



# **BUSINESS SERVICES**

*Quarterly Update  
Third Quarter 2020*



RESTRUCTURING • INVESTMENT BANKING • DISTRESSED ASSET SUPPORT SERVICES

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# Q3 2020 Highlights

## November 2020

The SCA Business Services Index increased by 4.9% in Q3 2020, compared to a 16.5% increase in the S&P 500. While most Business Services sectors experienced a level of stabilization during the quarter, almost every area is adapting to a new normal in which year-over-year sales are expected to be down anywhere from 15% to more than 50% as compared to 2019. A recent survey by *Staffing Industry Analyst* reported temporary staffing revenues are expected to decline by 17% in 2020 with several subsectors down over 30%. Similarly, a recent survey by *Chief Marketer* projected corporate marketing budgets being reduced by 50% as companies eliminate corporate entertaining, tradeshows, and even elements of digital advertising. A bright spot remains in IT spending, as companies invest in enhanced infrastructure to facilitate expanded ecommerce, virtual customer meetings and work from home employees.

The timing for a rebound in demand for employment services, marketing services and traditional consulting will be highly dependent on the general economic recovery and the ability to address challenges created by the pandemic.

While M&A activity was down significantly in Q3 2020, we continued to see a number of strategic consolidation transactions as well as selected private equity recapitalizations in the IT services sector. Notable transactions include:

- Accenture's (NYSE: ACN) acquisition of N3, an Atlanta-based outsourced inside sales firm with over 2,200 employees
- ASGN Inc.'s (NYSE: ASGN) acquisition of Skyris LLC, one of the largest providers of remote sensing scientists and data scientists to the National Geospatial-Intelligence Agency
- Stone Point Capital's acquisition of Bullhorn, a leading provider of software to staffing firms
- The merger of Triage LLC, a leading provider of nurse staffing and MSP support, with Taleded, LLC to form a combined travel and allied staffing firm with over \$200 million in annual revenues

Given the level of capital available from both strategic consolidators and private equity, we anticipate a significant pick-up in M&A activity in 2021.

We welcome your comments and hope you find our *SOLICconnect* report informative.



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# Recent Representative Engagements \*

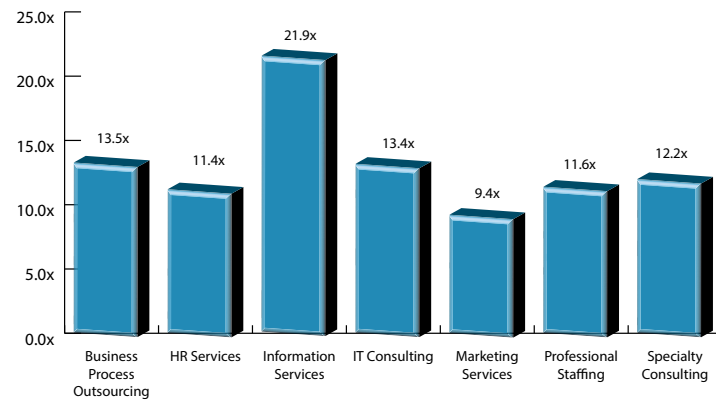
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<b>HEALTHCARE</b>	 has merged with  Financial Advisor to Rockford Health System	\$75,000,000  has affiliated with  Financial Advisor to Community Memorial Healthcenter	\$690,600,000 Sale of Assets on behalf of  MedCath Corporation (Nasdaq: MDTH) Sell Side Advisor	 has acquired an interest in  Financial Advisor to Physician Members of Siouxland Surgery Center
<b>FINANCIAL SERVICES</b>	\$100,000,000 Capital Placement  Placement Agent and Financial Advisor	\$750,000,000 Assets under Management  Fiduciary Oversight	\$150,000,000 Sale of REO Portfolio  Sell Side Advisor	\$4,500,000,000 of Assets  Financial Advisor
<b>REAL ESTATE AND INFRASTRUCTURE</b>	\$357,000,000  has been acquired by  Sell Side Advisor	\$118,000,000 Sale of senior notes secured by property located at 610 Lexington Avenue New York  Financial Advisor	\$212,320,000 Debt Restructuring  The Westland Project Albuquerque, New Mexico Financial Advisor	\$87,000,000 Debt Restructuring for the Illinois Tollway Oasis Project  Financial Advisor
<b>ENERGY</b>	Pre Restructuring Invested Capital of Over \$800,000,000  Financial and Restructuring Advisor in Connection with Chapter 11 Bankruptcy	\$240,600,000 Restructured Debt  Restructuring Advisor	 Financial Advisor to Chairman of the Board and its Disinterested Directors in Connection with Chapter 11 Bankruptcy	 Pasadena Tank Corporation has merged with  HMT, Inc. a company sponsored by Berkshire Partners LLC Financial Advisor to Pasadena Tank Corporation
<b>MANUFACTURING, BUSINESS SERVICES, OTHER</b>	 has acquired  Tandem Staffing Solutions, Inc. an affiliate of Cerberus Capital Management Buy Side Advisor	 has been acquired by  (TSX:SMT) Sell Side Advisor	 Tensor Corporation has completed a capital restructuring of \$280,000,000 of senior debt and \$100,000,000 of subordinated debt Financial Advisor	\$177,000,000  has been acquired by  a Company Sponsored by  Buy Side Advisor

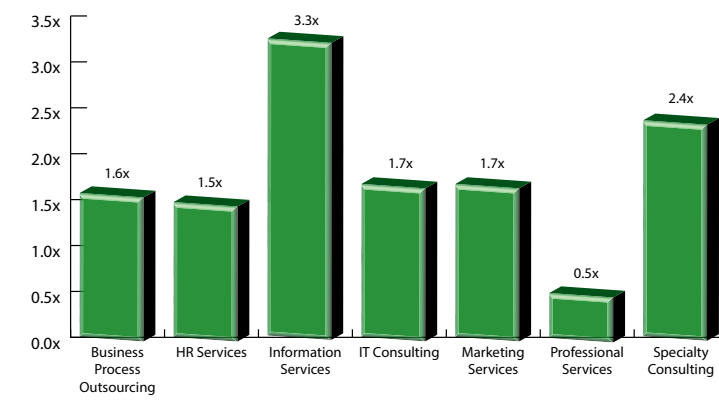
\* Includes transactions led by the team of SOLIC professionals at predecessor firms

# Market Overview

Enterprise Value to NTM EBITDA by SCA Sector

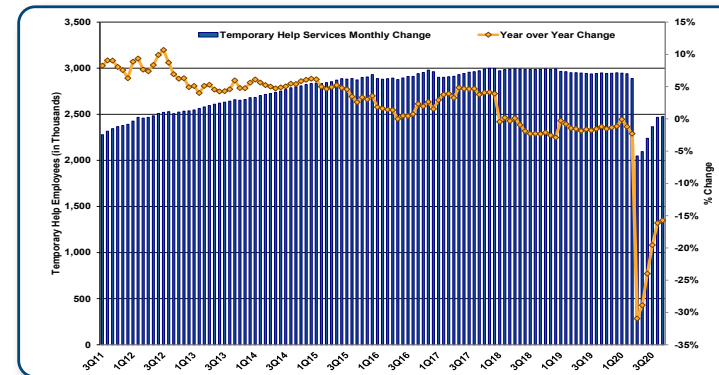


LTM Annual Revenue Growth by SCA Sector

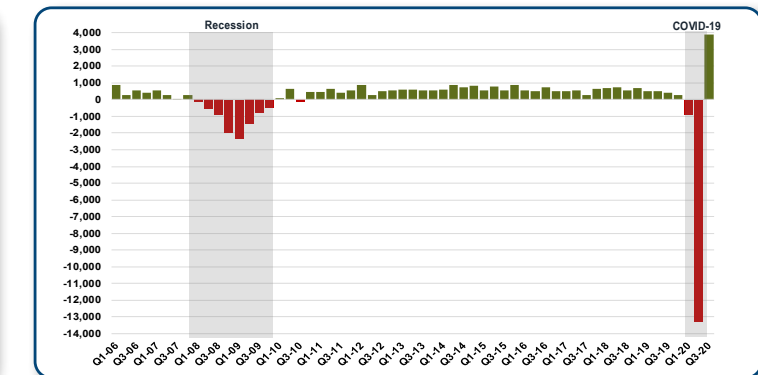


EBITDA valuation multiples increased as Revenue multiples stayed steady in Q3 2020, while reported deal volume decreased significantly from the previous quarter.

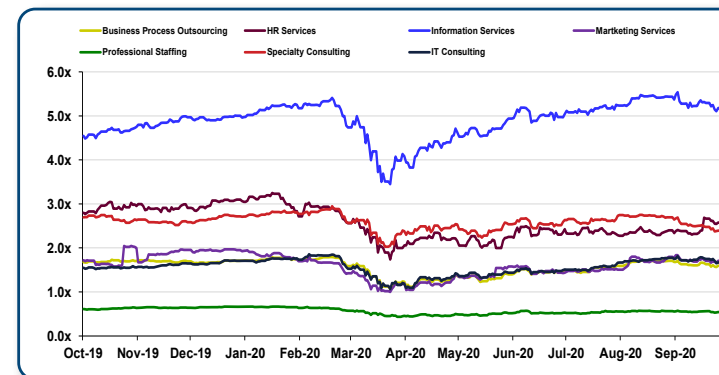
Temporary Help Services Trends



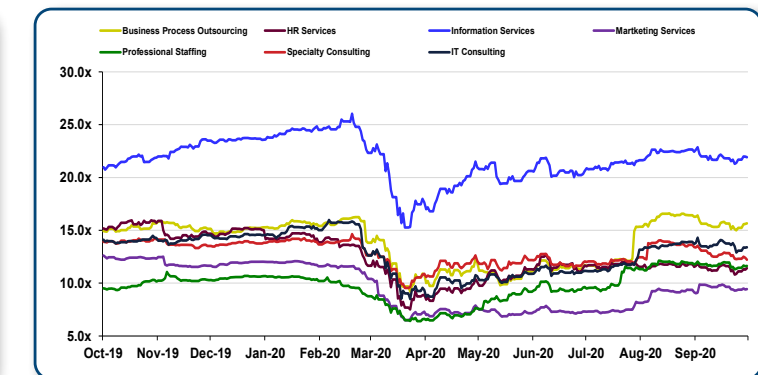
Net Change in U.S. Employment



Business Services Sectors Total Enterprise Value / Revenue



Business Services Sectors Total Enterprise Value / EBITDA

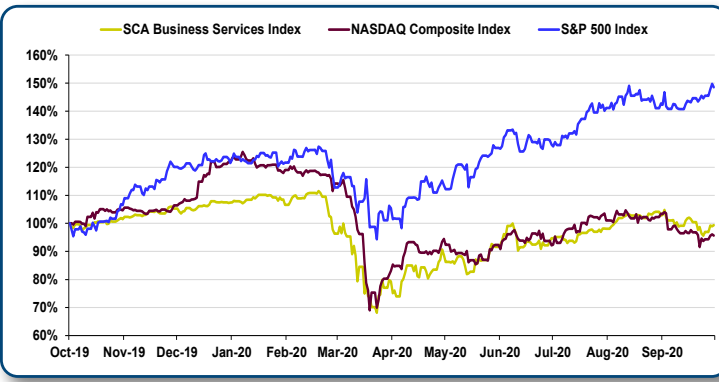


\* Please see pages 20-23 for SCA Business Services Universe and additional information in the Notes section at the end of this report

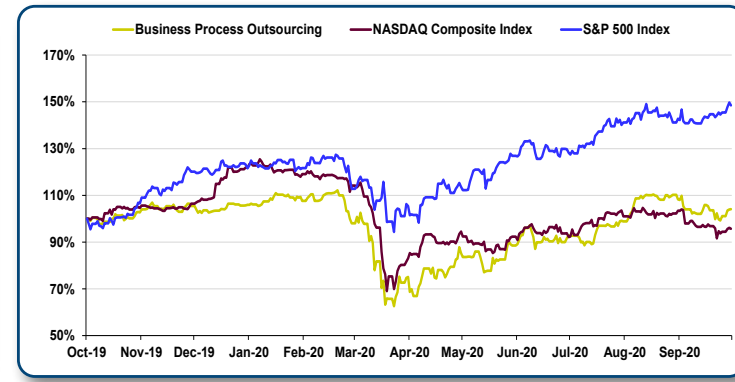
# Sector Stock Performance (one year)



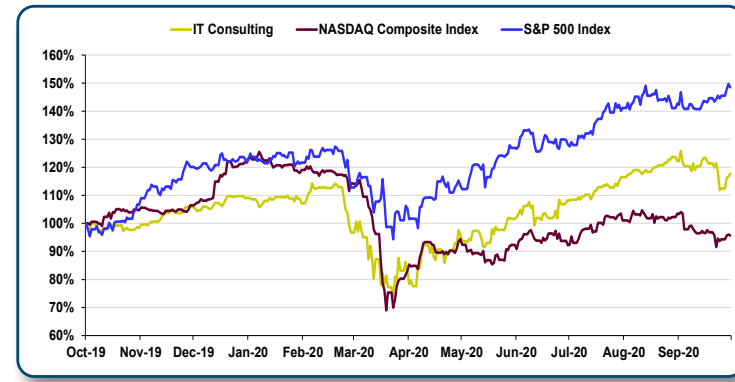
SCA Business Services Universe vs. S&P 500



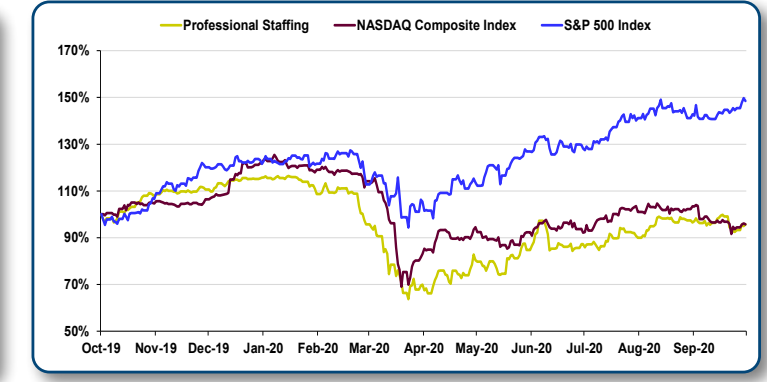
SCA Business Process Outsourcing Sector vs. S&P 500



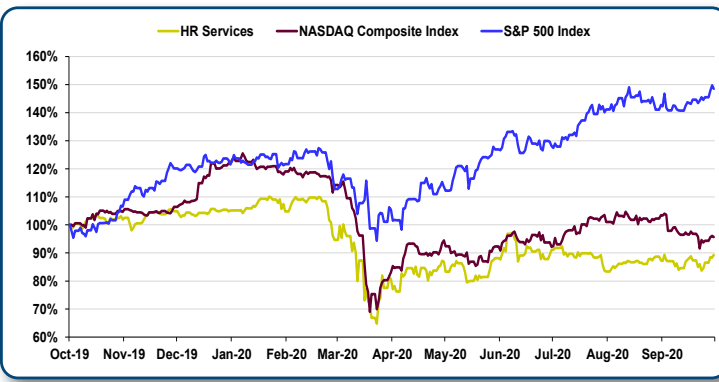
SCA IT Consulting Sector vs. S&P 500



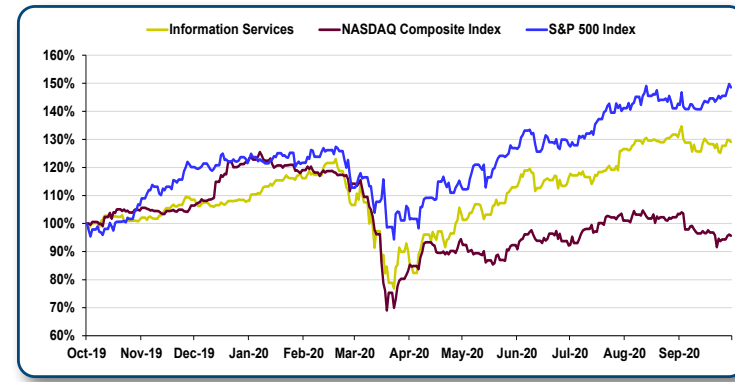
SCA Professional Staffing Sector vs. S&P 500



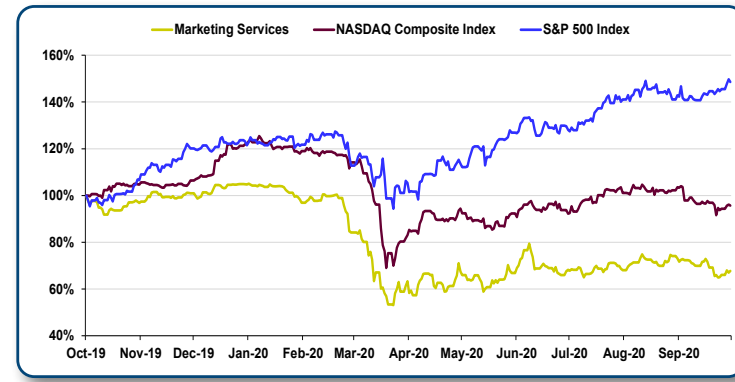
SCA HR Services Sector vs. S&P 500



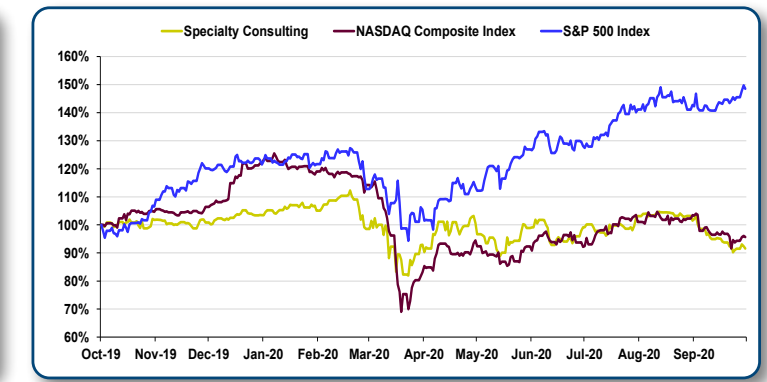
SCA Information Services Sector vs. S&P 500



SCA Marketing Services Sector vs. S&P 500



SCA Specialty Consulting Sector vs. S&P 500



\* Please see pages 20-23 for SCA Business Services Universe and additional information in the Notes section at the end of this report



# Notable Industry Developments



### Record High Employment Increase of +3.9 Million in Q2-2020, Still Down -10.3 Million YTD

According to the Bureau of Labor Statistics, total nonfarm payroll employment rose by +661,000 to 141.7 million in September, following larger gains in the prior four months. The unemployment rate declined 3.2 percentage points between Q2-2020 and Q3-2020, from 11.1% to 7.9%, respectively. These improvements in the labor market reflect the continued resumption of economic activity that had been curtailed due to the coronavirus pandemic and efforts to keep COVID-19 contained. In September, notable job gains occurred in leisure and hospitality (+318,000), accounting for almost half of the gain in total nonfarm employment, retail trade (+142,000), health care and social assistance (+108,000), professional and business services (+89,000), transportation and warehousing (+74,000), and manufacturing (+66,000). Employment in government declined in September (-216,000), mainly in state and local government education. Total nonfarm employment remains -10.7 million, or -7%, below its pre-pandemic February-level.

### Q3-2020 GDP Rebounds +33.1% as the Government Lifts COVID-19 Related Lockdowns

The Bureau of Labor Statistics reported an estimated GDP increase of +33.1% in the third quarter of 2020, nearly offsetting the substantial drop of -32.9% in the prior quarter. Current-dollar GDP increased +38.0%, or +\$1.64 trillion, in the third quarter to a level of \$21.16 trillion. In the second quarter, GDP decreased -32.8%, or -\$2.04 trillion. The increase in real GDP reflected increases in personal consumption expenditures (PCE), private inventory investment, exports, nonresidential fixed investment, and residential fixed investment that were partly offset by decreases in federal government spending (reflecting fewer fees paid to administer the Paycheck Protection Program loans) and state and local government spending. Imports, which are a subtraction in the calculation of GDP, increased. The price index for gross domestic purchases increased +3.4% in the third quarter, in contrast to a decrease of -1.4% in the second quarter; the PCE price index increased +3.7%, in contrast to a decrease of -1.6%. The increase in third quarter GDP reflected continued efforts to reopen businesses and resume activities that were postponed or restricted due to COVID-19.

Third Quarter 2020

### Notable Increase in Temporary Penetration Rate in Q3-2020, Recovery Slowed in September

For the third quarter 2020, temporary jobs increased by +235,300, of which only +8,100 temp jobs were added in September and total temp jobs are still down -475,000 YTD, or -16.1%, according to the Bureau of Labor Statistics. Demand for temporary workers in the U.S. is expected to decrease 15.1% on a seasonally adjusted basis for the 2020 fourth quarter, when compared with the same period in 2019, according to the Palmer Forecast. The temporary penetration rate represents the percentage of temporary workers to total workers and is commonly used as a metric to track the staffing sector. The temporary penetration rate is significant, as marginal increases have a larger macroeconomic impact, amplifying growth as the broader labor market improves. It represents temporary help as a percentage of total employment, a proxy for short-term labor demand. From June to September 2020, the temp penetration rate increased 11 bps to 1.74% of the total labor market, versus a low of 1.3% in June 2009, and this cycle's peak at 2.05% in December 2019. The temp help employment market recovery slowed in September, compared with the gains realized during the rebound this summer, due to the uncertainty of a second round of stimulus dollars for unemployment benefits, as well as additional bailout funds for businesses impacted by COVID-19.

### Small Business Optimism Improves in September, Uncertainty Index Remains High

The most recent National Federation of Independent Business (NFIB) report states the Small Business Optimism Index increased +3.8 points in September to 104, a historically high reading. Nine of the ten components improved and one declined. The NFIB Uncertainty Index increased +2 points in September to 92, up from 75 in April. Owners expecting better business conditions over the next 6 months improved +8 points to a net 32%. Earnings trends over the past three months improved +13 points to a net negative -12% reporting higher earnings, up from -35% in April. The percent of owners who think now is a good time to expand improved +1 point to 13%, and a net +23% (seasonally adjusted) of owners plan to create new jobs in the next 3 months, up +2 points from the August report and +22 points above April's report. As parts of the country continue to open, small businesses are seeing some improvements in foot traffic and sales. However, some small businesses are still struggling financially to operate at full capacity while navigating state and local regulations and are uncertain about what will happen in the future.

# Selected M&A Transactions



Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
<b>Business Process Outsourcing</b>					
9/22/2020	<b>Roam Analytics</b>	<b>Pamplona Capital Management; Parexel International</b>	n/a	n/a	n/a
Description:	Roam Analytics was acquired by Pamplona Capital Management for an undisclosed amount. Roam Analytics is a developer of a data-driven healthcare platform designed to empower healthcare companies to derive structured meaning from language data to improve healthcare outcomes.				
8/27/2020	<b>Consova (Payment Integrity Business)</b>	<b>Carrick Capital Partners; Discovery Health Partners</b>	n/a	n/a	n/a
Description:	Consova was acquired by Carrick Capital Partners and Discovery Health Partners for an undisclosed amount. Consova is a provider of payment services in the healthcare industry.				
8/11/2020	<b>Stabilitas</b>	<b>Apollo Investment (Nasdaq: AINV); OnSolve; Veritas Capital</b>	n/a	n/a	n/a
Description:	Stabilitas was acquired by Apollo Investment (Nasdaq: AINV) for an undisclosed amount. Stabilitas is a developer of an event intelligence platform designed to analyze, manage and act on the staggering volume of critical events in order to minimize risks.				
8/3/2020	<b>RevWorks</b>	<b>R1 RCM (Nasdaq: RCM)</b>	<b>\$30.0</b>	n/a	n/a
Description:	RevWorks was acquired by R1 RCM (Nasdaq: RCM) for \$30 million. RevWorks is a provider of revenue cycle management services in Kansas City, Missouri.				
7/22/2020	<b>SVRF</b>	<b>Poplar</b>	n/a	n/a	n/a
Description:	SVRF was acquired by Poplar for an undisclosed amount. SVRF is an operator of a search engine designed for immersive, 360-degree content and three-dimensional face visualization.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
<b>Consulting Services</b>					
9/30/2020	<b>Alignium</b>	<b>Aksia</b>	n/a	n/a	n/a
Description:	Alignium was acquired by Aksia for an undisclosed amount. Alignium is a provider of investment advisory services based in Chicago, Illinois.				
9/10/2020	<b>Pragmatic Works Consulting</b>	<b>3Cloud; Gryphon Investors</b>	n/a	n/a	n/a
Description:	Pragmatic Works Consulting was acquired by 3Cloud for an undisclosed amount. Pragmatic Works Consulting is a provider of data analytics and cloud consulting services.				
9/9/2020	<b>Todd and Associates</b>	<b>AlpInvest Partners; Altas Partners; HarbourVest Partners; Hellman &amp; Friedman; Hub International</b>	n/a	n/a	n/a
Description:	Todd and Associates was acquired by AlpInvest Partners and other investors for an undisclosed amount. Todd and Associates is a provider of insurance brokerage services based in Lake Charles, Louisiana.				
9/1/2020	<b>LeapFrog Systems Inc.</b>	<b>ASGN Inc. (NYSE: ASGN)</b>	<b>\$72.0</b>	n/a	n/a
Description:	LeapFrog Systems Inc. was acquired by ASGN Inc. (NYSE: ASGN) for an undisclosed amount. LeapFrog Systems is a technology consultancy firm focused on digital transformation and is based in Boston, Massachusetts.				
9/1/2020	<b>CJM Wealth Management</b>	<b>TA Associates Management; Wealth Enhancement Group</b>	n/a	n/a	n/a
Description:	CJM Wealth Management was acquired by TA Associates Management for an undisclosed amount. CJM Wealth Management is a provider of wealth management services based in Deer Park, New York.				
7/31/2020	<b>Crenshaw Consulting Group</b>	<b>Bluefin</b>	n/a	n/a	n/a
Description:	Crenshaw Consulting Group was acquired by Bluefin for an undisclosed amount. Crenshaw Consulting Group is a provider of design, engineering, and consulting services based in Coppell, Texas.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
7/23/2020	<b>Keane (Reporting Software and Consulting Divisions)</b>	<b>HG Capital; HgCapital Trust (LSE: HGT); Noble Rock Advisors; Sovos Compliance</b>	n/a	n/a	n/a
Description:	Keane was aquired by HG Capital for an undisclosed amount. Keane is a reporting software and consulting company based in New York.				

## HR Services

9/28/2020	<b>Hutch Hubby &amp; Associates</b>	<b>HPS Investment Partners; Madison Dearborn Partners; NFP; Stone Point Capital</b>	n/a	n/a	n/a
Description:	Hutch Hubby & Associates was aquired by HPS Investment Partners for an undisclosed amount. Hutch Hubby & Associates is an operator of an employee benefits firm based in Austin, Texas.				
9/1/2020	<b>Ganim Group</b>	<b>The Carlyle Group (Nasdaq: CG); The Hilb Group</b>	n/a	n/a	n/a
Description:	Ganim Group was aquired by The Carlyle Group (Nasdaq: CG) for an undisclosed amount. Ganim Group is a provider of employee benefits services based in Bridgeport, Connecticut.				
8/1/2020	<b>FNL Insurance Group</b>	<b>Silberstein Insurance Group</b>	n/a	n/a	n/a
Description:	FNL Insurance Group was aquired by Silberstein Insurance Group for an undisclosed amount. FNL Insurance Group is a provider of employee benefits and health care insurance services.				

## IT Services

9/30/2020	<b>Traceless Authentication Group</b>	<b>Authentix; Blue Water Energy</b>	n/a	n/a	n/a
Description:	Traceless Authentication Group was aquired by Authentix for an undisclosed amount. Traceless Authentication Group is a developer of enterprise cloud-based digital track and trace software based in Rochester, New York.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
9/29/2020	<b>Beam Solutions (AML Platform)</b>	<b>Centana Growth Partners; Jumio; Millennium Technology Value Partners</b>	n/a	n/a	n/a
Description:	Beam Solutions was aquired by Centana Growth Partners for an undisclosed amount. Beam Solutions is a developer of an anti-money laundering (AML) software.				
9/22/2020	<b>Intac International</b>	<b>FieldEdge</b>	n/a	n/a	n/a
Description:	Intac International was aquired by FieldEdge for an undisclosed amount. Intac International is a developer of field services management software primarily targeting emerging markets and residential contractors.				
9/16/2020	<b>Nikaza</b>	<b>Stirista; Wavecrest Growth Partners</b>	n/a	n/a	n/a
Description:	Nikaza was aquired by Stirista for an undisclosed amount. Nikaza is a developer of a physical web platform designed to connect visitors to venues.				
9/15/2020	<b>Wabtec Corporation (Shipper TMS Supply Chain Optimization)</b>	<b>Accel-KKR; PINC</b>	n/a	n/a	n/a
Description:	Wabtec Corporation was aquired by Accel-KKR for an undisclosed amount. Wabtec Corporation is a developer of cloud-based multi-modal shipment management applications.				
9/12/2020	<b>Nehemiah Security</b>	<b>ThreatConnect; Providence Equity Partners</b>	n/a	n/a	n/a
Description:	Nehemiah Security was aquired by ThreatConnect for an undisclosed amount. Nehemiah Security is a provider of cyber risk quantification services based in Washington, DC.				
9/3/2020	<b>VirtualCare</b>	<b>MainStreet Family Care; Trinity Hunt Partners</b>	n/a	n/a	n/a
Description:	VirtualCare was aquired by MainStreet Family Care for an undisclosed amount. VirtualCare is a provider of a cloud-based care management platform designed for a premium clinical experience.				
8/26/2020	<b>Tin Roof Software</b>	<b>Cognizant Technology Solutions Corp. (Nasdaq: CTSH)</b>	n/a	n/a	n/a
Description:	Tin Roof Software was aquired by Cognizant Technology Solutions Corp. (Nasdaq: CTSH) for an undisclosed amount. Tin Roof Software is a software and digital product development services company based in Atlanta, Georgia.				



Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
8/25/2020	<b>Southern Data Solutions</b>	<b>Dynamic Quest; Spire Capital</b>	n/a	n/a	n/a
Description:	Southern Data Solutions was acquired by Dynamic Quest for an undisclosed amount. Southern Data Solutions is a provider of managed IT services based in Atlanta, Georgia.				
8/19/2020	<b>Eversnap</b>	<b>Snappr</b>	n/a	n/a	n/a
Description:	Eversnap was acquired by Snappr for an undisclosed amount. Eversnap is a developer of a mobile-based photography application designed to collect photos and videos in one online album.				
7/29/2020	<b>Tulco (Insurance Practice)</b>	<b>Acrisure; Ares Capital (Nasdaq: ARCC), Auburn Hill Capital, GSO Capital Partners; Harvest Partners; The Blackstone Group (NYSE: BX)</b>	\$400.0	n/a	n/a
Description:	Tulco was acquired by Acrisure for \$400 million. Tulco is an operator of an artificial intelligence insurance business.				
7/21/2020	<b>StrategyWise</b>	<b>Align Capital Partners; E Source</b>	n/a	n/a	n/a
Description:	StrategyWise was acquired by Align Capital Partners for an undisclosed amount. StrategyWise is a provider of data analytics and business intelligence services designed to assist corporations and foundations implement data science and big-data projects.				
7/20/2020	<b>Nexxtep Technology Services</b>	<b>Dynamic Quest; Spire Capital</b>	n/a	n/a	n/a
Description:	Nexxtep Technology Services was acquired by Dynamic Quest for an undisclosed amount. Nexxtep Technology Services is a provider of managed information technology services based in Valdosta, Georgia.				
7/15/2020	<b>HVH Precision Analytics</b>	<b>Eversana; JLL Partners; Water Street Healthcare Partners</b>	n/a	n/a	n/a
Description:	HVH Precision Analytics was acquired by Eversana for an undisclosed amount. HVH Precision Analytics is a developer of an analytical platform designed to provide actionable insights utilizing real-world data.				
7/2/2020	<b>Compact Solutions</b>	<b>AlpInvest Partners; Canada Pension Plan Investment Board; Informatica; L Capital; Permira; Salesforce Ventures</b>	n/a	n/a	n/a
Description:	Compact Solutions was acquired by AlpInvest Partners for an undisclosed amount. Compact Solutions is a developer of a metadata lineage tool based in Oakbrook Terrace, Illinois.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
7/2/2020	<b>Mugo</b>	<b>Access Industries; Deezer; Kingdom Holding Company (SAU: 4280); LBO France</b>	n/a	n/a	n/a
Description:	Mugo was acquired by Access Industries for an undisclosed amount. Mugo is a developer of a music sharing mobile application designed to help users share and discover music.				

## Marketing Services

8/31/2020	<b>QuinStreet</b>	<b>EducationDynamics; Halyard Capital; KnowledgeShares; Muirlands Capital</b>	\$20.0	n/a	n/a
Description:	QuinStreet was acquired by EducationDynamics for \$20 million. QuinStreet is a provider of higher education marketing and enrollment management services.				
8/11/2020	<b>OFX Media Group</b>	<b>Health Media Network; Stonehenge Capital</b>	n/a	n/a	n/a
Description:	OFX Media Group was acquired by Health Media Network for an undisclosed amount. OFX Media Group is a provider of targeted marketing services based in New York.				
8/7/2020	<b>Covet Public Relations</b>	<b>Periscope Equity; Power Digital Marketing</b>	n/a	n/a	n/a
Description:	Covet Public Relations was acquired by Periscope Equity for an undisclosed amount. Covet Public Relations is an operator of a national public relations firm dedicated to food, beverage, beauty and lifestyle brands in the consumer space.				
7/28/2020	<b>NewsCred</b>	<b>Falfurrias Capital Partners; Industry Dive</b>	n/a	n/a	n/a
Description:	NewsCred was acquired by Falfurrias Capital Partners for an undisclosed amount. NewsCred is an operator of content marketing studio and services business based in New York.				
7/23/2020	<b>GeoTix</b>	<b>Evnt</b>	n/a	n/a	n/a
Description:	GeoTix was acquired by Evnt for an undisclosed amount. GeoTix is a developer of a ticketing platform designed to facilitate the generation of new and non-advertising revenue streams for media companies.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
<b>Professional Staffing</b>					
9/29/2020	<b>MindSumo Inc.</b>	<b>MBO Partners</b>	n/a	n/a	n/a
Description:	MindSumo Inc. was acquired by MBO Partners for an undisclosed amount. MindSumo Inc. operates a platform that enables businesses to crowdsource ideas by posting online challenges and is based Durham, North Carolina.				
9/28/2020	<b>Staffing 360 Solutions Inc. (Nasdaq: STAF) (firstPRO 360 business)</b>	<b>Management</b>	\$3.0	n/a	n/a
Description:	The firstPRO 360 business of Staffing 360 Solutions Inc. was acquired by Management for a \$3 million. The firstPRO 360 business provides staffing in IT, finance/accounting, and supply chain, engineering and logistics.				
9/14/2020	<b>True North Talent Group</b>	<b>Alliance of Professionals &amp; Consultants Inc.</b>	n/a	n/a	n/a
Description:	True North Talent Group was acquired by Alliance of Professionals & Consultants Inc. for an undisclosed amount. True North Talent Group provides staffing in land and civil engineering and is based in Denver, Colorado.				
9/18/2020	<b>Fircroft</b>	<b>NES Global Talent</b>	n/a	n/a	n/a
Description:	Fircroft was acquired by NES Global Talent for an undisclosed amount. Fircroft is a provider of engineering staffing.				
9/23/2020	<b>N3</b>	<b>Accenture (NYSE: ACN)</b>	n/a	n/a	n/a
Description:	N3 was acquired by Accenture (NYSE: ACN) for an undisclosed amount. N3 operates as an outsourced inside sales firm and is based Atlanta, Georgia.				
9/9/2020	<b>Fourth Technologies Inc. (Fortek); Soft2001 Inc.</b>	<b>Futuris Co. (OTC: FTRS)</b>	n/a	n/a	n/a
Description:	Fortek and Soft2001 Inc. were acquired by Futuris Co. (OTC: FTRS) for an undisclosed amount. Fortek is a technology staffing provider focused on cloud services, test and robotic process automation, cybersecurity, object-oriented programming and machine learning/AI. Soft2001 Inc. focuses on financial and accounting software and systems.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
9/8/2020	<b>Bullhorn</b>	<b>Stone Point Capital</b>	n/a	n/a	n/a
Description:	Bullhorn was acquired by Stone Point Capital for an undisclosed amount. Bullhorn is provider of software to staffing firms.				
9/2/2020	<b>Geneva Consulting Group Inc.</b>	<b>TSR Inc. (Nasdaq: TSRI)</b>	n/a	n/a	n/a
Description:	Geneva Consulting Group Inc. was acquired by TSR Inc. (Nasdaq: TSRI) for an undisclosed amount. Geneva Consulting Group Inc. is an IT staffing firm based in Port Washington, New York.				
9/2/2020	<b>TaleMed</b>	<b>Triage</b>	n/a	n/a	n/a
Description:	TaleMed was acquired by Triage for an undisclosed amount. TaleMed is a provider of healthcare staffing and based in Loveland, Ohio.				
8/14/2020	<b>Pioneer Global Inc.</b>	<b>Mission Mining Co. (OTC: MISM) (Futuris Co)</b>	n/a	n/a	n/a
Description:	Pioneer Global Inc. was acquired by Futuris Co for an undisclosed amount. Pioneer Global Inc. is a staffing provider specializing in IT and based in Chantilly, Virginia.				

# Valuation Metrics by Sector



Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
						LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>Business Process Outsourcing <sup>[1]</sup></b>									
CNDT	Conduent	\$3.18	39.9%	\$665.3	\$2,328.3	0.5x	nm	5.2x	nm
EXLS	ExlService Holdings	65.97	82.7%	2,254.6	2,265.0	2.3x	12.7x	11.4x	32.0x
G	Genpact	38.95	86.2%	7,430.5	8,844.6	2.4x	16.4x	11.9x	23.9x
PRGX	PRGX Global	4.76	77.9%	112.4	139.4	0.8x	22.1x	4.5x	nm
PRSC	Providence Service	92.91	93.8%	1,311.8	1,296.4	0.9x	16.9x	12.0x	nm
SYKE	Sykes Enterprises	34.21	89.5%	1,370.3	1,492.5	0.9x	8.6x	7.8x	18.3x
TTEC	TTEC	54.55	90.0%	2,549.3	2,994.7	1.7x	12.8x	11.7x	25.7x
WNS	WNS Global Services	63.96	84.3%	3,185.8	3,160.4	3.4x	20.1x	15.6x	32.0x
Mean						1.6x	13.5x	10.0x	26.4x

<b>HR Services <sup>[2]</sup></b>									
Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	LTM Revenue	LTM EBITDA	NTM EBITDA	P/E
JOBS	51job	\$77.99	84.2%	\$5,237.8	\$3,770.3	7.1x	36.1x	nm	32.8x
ADP	Automatic Data Processing	139.49	76.5%	59,959.2	60,399.7	4.1x	16.0x	19.2x	24.5x
BBSI	Barrett Business Services	52.44	54.8%	400.4	300.4	0.3x	4.9x	5.5x	9.0x
DHX	DHI Group	2.26	58.6%	119.6	146.8	1.0x	9.1x	4.4x	56.5x
NSP	Insperity	65.49	60.8%	2,541.1	2,479.9	0.6x	9.9x	10.4x	16.1x
PAYX	Paychex	79.77	88.1%	28,715.3	28,681.7	7.1x	17.1x	18.5x	26.2x
Mean						1.5x	11.4x	11.6x	19.0x

[1] PRGX and WNS excluded from mean calculation of LTM EBITDA multiple

[2] JOBS and PAYX excluded from mean calculation of LTM Revenue multiple; JOBS excluded from mean calculation of LTM EBITDA multiple; JOBS and DHX excluded from mean calculation of P/E multiple

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
						LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>Information Services <sup>[3]</sup></b>									
CPRT	Copart	\$105.16	95.6%	\$24,814.8	\$24,855.3	11.3x	27.0x	23.9x	35.9x
CSGP	CoStar Group	848.51	90.4%	33,403.4	30,762.5	20.3x	68.7x	47.9x	104.5x
EFX	Equifax	156.90	86.3%	19,056.7	22,125.3	5.9x	25.0x	15.9x	64.3x
FDS	FactSet Research Systems	334.88	92.1%	12,723.3	12,993.8	8.7x	26.3x	23.6x	34.7x
FICO	Fair Isaac	425.38	94.0%	12,335.8	13,211.1	10.8x	41.9x	30.3x	55.1x
FORR	Forrester	32.79	65.6%	619.5	726.8	1.6x	11.5x	12.1x	46.2x
IT	Gartner	124.95	75.6%	11,149.6	13,570.3	3.2x	22.7x	19.6x	47.2x
LQDT	Liquidity Services	7.46	85.2%	254.0	191.3	0.9x	nm	19.7x	nm
MORN	Morningstar	160.61	89.9%	6,893.6	7,177.5	5.5x	20.7x	nm	46.7x
RBA	Ritchie Bros. Auctioneers	59.00	92.1%	6,420.3	6,810.1	5.3x	20.3x	18.4x	42.4x
Mean						3.3x	21.9x	19.0x	42.2x

[3] CPRT, CSGP, EFX, FDS, and FICO excluded from mean calculation of LTM Revenue; CSGP and FICO excluded from mean calculation of EBITDA multiples; CSGP, EFX, and FICO excluded from mean calculation of P/E multiple

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
						LTM Revenue	LTM EBITDA	NTM EBITDA	
<b>IT Consulting</b>									
ACN	Accenture	\$225.99	91.2%	\$143,774.1	\$139,247.2	3.1x	16.4x	16.1x	28.6x
CTSH	Cognizant Technology Solutions	69.42	96.7%	37,642.4	36,527.4	2.2x	13.6x	11.2x	23.5x
CTG	Computer Task Group	4.97	76.7%	75.4	73.3	0.2x	5.8x	5.4x	13.4x
PRFT	Perficient	42.74	79.5%	1,421.1	1,576.9	2.7x	23.7x	13.0x	37.5x
SNX	Synnex	140.06	91.5%	7,212.4	8,614.0	0.4x	7.6x	6.8x	14.8x
Mean						1.7x	13.4x	10.5x	23.6x

<b>Marketing Services <sup>[4]</sup></b>									
Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	LTM Revenue	LTM EBITDA	NTM EBITDA	P/E
PINX: HRTH	Harte Hanks	\$2.06	55.7%	\$13.3	\$39.7	0.2x	nm	5.0x	nm
IPG	The Interpublic Group of Companies	16.67	66.2%	6,500.0	11,183.3	1.1x	10.2x	8.1x	14.5x
NYS: RAMP	LiveRamp Holdings	51.77	86.4%	3,410.5	2,770.3	7.0x	nm	nm	nm
MDCA	MDC Partners	1.61	46.9%	117.1	1,395.6	1.1x	11.4x	nm	nm
OMC	Omnicom Group	49.50	59.8%	10,636.0	14,879.4	1.1x	8.1x	7.1x	11.5x
PAR: PUB	Publicis Groupe	32.38	65.7%	7,947.2	13,747.1	1.1x	8.0x	5.5x	11.1x
VVI	Viad	20.83	29.7%	425.6	919.3	0.9x	nm	nm	nm
WPP	WPP	7.82	54.4%	9,583.5	16,279.1	1.2x	nm	7.3x	nm
Mean						1.7x	9.4x	7.0x	12.4x

<b>Professional Staffing <sup>[5]</sup></b>									
Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	LTM Revenue	LTM EBITDA	NTM EBITDA	P/E
SWX: ADEN	Adecco Group	\$52.94	82.2%	\$8,580.2	\$9,724.0	0.4x	13.8x	8.9x	73.7x
AMN	AMN Healthcare Services	58.46	65.5%	2,746.9	3,768.7	1.6x	15.9x	12.1x	32.3x
ASGN	ASGN	63.56	84.9%	3,336.9	4,259.0	1.1x	11.0x	9.7x	17.8x
CCRN	Cross Country Healthcare	6.49	48.4%	243.8	308.7	0.4x	nm	9.6x	nm
KELYA	Kelly Services	17.04	67.9%	675.0	548.5	0.1x	nm	5.8x	nm
KFRC	Kforce	32.17	75.4%	706.0	773.5	0.6x	10.8x	9.2x	14.4x

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:			P/E
						LTM Revenue	LTM EBITDA	NTM EBITDA	
MAN	ManpowerGroup	73.33	72.6%	4,258.3	4,199.8	0.2x	9.1x	8.3x	20.0x
AMS: RAND	Randstad	52.28	83.9%	9,582.6	10,591.4	0.4x	13.7x	8.1x	30.3x
RCMT	RCM Technologies	1.41	44.1%	16.2	39.3	0.2x	nm	nm	nm
RGP	Resources Connection	11.55	64.8%	374.5	408.8	0.6x	8.5x	8.5x	13.1x
RHI	Robert Half International	52.94	82.9%	6,068.8	5,848.0	1.0x	10.3x	11.3x	16.6x
STAF	Staffing 360 Solutions	0.61	43.3%	5.6	53.1	0.2x	nm	5.9x	nm
TBI	TrueBlue	15.49	62.0%	558.6	551.2	0.3x	nm	9.1x	nm
Mean						0.5x	11.6x	8.9x	20.7x

<b>Specialty Consulting <sup>[6]</sup></b>									
Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	LTM Revenue	LTM EBITDA	NTM EBITDA	P/E
CBZ	CBIZ	\$22.87	79.6%	\$1,250.6	\$1,523.3	1.6x	12.0x	10.9x	16.9x
CRAI	Charles River Associates	37.47	64.4%	293.2	488.2	1.0x	9.0x	10.1x	13.1x
EXPO	Exponent	72.03	85.1%	3,718.4	3,548.9	8.7x	35.0x	31.8x	47.4x
FCN	FTI Consulting	105.97	73.5%	3,878.0	4,051.3	1.7x	13.2x	nm	20.7x
HURN	Huron Consulting Group	39.33	55.5%	899.6	1,223.1	1.3x	50.3x	11.0x	nm
MMS	Maximus	68.41	85.0%	4,194.4	4,443.1	1.3x	11.6x	10.4x	20.7x
HCKT	The Hackett Group	11.18	59.2%	336.1	307.5	1.2x	15.3x	6.8x	33.9x
Mean						2.4x	12.2x	9.8x	17.9x

<b>OVERALL BUSINESS SERVICES SECTOR</b>						Mean	1.8x	13.4x	11.0x	23.1x
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[4] HRTH excluded from mean calculation of NTM EBITDA multiple

[5] ADEN excluded from mean calculation of P/E multiple

[6] EXPO and HURN excluded from mean calculation of LTM EBITDA multiple; EXPO excluded from mean calculation of NTM EBITDA multiple; EXPO and HCKT excluded from mean calculation of P/E multiple

 **NOTES**

**Notes**

- Sources: PitchBook, Bloomberg, company 10-K, 10-Q and 8-K SEC filings, annual reports, press releases, Bureau of Labor Statistics and others as indicated.
- Any public companies chosen for the SCA Business Services Universe are companies commonly used for industry information to show performance within a sector. They do not include all public companies that could be categorized within the sector and were not created as benchmarks; they do not imply benchmarking and do not constitute recommendations for a particular security and/or sector. The charts and graphs used in this report have been compiled by SOLIC Capital Advisors solely for purposes of illustration.

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