Commercial Services Quarterly Update | Q2 2023

Issued: Sept 28, 2023

CCC INVESTMENT BANKING

The commercial services industries encompasses businesses which provide support, assistance, and solutions to other businesses. These services include:

- Environmental Services and Waste Management
- Facility Services
- Mechanical Services
- Property Management
- Route-Based Services
- Safety and Security
- Testing, inspection, certification and compliance ("TICC")

Macro trends impacting commercial services companies...

Wage Increases

Rising labour costs; industry participants are looking to new technologies and automation to reduce headcount where possible.

Higher interest rates

Climbing interest rates have impacted consumer demand. In response many businesses are focused on cost management and limiting commercial services to only essentials.

M&A

- *M&A volume remained steady in Q2 2023 with 77 transactions completed in North America.*
- *Public company multiples in the industry mirrored the S&P through Q2, indicating climbing economic confidence and increasing valuations. The private markets mirror this positive sentiment.*

Specific sub-industry trends...

Property Management

Construction of multi-unit complexes remains strong, adding to the pipeline for future growth

Per Canada Mortgage Housing Corp, June New Housing Starts exceeded expectation (281 thousand units v. 220 thousand units). The majority of new units are Multi-Unit Urban supply.

Safety and Security

Highly acquisitive category focused on economies of scale and new technology

This sub-industry continues to be very active, completing 12 transactions in the quarter. Major players such as ADT, ADI and GardaWorld have publicly stated acquisition is a core part of their growth strategy.

James Lillie, APi co-Chair, "[We are] more focused on these smaller acquisitions, so much so that... we talked about ramping up the spending and likely doubling it as we move into 2024."

Waste Management

Recycling companies remain the focus of acquisitions driving premium value

Per Devina Rankin, Waste Management CFO, revenue expectations exceeded guidance based on the "pace of contribution from [its] recycling acquisitions"

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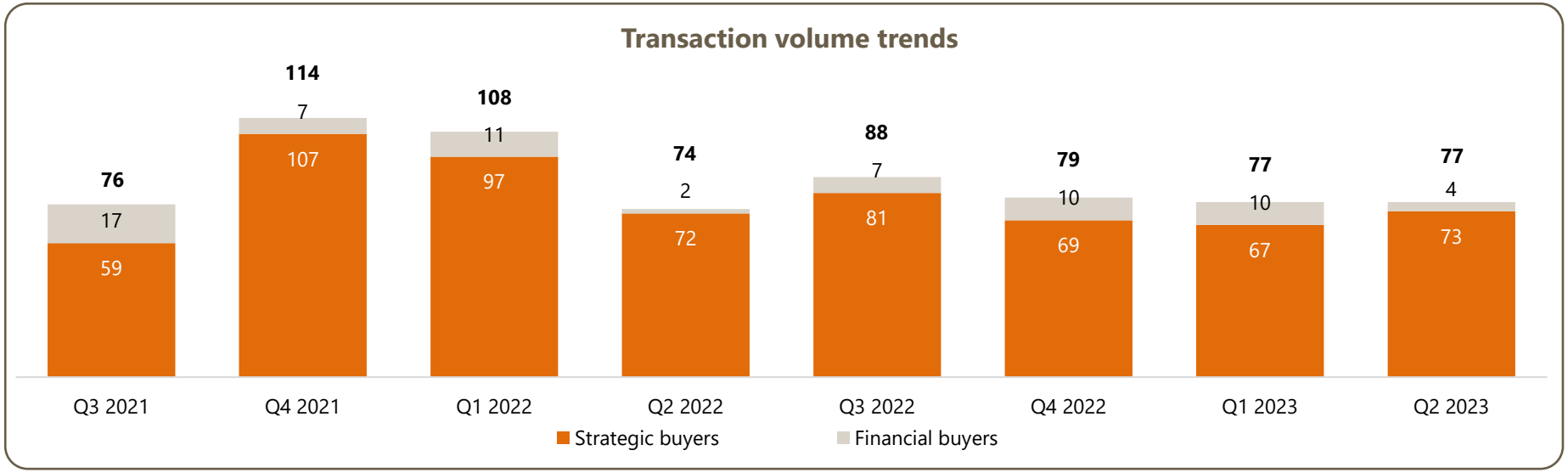
Commercial services Q2 2023 transactions

M&A activity remains consistent for the past 5 quarters with 77 transactions completed in Q2 2023



Sources: CapitalIQ, CCC Proprietary data, Public Disclosures

Announced Date	Target	Target HQ	Target Description	Buyer	Buyer HQ
Environment Services					
7-Jun-23	SML Enterprises Inc.		SML Enterprises Inc. provides critical environmental contamination control services.	Data Clean Corp.	
1-Jun-23	Astute Environmental and Regulatory Inc.		Astute Environmental and Regulatory Inc. provides environmental and regulatory consulting for the energy industry, commercial, and municipal clients.	360 Energy Liability Management Ltd.	
3-May-23	Matrix Solutions Inc.		Matrix Solutions Inc. provides environmental and engineering consulting services to customers in Canada and internationally. ▪ Implied TEV: CAD$65.2 million	Montrose Environmental Group, Inc.	
2-May-23	Infraspec Services, Inc.		Infraspec Services, Inc. offers water rehabilitation, sewer cleaning and inspection, and pipeline replacement services.	Aegion Corporation	
1-May-23	Glorieta Geoscience, Inc.		Glorieta Geoscience, Inc. provides professional consulting services in groundwater development, water rights, agricultural science, litigation support, and environmental science throughout the Western United States.	GZA GeoEnvironmental, Inc.	

Commercial services Q2 2023 transactions

Announced Date	Target	Target HQ	Target Description	Buyer	Buyer HQ
Environment Services... Continued					
25-Apr-23	Leonard Rice Consulting Water Engineers, Inc.		Leonard Rice Consulting Water Engineers, Inc., doing business as LRE Water, offers water resource engineering and environmental management services.	Union Park Capital Management, L.P.	
17-Apr-23	Charah Solutions, Inc.		Charah Solutions, Inc. provides environmental services to the power generation industry in the United States. ▪ Implied TEV: USD$331.4 million ▪ TEV/Revenue: 1.1x	SER Capital Partners	
Facility Services					
21-Jun-23	Clear View Building Services, Inc.		Clear View Building Services, Inc. provides janitorial services.	Valcourt Building Services, LC	
20-Jun-23	South Shore Building Services, Inc.		South Shore Building Services, Inc. provides window washing, steam cleaning, power washing, window caulking, and waterproofing services.	Valcourt Building Services, LC	
12-Jun-23	Georgia Scapes, Inc.		Georgia Scapes, Inc. provides landscape services that include commercial maintenance and installation, irrigation, anti-erosion, and residential design and installation.	OneOutdoor Holdings	
9-Jun-23	Emerald Lawns LLC		Emerald Lawns LLC operates as a lawn care, tree care, and pest control company.	Senske, Inc.	
7-Jun-23	Blue Wolf Performance Solutions LLC		Blue Wolf Performance Solutions LLC offers industrial cleaning and maintenance services.	Conco Services LLC	
2-Jun-23	Santa Rita Landscaping LLC.		Santa Rita Landscaping LLC. provides landscaping and landscape design services in Tucson and Southern Arizona.	HeartLand	
19-May-23	Solena Landscape, Inc.		Solena Landscape, Inc. provides full-service outdoor design, landscape construction, and maintenance services.	Artisan Outdoor, LLC	
18-May-23	Lazy Susans Cleaning Service Inc.		Lazy Susans Cleaning Service Inc. provides residential and commercial cleaning services.	ByNext, Inc.	
16-May-23	Clean D Windows LLC		Clean D Windows LLC provides commercial window cleaning and glass restoration services.	Tendit Group	
15-May-23	Legends Landscape Management, Inc.		Legends Landscape Management, Inc. provides landscape management services, such as landscape maintenance, irrigation system management, plant health, and tree and weed management services.	Tendit Group	

Commercial services Q2 2023 transactions

Announced Date	Target	Target HQ	Target Description	Buyer	Buyer HQ
Facility Services... Continued					
8-May-23	Red River Sanitors, L.L.C.		Red River Sanitors, L.L.C. operates as a janitorial services company that provides contract janitorial services to commercial accounts, schools, and government buildings, construction sites, industrial manufacturing sites, hotels, and banks.	The Facilities Group	
8-May-23	Greenway Lawn & Landscape, LLC / Sanford Tree Service Inc.		Greenway Lawn & Landscape, LLC offers landscape maintenance, enhancement, and tree care services.	United Land Services Holdings, LLC	
1-May-23	Bob's Irrigation & Landscape, Inc.		Bob's Irrigation & Landscape, Inc. operates as an irrigation and landscaping company.	Liberty Landscape Supply	
21-Apr-23	LK Estate Services Inc		LK Estate Services Inc provides lawn care services.	Fairway Lawns, Inc.	
10-Apr-23	Your Green Team/Next Level Turf Management		Your Green Team provides pest control, commercial and residential lawn care, irrigation, and design/build services.	Fairway Lawns, Inc.	
5-Apr-23	System4 of Northern Florida		System4 of Northern Florida, a facility services management company, provides commercial cleaning and janitorial, disinfection, emergency repair, and preventative maintenance services.	Unnamed Buyer	
Mechanical Services					
28-Jun-23	Richard Meek Air Conditioning, Inc.		Richard Meek Air Conditioning, Inc. operates as a commercial equipment repair and installation company specializing in emergency repair, preventative maintenance, and installation services.	EEC Acquisition LLC	
26-Jun-23	Tarpy Plumbing, Heating & Air		Tarpy Plumbing, Heating & Air provides plumbing, heating, and air installation services.	American Residential Services L.L.C.	
14-Jun-23	Bamford, Inc.		Bamford, Inc. design, fabricate, install, inspect, and test of plumbing and heating.	Pye-Barker Fire & Safety, LLC	
6-Jun-23	Arrow Plumbing, Inc.		Arrow Plumbing, Inc. provides residential and commercial plumbing service.	Harmonic Heating and Air Conditioning	
31-May-23	Total Mechanical Repair Services LLC		Total Mechanical Repair Services LLC provides repair and maintenance services for foodservice and commercial HVAC equipment.	Commercial Foodservice Repair Company, Inc.	
10-May-23	Thomson Industries Ltd.		Thomson Industries Ltd. provides heating, cooling, electrical, plumbing, and air quality services to commercial and residential customers.	Right Time Heating and Air Conditioning Canada Inc.	
1-May-23	Reliatech HVAC Inc.		Reliatech HVAC Inc. provides heating, ventilation, air conditioning, and mechanical services to commercial customers.	Custom Air Conditioning Ltd.	

Commercial services Q2 2023 transactions

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Mechanical Services... Continued					
11-Apr-23	Jackson Comfort Systems, Inc.		Jackson Comfort Systems, Inc. provides heating, cooling, and plumbing services to residential and commercial clients.	Sila Heating & Air Conditioning, Inc.	
4-Apr-23	Plains Mechanical Services, Inc.		Plains Mechanical Services, Inc. operates as a boiler company that provides sales, service installation, and repair of boilers, pressure vessels, piping systems, and industrial combustion applications.	Thermogenics Corp.	
Property Management					
22-Jun-23	Blue Sky Property Management/ Lipson Property Management		Blue Sky Property Management/ Lipson Property Management represents the combined operations of Blue Sky Property Management and Lipson Property Management in their sale to The Equity Group.	The Equity Group	
12-Jun-23	Water Damage Clean LLC		Water Damage Clean LLC provides water damage, mold removal, and fire damage services for homes and businesses.	Advanced Restoration & Company/ProFire	
5-Jun-23	Accell Property Management Inc.		Accell Property Management Inc. operates as a real estate operating company that offers property management services.	Seabreeze Management Company, Inc.	
1-May-23	RowCal Nation, LLC		RowCal Nation, LLC offers property management services.	Morgan Stanley Private Equity	
10-Apr-23	Schnitzer West, LLC		Schnitzer West, LLC develops and manages real estate properties in Seattle, Portland, and Denver markets.	Unnamed Buyer	
Route-Based Services					
20-Jun-23	Laundry Angels		Laundry Angels provides laundry, dry cleaning, and pickup and delivery services.	ByNext, Inc.	
19-Jun-23	The Folde LLC		The Folde LLC provides laundry delivery services that includes washing, folding, dry cleaning, and commercial laundry.	2ULaundry, Inc.	
17-May-23	West Michigan Uniform Inc.		West Michigan Uniform Inc., doing business as WM Uniform, offers uniforms, mats, towels, restroom products, and apparel on rent.	Wildman Business Group LLC	
18-Apr-23	Nimble Deliveries		Nimble Deliveries offers small packages, catering, and routed delivery services.	dlivrd LLC	
Safety and Security					
15-Jun-23	Acadiana Security Plus, LLC		Acadiana Security Plus, LLC provides residential and commercial security and fire alarm solutions.	Pye-Barker Fire & Safety, LLC	

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Announced Date	Target	Target HQ	Target Description	Buyer	Buyer HQ
Safety and Security... Continued					
13-Jun-23	Maximum Security and Sound, LLC		Maximum Security and Sound, LLC installs and provides commercial and residential security systems services.	Engineered Protection Systems, Inc.	
6-Jun-23	Eyeforce Inc.		Eyeforce Inc. provides video monitoring services.	Becklar, LLC	
1-Jun-23	Priority Fire and Security Inc.		Priority Fire and Security Inc. provides installation, monitoring, maintenance, and repair services for fire and security systems.	Altus Fire and Life Safety	
16-May-23	Integrated Fire Systems, Inc.		Integrated Fire Systems, Inc. provides fire system repair and maintenance services intended to serve commercial building owners and property managers.	Performance Systems Integration, Corp.	
10-May-23	Premier Security Solutions Corporation		Premier Security Solutions Corporation distributes and supplies security system.	Pavion Corp.	
21-Apr-23	Fusion Security Inc.		Fusion Security Inc. provides security personnel, mobile patrol and response, private investigation, and security consulting services.	Scarlet Security & Risk Group	
12-Apr-23	Southern Nevada Fire Protection, Inc.		Southern Nevada Fire Protection, Inc. offers installation and repair services of fire and safety systems, such as fire sprinklers, fire alarms, CCTV, and extinguishers and equipment to the commercial and residential sectors.	The Hiller Companies, Inc.	
12-Apr-23	The Hartline Company Inc.		The Hartline Company Inc. maintains, repairs, and installs fire and safety equipment including fire sprinklers, business security systems, and emergency lighting.	Pye-Barker Fire & Safety, LLC	
11-Apr-23	Elite Tactical Security Solutions, LLC		Elite Tactical Security Solutions, LLC provides specialized security solutions to hospitality and entertainment clients.	MSA Security, Inc.; Allied Universal Security Services LLC	
3-Apr-23	Coastal Security Group		Coastal Security Group provides security system installation and alarm monitoring services.	Central Security Group-Nationwide, Inc.	
Testing, Inspection, Certification & Compliance					
17-Apr-23	Biotechnical Services, Inc.		Biotechnical Services, Inc. operates as an independent sales and service company that engages in the calibration, repair, validation, and maintenance of laboratory equipment.	Flagship Facility Services, Inc.	
17-Apr-23	Complete Cryogenic Services, Inc.		Complete Cryogenic Services, Inc. provides inspections, service, and calibration of cargo equipment in the liquefied natural gas segment.	SVANEHØJ Danmark A/S	

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Announced Date	Target	Target HQ	Target Description	Buyer	Buyer HQ
Testing, Inspection, Certification & Compliance... Continued					
5-Apr-23	Ana-Lab Corporation		Ana-Lab Corporation operates an environmental testing laboratory that provides environmental testing services to federal, state, commercial, industrial, and municipal clients in the United States.	SPL, Inc.	
3-Apr-23	Instrumentation Technical Services, Inc.		Instrumentation Technical Services, Inc. offers instrumentation maintenance, repair, testing, and calibration services.	Applied Technical Services, Inc.	
6-Jun-23	Riner Engineering, Inc.		Riner Engineering, Inc. offers geotechnical engineering and construction materials testing and inspection services.	Universal Engineering Sciences, LLC	
Waste Management					
22-Jun-23	Diversified Waste Management, Inc.		Diversified Waste Management, Inc. engages in the collection, transferal, and disposal of trash, junk, construction debris hazardous waste, and non-hazardous waste for residential, commercial, medical, and industrial customers in Texas.	Waste Connections, Inc.	
21-Jun-23	Placements F.I. inc.		Placements F.I. inc. offers sludge and waste collection and treatment services for septic tanks.	Environmental 360 Solutions Ltd.	
20-Jun-23	Recycle Waste Services Inc		Recycle Waste Services Inc offers recycling, hauling, disposal, and waste diversion services. ▪ Implied TEV: USD$44.4 million ▪ TEV/Revenue: 2.0x	Titan Trucking, LLC	
16-Jun-23	Waste Harmonics, LLC		Waste Harmonics, LLC provides outsourced waste management consolidation services for national, international, and regional companies.	Keter Environmental Services, Inc.	
16-Jun-23	Wastebox		Wastebox provides roll-off dumpster, hauling, and waste management services in Memphis.	North West Environmental Group Ltd	
12-Jun-23	Assets of Consolidated Waste Services, LLC		Assets of Consolidated Waste Services, LLC comprises garbage collection and recycling services. ▪ Implied TEV: USD$219 million	Casella Waste Systems, Inc.	
9-Jun-23	Ozarks Waste Solutions, LLC		Ozarks Waste Solutions, LLC provides commercial, municipal, subscription residential, permanent, and temporary roll-off services.	CARDS Holdings LLC	
5-Jun-23	Solid waste operations of GFL Environmental Inc. in Colorado and New Mexico		Solid waste operations of GFL Environmental Inc. in Colorado and New Mexico comprises solid waste operations.	Republic Services, Inc.	

Commercial services Q2 2023 transactions

Announced Date	Target	Target HQ	Target Description	Buyer	Buyer HQ
Waste Management... Continued					
26-May-23	Arrow Disposal Service Incorporated		Arrow Disposal Service Incorporated operates as a waste hauling and recycling company.	Evergreen Environmental Partners Holdings LLC	
8-May-23	Barnes Waste Disposal, Inc.		Barnes Waste Disposal, Inc. provides waste collection, hauling, and disposal services to commercial, residential, and municipal customers.	CARDS Holdings LLC	
24-Apr-23	Collection, transfer, and recycling operations in USA of GFL Environmental Inc.		Collection, transfer, and recycling operations in USA of GFL Environmental Inc. comprises nine hauling operations, one transfer station, and one material recovery facility. ▪ Implied TEV: USD$525 million	Casella Waste Systems, Inc.	
22-Apr-23	John's Refuse, LLC		John's Refuse, LLC provides residential and commercial garbage collection services.	CARDS Holdings LLC	
17-Apr-23	MaJiC Plastics, Inc.		MaJiC Plastics, Inc. provides industrial recycling service.	Majic Plastics, Inc.	
14-Apr-23	Z s Disposal, LLC		Z s Disposal, LLC owns and operates a roll-off waste collection and disposal company that offers commercial and residential roll-off dumpster services.	EcoSouth Florida, LLC	
3-Apr-23	Whittinghill Disposal Service Inc.		Whittinghill Disposal Service Inc. provides waste recycling and disposal services.	CARDS Holdings LLC	
Other relevant transactions					
1-Jun-23	Doucet & Associates Inc.		Doucet & Associates Inc. (D&A) provides engineering, land planning, and surveying services.	The Kleinfelder Group, Inc.	
11-May-23	Mold Medics LLC		Mold Medics LLC provides mold removal and air duct cleaning services for residential and commercial customers.	Threshold Brands	
27-Apr-23	PermaTreat Inc.		PermaTreat Inc. provides pest and termite control, real estate inspections, new construction pretreatment, and outdoor pest control services to industrial, commercial, and residential customers in Virginia, Maryland, and Washington D.C.	Maintenance Porter LLC	
5-Apr-23	Herbafex, Inc.		Herbafex, Inc. offers commercial pest and rodent control, property care, lawn care, irrigation systems, and landscape services.	United Land Services Holdings, LLC	

Commercial services public company comparables

Environment Services
- Heritage-Crystal Clean, Inc. (NasdaqGS:HCCI)
- Montrose Environmental Group, Inc. (NYSE:MEG)
- Stantec Inc. (TSX:STN)
- Veolia Environment SA (ENXTPA:VIE)

Facility Services
- ABM Industries Incorporated (NYSE:ABM)
- BrightView Holdings, Inc. (NYSE:BV)
- Ecolab, Inc. (NYSE:ECL)
- EMCOR Group, Inc. (NYSE:EME)
- FirstService Corporation (TSX:FSV)
- GDI Integrated Facility Services Incorporated (TSX:GDI)
- IES Holdings, Inc. (NasdaqGM:IESC)
- ISS A/S (CPSE:ISS)
- Mitie Group plc (LSE:MTO)

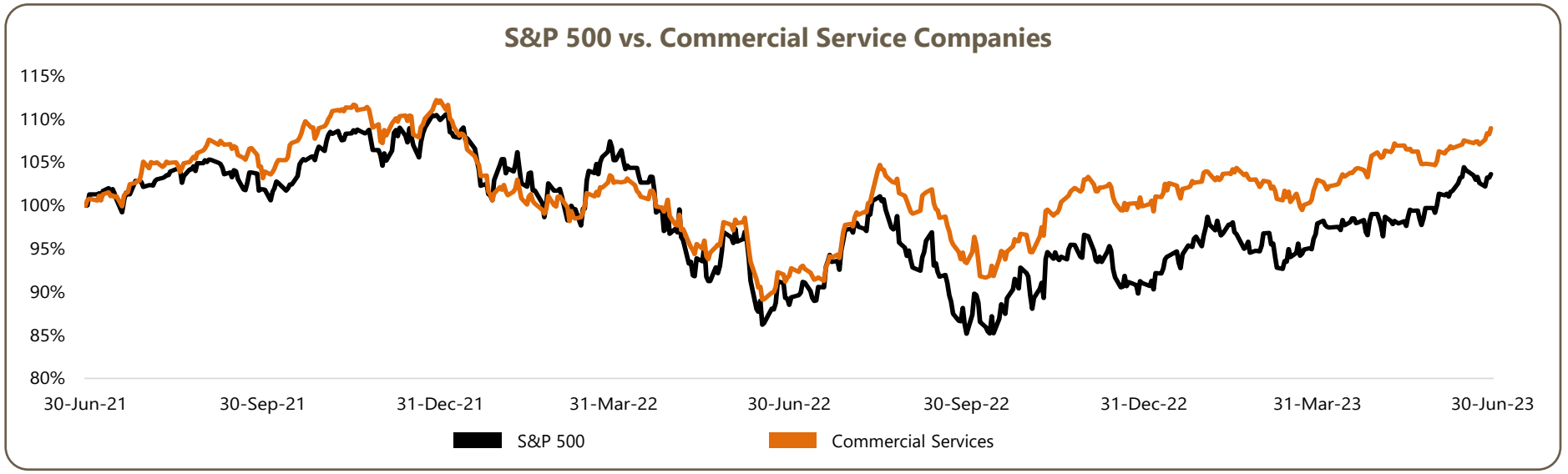
Property Management
- CBRE Group, Inc. (NYSE:CBRE)
- Colliers International Group Inc. (TSX:CIGI)
- Cushman & Wakefield plc (NYSE:CWK)
- Jones Lang LaSalle Incorporated (NYSE:JLL)
- Newmark Group, Inc. (NasdaqGS:NMRK)

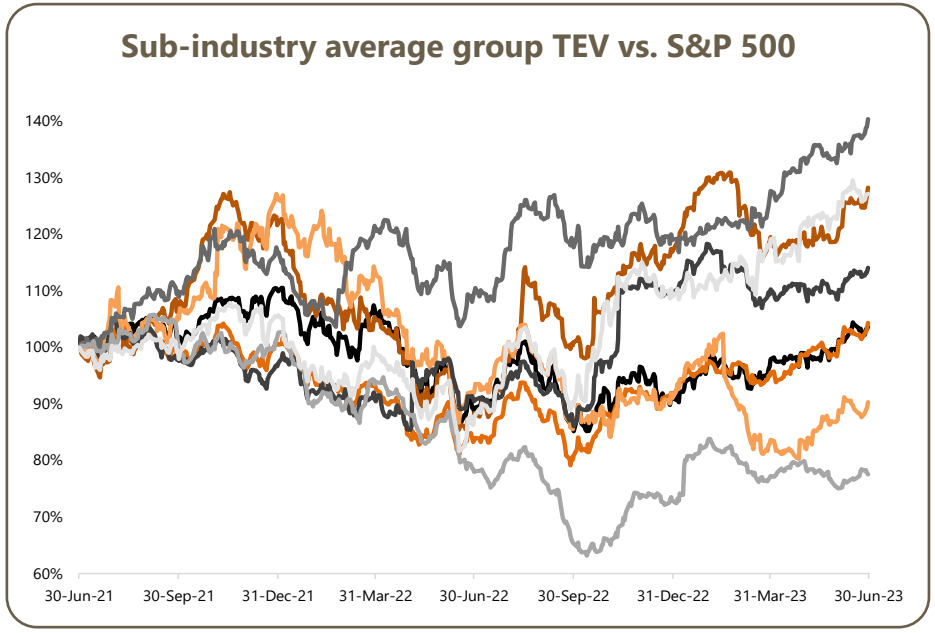
Route-Based Services
- Cintas Corporation (NasdaqGS:CTAS)
- Comfort Systems USA, Inc. (NYSE:FIX)
- Rentokil Initial plc (LSE:RTO)
- Stericycle, Inc. (NasdaqGS:SRCL)
- UniFirst Corporation (NYSE:UNF)

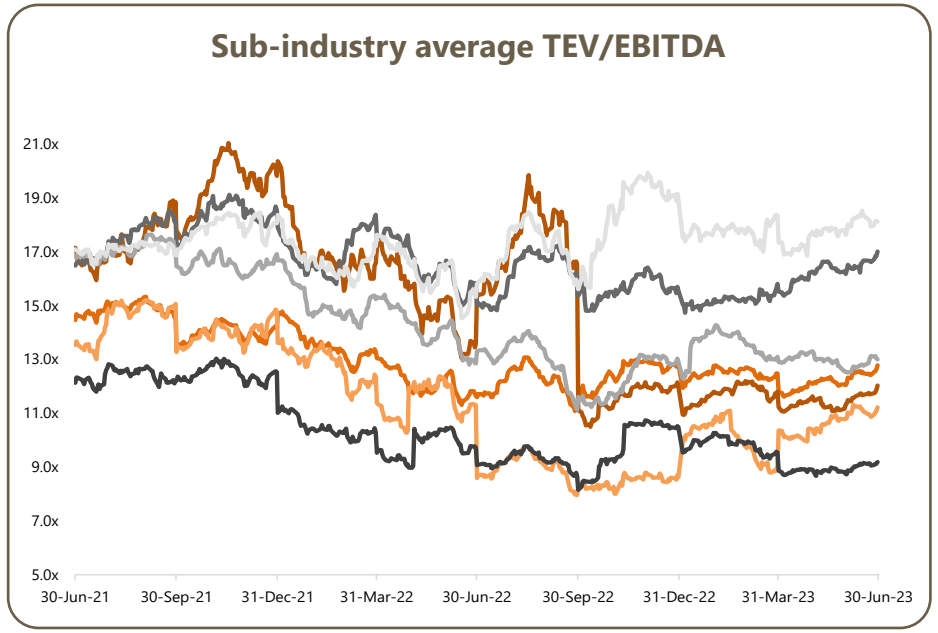
Safety and Security
- ADT Inc. (NYSE:ADT)
- APi Group Corporation (NYSE:APG)
- Prosegur Compania de Seguridad, S.A. (BME:PSG)
- Securitas AB (publ) (OM:SECU B)
- The Brink's Company (NYSE:BCO)

Testing, Inspection, Certification & Compliance (TICC)
- ALS Limited (ASX:ALQ)
- Bureau Veritas SA (ENXTPA:BVI)
- Eurofins Scientific SE (ENXTPA:ERF)
- Intertek Group plc (LSE:ITRK)
- SGS SA (SWX:SGSN)
- Sotera Health Company (NasdaqGS:SHC)

Waste Management
- Casella Waste Systems, Inc. (NasdaqGS:CWST)
- Clean Harbors, Inc. (NYSE:CLH)
- GFL Environmental Inc. (TSX:GFL)
- Republic Services, Inc. (NYSE:RSG)
- Waste Connections, Inc. (NYSE:WCN)
- Waste Management, Inc. (NYSE:WM)







S&P 500 | Facility Services | Environment Services | Property Management
Safety and Security | Waste Management | TICC | Route-based Services

Our Commercial Service industry team

Commercial and industrial service group leads

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CCC Investment Banking

A Relentless Commitment to Close

- ***Proven Experts:*** 40-year track record of successfully completing M&A transactions. Our refined processes have proven to maximize value and get transactions completed.
- ***Unbiased advice you can trust:*** Unlike chartered banks and accounting firms, our primary interest is not driven by lending products or accounting services.
- ***International reach:*** With offices in Toronto and Vancouver we serve clients Nationwide. We have successfully sold businesses to companies all over the world.
- ***Service offering***: Divestures, Acquisitions, Capital Raise and Valuation.

Recent CCC Investment Banking Commercial and Industrial Service deal experience

Spectrum Building Services was acquired by Carma Corp.

The undersigned acted as exclusive financial advisor to Spectrum Business Services Co. Inc.

Primary Response Inc. has been acquired by GardaWorld.

The undersigned acted as exclusive financial advisor to Primary Response Inc.

Northwest Atlantic Inc. has been acquired by Jones Lang LaSalle Inc.

The undersigned acted as exclusive financial advisor to Northwest Atlantic Inc.

SDM Realty Advisors Ltd. has been acquired by Warrington PCI Management

The undersigned acted as exclusive financial advisor to SDM Realty Advisors Ltd.

ORTECH Consulting Inc. has been acquired by Kontrol Energy Corp.

The undersigned acted as exclusive financial advisor to ORTECH Consulting Inc.

Asbury Building Services Inc. has been acquired by GDI Integrated Facility Services Inc.

The undersigned acted as exclusive financial advisor to Asbury Building Services Inc.