



BUSINESS SERVICES

# Value Drivers for Business Services M&A Update

ACQUISITIONS » DIVESTITURES » FINANCINGS



# Contents

- Overview – Driving Value for Business Services ..... 2
- Case Studies..... 4
- Business Services Category Is Expanding and Flourishing ..... 8
- The Nature and Length of Contracts ..... 8
- Differentiation, Specialization and Serving Well-Defined Markets ..... 11
- Attracting and Retaining Talent with Specialized Skills ..... 14
- Technology-Driven Delivery and Differentiation ..... 19
- Information Technology Focus ..... 20
- Integrating into the Customer Infrastructure ..... 22
- Small and Medium-Sized Businesses Integrating Offshore Services ..... 23
- Summary ..... 25
- Select Transactions ..... 26

## Professional Services Market Definition

---

The professional services market consists of the sales of professional services and related goods by organizations, sole traders and partnerships. Their services provide support to businesses of all sizes, in all industries, and to individuals and institutions, in processes where human capital is the major input. Professional services establishments make available the knowledge and skills of their employees, often on an assignment basis, where an individual or team is responsible for the delivery of services to the client. For our purposes, we address business services organizations as the professional services industry, growing business-process outsourcing and consulting. There is often overlap among these services in the midmarket.

---

## Overview – Driving Value for Business Services

The professional services market includes several occupations that provide support to businesses of all sizes and in all industries. Business entities engaged in providing professional services are generally referred to as professional services organizations (PSOs), professional services firms (PSFs) or business process outsourcers (BPOs).

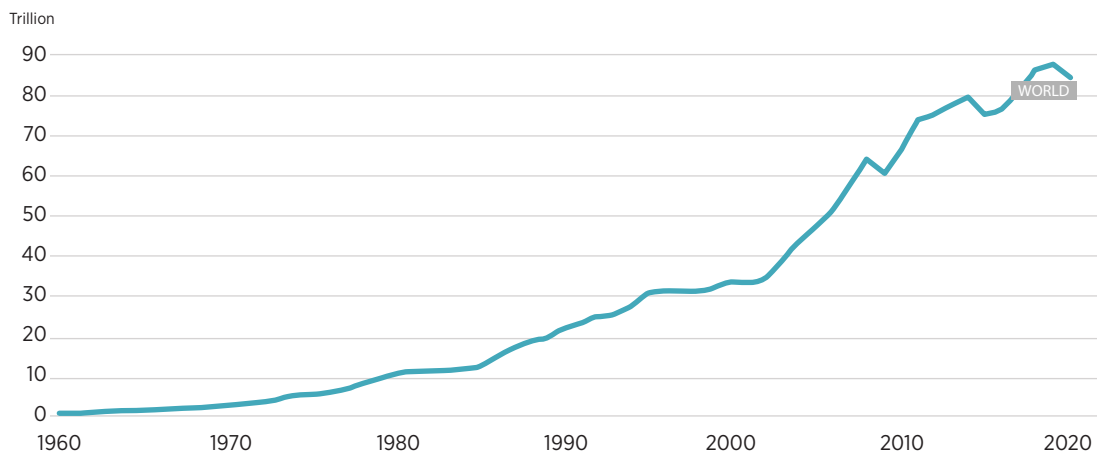
Historically, these three types of organizations were clearly differentiated; however, we believe the separation will become less defined over time.

In the 1950s and '60s, accounting firms, legal practices, design firms and advertising agencies served as the primary purveyors of fragmented activities designed to meet the needs of single departments within large organizations. But as supply chains became more complex, the increased adoption of advanced technology and business specialization grew, and professional services businesses grew to meet the demand for specialized skills required for specific business processes, projects and aspects of a product life cycle. As business offerings and related business models have become more complex, the number and complexity of business services organizations has exploded, with a large number of companies providing specialized functions that improve efficiencies, drive quality and, increasingly, automate routine tasks and processes.

---

### GDP (current US\$)<sup>1</sup>

---



<sup>1</sup> <https://data.worldbank.org/indicator/NV.SRV.TOTL.ZS>

Historically, this space largely required talented people to come together and serve customer needs, typically locally, with their specialized skills. Business services organizations have evolved to use increasingly complex business models and technology to achieve scale, increase productivity, expand margins and position themselves in a competitive marketplace. To compete for customers, investors, potential buyers and even specialized talent, business services organizations (BSO) must now respond and adapt to transformations at play since the beginning of the 21st century.

This report will describe a few of our observations in this category related to aspects of how these changes have driven value to investors and potential acquirers.

### **Business Process Outsourcing Report 2021 | Statista**

Business process outsourcing is typically the transfer of entire business processes or individual activities from a company to a third party. BPO grew rapidly with IT-based organizations and has expanded over the last few decades to now cover a wide variety of business processes, usually either in the back office, e.g., human resources, or in the front office, e.g., customer service in call centers. A distinction is made between horizontal and vertical outsourcing. Horizontal BPO combines function-centric and cross-sector and cross-industry services, such as human resources management or payroll accounting. Vertical BPO, on the other hand, focuses on specialized services and appeals to customers from the financial services industry, the healthcare sector, manufacturing or retail.

The BPO segment accounted for about 30% of the global IT services revenue in 2020.

In North America, trends are emerging and accelerating to drive how companies consider using business services organizations and, conversely, how those organizations are valued by investors and acquirers.

From a merger and acquisition perspective, we observe several drivers that improve valuations for businesses seeking growth capital, wishing to recapitalize, purchasing companies for growth or selling their businesses for liquidity.

**1. The nature and length of contracts:** Recurring-revenue models are creating predictable income cycles that investors and buyers seek. Long-term contracts and relationships lower sales costs and provide for predictable investment horizons.

**2. Differentiation, specialization and market served:** Increasingly, BSOs are found in narrowly defined service functions within a vertical market focus. Consolidating several standard business offerings under one business lowers the sales and implementation costs for BSOs and customers while providing scale to the BSO. This results in opportunities to expand margins across the BSO's service offerings.

**3. Attracting and retaining talent with specialized skills:** This requires a modern management style that is responsive to evolving workforce structures and can create inclusive and diverse cultures while embracing corporate responsibility initiatives. Further, there are increasing demands on BSOs to utilize a global talent pool to stabilize turnover and improve margins.

**4. Technology-driven delivery and differentiation:** BSOs improve scalability and margins using technology to automate operations, increase service reliability and improve quality.

**5. Integrating into a customer's infrastructure to improve customer value and retention:** Integrating into a customer's business processes or physical infrastructure increases switching costs, which increases the life of a customer and lowers sales and marketing costs.

**6. Use of offshore talent is moving down-market to increase talent availability and improve margins:** Leveraging offshore talent has been underway for several decades, but as collaboration tools and management experience, onshore and offshore, have developed, we've seen the use of offshore talent move strongly in the midmarket.



## Smart Source Case Study

*Using automation to deliver greater visibility to a historically turbulent business practice into a services factory.*

NWP Services Corporation historically provided billing services to apartment owners and managers. These services included utility, rent and ancillary services billing. As their business grew, their services expanded to paying their customer utility bills. As the customer base exceeded one million residents, NWP approached a few of their customers to develop a new a solution for their routine bookkeeping services to deliver monthly property statements for owners, investors and lenders.

NWP's approach was different from the start. While property management companies historically hired accountants to maintain their accounting using people with limited automation other than the accounting systems used to maintain the books, NWP created a business unit called SmartSource that was centered around a CRM solution where each property was set up in the CRM system with all of its monthly steps, milestones and processes documented and automated. Each month, all properties for which SmartSource delivered its bookkeeping services had a service case associated with the property. These cases included every step of the monthly close, the milestone date for the steps, the SmartSource associate (with bookkeeping talent) assigned to the step and any customer dependencies required for the step in the case.

All interactions with all participants are recorded in the system, and each step across the hundreds of sets of books is logged with their status as in-progress or complete.

The result of this extreme automation of a historically manual process allowed the SmartSource management to deliver their services with strong margins at a fixed price on recurring revenue contracts that are between three and five years. Further, SmartSource was able to consistently and rapidly scale using an operation they developed in Cebu Philippines to supplement their Midwest talent.



## Human Element Case Study

*Turning a services job shop into recurring revenue.*

When Human Element started their business in 2004, it was built on a strong foundation of technical talent providing technical and consulting talent to customers building complex e-commerce solutions embedded into their websites. Over the next 15 years, e-commerce solutions moved from an interesting part of their customers' sales to a consistent portion of their revenue base. Further, Human Element began to focus the delivery of e-commerce solutions around Magento Software platforms, which would eventually be purchased by Adobe to become Adobe Commerce.



The new e-commerce solution delivered several new challenges to Human Customers as they found themselves expanding their use of off-the-shelf ERP solutions, moving from private hosting to the cloud and managing increasing use of new IT solutions across their business.

As customers' revenue streams became increasingly dependent on their e-commerce solutions and, in turn, mission critical, those solutions became more and more diverse, but their customers had only a few options:

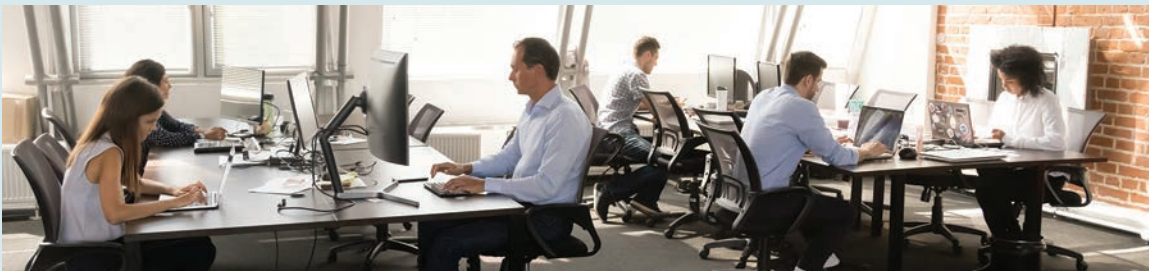
- » Direct their internal IT resources to maintain and expand the solution to meet their needs.
- » Hire new full-time talent to serve their internal needs (either as W2 or staffed employees)
- » Continue to hire external consultants as needed
- » Create a relationship with an external specialist

Increasingly, Human Element customers found it difficult to internally maintain the skills required to keep up with the demands of their Magento implementations. This challenge drove an opportunity for Human Element to change the way they organized their business and generated revenue.

Over the last several years, the company has focused on:

- » Building a great place to work for the best Magento (Adobe Commerce) talent they could attract to their business, to become a clear expert in this highly in-demand skill.
- » Developing a set of programs for their customers that include long-term contracts to provide administration, maintenance and e-commerce feature development in a method provides recurring revenue for Human Element and allows their customers to plan their internal budgets with a clear budgetary planning horizon.
- » Building process automation tools to make delivering their recurring revenue services of higher quality and consistency at prices that are lower than can be performed internally while increasing the gross margins of Human Element's recurring revenue.

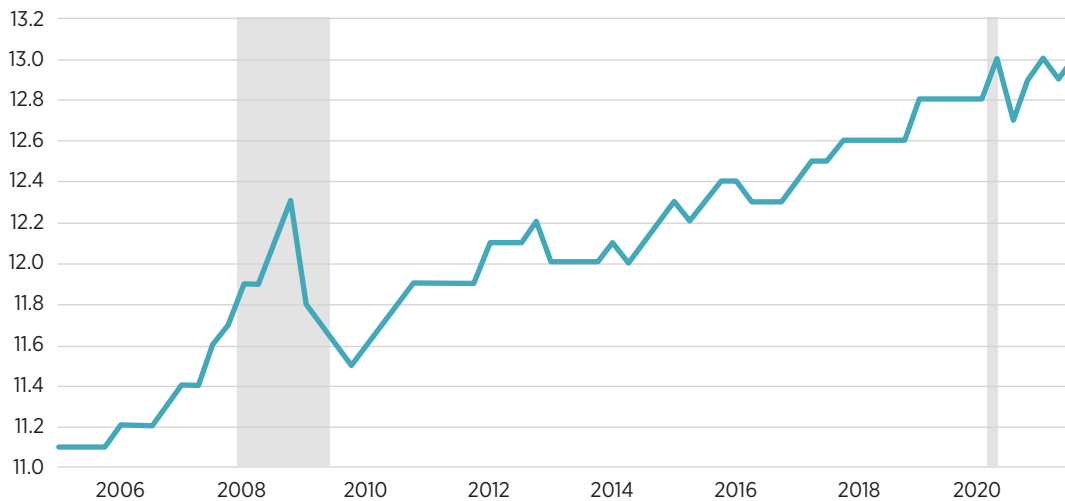
The result is their increasing recurring revenue model makes hiring easier, since they can more easily utilize staff at profitable levels with lower risk from the highs and lows of new project sales. This allows Human Element to attract stronger talent as a result of its focus on Magento providing strong training and compensation incentives customers are unable to match competitively.



## Business Services Category Is Expanding and Flourishing

Except for the Mad Men of Madison Avenue, most business services came from rather humble beginnings. But with the advent of technology and growing business sophistication among owners of small and medium-sized businesses the market has exploded. Impressively, the business services category now represents some 65% of the global GDP.

### Value Added by Industry: Professional and Business Services as a Percentage of GDP<sup>2</sup>



## The Nature and Length of Contracts

### Longer-term, recurring-revenue arrangements create value

Historically, businesses purchased services on a project or limited-time basis. Examples could include a financial audit, and legal and design services needed for a short period of time and centered around specific projects or business activity.

As it has become standard practice for an organization to rely on third-party BSOs to achieve business results more favorable than can be produced internally, or where they can lower costs and redirect management attention, BSOs are increasingly assuming responsibility for mission-critical processes as they've become increasingly reliable at higher quality.

<sup>2</sup> <https://fred.stlouisfed.org/series/VAPGDPPBS>



We have observed a growing trend where traditional consulting firms with highly specialized skills are experiencing greater revenues from recurring contracts with key customers with whom they have implemented new processes or technologies and who retain those same organizations with annual or multiyear agreements to improve, maintain and upgrade underlying technologies. Interestingly, even where the technologies may be cloud-based and hosted by larger businesses (Amazon's AWS or Microsoft's Azure, for example), professional services firms are hired to maintain those third-party solutions and relationships on behalf of their clients.

It has become mutually beneficial for BSOs and their clients to move to annual and multiyear agreements, which allows customers to rely on the BSO for long-term planning and budgeting. In turn, BSOs benefit from lower sales and marketing investments, which is money that can then be allocated to improving the quality and value of their offerings while improving margins.

As discussed in this paper, the setup and integration costs and reliance of buyers on mission-critical BSOs drive longer-term agreements where a buyer has minimum service-level arrangements and price predictability. Further, as premium BSOs become feature, cost and quality competitive in a particular market segment, they're able to demand longer agreements at more favorable margins.

While most companies understand the value of long-term contracts, some feel that the value to the customer overrides any savings they may gain. Additional costs for companies with month-to-month contracts include needing a larger sales team that continuously drives new business. If your contracts are three years in length, you don't need a large sales team, thereby saving on commissions and reducing the costs of sales.

### **An example of migrating to longer-term contracts is Tesco.**

"Tesco has established long-term contracts with key value-added processors of agricultural products, who act as volume aggregators. The product categories were chosen by developing a matrix of key factors, including importance to the financial health of the brand, social accountability goals and brand risk. Each product category that the processors represent is jointly managed by a team of buyers, quality assurance assessors, sustainability experts and agronomists and, if the commodity requires it, risk managers."<sup>3</sup>

<sup>3</sup> Jason Clay, The Markets Institute, 2018

Longer-term contracts result in lower sales costs per dollar of revenue, allowing stronger BSOs the opportunity to invest in service features and productivity improvements. These investments benefit customers while improving margins and competitiveness for a BSO. This trend adds important stability to the sector and makes BSOs more attractive to potential buyers and investors.

**Other contract trends we are watching include:**

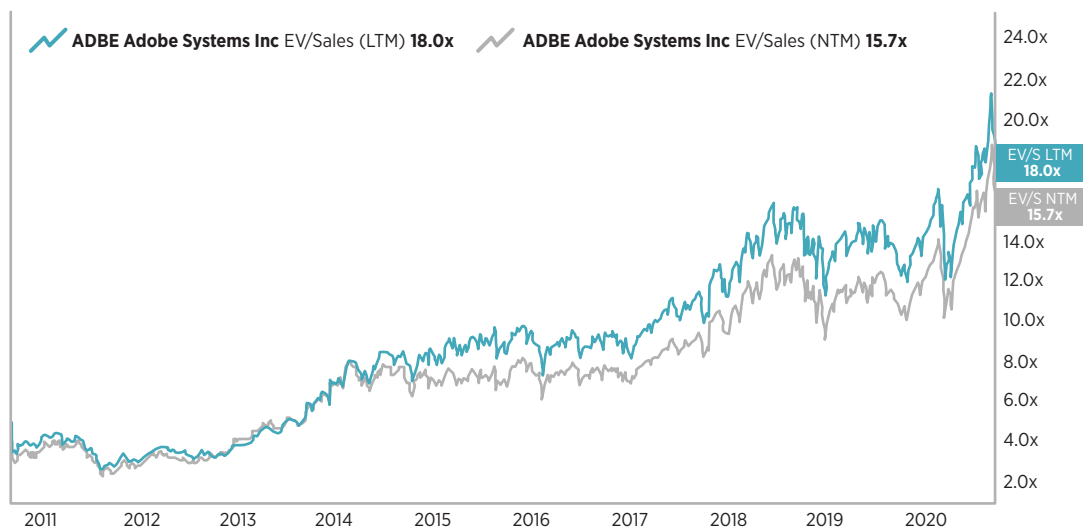
- » Outcome-based agreements that are driven by KPIs, including cost and quality. With an increase in technology solutions to develop real-time reporting and transparency into business services organizations, we expect to see these KPIs find their way into contracts as a way for customers and vendors to continue monitoring the value provided.
- » Data protection and cyber insurance. As customers are increasingly relying on third-party solutions for business processes, their third-party partners are developing and maintaining highly sensitive internal and external data. We expect to see more customer contracts include requirements addressing these topics.

As we have seen, SaaS models dramatically improve the value of traditional software businesses, and we see an improvement in valuations for BSOs that continue to strengthen their recurring revenue.

---

**Adobe’s Recurring Revenue Model Continues to Increase Value<sup>4</sup>**

---



<sup>4</sup> KOYFIN



## Differentiation, Specialization and Serving Well-Defined Markets

BSOs have become increasingly valuable as they focus on narrow business processes typically requiring a modest to high degree of expertise. Routinely, these businesses use a “bowling-pin” growth approach to add new features for their existing markets or tailor their offerings for new vertical markets. This allows them to build highly defensible positions within their core markets and, in turn, stronger value for investors and acquirers who want access to those markets and the solutions serving them.

Historically, we observe that BSOs that tailor their needs to a specialized service and/or market segment can deliver a clearer value proposition faster, are more easily adopted and can routinely become “mission critical” as their offerings become relied upon as a best practice within a specific market segment.

BSOs that are more competitive within their vertical markets become more attractive to strategic and one-stop shop business services organizations that want to penetrate a vertical more deeply or need to acquire the depth of skills and offerings developed for a specific market segment.

### **There are pros and cons of a vertical strategy at an exit.**

**Pros:** Typically, a business serving a broader set of verticals is likely to have larger growth prospects and lower customer concentration, which are likely more attractive to a financial investor looking to hold and grow the business over time.

**Cons:** Vertical-oriented strategic buyers may find a business serving a wider set of verticals less attractive, as they typically seek to leverage their distribution (marketing/sales) investments.

## Niche/Verticalization<sup>5</sup>

Some personnel employment organizations deploy either a niche focus or verticalized approach. The difference between the two is that a niche strategy is focused on one industry vertical, whereas a verticalized strategy segments a company's business to focus on several industry verticals simultaneously. There is a difference between a PEO servicing a multitude of verticals and a PEO that utilizes a verticalization strategy. The key difference is that the PEO that deploys the verticalization strategy has positioned each segment's offering and marketing to resonate with individual verticals. A niche or vertical strategy can create a competitive advantage in the marketplace. However, it can also pigeonhole a PEO into that vertical. There are pros and cons of a niche/vertical strategy, as noted below.

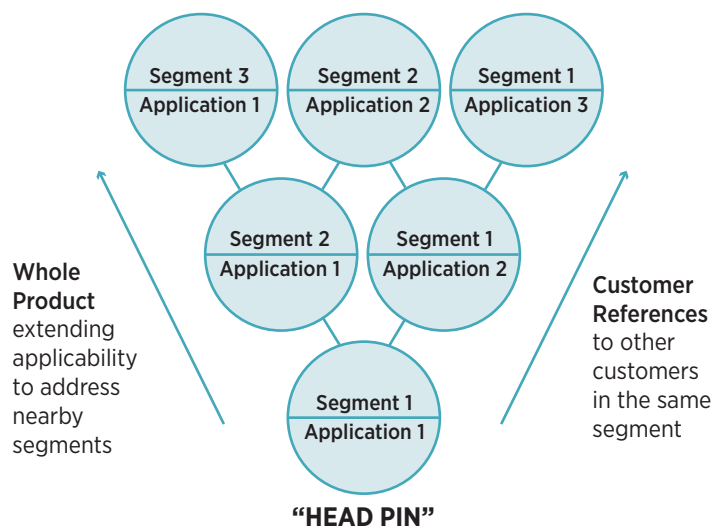
Pros: Differentiation, brand equity, higher client satisfaction, high client retention, greater pricing elasticity, sniper marketing.

Cons: Potential for higher cyclical, lack of client diversity, competition adoption, sales force aggravation.

---

## Bowling Alley Market Development<sup>6</sup>

---



<sup>5</sup> <https://netprofitgrowth.com/peo-strategy/> by Rob Comeau December 8, 2020  
<sup>6</sup> Geoffrey Moore, Inside the Tornado. 1995. Harper Collins. p. 38

## **Consolidation to Create Vertical “One-Stop Shops”**

Today’s sophisticated business owner is looking for a growing litany of services that require specialized skill sets in several disciplines, including healthcare, real estate and insurance. For BSOs, this means a balancing act of expanding services to meet complex client needs and attracting and retaining scarce talent to deliver consistent, high-quality results.

We are seeing this trend emerge in sectors where large companies, typically with 5,000 to 8,000 employees and \$1B revenue, are organizing services around market segments.

### **One-Stop Shop Benefits include**

- » Lower sales and marketing costs
- » Lower overhead for corporate general and administrative expenses
- » Enhanced revenue opportunities

---

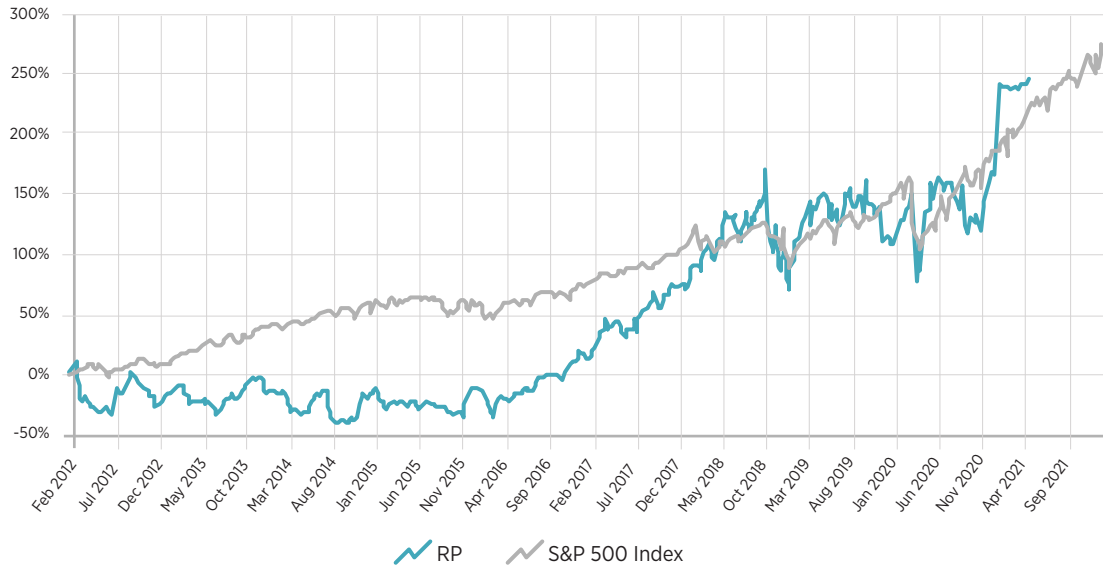
## **Resultant focuses on state and local government to provide a suite of solutions.**

---

The value improvement of RealPage as they added more services to their business, which serves the real estate industry, was significant. In 2016, they added additional businesses to their existing platform of technology and services. RealPage’s bundling strategy combined with their stronger recurring revenue contracts materially improved the valuation of their business.



## RealPage's Growth Regularly Outpaces the S&P 500<sup>7</sup>



## Attracting and Retaining Talent with Specialized Skills

### Rise of the Hybrid Workforce

#### **ADP Research Institute® Report Reveals the Gig Workforce Is Filling a Void in the Tight Labor Market<sup>8</sup>**

Contract life is a choice: More than 70% of 1099-M gig workers say they are working independently by their own choice, not because they can't find a "traditional" job. Most seem happy with gig work and place a premium on flexibility as a driving motivation behind their decision, over financial security or benefits. In fact, 60% of 1099-M gig workers say they will continue to gig for the next three years.

Gig work is not sporadic: More than half of the 1099-M contractors work for the same company for 12 consecutive months, just like any traditional W-2 employee.

<sup>7</sup> Barchart.com

<sup>8</sup> ADP Research Institute Report

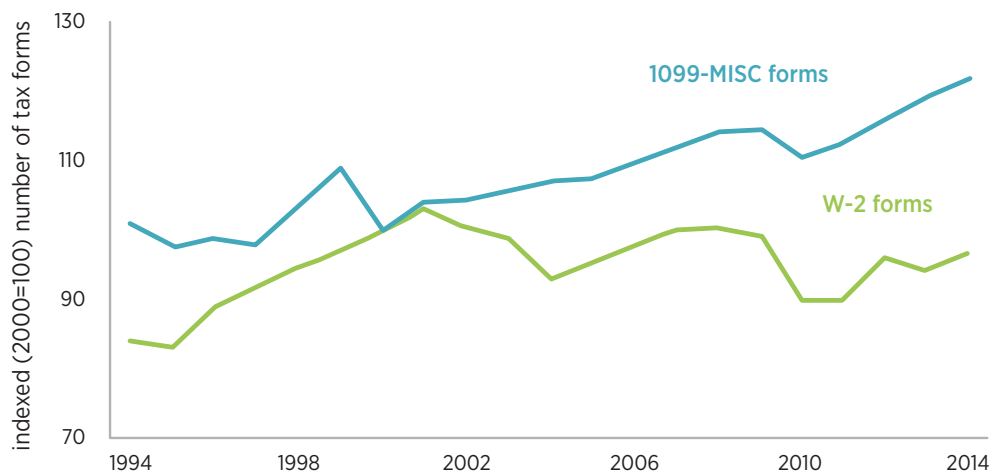
A key driver for the BSO customer is the increasing challenge to cost effectively attract and retain talent for roles throughout their business. The business disruption created by turnover and the market demands driving process improvement across all functions are pushing enterprises to outsource more business processes rather than distract management with human resource activities.

The demand for talented people with specialized skills in an information-driven world is an accelerating challenge for BSOs. The importance that customers, investors and acquirers of BSOs and other organizations are placing on the talent pool drives this to be both a BSO core competency and a value driver. In one case, a buyer used the headcount of critical talent as an acquisition metric for purchasing a BSO.

---

### Indexed Number of Tax Forms<sup>9</sup>

---



Note: The vertical axis does not begin at zero. Source: Author's calculations of IRS data.

### Retaining and engaging a full-time, highly skilled workforce is potentially difficult because:

- » Talent seeks challenging work situations.
- » Skill sets are fluid as services and features change.
- » Workers with specialized skills seek revenue streams from multiple sources to minimize income gaps that result from a business environment continuously in flux.

<sup>9</sup> Source: IRS data



Management teams that are developing attractive value propositions for employees are more prized than those that are not. It is beyond the scope of this paper to go into great detail, but we are observing several trends that appear to be opportunities and challenges worth watching.

Developing a broader mix of contract and part-time workers to attract and retain the specialty skills required to deliver competitive business services is essential. BSOs that can manage this accelerating trend may find themselves with significant advantages over their peers depending on the nature of the service and the market.

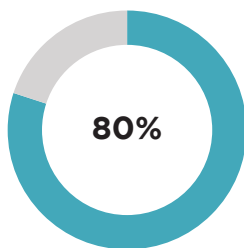
The expansion of a remote workforce preceded COVID-19, but the pandemic forced all businesses to institutionalize the practice in a way that will have a lasting impact on the delivery of business services.

Business services organizations will find receptive clients that no longer wish to manage a remote workforce, or, if clients require workers to be on-site, unable to attract skilled talent.

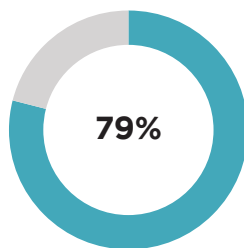
---

### Talent Seeks Remote Options<sup>10</sup>

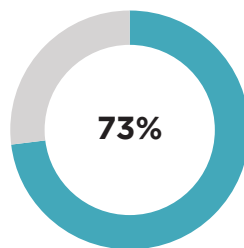
---



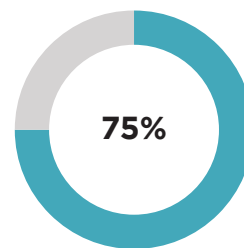
**80% of respondents** said their interviewing and hiring process is now fully remote



**79% of respondents** believe remote hiring can help improve diversity in their organizations



**73% of organizations** are satisfied with how remote work is going so far



**75% of organizations** feel satisfied with remote work technologies

<sup>10</sup> The Remote Hiring Trends 2021 report by Talview is based on a survey involving 145 HR leaders and practitioners from 20+ countries and top global brands such as Amazon, Disney and Uber. <https://bit.ly/3oCw13U>

## Supply and Demand Trends for Highly Specialized Skills

The rapid adoption of technology and increased skills specialization are driving the demand for workers with experience in highly specialized areas of management and business execution. The demand is outstripping the available source of this talent. This is a growth challenge for which BSOs must plan and creatively problem-solve.

---

“Businesses that want to keep up in an uncertain and rapidly changing world will need continuous access to the latest skills and the ability to deploy them effectively.” —Joseph Fuller,

A Strategic Approach to On-Demand Talent | BCG

---



---

### Workers Are in the Driver's Seat<sup>11</sup>

Candidates looking for a job aren't going to wait around, and they're open to full-time contracting.

Percentage of professionals who lose interest in a job if they don't hear back within two weeks of the initial interview:



Percentage of job candidates who will ghost the potential employer if they feel strung along:



Percentage of workers planning to look for a new job who want to pursue contracting as a career:

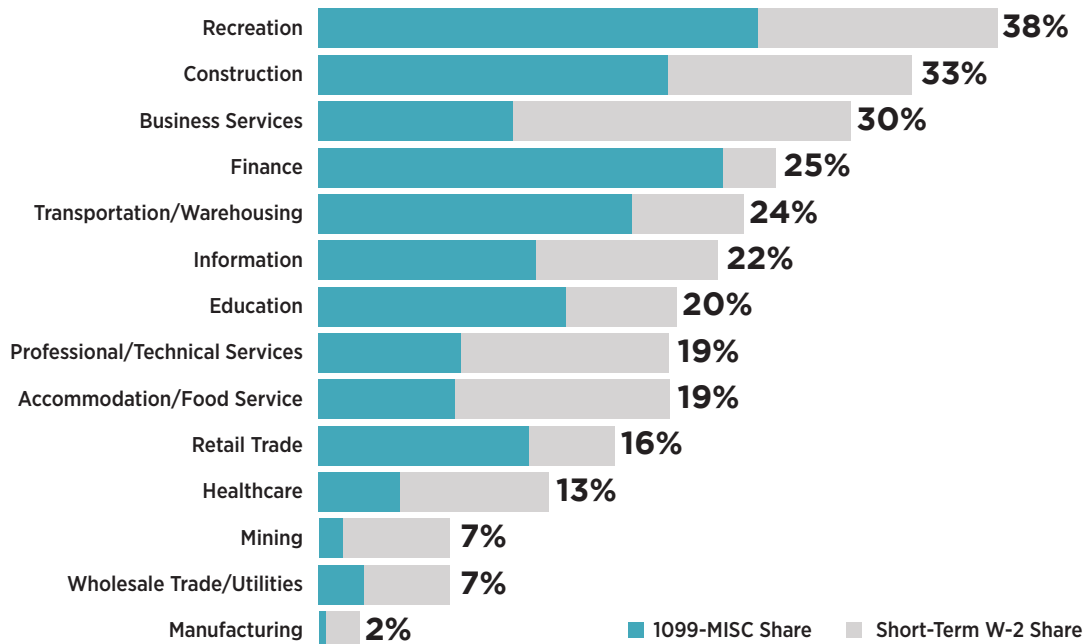


<sup>11</sup> <https://www.roberthalf.com/employment-trends-demand-for-skilled-talent>

## What Gig Work Really Looks Like<sup>12</sup>

	1099-MISC Contractors	Short-Term W-2 Employees
Irregular hours	84%	74%
Choose what you work on and how and when you do the work	59%	24%
Purchase your own equipment for the work	53%	15%
Work 30 hours or less per week	44%	45%
Predetermined end date or a contract with the option to renew	44%	29%
Work from home at least occasionally	37%	15%
Earn less than \$600 from at least one company in the next year	20%	14%
Hired and paid through online platform	16%	5%
Temp-to-perm or temp-to-hire	14%	12%

## Gig Worker Share Within Industry<sup>12</sup>



<sup>12</sup> ADP Research Institute® Report Reveals the Gig Workforce is Filling a Void in the Tight Labor Market - [intuitiveaccountant.com](https://www.intuitiveaccountant.com)

## Technology-Driven Delivery and Differentiation

### **Tech-Enabled Business Services and IT: The Ever-Increasing Adoption of Information Technology**

Technology solutions are the greatest threat to business services organizations because routine business processes are being automated with easily adopted SaaS platforms that deliver increased productivity. However, in the foreseeable future, even in the areas where advanced technology is delivering increased productivity, the talent necessary to maintain and operate these solutions, train staff and adopt new features remains outside of the core competency for many businesses and business processes.

To remain competitive, we see business services organizations investing in a combination of proprietary and off-the-shelf solutions. BSOs are typically adept at tailoring business process solutions in a manner that is difficult to replicate and creates value compared to alternatives.

Further, their focus, specialized management and workforces, can adopt new technology and resultant business process changes at a faster rate than businesses without their focus.

The adoption of technology in nearly every aspect of a business's processes will continue. BSOs remain at the early stages of this adoption, as many are still at low levels of automation. These companies will either automate to stay competitive or be purchased by already automated competitors who will grow as a result.

Most business owners looking to invest in automation are asking, "Where do I get the biggest ROI from my investment in automation?"

In our opinion, focusing on automation to increase margins or integration with clients makes the largest impact.

According to Grandview Research, "Digitization and a focus on streamlining business processes is accelerating demand for modern workflow automation management systems, a market forecast to increase from \$4.8 billion in 2018 to more than \$26 billion in 2025."

## Information Technology Focus

Virtually every business today is accelerating its deployment of information technologies in support of more mission-critical processes. Cloud computing, web-enabled tech solutions and software as a service have eliminated traditional infrastructure and asset cost barriers, while monthly and annual user subscription models enable tech adoption up and down category verticals.

Where IT departments and senior executives were once responsible for cost-intensive IT solutions that were narrowly focused and served relatively few business functions (accounting/ERP is the first and best example), now program and process managers are the likely tech consumers.

---

### The rise of technology-enabled services businesses has dramatically changed business models and their respective valuations.

---

Today, ANY business can research, purchase and implement several business process solutions from the web, and purchase them with a credit card. In just 10 years the idea that a business can purchase fully scalable enterprise resource planning, customer relationship management, recruiting, human resource information, accounts payable, sales force solution, marketing automation, ad placement, document management, project management, CAD design and more has dramatically changed the landscape for internal IT resources.

Where an IT department was once focused on a relatively narrow set of infrastructure support and business process solutions today, even a relatively small organization has, on order of magnitude, more solutions being implemented within their organization. This has outstripped an organization's ability to maintain the necessary talent to support these narrow solutions seen as mission critical to business managers. Even if they had budget to hire the needed talent, a typical enterprise struggles to attract the talent. This has driven the rise of narrowly focused IT professional organizations that have consulting, technical and support talent for the managers of a business to capture the full value of these new solutions.

## Staying Competitive

To stay competitive, manufacturers and distributors must provide product data and inventory information and make it simple to purchase on their websites. The complex systems needed to deliver this functionality require integration and maintenance among other systems. To manage these complexities, manufacturing and industrial supply merchants are reaching out to third parties, since hiring internal talent to implement and maintain these systems is not cost effective. So, in addition to entering into an agreement with a professional services vendor to implement this type of solution, these services are provided by BSOs that maintain the entire process for an enterprise. This includes a BSO that will implement the solution, continuously support process improvements and address internal and external customer support required for the solution.

Fast-forward to 2019, and infrastructure as a service, platforms as a service and software as a service have created a retail-like environment and a multi-hundred-billion-dollar industry.

But the initial rub remains. Demand for skilled tech talent equipped to deploy, maintain and deliver on technology's business promise is outpacing supply. The good news for BSOs is that companies large, medium and small are looking to third-party providers to address this challenge.

### **Issues of IT adoption that matter to BSOs:**

**Differentiation** – IT is a competitive advantage, so BSOs must adopt and expand IT offerings and expertise to thrive. In a world where SaaS solutions are becoming easier to discover, purchase, use and maintain, BSOs must adopt these solutions and continuously improve value around and beyond for their customers.

**Mission Critical** – Business continuity is a required consideration for smaller and smaller organizations. System replication and data backup are required. It's not enough to merely restore data from a system crash if the restoration process eliminates a business function that can't pause for a multiday or week rebuild.

**Tech Allows for Deeper Customer Integration** – Application programming interfaces, or APIs, are creating value by enabling deeper customer integration and lowering costs on both sides of the client/customer equation. Today, companies up and down category verticals are using APIs for myriad operational processes.

**Security Integration** – More businesses are securing key data within SaaS solutions or external BSOs. In fact, it's common for third-party services to digitally manage and store a company's entire document library. Examples include:

- » Outside law firms holding information about operations and business agreements
- » SaaS-based HR companies storing employee payroll and healthcare records
- » Payment-solution vendors keeping customer banking information and records



## Integrating into the Customer Infrastructure

### Integrated Business Services

Intercompany data integration began in the 1970s with the emergence of technologies such as electronic data integration and has evolved into advanced enterprise application integration in the last decade. Combined with advances, highly integrated collaborative solutions allow customers and their BSO partners to execute and behave as a real-time business. Typically, there is an initial solutions implementation, which includes security policies, mapping and connecting systems, process agreements and training.

As BSOs continue developing tightly integrated processes with their customers, they are increasingly seen as strategic partners rather than vendors. In addition to contract implications around service levels and security, this trend translates into longer-duration client contracts. These contracts are needed for the BSO and customers to recover the costs of implementations and setup. For a productive relationship, it is difficult for users to extricate themselves from what becomes very complex business processes and relationships.



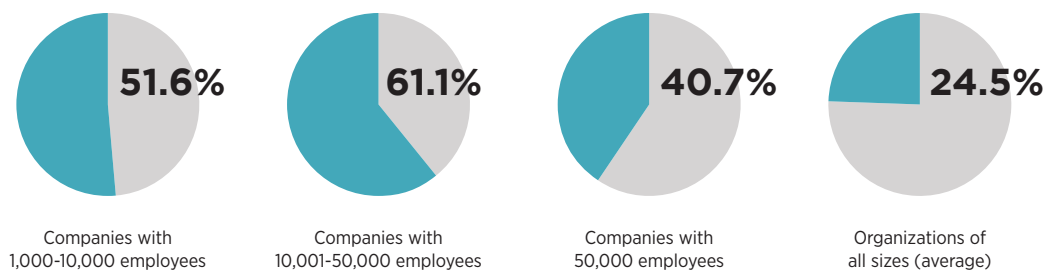
Consider the accounts payable function, which can be fully automated from end to end. AI-powered software eliminates the need for human data entry, assumes legal compliance responsibility and disburses invoices digitally across the globe. Once a company's accounts payable process resides within this type of specific SaaS ecosystem, the prospect of switching to an all-new virtual environment evaporates.

An integration example is the utility payment service at National Water and Power (NWP). When the company received the bill from the utility, it paid the bill. But integrating with the customer's accounting system was the real differentiator. When the bill was received, NWP entered it into the customer's accounting system as a payable; then when it was paid, it was posted as paid. Then NWP billed customers and those transactions were reported as receivables when the bills were sent out.

These activities were done with complete visibility to the customer. If the CFO at a large property management firm wanted to see outstanding bills, NWP could run reports the day after the bills were received. This integration made NWP essential for its customers and much harder to replace as a vendor.

## Small and Medium-Sized Businesses Integrating Offshore Services

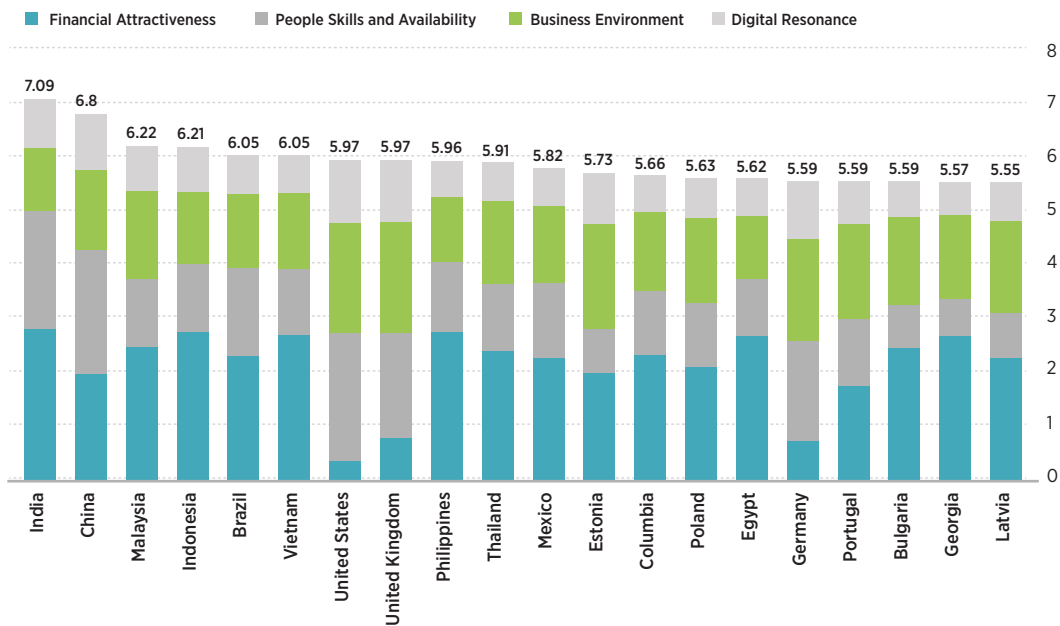
Nearly 30 years into the offshore outsourcing business model, BSO management teams have matured the processes and tools needed to successfully adopt and implement a global business model. As a result, the use of an offshore workforce has moved into small- and medium-sized businesses and specialty markets.





Business services appear particularly well suited for using offshore talent, since they have well-defined, automated processes for training, management and quality. Further, the automation of BSOs is increasingly based on web interfaces and centralized, or easily replicated, technology solutions, which are deployed to users around the globe, while security, development and management can be managed centrally.

### Leading Countries in Offshore Business Services Worldwide in 2021<sup>13</sup>



<sup>13</sup> Statista 2022

## Summary

Cascade Partners believes that enterprises will continue to evaluate which of their business processes are core to operations and which can be delivered by BSOs.

Business services organizations allow their customers to focus on core competitive activities within their business models. Driven by several favorable factors, the BSO category has grown into a multi-billion-dollar industry.

The business services sector has expanded rapidly, with continued growth projected for the near future. But changing dynamics in the workforce, combined with rapid adoption of technology to improve productivity and highly integrate and interconnect, BSOs to their customers, is changing the landscape. Those service organizations that rely solely on talent and historical reputation are getting left behind.

Change begets opportunity. Change creates the separations of those who embrace modern business practices, new business models and technology from those who remain stagnant. As we are beginning to see, manual processes performed by hardworking, talented people will be pushed aside by technology-enabled business practices, which will transform the business services market.

It will be more difficult to see and identify the difference between a “technology business” and a “technology-enabled services business.”

---

Invest or sell, we believe the winners and losers will be clearly marked by how they move forward in the next five years. If a BSO will not or cannot commit to becoming a tech-enabled business and adopt new business models to increase value, then it should consider taking advantage of the current rollup trend and sell to maximize value.

---

## Select Transactions

Closing Acquisition Date	Target Company	Medical Specialty	Acquirer
1/10/22	Integrated Laboratory Systems, Inc.	Commercial and Professional Services (Primary)	Inotiv, Inc. (NasdaqCM:NOTV)
1/10/22	Paragon Development Systems, Inc.	IT Services (Primary)	Converge Technology Solutions Corp. (TSX:CTS)
1/5/22	LINICO Corporation	Commercial and Professional Services (Primary)	Comstock Mining Inc. (NYSEAM:LODE)
1/4/22	Lodging Access Systems, LLC	Commercial and Professional Services (Primary)	Avery Products Corporation
1/4/22	International Master Product Corp.	Commercial and Professional Services (Primary)	Avery Products Corporation
12/31/21	Community Tax, LLC	Commercial and Professional Services (Primary)	NextPoint Financial, Inc. (TSX:NPF.U)
12/29/21	Correlate, Inc.	IT Services (Primary)	TRICCAR, Inc. (OTCPK:TCCR)
12/17/21	Mt. Pulaski Water and Wastewater Systems	Commercial and Professional Services (Primary)	Illinois American Water Company
12/16/21	Media Link, LLC.	Commercial and Professional Services (Primary)	United Talent Agency, LLC
12/16/21	Agento Marketing	Commercial and Professional Services (Primary)	Urbanimmersive Inc. (TSXV:UI)
12/15/21	Four Warehouses in Coral Springs	Commercial and Professional Services (Primary)	Pool 3 Industrial FL LLC
12/14/21	CompuGain LLC	IT Services (Primary)	Unisys Corporation (NYSE:UIS)
12/13/21	EnCompass Education Solutions, Inc.	Commercial and Professional Services (Primary)	LifeSpeak Inc. (TSX:LSPK)
12/13/21	DevCool Inc.	IT Services (Primary)	Healthcare Triangle, Inc. (NasdaqCM:HCTI)
12/9/21	Clarion Safety Systems, LLC	Commercial and Professional Services (Primary)	CNL Strategic Capital Management, LLC
12/8/21	Exela Technologies, Inc. (NasdaqCM:XELA)	IT Services (Primary)	B. Riley Securities, Inc.
12/8/21	Substantially all of the Assets of InStream Environmental, LLC	Commercial and Professional Services (Primary)	Quest Resource Management Group, LLC
12/7/21	A pair of cold storage warehouses in Miami-Dade County	Commercial and Professional Services (Primary)	Apollo Global Management, Inc. (NYSE:APO); Banner Property Group
12/3/21	American Security Shredding Corp.	Commercial and Professional Services (Primary)	RediShred Capital Corp. (TSXV:KUT)
12/1/21	OPIN Inc.	IT Services (Primary)	Portage CyberTech Inc.
12/1/21	Services and Industrial Staffing Businesses	Commercial and Professional Services (Primary)	Gulf Island Services, L.L.C.
11/24/21	Agence Immophoto Inc.	Commercial and Professional Services (Primary)	Urbanimmersive Inc. (TSXV:UI)

Closing Acquisition Date	Target Company	Medical Specialty	Acquirer
11/22/21	Entira, Inc.	Commercial and Professional Services (Primary)	Sustainable Oils, Inc.
11/12/21	Certain Assets of SWK Technologies, Inc.	IT Services (Primary)	Net@Work, Inc.
11/9/21	All Assets of Bora Payment Systems, LLC	IT Services (Primary)	Bottomline Technologies, Inc. (NasdaqGS:EPAY)
11/8/21	Catapult Systems, LLC	IT Services (Primary)	Quisitive, LLC
11/4/21	Horizon Water and Environment, LLC	Commercial and Professional Services (Primary)	Montrose Environmental Group, Inc. (NYSE:MEG)
11/2/21	Codifyd, Inc.	IT Services (Primary)	Pivotree Inc. (TSXV:PVT)
11/2/21	Data Driven Safety, LLC	IT Services (Primary)	Verisk Analytics, Inc. (NasdaqGS:VRSK)
11/1/21	Karani, LLC	Commercial and Professional Services (Primary)	Hudson Global Resources Management, Inc.
11/1/21	Microsoft Dynamics SMB business unit	IT Services (Primary)	ENAVATE Holdings, LLC
10/28/21	RED74, LLC	IT Services (Primary)	Cerberus Cyber Sentinel Corporation (OTCPK:CISO)
10/25/21	DeFi Yield Technologies Inc.	IT Services (Primary)	AQRU plc (OFEX:AQRU)
10/25/21	Infostar LLC	IT Services (Primary)	Tech Mahindra (Americas), Inc.
10/22/21	Lore IO, Inc.	IT Services (Primary)	Alteryx, Inc. (NYSE:AYX)
10/21/21	Lucas Associates, Inc.	Commercial and Professional Services (Primary)	Korn Ferry (NYSE:KFY)
10/20/21	Source Environmental, Inc.	Commercial and Professional Services (Primary)	Heritage-Crystal Clean, Inc (NasdaqGS:HCCI)
10/7/21	Atlantic Technology Systems, Inc./ Atlantic Technology Enterprises, Inc	IT Services (Primary)	Cerberus Cyber Sentinel Corporation (OTCPK:CISO)
10/6/21	Certain Assets of USA Processing, Inc.	Commercial and Professional Services (Primary)	Evolution Payroll Processing LLC
10/4/21	LPA Software Solutions, LLC	IT Services (Primary)	Converge Technology Solutions Corp. (TSX:CTS)
10/4/21	Substantially all of the assets and certain liabilities of Praxis Consulting, Inc.	Commercial and Professional Services (Primary)	Crawford & Company (NYSE:CRD.B)
10/4/21	Ravix Group, Inc.	Commercial and Professional Services (Primary)	Kingsway America, Inc.
10/4/21	Array Holding Company, Inc.	IT Services (Primary)	CGI Federal Inc.
10/1/21	Rx Pro Services LLC	Commercial and Professional Services (Primary)	Afya Limited (NasdaqGS:AFYA)
9/30/21	Cella, Inc.	Commercial and Professional Services (Primary)	Randstad North America, Inc.
9/29/21	Software Corporation International	IT Services (Primary)	Persistent Systems Limited (BSE:533179)
9/29/21	Incite Marketing Planning Limited/Incite New York LLC	Commercial and Professional Services (Primary)	Strat7 Group Limited
9/28/21	All assets of NFT Procurement Ltd.	IT Services (Primary)	Stargaze Entertainment Group Inc. (OTCPK:STGZ)

Closing Acquisition Date	Target Company	Medical Specialty	Acquirer
9/21/21	Blink Interactive, Inc.	IT Services (Primary)	MphasiS Corp.
9/17/21	Jevo Holdings, LLC	IT Services (Primary)	JCE Investments, LLC
9/14/21	Capitol Consultants, Inc.	Commercial and Professional Services (Primary)	Michael Best Strategies LLC
9/13/21	Substantially All Assets of Tri-Wire Engineering Solutions, Inc.	IT Services (Primary)	ITG Communications, LLC
9/13/21	TRACEPOINT LLC	IT Services (Primary)	Booz Allen Hamilton Inc.
9/9/21	Holu Hou Energy LLC	Commercial and Professional Services (Primary)	Borqs Technologies, Inc. (NasdaqCM:BRQS)
9/9/21	Monark Mini-Warehouse, LLC	Commercial and Professional Services (Primary)	Monark Self Storage LLC
9/7/21	Ethereum Mining and Hosting Operations Assets of Blackcloud Crypto Investments	IT Services (Primary)	Westblock Capital Inc.
9/3/21	AFA Protective Systems, Inc.	Commercial and Professional Services (Primary)	Corbett Technology Solutions, Inc.
9/1/21	Star Waggons, Inc.	Commercial and Professional Services (Primary)	Hudson Pacific Properties, Inc. (NYSE:HPP)
9/1/21	Access Control Technologies, LLC	Commercial and Professional Services (Primary)	Janus International Group, Inc. (NYSE:JBI)
8/31/21	Odyssey Marine Exploration, Inc. (NasdaqCM:OMEX)	Commercial and Professional Services (Primary)	Greywolf Capital Management LP; Fourworld Capital Management LLC; Drumcliffe Partners IV SMA1, LLC
8/30/21	Substantially All of the Assets of Novo Group Inc.	Commercial and Professional Services (Primary)	Recruiter.com Group, Inc. (NasdaqCM:RCRT)
8/28/21	Pioneer on the Lake, LLC	Commercial and Professional Services (Primary)	Concordia Lutheran Health and Human Care
8/27/21	Kenyon International Emergency Services, Inc.	Commercial and Professional Services (Primary)	Air Partner plc (LSE:AIR)
8/26/21	Bridge Solutions Group Corp	IT Services (Primary)	Pivotree Inc. (TSXV:PVT)
8/23/21	All of the Assets and Business of Spectrum Technology Solutions, LLC	IT Services (Primary)	iCoreConnect Inc. (OTCPK:ICCT)
8/23/21	All of Assets of Crypto Kiosk Inc.	IT Services (Primary)	Bitcoin Well Inc. (TSXV:BTCW)
8/20/21	Stratus Payment Solutions, LLC	IT Services (Primary)	Electronic Payment Providers, Inc.
8/19/21	Village of Livingston Water and Wastewater Systems	Commercial and Professional Services (Primary)	Illinois American Water Company
8/18/21	Coleman Research Group, Inc.	Commercial and Professional Services (Primary)	VisasQ Inc. (TSE:4490)
8/18/21	Assets of Minerset LLC	IT Services (Primary)	BlockQuarry Corp. (OTCPK:ISWH)
8/16/21	Lyell Environmental Services Inc	Commercial and Professional Services (Primary)	Deep Green Waste & Recycling, Inc. (OTCPK:DGWR)
8/16/21	Segin Systems Inc.	IT Services (Primary)	Porch Group, Inc. (NasdaqCM:PRCH)
8/9/21	Vertical Distilling, LLC	Commercial and Professional Services (Primary)	Wildpack Beverage Inc. (TSXV:CANS)

Closing Acquisition Date	Target Company	Medical Specialty	Acquirer
8/6/21	Leaders and Co., Consulting in Governance and Leadership Inc.	Commercial and Professional Services (Primary)	Hire Technologies Inc. (TSXV:HIRE)
8/5/21	Coldco Logistics West LLC	Commercial and Professional Services (Primary)	Americold Realty Trust (NYSE:COLD)
8/4/21	Assets of Bayfield Design	Commercial and Professional Services (Primary)	D2L Inc. (TSX:DTOL)
8/4/21	Three distribution warehouses in Chicago	Commercial and Professional Services (Primary)	Granite Real Estate Investment Trust (TSX:GRT.UN)
7/30/21	Clean Carbon Equity Inc	Commercial and Professional Services (Primary)	Link Global Technologies Inc. (CNSX:LNK)
7/30/21	Greenstar Plant Products, Inc.	Commercial and Professional Services (Primary)	Hydrofarm Holdings Group, Inc. (NasdaqGS:HYFM)
7/28/21	Encore Software Services, Inc.	IT Services (Primary)	Sonata Software North America Inc.
7/19/21	General Genetics Corporation	Commercial and Professional Services (Primary)	Genetic Technologies Limited (ASX:GTG)
7/19/21	Video Surveillance Portfolio and Assets of Pivot3, Inc.	IT Services (Primary)	Quantum Corporation (NasdaqGM:QMCO)
7/16/21	DeFi Yield Technologies Inc.	IT Services (Primary)	ThreeD Capital Inc. (CNSX:IDK)
7/16/21	Plum Paper- LLC	Commercial and Professional Services (Primary)	Avery Products (Canada)
7/14/21	Remedial Construction Services, L.P.	Commercial and Professional Services (Primary)	Keller Group plc (LSE:KLR)
7/8/21	American Leak Detection Franchises in Las Vegas and Phoenix	Commercial and Professional Services (Primary)	Water Intelligence plc (AIM:WATR)
7/6/21	Environmental Intelligence, LLC	Commercial and Professional Services (Primary)	Montrose Environmental Group, Inc. (NYSE:MEG)
7/5/21	Scientific Aviation, Inc.	Commercial and Professional Services (Primary)	ChampionX Corporation (NasdaqGS:CHX)
7/1/21	Northeast Florida Franchise	Commercial and Professional Services (Primary)	Water Intelligence plc (AIM:WATR)
6/28/21	AZ Custom Bottled Water LLC	Commercial and Professional Services (Primary)	Hiru Corporation (OTCPK:HIRU)
6/24/21	Substantially all the Assets of VirtualArmour International Inc.	IT Services (Primary)	Evergreen Services Group LLC
6/21/21	832 Energy Technology Consultants Limited Liability Company	Commercial and Professional Services (Primary)	Everything Blockchain, Inc. (OTCPK:OBTX)
6/14/21	Portfolio of Two Distribution Warehouses in California	Commercial and Professional Services (Primary)	Westcore Properties Inc.
6/9/21	Ksolves LLC, USA	IT Services (Primary)	Ksolves India Limited (NSEI:KSOLVES)
6/8/21	Wildlife Specialists, LLC	Commercial and Professional Services (Primary)	DarkPulse, Inc. (OTCPK:DPLS)
6/8/21	SDK:meta, LLC	IT Services (Primary)	DeFi Technologies Inc. (DB:RMJ)
6/7/21	PET Recycling and Pelletization Facility in Pennsylvania United States	Commercial and Professional Services (Primary)	ALPEK, S.A.B. de C.V. (BMV:ALPEK A)



Closing Acquisition Date	Target Company	Medical Specialty	Acquirer
6/3/21	American Process Group (Canada) Ltd.	Commercial and Professional Services (Primary)	Sanexen Environmental Services Inc.
6/2/21	American Leak Detection Franchise in Reno, Nevada	Commercial and Professional Services (Primary)	Water Intelligence plc (AIM:WATR)
6/2/21	MCP of California, Inc.	Commercial and Professional Services (Primary)	Xerox Holdings Corporation (NasdaqGS:XRX)
6/1/21	Coinsquare Ltd.	IT Services (Primary)	Mogo Inc. (TSX:MOGO)
6/1/21	BGI Retail Inc.	Commercial and Professional Services (Primary)	Transcontinental Inc. (TSX:TCL.A)
6/1/21	Montreal Tank Wash Inc.	Commercial and Professional Services (Primary)	Trimac Transportation Services Inc.
5/27/21	Riverside, California plant of CarbonLite Holdings LLC	Commercial and Professional Services (Primary)	The Sterling Group, L.P.
5/25/21	Northeast Merchant Services, Inc.	IT Services (Primary)	GreenBox POS (NasdaqCM:GBOX)
5/24/21	Substantially all of the assets and certain liabilities of Redeem, LLC	IT Services (Primary)	Troika Media Group, Inc. (NasdaqCM:TRKA)
5/24/21	JSI Store Fixtures, Inc.	Commercial and Professional Services (Primary)	LSI Industries Inc. (NasdaqGS:LYTS)
5/21/21	Maryland Core, Inc.	Commercial and Professional Services (Primary)	Elemental Holding S.A.
5/20/21	Lionpoint Holdings, Inc.	Commercial and Professional Services (Primary)	Alpha Financial Markets Consulting plc (AIM:AFM)
5/20/21	Certain Assets of Sureline Systems Inc.	IT Services (Primary)	Persistent Systems Limited (BSE:533179)
5/19/21	All the assets of Upstate Metrology Inc.	Commercial and Professional Services (Primary)	Transcat, Inc. (NasdaqGM:TRNS)
5/17/21	Assets of Tana Ag Solutions Group LLC	Commercial and Professional Services (Primary)	Deveron Corp. (TSXV:FARM)
5/15/21	M3bi, LLC	IT Services (Primary)	Zensar Technologies, Inc.
5/14/21	IT Cats, LLC	IT Services (Primary)	Sagarsoft (India) Limited (BSE:540143)
5/14/21	Beyond the Moon Inc.	IT Services (Primary)	Graph Blockchain Inc. (CNSX:GBLC)
5/13/21	Coinsquare Ltd.	IT Services (Primary)	Mogo Inc. (TSX:MOGO)
5/13/21	Stockell Consulting, LLC	IT Services (Primary)	Magic Software Enterprises Ltd. (NasdaqGS:MGIC)
5/12/21	Lumbermens Credit Group Ltd.	Commercial and Professional Services (Primary)	Crown Capital Partners Inc. (TSX:CRWN)
5/12/21	Sourced Group Inc.	IT Services (Primary)	Amdocs Limited (NasdaqGS:DOX)
5/11/21	PRC Stoney Creek Corp./Penady (Stoney Creek) Ltd.	Commercial and Professional Services (Primary)	PenEquity Development LP
5/10/21	All Assets Of FOOi Inc.	IT Services (Primary)	Xigem Technologies Corporation (CNSX:XIGM)
5/10/21	Consulting division of Everest Group	Commercial and Professional Services (Primary)	Wavestone SA (ENXTPA:WAVE)
5/10/21	Brighter Vision Web Solutions, Inc.	IT Services (Primary)	EverCommerce Inc. (NasdaqGS:EVCM)

Closing Acquisition Date	Target Company	Medical Specialty	Acquirer
5/6/21	Access Networks, Inc.	IT Services (Primary)	Wirepath Home Systems, LLC
5/6/21	Liberty Freezers London Ltd.	Commercial and Professional Services (Primary)	Americold Realty Trust (NYSE:COLD)
5/5/21	Empire Services Inc.	Commercial and Professional Services (Primary)	Greenwave Technology Solutions, Inc. (OTCPK:MSRT)
5/4/21	DigIn Technologies LLC	IT Services (Primary)	FINEOS Corporation Holdings plc (ASX:FCL)
5/3/21	Proshred Richmond Business	Commercial and Professional Services (Primary)	RediShred Capital Corp. (TSXV:KUT)
4/30/21	Business assets and undertakings of Airovant, LLC	Commercial and Professional Services (Primary)	Pointerra Limited (ASX:3DP)
4/28/21	Layer2 Blockchain Inc.	IT Services (Primary)	Prophecy DeFi Inc. (CNSX:PDFI)
4/28/21	Sense Corp	IT Services (Primary)	CGI Inc. (TSX:GIB.A)
4/28/21	Entrefuse Inc.	Commercial and Professional Services (Primary)	Franklin Covey Client Sales, Inc.
4/28/21	Advantech IT, LLC	IT Services (Primary)	iCoreConnect Inc. (OTCPK:ICCT)
4/28/21	Net Zero Waste Abbotsford Inc.	Commercial and Professional Services (Primary)	EverGen Infrastructure Corp. (TSXV:EVGN)
4/26/21	Blue Parasol Group, LLC	IT Services (Primary)	Paya Holdings Inc. (NasdaqCM:PAYA)
4/19/21	DigitalOnUs, Inc./DigitalOps Technology Private Limited	IT Services (Primary)	Tech Mahindra (Americas), Inc.; Tech Mahindra Limited (NSEI:TECHM)
4/16/21	Bolder BioPATH, Inc.	Commercial and Professional Services (Primary)	Inotiv, Inc. (NasdaqCM:NOTV)
4/16/21	Farmobile LLC	Commercial and Professional Services (Primary)	Ag Growth International Inc. (TSX:AFN)
4/15/21	Terp Wholesale, LLC	Commercial and Professional Services (Primary)	Blackhawk Growth Corp. (CNSX:BLR)
4/14/21	Ecocred, LLC	Commercial and Professional Services (Primary)	Facedrive Inc. (TSXV:FD)
4/14/21	Sysorex, Inc.	IT Services (Primary)	Sysorex, Inc. (OTCPK:SYSX)
4/12/21	UStorage USA	Commercial and Professional Services (Primary)	Holiday Island Holdings, Inc. (OTCPK:HIHI)
4/9/21	Kitchens To Go, LLC	Commercial and Professional Services (Primary)	Mobile Modular Management Corporation
4/7/21	.club and .design and 28 domain extensions and certain business assets of MMX	IT Services (Primary)	Registry Services, LLC
4/7/21	Tellenger, Inc.	IT Services (Primary)	WaveDancer, Inc. (NasdaqCM:WAVD)
4/6/21	Business Talent Group, LLC	Commercial and Professional Services (Primary)	Heidrick & Struggles International, Inc. (NasdaqGS:HSII)
4/1/21	Level LLC	IT Services (Primary)	Endava plc (NYSE:DAVA)
4/1/21	Sarah Adult Day Services, Inc.	Commercial and Professional Services (Primary)	Innovative MedTech Inc. (OTCPK:IMTH)

## About Cascade Partners

Cascade Partners is a boutique investment banking firm focused on middle-market businesses in industrials, healthcare and business services. Business services are a passion and specialty at Cascade Partners. With more than 150 years of combined experience, we work with business owners and shareholders to achieve their objectives and explain the impact and opportunity of their options. We have experience beyond just being transaction advisors, too. We have been operators, served on boards and made personal investments in services firms. From buy-side and sell-side advisory services to securing growth financing or recapitalizing your business, our expertise and insight goes beyond the economic factors of the deal. We would welcome the opportunity to discuss your situation and options.

<p>Buy-Side Advisor</p>  <p>has acquired</p> 	<p>Sell-Side Advisor</p>  <p>has completed a minority recapitalization with</p> 	<p>Financing</p>  <p>has secured growth capital from</p>  <p>to acquire</p> 	<p>Sell-Side Advisor</p>  <p>has been acquired by</p>  <p>a portfolio company of</p> 	<p>Sell-Side Advisor</p>  <p>was acquired by</p> 
<p>Sell-Side Advisor</p>  <p>sold its taxi division, including</p>  <p>to</p> 	<p>Sell-Side Advisor</p>  <p>was acquired by</p> 	<p>Sell-Side Advisor</p>  <p>was acquired by</p> 	<p>Financing</p>  <p>has secured unitranche financing from</p> 	<p>Buy-Side Advisor</p>  <p>has acquired</p> 

## Contact Us:

**Rajesh U. Kothari, CFA**  
 248.430.7723  
 rajk@cascade-partners.com

**Jon C. Doehr**  
 216.404.7560  
 jond@cascade-partners.com

**Ron R. Reed**  
 248.419.1466  
 ronr@cascade-partners.com