business Services

NUMBER OF BUSINESS SERVICES TRANSACTIONS BY QUARTER

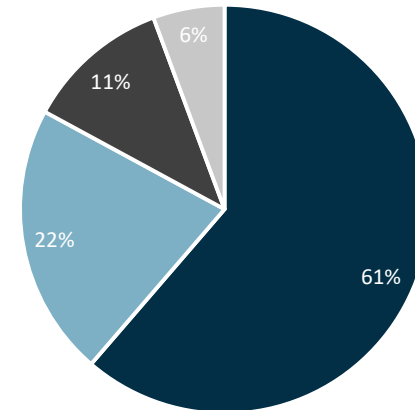


PERCENT OF TRANSACTION VOLUME COMPLETED BY QUARTER



■ Q2 2022 ■ Q3 2022 ■ Q4 2022 ■ Q1 2023

DISTRIBUTION OF TRANSACTIONS BY EV FOR PAST 3 YEARS¹



■ \$0-\$50M ■ \$51-\$250M ■ \$251-\$1,000M ■ \$1,000+M

SELECT RECENT BUSINESS SERVICES TRANSACTIONS

Announced Date	Target Name	Business Description	Acquirer	Services Subsector
3/28/2023	VX Search Group Inc.	VX Search Group Inc. provides executive search, compensation consulting, and advisory services.	TMG Search Canada Ltd.	Staffing & Human Capital Management
3/27/2023	RemoteMore USA, Inc.	RemoteMore USA, Inc. provides remote-hiring marketplace services for developers and companies.	Professional Diversity Network, Inc.	Staffing & Human Capital Management
3/27/2023	Inspirant Group, Inc.	Inspirant Group, Inc. offers strategy and operations consulting services.	10Pearls, LLC	Business Process Consulting
3/27/2023	Volar Security LLC	Volar Security LLC provides cybersecurity and managed information technology consulting services.	Unified Solutions	IT & Cloud Services
3/27/2023	Ecoserv, LLC	Ecoserv, LLC provides exploration and production cleaning, waste management, and disposal services.	CoLaTenTex, LLC	Waste Management & Environmental Services
3/25/2023	Greater Glens Falls Transit	Greater Glens Falls Transit provides bus transportation services.	Capital District Transportation Authority	Transportation & Logistics Services
3/24/2023	Loyalty Superstore, Inc.	Loyalty Superstore, Inc. develops web-based marketing and online shopping platforms for customer acquisition and loyalty.	Xalles Financial Services Inc	Advertising & Marketing Services
3/23/2023	Best Practice Energy LLC	Best Practice Energy LLC provides strategy consulting and advisory services for management of natural gas and electricity supply.	Environ Energy, LLC	Business Process Consulting
3/22/2023	Openlogix, LLC	Openlogix, LLC, a technology consulting company, provides digital transformation and software development services.	K2 Partnering Solutions Ltd.	IT & Cloud Services
3/22/2023	Blue Sky Group / Royalty Compliance Organization	Blue Sky Group / Royalty Compliance Organization operates as audit firm.	Armano LLP	Business Process Consulting
3/22/2023	NAOS Staffing, LLC	NAOS Staffing, LLC offers on-site staffing and workforce management services.	Elwood Staffing Services, Inc.	Staffing & Human Capital Management
3/21/2023	Copperfield Advisory, LLC	Copperfield Advisory, LLC operates as a communications, brand, and strategy consulting firm.	Penta Group, LLC	Advertising & Marketing Services
3/21/2023	Capital Innovations Management, LLC	Capital Innovations Management, LLC provides domestic staffing services.	Xalles Technology Inc.	Staffing & Human Capital Management
3/21/2023	Brooklyn Data Company LLC	Sandlands C&D Landfill of SC, LLC offers demolition, landfill, and roll-off hauling services.	Velir, Inc.	IT & Cloud Services
3/21/2023	eConverse Social Media Consulting Inc.	eConverse Social Media Consulting Inc. designs, launches, and manages websites and communities.	Higher Logic, LLC	Advertising & Marketing Services
3/17/2023	Sandlands C&D Landfill of SC, LLC	Sandlands C&D Landfill of SC, LLC offers construction and demolition landfill and roll-off hauling services.	Capital Waste Services, LLC	Waste Management & Environmental Services
3/21/2023	U.S. Xpress Enterprises, Inc.	U.S. Xpress Enterprises, Inc. operates as an asset-based truckload carrier primarily in the United States.	Knight-Swift Transportation Holdings Inc.	Transportation & Logistics Services
3/21/2023	Global Diversity Logistics, LLC	Global Diversity Logistics, LLC provides logistic and menu supply chain services to various customers depends on the business needs.	DSV A/S	Transportation & Logistics Services
3/16/2023	National Enrollment Partners	National Enrollment Partners provides benefits administration, enrollment strategy, voluntary benefits, and enrollment services.	The Hilb Group, LLC	Business Process Consulting
3/16/2023	Gagen MacDonald LLC	Gagen MacDonald LLC, a strategy execution consulting company, offers employee engagement, leadership, and culture change consulting services.	APCO Worldwide LLC	Business Process Consulting
3/15/2023	Vac2Go, LLC	Vac2Go, LLC provides vacuum truck rentals and repair services to companies, industrial and environmental contractors, and municipalities.	Argosy Capital Group, Inc.	Waste Management & Environmental Services
3/14/2023	Supreme Optimization, LLC	Supreme Optimization, LLC engages in a digital marketing agency for life science.	Trinity Hunt Partners, L.P.	Advertising & Marketing Services
3/13/2023	Legacy Logistics	Legacy Logistics provides logistics services, warehousing and storage solutions, and white-glove shipping.	Estes Forwarding Worldwide, LLC	Transportation & Logistics Services
3/9/2023	Integrated Technology Services, LLC	Integrated Technology Services, LLC provides information technology consulting services in managed services.	The 20 MSP	IT & Cloud Services
2/16/2023	Environmental 360 Solutions Ltd.	Environmental 360 Solutions Inc. offers environmental management solutions.	Blackrock Alternatives Management, LLC	Waste Management & Environmental Services

Source: Capital IQ

ABOUT LAKESIDE PARTNERS



Lakeside Partners is a boutique investment bank specializing in M&A advisory services. We serve founder & family-owned businesses in the lower middle market by advising their owners through transactions. We leverage decades of experience and relationships to execute processes that unlock exceptional value.

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OUR INDUSTRY EXPERIENCE

