



# **BUSINESS SERVICES**

*Quarterly Update  
Fourth Quarter 2020*



RESTRUCTURING • INVESTMENT BANKING • DISTRESSED ASSET SUPPORT SERVICES

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# Q4 2020 Highlights

## February 2021

Despite a second wave of COVID-19 cases and associated shutdowns and restrictions, the SCA Business Services Index increased by 21.8% in Q4 2020, significantly above the 7.9% increase in the S&P 500, as excitement about a vaccine fueled hope that a return to pre-pandemic business activity levels would be possible in 2021.

M&A activity rebounded strongly during Q4 2020 with both strategic acquirors and private equity actively seeking opportunities in anticipation of an economic recovery. Notable transactions include:

- Transunion agreed to acquire TruOptik, a provider of ratings data on streaming activities for 80 million U.S. homes
- Arthur J. Gallagher & Co. (NYSE: AJG) acquired Optimum Talent, Inc., a provider of executive search, leadership assessment and development, and outplacement services
- ASGN Inc. (NYSE: ASGN) acquired Integrated Solutions Management Inc., a provider of IT consulting services to the federal government
- Five Arrows Capital Partners and its portfolio company Stepping Stones Group acquired Ardor School Solutions, a provider of healthcare staffing services to schools
- Oaktree Capital Management LP announced a significant investment in System One Holdings LLC, a leading provider of engineering and IT staffing services.
- New State Capital Partners acquired a majority stake in Klein Hersh, an executive search firm focused on the life sciences and healthcare industry

We expect M&A activity to continue to accelerate in 2021 in connection with the anticipated roll out of the COVID-19 vaccine and a rebound in economic activity.

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

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 *Recent Representative Engagements \**

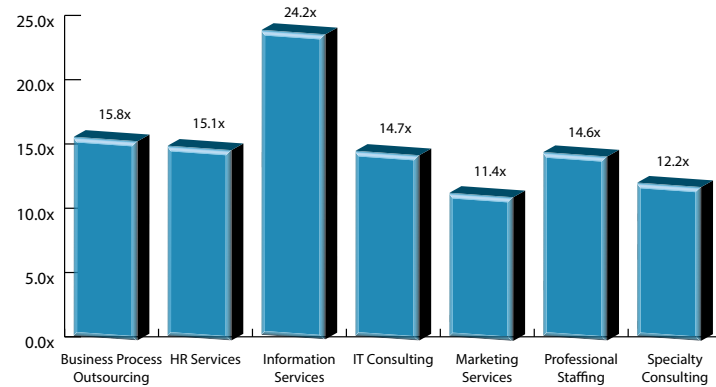
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<b>HEALTHCARE</b>	 has merged with  With all our heart. With all our mind. <sup>®</sup> Financial Advisor to Rockford Health System	\$75,000,000  has affiliated with  Virginia Commonwealth University Health System Financial Advisor to Community Memorial 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  Regus, PLC 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  SunCal Companies 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  Loehmann's Holdings, Inc. has been acquired by Designer Apparel Holding Company a Company Sponsored by  Buy Side Advisor

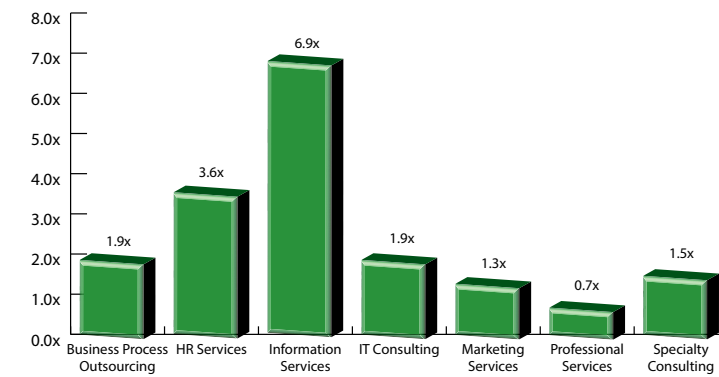
\* Includes transactions led by the team of SOLIC professionals at predecessor firms

# Market Overview

Enterprise Value to NTM EBITDA by SCA Sector

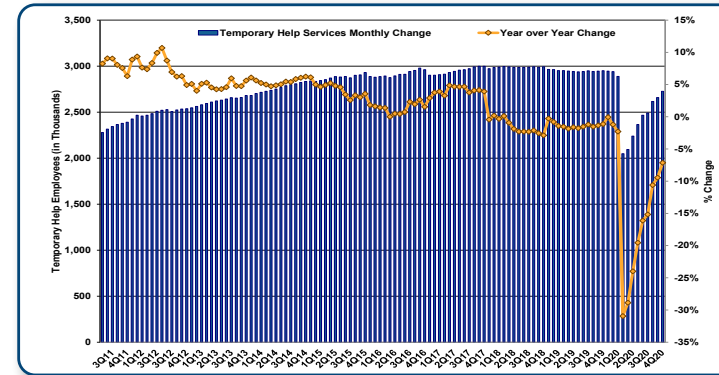


LTM Annual Revenue Growth by SCA Sector

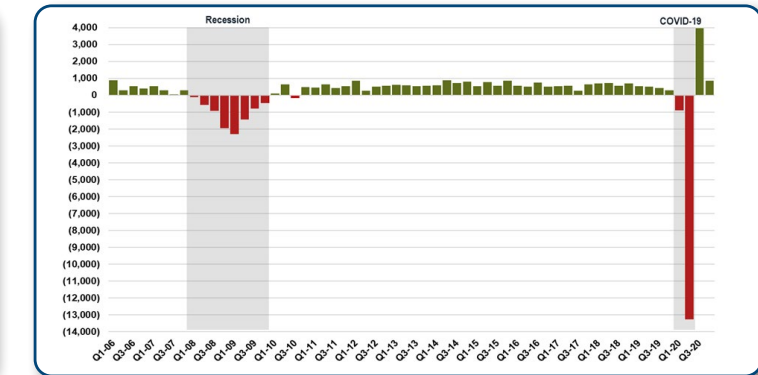


EBITDA valuation multiples and revenue multiples increased in Q4 2020, with reported deal volume also increasing from Q3 2020.

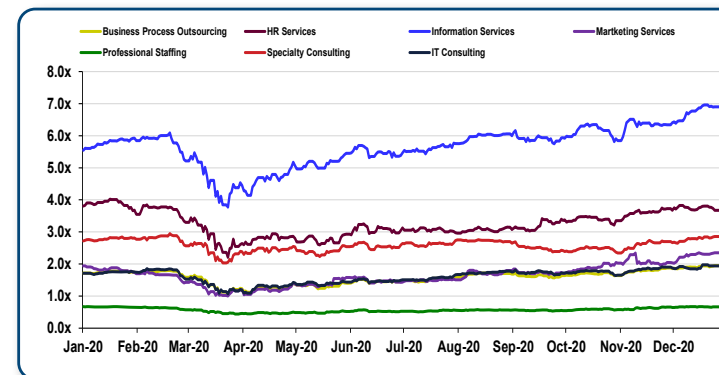
Temporary Help Services Trends



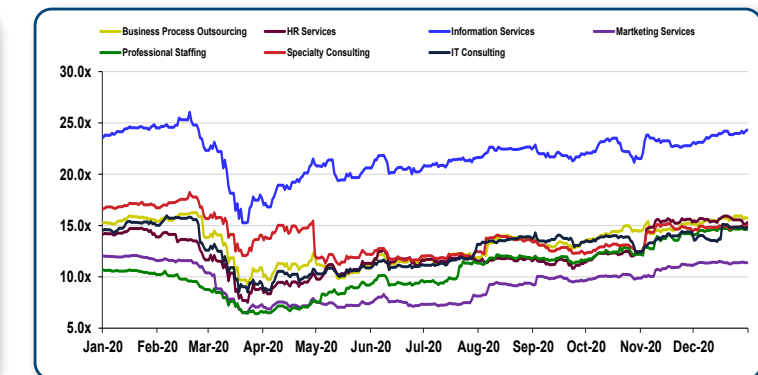
Net Change in U.S. Employment



Business Services Sectors Total Enterprise Value / Revenue



Business Services Sectors Total Enterprise Value / EBITDA

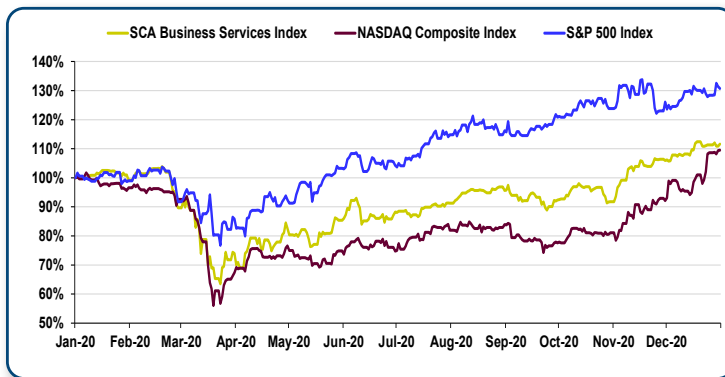


\* Please see pages 20-23 for SCA Business Services Universe and additional information in the Notes section at the end of this report

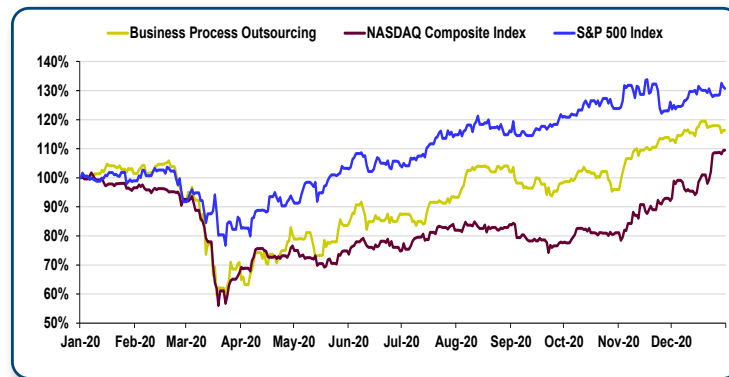
# Sector Stock Performance (one year)



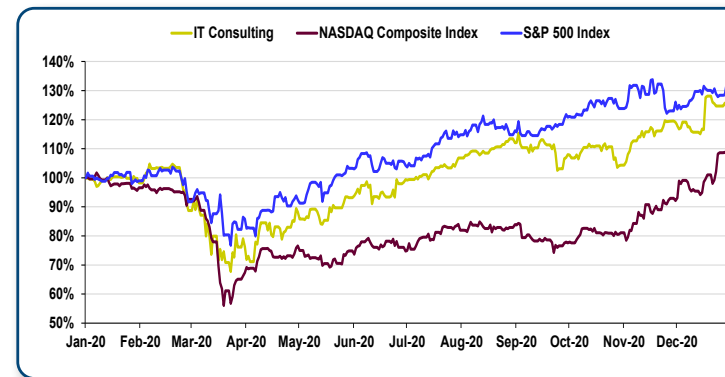
SCA Business Services Universe vs. S&P 500



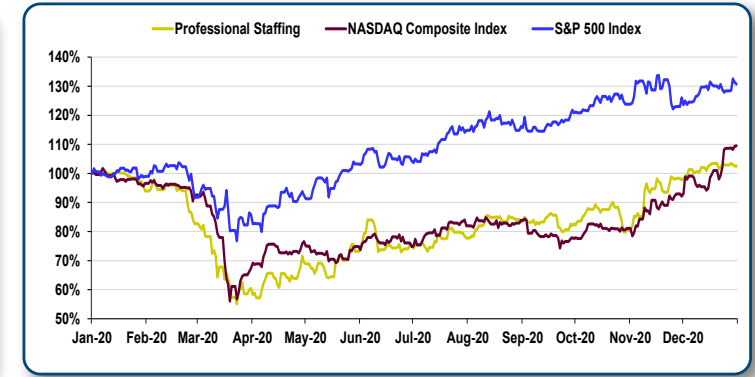
SCA Business Process Outsourcing Sector vs. S&P 500



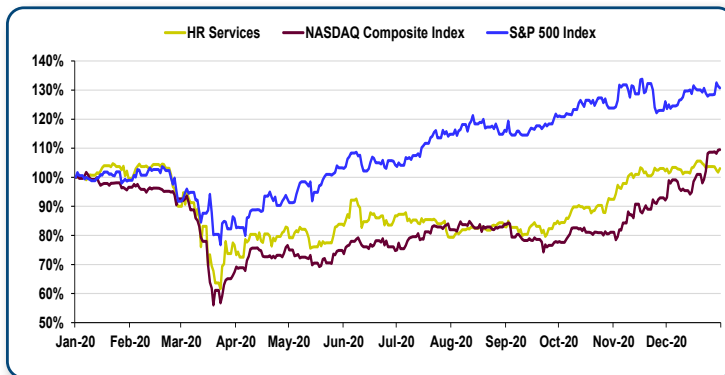
SCA IT Consulting Sector vs. S&P 500



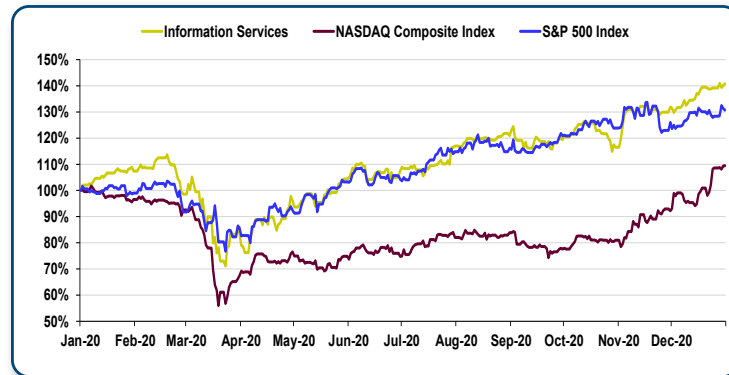
SCA Professional Staffing Sector vs. S&P 500



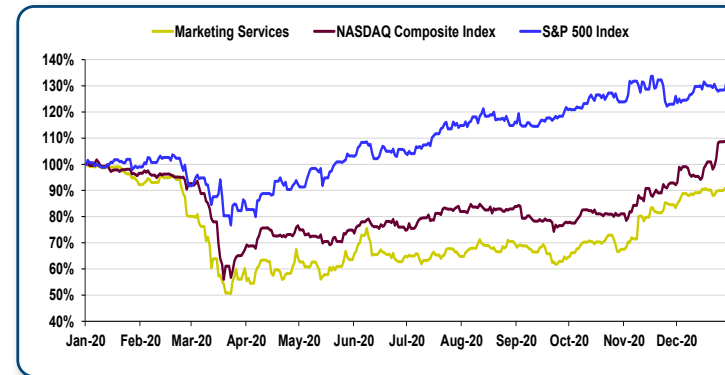
SCA HR Services Sector vs. S&P 500



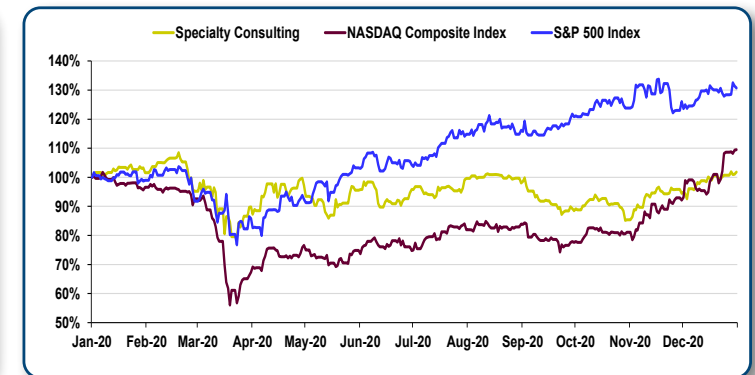
SCA Information Services Sector vs. S&P 500



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



### Employment Declined (-140K) in December, as Renewed COVID-19-Related Lockdowns Ensued

According to the Bureau of Labor Statistics, total nonfarm payroll employment fell by -144,000 to 142.7 million in December, breaking seven consecutive months of gains. The unemployment rate declined 1.1% between September and December 2020, from 7.8% to 6.7%, respectively; yet still far above (3.1%) the February low of 3.5%. The decline in payroll employment reflects the renewed efforts to curtail the spread of COVID-19 (e.g., government-mandated restrictions / lockdowns) in response to the recent spike. In December, job losses in leisure and hospitality (-498,000) – of which, three-quarters of the decrease, or -372,000, was in the food services and drinking places sector, private education (-63,000), and government employment (-45,000) were partially offset by gains in professional and business services (+161,000), retail trade (+121,000), construction (+51,000), healthcare (+39,000), and manufacturing (+38,000). As of December 2020, total nonfarm employment remains -9.8 million, or -6.5%, below its pre-pandemic February-level.

### Fourth Quarter 2020 GDP Increased +4.0%, While Real GDP Decreased -3.5% in 2020

Real GDP decreased -3.5% in 2020 (from the 2019 annual level to the 2020 annual level), compared with an increase of 2.2% in 2019. The Bureau of Labor Statistics reported an estimated GDP increase of +4.0% in the fourth quarter of 2020. The increase in real GDP reflected increases in exports, nonresidential fixed investment, personal consumption expenditures (PCE), residential fixed investment, and private inventory investment that were partly offset by decreases in state and local government spending and federal government spending. Imports, which are a subtraction in the calculation of GDP, increased. The price index for gross domestic purchases increased +1.7% in the fourth quarter, in contrast to a decrease of -1.4% and +3.4% increase in the second quarter and third quarter, respectively; the PCE price index increased +1.7%, compared with the decrease of -1.6% and increase +3.7% in the third and fourth quarter, respectively. The increase in fourth quarter GDP reflected both the continued economic recovery from the sharp declines earlier in the year and the ongoing impact of the COVID-19 pandemic, including new restrictions and closures that took effect in some areas of the U.S.

## Fourth Quarter 2020

### Temporary Penetration Rate, and Demand for Temp Workers, Increased in Fourth Quarter 2020

According to the Bureau of Labor Statistics, -279,000 temp jobs were lost in 2020, the second straight year of declines, an average job loss of 23,250 per month. Temp help increased by +67,100 jobs in December vs. November, but it was still down 7.6% from a year earlier. In December 2020, the temp penetration rate increased by +20 bps from November to 1.91% 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, 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. Demand for temporary workers in the U.S. is expected to decrease -8.6% on a seasonally adjusted basis for first quarter 2021, when compared with the same period in 2020, according to the Palmer Forecast. The uncertainty of both the second round of stimulus dollars for unemployment benefits, as well as additional bail-out for businesses impacted by COVID-19 make the flexibility to hire temp help more attractive during uncertain times.

### Small Business Optimism and Uncertainty Index Both Decline in December

The most recent National Federation of Independent Business (NFIB) report states the Small Business Optimism Index declined -5.5 points, in December 2020, to 95.9, falling below the 98.0 average Index value since 1973. Nine of the ten components declined and one improved. The NFIB Uncertainty Index decreased -8 points in December to 82, down from 92.75 in September. Owners expecting better business conditions over the next 6 months declined -24 points to a net negative -16%. Earnings trends over the past three months declined -7 points to a net negative -14% reporting higher earnings, down from -12% in September. According to NFIB, this month's drop in small business optimism is historically very large and most of the decline was due to the outlook of sales and business conditions in 2021. Small businesses are concerned about potential new economic policy in the new administration and the increased spread of COVID-19 that is causing renewed government-mandated business closures across the nation.

# Selected M&A Transactions



Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
<b>Business Process Outsourcing</b>					
12/17/2020	Lea	SnapTravel	n/a	n/a	n/a
Description:	Lea was acquired by SnapTravel for an undisclosed amount. The company is a provider of an online AI-powered event tickets booking platform designed to assist in event discovery and ticket purchasing.				
12/2/2020	Akibia	Harvest Partners; Service Express	\$15.0	n/a	n/a
Description:	Akibia was acquired by Harvest Partners and Service Express for \$15 million. The company is a provider of third-party hardware maintenance support for a wide variety of data center equipment and platforms.				
11/19/2020	UltraShipTMS	PCS Software; Stellus Capital Management (NYSE: SCM); The CapStreet Group	n/a	n/a	n/a
Description:	UltraShipTMS was acquired by PCS Software, Stellus Capital Management (NYSE: SCM), and The CapStreet Group for an undisclosed amount. The company is a provider of supply chain management platform to shippers in food production, packaging, manufacturing, retail and other industries.				
11/5/2020	Aplana Group (Software Development Outsourcing Business)	Da Vinci Capital Management; Softline (ETR: SFD1); Zubr Capital	n/a	n/a	n/a
Description:	Aplana Group was acquired by Da Vinci Capital Management, Softline (ETR: SFD1), and Zubr Capital for an undisclosed amount. The company is a provider of software development outsourcing services.				
11/2/2020	Trimble (Construction Logistics Business)	Ares Capital (NASDAQ: ARCC); Command Alkon; Thoma Bravo	n/a	n/a	n/a
Description:	Trimble was acquired by Ares Capital (Nasdaq: ARCC), Command Alkon, and Thoma Bravo for an undisclosed amount. The company is a provider of location-based systems that offer delivery managers with tools to track, schedule, route and communicate across a fleet for efficient delivery of products.				
10/20/2020	Triage Consulting Group	Cloudmed; Eir Partners; New Mountain Capital	n/a	n/a	n/a
Description:	Triage Consulting Group was acquired by Cloudmed, Eir Partners, and New Mountain Capital for an undisclosed amount. The company is a provider of revenue review consulting services for hospitals.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
10/14/2020	K2	Macquarie Asset Management (NYSE: MIC); Nintex Global; Savano Capital Partners; Thoma Bravo; Updata Partners	n/a	n/a	n/a
Description:	K2 was acquired by a group of investors for an undisclosed amount. The company is a developer of business process management software.				
10/13/2020	Formosa Interactive Seattle	Five Crowns Capital; Trive Capital	n/a	n/a	n/a
Description:	Formosa Interactive Seattle was acquired by Five Crowns Capital and Trive Capital for an undisclosed amount. The company is a provider of production and post-production services to the broadcast, entertainment and corporate communities.				

## Consulting Services

12/17/2020	Risked Revenue Energy Associates	AEGIS Hedging Solutions; Baird Capital; Trilantic North America	n/a	n/a	n/a
Description:	Risked Revenue Energy Associates was acquired by AEGIS Hedging Solutions, Baird Capital, and Trilantic North America for an undisclosed amount. The company is a provider of risk management consulting services in energy hedging.				
12/3/2020	Centerline Partners	Ettain Group	n/a	n/a	n/a
Description:	Centerline Partners was acquired by Ettain Group for an undisclosed amount. The company is a management consulting firm focused on the life sciences industry.				
12/2/2020	Integrated Solutions Management Inc.	ASGN Inc. (NYSE: ASGN)	n/a	n/a	n/a
Description:	Integrated Solutions Management Inc. was acquired by ASGN Inc. (NYSE: ASGN) for an undisclosed amount. The company is a management consulting firm focused on the life sciences industry.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
11/9/2020	<b>Texas Power Consultants</b>	<b>Ara Partners; Priority Power</b>	n/a	n/a	n/a
Description:	Texas Power Consultants was acquired by Ara Partners and Priority Power for an undisclosed amount. The company is a provider of energy management and consulting services to a range of institutions including financial, educational, government, professional and property management and is based in Tyler, Texas.				
10/5/2020	<b>Ferguson Consulting</b>	<b>Eliassen Group; Stone Point Capital</b>	n/a	n/a	n/a
Description:	Ferguson Consulting was acquired by Eliassen Group and Stone Point Capital for an undisclosed amount. The company is a provider of information technology (IT) consulting services for staff augmentation based in Chesterfield, Missouri.				

## HR Services

10/6/2020	<b>AllyO</b>	<b>HireVue</b>	n/a	n/a	n/a
Description:	AllyO was acquired by HireVue for an undisclosed amount. The company is a provider of AI-powered recruitment chatbots.				
11/18/2020	<b>Cartocal</b>	<b>CentralReach; Insight Partners</b>	n/a	n/a	n/a
Description:	Cartocal was acquired by CentralReach and Insight Partners for an undisclosed amount. The company is an operator of a scheduling algorithm process.				
11/17/2020	<b>Checkster Inc.</b>	<b>OutMatch</b>	n/a	n/a	n/a
Description:	Checkster Inc. was acquired by OutMatch for an undisclosed amount. The company is a provider of automated reference checks and is based in Novato, California.				
10/26/2020	<b>FurstPerson Inc.</b>	<b>OutMatch</b>	n/a	n/a	n/a
Description:	FurstPerson Inc. was acquired by OutMatch for an undisclosed amount. The company is a provider of pre-hire assessments for contact centers that include aptitude tests, job simulators and personality tests.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
<b>IT Services</b>					
12/22/2020	<b>Prosum (Microsoft Consulting and Managed Services Business Unit)</b>	<b>Netrix Systems; OceanSound Partners</b>	n/a	n/a	n/a
Description:	Prosum was acquired by Netrix Systems and OceanSound Partners for an undisclosed amount. The company is a provider of Microsoft consulting and managed IT services.				
12/21/2020	<b>Fieldlens (Mobile Field Management Technology)</b>	<b>JettyCove; RedTeam; The Riverside Company</b>	n/a	n/a	n/a
Description:	Fieldlens was acquired by a group of investors for an undisclosed amount. The company is a developer of mobile plan markup software intended for commercial contractors in the construction industry.				
12/17/2020	<b>ControlScan Managed Security Services</b>	<b>Genstar Capital; GIC Group; HarbourVest Partners; Harvest Partners; Insight Partners; Professional Datasolutions; TA Associates Management</b>	n/a	n/a	n/a
Description:	ControlScan Managed Security Services was acquired by a group of investors for an undisclosed amount. The company is an operator of a managed security services platform intended to protect small businesses and larger corporations against hackers and network breaches.				
12/15/2020	<b>Zayo Group Holdings (zColo Data Center Assets)</b>	<b>Allstate Investments; Brookside Equity Partners; Colony Capital (NYSE: CLNY) DataBank; Teachers Insurance and Annuity Association of America</b>	\$1,400.0	n/a	n/a
Description:	Zayo Group Holdings was acquired by a group of investors for \$1.4 billion. The company is a portfolio of 44 data centers in 20 markets across the U.S. and Europe.				
11/24/2020	<b>S3 Integration</b>	<b>Mobile Communications America, Sentinel Capital Partners</b>	n/a	n/a	n/a
Description:	S3 Integration was acquired by Mobile Communications America and Sentinel Capital Partners for an undisclosed amount. The company is a provider of integrated security management systems, life safety systems and IT products and services.				



Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
11/17/2020	<b>Onit AI Center of Excellence</b>	<b>K1 Investment Management; Onit</b>	n/a	n/a	n/a
Description:	Onit AI Center of Excellence was acquired by K1 Investment Management and Onit for an undisclosed amount. The company is a developer of an artificial intelligence platform used to automate and improve legal processes for corporate legal departments and law firms.				
11/4/2020	<b>Soundshore Technology Group</b>	<b>Coretelligent; VSS</b>	n/a	n/a	n/a
Description:	Soundshore Technology Group was acquired by Coretelligent and VSS for an undisclosed amount. The company is a provider of managed IT services to hedge funds, private equity and other alternative investment firms.				
10/13/2020	<b>SaaSLicense</b>	<b>Apptio; Vista Equity Partners</b>	n/a	n/a	n/a
Description:	SaaSLicense was acquired by Apptio and Vista Equity Partners for an undisclosed amount. The company is a developer of a dashboard driven IT management tool designed for SaaS that brings application spend, utilization, contract renewals and risk management together in one interface.				
10/6/2020	<b>Box Robotics</b>	<b>Seegrid</b>	n/a	n/a	n/a
Description:	Box Robotics was acquired by Seegrid for an undisclosed amount. The company is a developer of Automatic Guided Vehicle (AGV) perception stack with HD maps designed for speed driving, safety, and lifelong autonomy.				
10/1/2020	<b>Semaphore Co.</b>	<b>Alerion Capital Group; MicroAge; NewSpring Capital</b>	n/a	n/a	n/a
Description:	Semaphore Co. was acquired by Alerion Capital Group, MicroAge, and NewSpring Capital for an undisclosed amount. The company is an operator of a cloud-services organization based in Atlanta, Georgia.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
<b>Marketing Services</b>					
11/30/2020	<b>Thuuz Sports (Breakthrough Platforms)</b>	<b>Stats Perform; Vista Equity Partners</b>	n/a	n/a	n/a
Description:	Thuuz Sports was acquired by Stats Perform and Vista Equity Partners for an undisclosed amount. The company is a portfolio of artificial intelligence-powered automated video highlights and real-time rating applications.				
11/9/2020	<b>xRM</b>	<b>Anthology; Veritas Capital</b>	n/a	n/a	n/a
Description:	xRM was acquired by Anthology and Veritas Capital for an undisclosed amount. The company is a developer of software that offers fundraising advancement services for alumni and development offices of higher education institutions and nonprofits.				
<b>Professional Staffing</b>					
12/31/2020	<b>Taylor Ryan Inc. and TR Partners Inc.</b>	<b>Hire Technologies Inc. (TSXV: HIRE)</b>	n/a	n/a	n/a
Description:	Taylor Ryan Inc. and TR Partners Inc. were acquired by Hire Technologies Inc. (TSXV: HIRE) for an undisclosed amount. The company is a British Columbia-based search firm focused on the real estate and construction sectors.				
12/16/2020	<b>Power Labor LLC</b>	<b>Labor Source Holdings LLC</b>	n/a	n/a	n/a
Description:	Power Labor LLC was acquired by Labor Source Holdings LLC, a portfolio company of private equity firm Great Range Capital, for an undisclosed amount. The company is a staffing firm specializing in skilled commercial construction labor.				
12/13/2020	<b>Kavin Talent Management and Recruiting</b>	<b>Hire Technologies Inc. (TSXV: HIRE)</b>	\$0.6	n/a	n/a
Description:	Kavin Talent Management and Recruiting was acquired by Hire Technologies Inc. (TSXV: HIRE) for \$611,735. The company is a Southwestern Ontario-based employment agency.				
12/10/2020	<b>Talent Function</b>	<b>Cielo</b>	n/a	n/a	n/a
Description:	Talent Function was acquired by Cielo for an undisclosed amount. The company is a provider of consulting recruitment strategy, process and technology.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
12/7/2020	<b>Confidential Career Solutions</b>	<b>Resolute Administrative Services</b>	n/a	n/a	n/a
Description:	Confidential Career Solutions was acquired by Resolute Administrative Services for an undisclosed amount. The company is a Texas-based staffing firm focused on the supply chain and logistics industries.				
11/23/2020	<b>Greenwood/Asher &amp; Associates Inc.</b>	<b>Kelly Services Inc. (NASDAQ: KELYA)</b>	n/a	n/a	n/a
Description:	Greenwood/Asher & Associates Inc. was acquired by Kelly Services Inc. (NASDAQ: KELYA) for an undisclosed amount. The company is a provider of executive search services specializing in higher education.				
11/17/2020	<b>Klein Hersh</b>	<b>New State Capital Partners</b>	n/a	n/a	n/a
Description:	Klein Hersh was acquired by New State Capital Partners for an undisclosed amount. The company is a provider of executive search services focused on the life sciences and healthcare industry.				
11/16/2020	<b>Interactive Business Systems</b>	<b>The Planet Group</b>	n/a	n/a	n/a
Description:	Interactive Business Systems was acquired by The Planet Group for an undisclosed amount. The company is a provider of IT staffing and solutions based in Oak Brook, Illinois.				
11/13/2020	<b>Search Partners Recruiting</b>	<b>Resolute Pros</b>	n/a	n/a	n/a
Description:	Search Partners Recruiting was acquired by Resolute Pros for an undisclosed amount. The company is a provider of connecting internal talent for the staffing industry.				
11/12/2020	<b>Optimum Talent Inc.</b>	<b>Arthur J. Gallagher &amp; Co.</b>	n/a	n/a	n/a
Description:	Optimum Talent Inc. was acquired by Arthur J. Gallagher & Co. for an undisclosed amount. The company is a provider of executive search, leadership assessment and development, and outplacement services.				
11/11/2020	<b>Versant Supply Chain (Staffing Operation)</b>	<b>Exegistics</b>	n/a	n/a	n/a
Description:	The staffing operation of Versant Supply Chain was acquired by Exegistics for an undisclosed amount. The company is a provider of industrial and clerical workers.				
11/5/2020	<b>Field Health Ltd.</b>	<b>Premier Healthcare Professionals</b>	n/a	n/a	n/a
Description:	Field Health Ltd. was acquired by Premier Healthcare Professionals for an undisclosed amount. The company is a provider of international nurse recruiting.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
10/21/2020	<b>Latitude 36</b>	<b>Harvey Nash Group</b>	n/a	n/a	n/a
Description:	Latitude 36 was acquired by Harvey Nash Group for an undisclosed amount. The company is a provider of IT staffing.				
10/21/2020	<b>TalentBeacon International</b>	<b>Futuris Co. (OTC: FTRS)</b>	n/a	n/a	n/a
Description:	TalentBeacon International was acquired by Futuris Co. (OTC: FTRS) for an undisclosed amount. The company is focused on talent acquisition consulting, international recruiting and IT staff leasing.				
10/15/2020	<b>Ardor School Solutions</b>	<b>Five Arrows Capital Partners; Florac; Stepping Stones Group</b>	n/a	n/a	n/a
Description:	Ardor School Solutions was acquired by Five Arrows Capital Partners, Florac and Stepping Stones Group for an undisclosed amount. The company is a provider of healthcare staffing services focused on serving schools.				
10/14/2020	<b>SmartSearch</b>	<b>Huddl3 Group</b>	n/a	n/a	n/a
Description:	SmartSearch was acquired by Huddl3 Group for an undisclosed amount. The company is a provider of software and engineering staffing.				
10/6/2020	<b>Prodigy Bank</b>	<b>Vaco</b>	n/a	n/a	n/a
Description:	Prodigy Bank was acquired by Vaco for an undisclosed amount. The company is a provider of direct-hiring that focuses on the e-commerce, software development and financial services industries.				

# 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</b>									
CNDT	Conduent	\$4.72	74.2%	\$987.8	\$2,583.8	0.6x	nm	5.7x	nm
EXLS	ExlService Holdings	85.42	97.6%	2,888.0	2,861.2	3.0x	15.4x	13.9x	37.6x
G	Genpact	41.23	91.2%	7,806.8	9,015.1	2.4x	14.6x	12.3x	25.6x
PRGX	PRGX Global	7.62	97.7%	180.1	198.8	1.2x	18.7x	5.8x	nm
MODV	Providence Service	137.90	93.6%	1,955.9	1,792.5	1.3x	15.0x	10.2x	nm
SYKE	Sykes Enterprises	37.61	91.8%	1,488.1	1,563.9	0.9x	10.6x	7.4x	28.7x
TTEC	TTEC	73.26	91.6%	3,423.8	3,830.4	2.1x	15.8x	12.7x	33.6x
WNS	WNS Global Services	72.74	95.9%	3,636.3	3,560.4	3.9x	20.3x	14.1x	36.6x
Mean						1.9x	15.8x	10.3x	32.4x

<b>HR Services <sup>[1]</sup></b>									
JOBS	51job	\$68.69	74.2%	\$4,629.7	\$3,189.7	6.1x	30.5x	nm	32.5x
ADP	Automatic Data Processing	173.81	95.3%	74,532.2	75,243.4	5.2x	19.8x	21.2x	30.2x
BBSI	Barrett Business Services	66.01	71.0%	504.7	385.3	0.4x	7.1x	6.5x	13.3x
DHX	DHI Group	2.19	69.6%	114.8	142.2	1.0x	nm	4.5x	nm
NSP	Insperity	81.36	84.9%	3,120.5	3,148.0	0.7x	12.8x	12.7x	20.6x
PAYX	Paychex	92.14	92.2%	33,228.6	33,256.3	8.4x	20.6x	20.2x	31.4x
Mean						3.6x	15.1x	13.0x	25.6x

[1] JOBS excluded from mean calculation of LTM EBITDA 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>[2]</sup></b>									
CPRT	Copart	\$126.54	96.6%	\$29,880.3	\$29,800.5	13.3x	29.9x	26.5x	44.4x
CSGP	CoStar Group	924.96	97.2%	36,460.1	33,739.9	21.2x	76.2x	51.5x	124.3x
EFX	Equifax	191.17	97.3%	23,254.5	26,134.1	6.7x	23.4x	18.1x	53.0x
FDS	FactSet Research Systems	328.38	90.3%	12,475.8	12,783.7	8.4x	22.9x	23.1x	33.4x
FICO	Fair Isaac	503.95	94.9%	14,664.0	15,414.3	11.9x	46.8x	32.3x	63.8x
FORR	Forrester	41.51	83.0%	787.2	897.1	2.0x	14.0x	14.2x	62.9x
IT	Gartner	158.55	95.9%	14,156.4	16,366.4	3.9x	30.0x	22.3x	66.9x
LQDT	Liquidity Services	16.49	84.7%	563.1	498.4	2.4x	nm	25.8x	nm
MORN	Morningstar	229.36	100.0%	9,824.2	10,111.2	7.5x	27.1x	nm	56.5x
RBA	Ritchie Bros. Auctioneers	70.08	89.5%	7,688.4	7,996.7	6.0x	21.8x	19.0x	44.6x
Mean						6.9x	24.2x	21.3x	53.2x

[2] CSGP excluded from mean calculation of all multiples; FICO excluded from mean calculation of EBITDA multiples

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	\$257.54	95.0%	\$170,404.4	\$165,675.9	3.7x	23.2x	18.2x	31.7x
CTSH	Cognizant Technology Solutions	81.07	98.0%	43,343.3	42,251.3	2.5x	15.8x	12.8x	30.0x
CTG	Computer Task Group	6.22	85.2%	94.5	87.6	0.2x	6.5x	5.6x	12.2x
PRFT	Perficient	47.73	88.8%	1,575.5	1,754.3	2.9x	23.1x	14.9x	46.3x
SNX	Synnex	81.55	95.5%	4,203.4	5,783.8	0.2x	5.1x	4.6x	8.6x
Mean						1.9x	14.7x	11.2x	25.8x

<b>Marketing Services <sup>[3]</sup></b>									
PINX: HRTH	Harte Hanks	\$2.60	70.3%	\$17.0	\$42.2	0.2x	nm	5.3x	nm
IPG	The Interpublic Group of Companies	23.46	93.1%	9,150.2	13,412.1	1.4x	12.7x	9.4x	16.2x
RAMP	LiveRamp Holdings	73.51	91.8%	4,874.6	4,233.5	10.3x	nm	nm	nm
MDCA	MDC Partners	2.56	88.9%	188.2	1,527.0	1.2x	12.8x	nm	nm
OMC	Omnicom Group	61.89	76.3%	13,304.7	17,653.7	1.3x	9.5x	8.1x	14.0x
PAR: PUB	Publicis Groupe	50.50	97.1%	12,395.4	18,195.3	1.4x	10.6x	7.0x	17.3x
VVI	Viad	35.44	50.5%	724.0	1,223.1	1.7x	nm	nm	nm
WPP	WPP	10.90	75.8%	13,351.2	20,046.9	1.4x	nm	8.9x	nm
Mean						1.3x	11.4x	7.7x	15.8x

<b>Professional Staffing <sup>[4]</sup></b>									
SWX: ADEN	Adecco Group	\$66.91	98.9%	\$10,844.3	\$11,916.2	0.5x	21.2x	9.6x	nm
AMN	AMN Healthcare Services	68.13	76.4%	3,204.2	4,146.7	1.8x	17.4x	13.1x	36.4x
ASGN	ASGN	83.12	95.0%	4,397.0	5,301.7	1.3x	14.0x	11.7x	24.0x
CCRN	Cross Country Healthcare	8.81	65.6%	330.9	404.5	0.5x	nm	12.2x	nm
KELYA	Kelly Services	20.62	89.7%	810.2	650.1	0.1x	nm	6.6x	nm
KFRC	Kforce	42.54	95.9%	934.0	953.8	0.7x	12.5x	10.2x	17.5x

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	90.35	89.5%	5,198.1	5,033.6	0.3x	16.3x	8.8x	63.6x
AMS: RAND	Randstad	66.33	97.7%	12,159.0	12,618.0	0.5x	12.6x	9.0x	42.9x
RCMT	RCM Technologies	2.05	64.7%	23.5	41.3	0.3x	nm	nm	nm
RGP	Resources Connection	12.48	70.0%	404.8	418.7	0.6x	9.3x	10.0x	15.8x
RHI	Robert Half International	62.10	92.4%	7,078.2	6,791.2	1.3x	13.4x	12.9x	21.8x
STAF	Staffing 360 Solutions	0.67	20.2%	9.8	63.0	0.3x	nm	7.1x	nm
TBI	TrueBlue	18.75	77.3%	665.1	678.0	0.4x	nm	11.2x	nm
Mean						0.7x	14.6x	10.2x	26.4x

<b>Specialty Consulting <sup>[5]</sup></b>									
CBZ	CBIZ	\$26.64	92.7%	\$1,452.7	\$1,724.2	1.8x	13.3x	12.4x	19.2x
CRAI	Charles River Associates	50.61	87.0%	393.6	563.3	1.1x	10.1x	10.9x	17.9x
EXPO	Exponent	89.30	98.1%	4,610.5	4,423.7	10.9x	43.6x	44.8x	59.5x
FCN	FTI Consulting	110.67	76.8%	3,946.7	4,112.5	1.7x	13.8x	nm	22.7x
HURN	Huron Consulting Group	58.92	83.1%	1,347.6	1,597.7	1.7x	53.8x	15.7x	nm
MMS	Maximus	72.61	90.2%	4,462.1	4,604.0	1.3x	11.8x	10.5x	21.4x
HCKT	The Hackett Group	14.00	74.1%	419.5	384.6	1.5x	25.3x	8.3x	63.6x
Mean						1.5x	12.2x	11.6x	20.3x

<b>OVERALL BUSINESS SERVICES SECTOR</b>						Mean	2.6x	15.4x	12.2x	28.5x
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[3] RAMP excluded from mean calculation of LTM Revenue multiple

[4] MAN and AMS:RAND excluded from mean calculation of P/E multiple

[5] EXPO excluded from mean calculation of all multiples; HURN and HCKT excluded from mean calculation of LTM EBITDA; HCKT excluded from mean calculation of P/E multiples

 **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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