

## Q4 2020 Human Capital M&A Intelligence Report

February 17, 2021 – Austin, TX – De Bellas & Co., the leading M&A advisory firm serving the Staffing and Workforce Solutions industries exclusively, reported today on M&A activity in Q4 2020. Because of the COVID-19 pandemic, staffing activity in 2020 experienced double-digit declines. Staffing Industry Analysts (SIA) is forecasting that the US staffing industry will continue to recover along with the economy in 2021 and grow 12% to reach \$141.5 billion. We believe that M&A activity will recover commensurately. We note that Q4 2020 activity increased 29% versus Q3 2020. Also, many buyers are continuing to come to us to reflect their interest in making acquisitions.

### Transactions

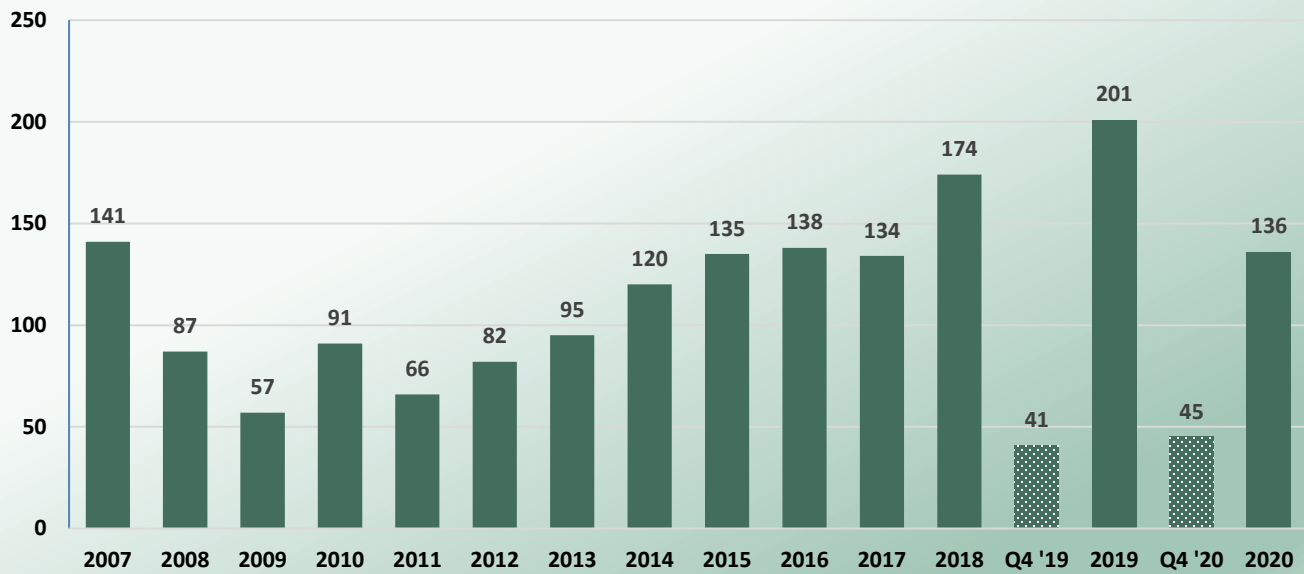
In 2020, 136 M&A transactions were announced or completed, vs. 201 in 2019, representing a decrease of 32%. Below is a table showing transactions for each segment during 2020 and 2019.

SEGMENT	2020	2019	#CHANGE
<b>STAFFING</b>			
Industrial Staffing	8	17	-9
IT Staffing	13	21	-8
Healthcare Staffing	10	17	-7
Finance/Accounting Staffing	1	4	-3
Engineering/Design Staffing	2	4	-2
Life Sciences Staffing	1	3	-2
Marketing/Creative Staffing	0	2	-2
Education Staffing	1	2	-1
Legal Staffing	2	2	0
Other Professional Staffing	2	1	1
Multiple Commercial Staffing Segments	4	7	-3
Multiple Professional Staffing Segments	7	8	-1
Multiple Staffing Segments	2	7	-5
Place & Search	8	21	-13
Other Staffing	0	2	-2
<b>WORKFORCE SOLUTIONS</b>			
Direct Work Engagement	11	6	5
Multiple Workforce Solutions	4	3	1
Payrolling/Compliance - PEO	8	9	-1
Process Outsourcing (MSP-RPO-BPO)	5	9	-4
Talent Acquisition Technology	28	34	-6
Other Workforce Solutions	19	22	-3
<b>Total</b>	<b>136</b>	<b>201</b>	<b>-65</b>

In Q4 2020, 45 M&A transactions were announced or completed, vs. 41 in Q4 2019, representing an increase of nearly 10%. Below is a table showing transactions for each segment in the fourth quarter of this year and last year.

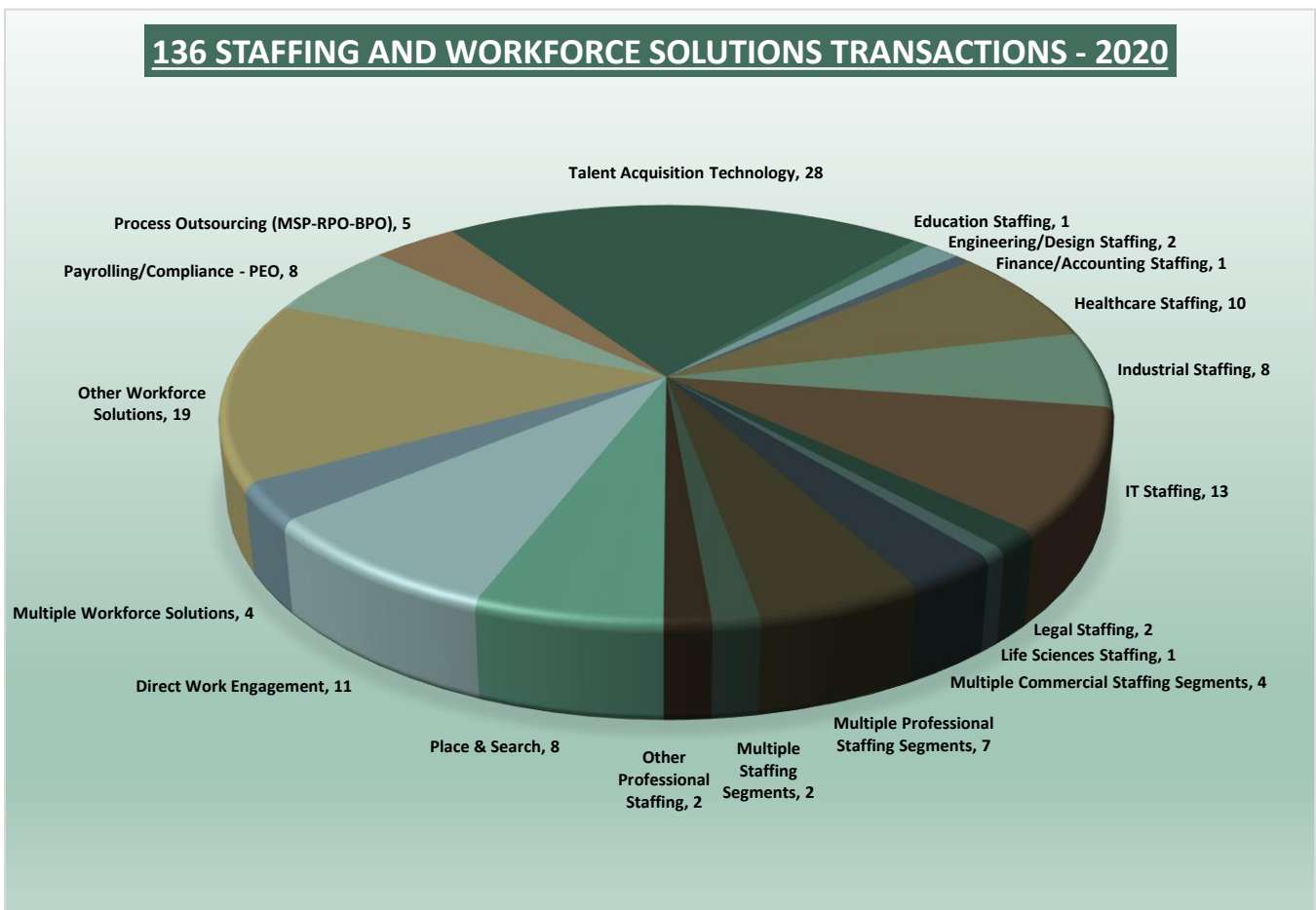
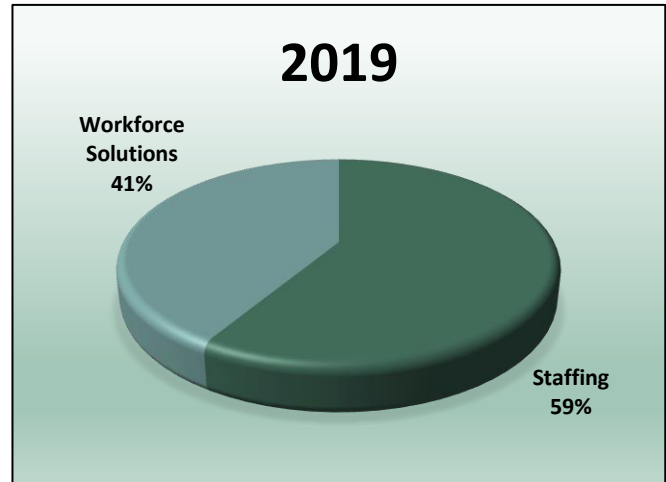
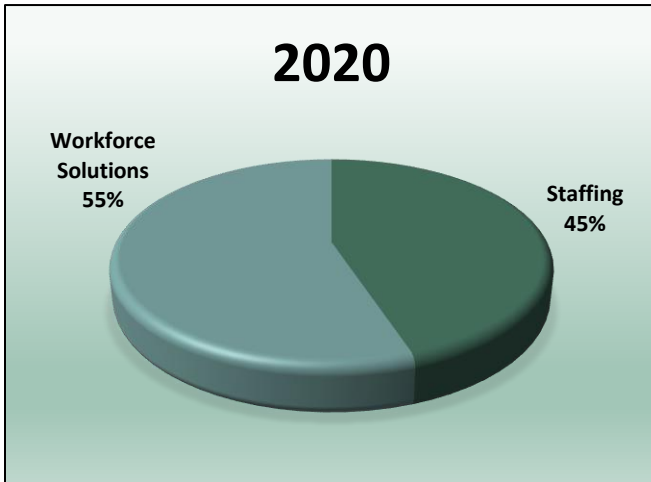
SEGMENT	Q4-2020	Q4-2019	#CHANGE
<b>Staffing</b>			
<b>Industrial Staffing</b>	5	1	4
<b>IT Staffing</b>	3	7	-4
<b>Healthcare Staffing</b>	2	2	0
<b>Engineering/Design Staffing</b>	0	1	-1
<b>Life Sciences Staffing</b>	1	1	0
<b>Legal Staffing</b>	1	0	1
<b>Other Professional Staffing</b>	1	0	1
<b>Multiple Commercial Staffing Segments</b>	1	2	-1
<b>Multiple Professional Staffing Segments</b>	1	4	-3
<b>Multiple Staffing Segments</b>	0	1	-1
<b>Place &amp; Search</b>	6	2	4
<b>Workforce Solutions</b>			
<b>Direct Work Engagement</b>	5	2	3
<b>Multiple Workforce Solutions</b>	1	2	-1
<b>Payrolling/Compliance - PEO</b>	2	1	1
<b>Process Outsourcing (MSP-RPO-BPO)</b>	1	0	1
<b>Talent Acquisition Technology</b>	9	5	4
<b>Other Workforce Solutions</b>	6	10	-4
<b>Total</b>	<b>45</b>	<b>41</b>	<b>4</b>

### M&A Transactions 2007 - 2020



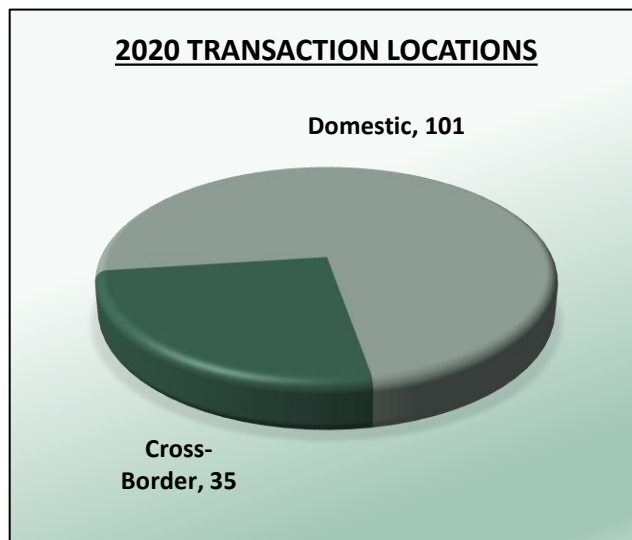
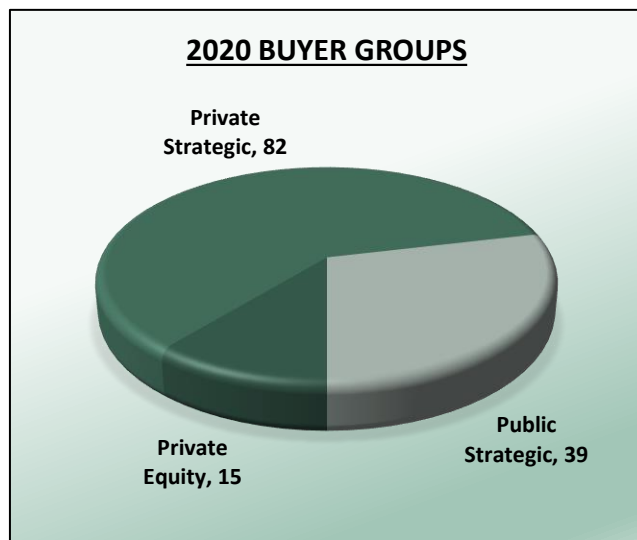
Segment	Staffing/WFS	Q1	Q2	Q3	Q4	Total
Talent Acquisition Technology	Workforce Solutions	9	2	8	9	28
Other Workforce Solutions	Workforce Solutions	7	3	3	6	19
IT Staffing	Staffing	3	0	7	3	13
Direct Work Engagement	Workforce Solutions	2	1	3	5	11
Healthcare Staffing	Staffing	2	2	4	2	10
Industrial Staffing	Staffing	2	1	0	5	8
Payrolling/Compliance - PEO	Workforce Solutions	3	3	0	2	8
Place & Search	Staffing	2	0	0	6	8
Multiple Professional Staffing Segments	Staffing	3	1	2	1	7
Process Outsourcing (MSP-RPO-BPO)	Workforce Solutions	2	0	2	1	5
Multiple Commercial Staffing Segments	Staffing	1	1	1	1	4
Multiple Workforce Solutions	Workforce Solutions	1	0	2	1	4
Engineering/Design Staffing	Staffing	0	0	2	0	2
Legal Staffing	Staffing	0	0	1	1	2
Multiple Staffing Segments	Staffing	2	0	0	0	2
Other Professional Staffing	Staffing	0	1	0	1	2
Education Staffing	Staffing	1	0	0	0	1
Finance/Accounting Staffing	Staffing	1	0	0	0	1
Life Sciences Staffing	Staffing	0	0	0	1	1
<b>Grand Total</b>		<b>41</b>	<b>15</b>	<b>35</b>	<b>45</b>	<b>136</b>

The two charts below show the percentage breakdown of Staffing transactions vs. Workforce Solutions transactions for this year and last year. This year Workforce Solutions represented a majority of the transactions for the first time, with 55% of all transactions in 2020 vs. 41% in 2019.



## Buyers

During 2020 Private Strategic Buyers accounted for 60% of all transactions. Public Strategic Buyers accounted for 29% and Private Equity Firms accounted for 11%.



Publicly owned companies with M&A activity YTD 2020 included: BG Staffing Inc. (NYSE: BGSF); Cognizant Technology Solutions Corp. (NASDAQ: CTSH); Kelly Services Inc. (NASDAQ: KELYA); Cornerstone OnDemand, Inc. (NASDAQ:CSOD); John Wiley & Sons Inc. (NYSE: JW.A, JW.B); ASGN Inc. (NYSE: ASGN); K12 Inc. (NYSE: LRN); Infosys Ltd. (NYSE: INFY); AMN Healthcare Services Inc. (NYSE: AMN); Uber Technologies Inc. (NYSE: UBER); IAC/InterActiveCorp (NASDAQ: IAC); ShiftPixy Inc. (NASDAQ: PIXY) - PEO business; Care.com (NYSE: CRCM); Cognizant Technology (NASDAQ: CTSH); Ceridian HCM Holding (NYSE: CDAY); Grubhub Inc. (NYSE: GRUB); Microsoft (NASDAQ: MSFT); Target (NYSE: TGT); Adevinta (OSL: ADE); Accenture (NYSE: ACN); Addus HomeCare Corporation (NASDAQ: ADUS); Futuris Co. (OTC: FTRS); GI Group; TSR (NASDAQ: TSRI); Arthur J. Gallagher & Co. (NYSE: AJG); Coupa Software (NASDAQ: COUP); Hudson Global Inc. (NASDAQ: HSON); Mastech Digital (NYSE: MHH) and Stride (NYSE: LRN).

## Q4 2020 Notable Transactions

**Centerline Partners** - Staffing provider ettain group acquired Centerline Partners, a management consulting firm focused on the life sciences industry. The acquisition is aimed at increasing ettain group's presence in the life sciences space.

Centerline Partners was founded in 2007 and has offices in Beverly, Massachusetts, and Bridgewater, New Jersey. Ettain group ranks on SIA's list of largest US staffing firms.

**Vendorpass Inc.** - Icon Information Consultants acquired Vendorpass Inc. from Adecco Group North America. The deal was for a 100% stake in Vendorpass, which has been in operation since 2007, providing employer of record and independent contractor compliance services. Icon reported the acquisition will increase its total contingent labor spend under management by 60%.

**eLaw and PM Legal** - Lexitas Legal announced an agreement to acquire two firms: eLaw and PM Legal. Based in Houston, Lexitas provides legal staffing, medical record retrieval, court reporting, registered agent, document review and commercial contracts outsourcing.

eLaw provides docketing and calendaring software as well as legal staffing. PM Legal provides process service, investigations and court services in the New York City area. It investigates more than 5,000 cases, serves more than 130,000 legal documents and files more than 90,000 court documents annually.

Lexitas has completed nine acquisitions in the past year, including Lumen Legal, a provider of secondments, document review, commercial contract outsourcing and contract staffing of attorneys.

**System One Holdings LLC** - This engineering and IT staffing company received a significant investment from funds managed by Los Angeles-based investment firm Oaktree Capital Management LP. Financial terms of the transaction were not disclosed except that the investment was significant. SIA ranks System One as the 22nd-largest US staffing firm.

## 2020 Transactions

DATE	ACQUIRER	TARGET	SEGMENT
<b>STAFFING TRANSACTIONS</b>			
1/3/2020	NSC Technologies	Staff Matters (portfolio company of White Wolf Capital)	Multiple Staffing Segments
1/7/2020	Kingsley Gate Partners	Everest Search Partners	Place & Search
1/9/2020	Ascendo Resources	Angie's Staffing	Multiple Professional Staffing Segments
1/13/2020	Kellermeyer Bergensons Services	Hospitality Staffing Solutions LLC	Industrial Staffing
1/14/2020	Ampcus Inc.	iTech Solutions Inc.	IT Staffing
1/14/2020	The Carlyle Group and Cannae Holdings - healthcare joint venture	Trust Healthcare Consulting Services - (part of Healthcare PEG WindRose Health Investors LLC)	Healthcare Staffing
1/15/2020	Kelly Services Inc. (NASDAQ: KELYA)	Insight	Education Staffing
1/16/2020	McNally Capital	Re-Sourcing Holdings	Multiple Professional Staffing Segments
1/21/2020	Staffing as a Mission LLC,	DATalent LLC	IT Staffing
1/29/2020	Versique	Midwest Financial Search	Finance/Accounting Staffing
2/6/2020	Diversified Search Group	Storbeck Search & Associates	Place & Search
2/14/2020	CorTech LLC	Metro Staffing Service	Industrial Staffing
2/25/2020	Express Employment Professionals	Frontline Recruitment Group	Multiple Staffing Segments
2/27/2020	Eliassen Group LLC	The Armada Group	IT Staffing
3/9/2020	CorTech International	nine California offices from TPS	Multiple Commercial Staffing Segments
3/9/2020	New Heritage Capital	DeWinter Group	Multiple Professional Staffing Segments
3/16/2020	The Delta Cos.	Foreman Therapy Services	Healthcare Staffing
5/14/2020	The Boston Group	People Prime Worldwide	Multiple Professional Staffing Segments
6/10/2020	Central Research	Skyline Ultd.	Other Professional Staffing
6/16/2020	THMED	Doximity	Healthcare Staffing
6/22/2020	NSC Technologies	Anistar Technologies	Industrial Staffing
6/23/2020	Ascend Staffing (previously Intermountain Staffing)	1-Call Staffing	Multiple Commercial Staffing Segments
6/30/2020	Qualivis (subsidiary of Aya Healthcare)	Staffing operations of Association Purchasing Services	Healthcare Staffing
7/1/2020	Addus HomeCare Corporation (NASDAQ: ADUS)	A Plus Health Care	Healthcare Staffing
7/2/2020	Advanced Resources Group	St. Louis Staffing	Multiple Commercial Staffing Segments
7/15/2020	Lexitas Legal	Lumen Legal	Legal Staffing
7/16/2020	Joulé	Healthcare contingent staffing business of Syneos	Healthcare Staffing
7/17/2020	XDuce	SANS Consulting (majority stake)	IT Staffing
7/28/2020	SSi People	Townsend & Associates	Multiple Professional Staffing Segments
8/14/2020	Futuris Co. (OTC: FTRS)	Pioneer Global Inc.	IT Staffing
8/19/2020	Bain Capital	Nichiigakkan	Healthcare Staffing
8/27/2020	Job.com	HireVergence	IT Staffing
9/2/2020	Triage Medical Staffing	TaleMed	Healthcare Staffing
9/2/2020	TSR (NASDAQ: TSRI)	Geneva Consulting Group Inc.	IT Staffing
9/4/2020	Infosys (NYSE: INFY)	Kaleidoscope Innovation	Engineering/Design Staffing
9/9/2020	Futuris Co. (OTC: FTRS)	Fortek	IT Staffing
9/9/2020	Futuris Co. (OTC: FTRS)	Soft2001	IT Staffing
9/15/2020	Caymus Equity Partners	PlanIT	IT Staffing
9/24/2020	The Alliance of Professionals & Consultants Inc.	True North Talent Group	Engineering/Design Staffing
9/28/2020	Management buyout	firstPRO 360 (a division of Staffing 360 Solutions (NASDAQ: STAF))	Multiple Professional Staffing Segments
10/5/2020	Ascend Staffing	Extreme Staffing	Industrial Staffing
10/6/2020	ASGN Inc. (NYSE: ASGN)	Skyris LLC	Life Sciences Staffing
10/6/2020	Eliassen Group LLC	Ferguson Consulting	IT Staffing

DATE	ACQUIRER	TARGET	SEGMENT
10/6/2020	FTV Capital	Lean Staffing Solutions	Industrial Staffing
10/6/2020	Vaco	Prodigy Bank	Place & Search
10/16/2020	The Stepping Stones Group	Ardor Schools Solutions	Healthcare Staffing
10/21/2020	Harvey Nash Group	Latitude 36	IT Staffing
11/3/2020	Owner Resource Group	Surestaff LLC	Industrial Staffing
11/9/2020	Premier Healthcare Professionals	Field Health Ltd., (Adevia Health)	Healthcare Staffing
11/11/2020	Exegistics	Memphis staffing operation of Versant Supply Chain	Multiple Commercial Staffing Segments
11/12/2020	Arthur J. Gallagher & Co. (NYSE: AJG)	Optimum Talent Inc.	Place & Search
11/13/2020	Resolute Pros	Search Partners Recruiting	Other Professional Staffing
11/16/2020	The Planet Group	Interactive Business Systems	IT Staffing
11/17/2020	New State Capital Partners	Klein Hersh (majority stake)	Place & Search
11/23/2020	Kelly Services Inc. (NASDAQ: KELYA, KELYB)	Greenwood/Asher & Associates Inc.	Place & Search
12/7/2020	Resolute Administrative Services	Confidential Career Solutions	Industrial Staffing
12/7/2020	Sage Talent Inc.	Nexus Partners	Place & Search
12/8/2020	Oaktree Capital Management LP.	System One Holdings LLC	Multiple Professional Staffing Segments
12/10/2020	Lexitas Legal	ELaw	Legal Staffing
12/15/2020	20/20 Foresight	Saenger Associates	Place & Search
12/16/2020	Labor Source Holdings LLC	Power Labor LLC	Industrial Staffing
WORKFORCE SOLUTIONS TRANSACTIONS			
1/3/2020	Uber Technologies Inc. (NYSE: UBER)	Careem	Talent Acquisition Technology
1/7/2020	Lyons HR	Acline HR	Payrolling/Compliance - PEO
1/8/2020	Bullhorn	Herefish	Talent Acquisition Technology
1/8/2020	Ceipal	Zoniac	Talent Acquisition Technology
1/8/2020	GHR Healthcare	HCTec (health information management division)	Other Workforce Solutions
1/8/2020	John Wiley & Sons Inc. (NYSE: JW.A, JW.B)	mthree	Other Workforce Solutions
1/9/2020	Vensure Employers Services Inc.	ShiftPixy Inc. (NASDAQ: PIXY) - PEO business	Payrolling/Compliance - PEO
1/20/2020	Cornerstone OnDemand, Inc. (NASDAQ:CSOD)	Clustree	Talent Acquisition Technology
1/22/2020	IAC/InterActiveCorp (NASDAQ: IAC)	Care.com (NYSE CRCM)	Talent Acquisition Technology
1/27/2020	ASGN Inc. (NYSE: ASGN)	Blackstone Technology Group (federal division)	Other Workforce Solutions
1/29/2020	K12 Inc. (NYSE: LRN)	Galvanize Inc.	Other Workforce Solutions
1/30/2020	AMN Healthcare Services Inc. (NYSE: AMN)	Stratus Video Holding Co.	Process Outsourcing (MSP-RPO-BPO)
1/30/2020	Mountain Ltd. (division of System One)	Level 5 Consulting Engineers	Other Workforce Solutions
2/4/2020	BG Staffing Inc. (NYSE: BGSF)	EdgeRock Technology Partners	Direct Work Engagement
2/6/2020	CHG Healthcare	LocumsMart	Talent Acquisition Technology
2/11/2020	Accurate Background	CareerBuilder Employment Screening business	Talent Acquisition Technology
2/11/2020	PharmaLex Group	Arbour Group LLC (from private equity firm Keystone Capital Inc.)	Other Workforce Solutions
2/11/2020	Infosys Ltd. (NYSE: INFY)	Simplus	Other Workforce Solutions
2/13/2020	People 2.0	WePayPeople	Payrolling/Compliance - PEO
2/18/2020	PullRequest Inc.	Moonlight	Talent Acquisition Technology
2/19/2020	WorkJam	Forge	Talent Acquisition Technology
2/28/2020	Cornerstone OnDemand, Inc. (NASDAQ:CSOD)	Saba Software	Multiple Workforce Solutions
3/5/2020	Cielo	AsiaNet China	Process Outsourcing (MSP-RPO-BPO)
3/23/2020	Cognizant Technology Solutions Corp. (NASDAQ: CTSH)	Lev	Direct Work Engagement





DATE	ACQUIRER	TARGET	SEGMENT
5/1/2020	People 2.0	Entity Solutions Group	Payrolling/Compliance - PEO
5/1/2020	People 2.0	TCP Solutions	Payrolling/Compliance - PEO
5/5/2020	Cognizant Technology (NASDAQ: CTSH)	Collaborative Solutions	Other Workforce Solutions
5/11/2020	Target (NYSE: TGT)	technology from Deliv	Talent Acquisition Technology
5/14/2020	Ceridian HCM Holding (NYSE: CDAY)	Excelity	Payrolling/Compliance - PEO
5/20/2020	Microsoft (NASDAQ: MSFT)	Softomotive	Direct Work Engagement
5/22/2020	Blarney Ventures (private equity firm)	SalesWorks	Other Workforce Solutions
5/28/2020	Oyster	Carrom	Other Workforce Solutions
6/11/2020	Just Eat Takeaway	Grubhub Inc. (NYSE: GRUB)	Talent Acquisition Technology
7/7/2020	GI Group	Outplacement operations of CareerArc	Other Workforce Solutions
7/7/2020	Uber Technologies (NYSE: UBER)	Postmates	Talent Acquisition Technology
7/9/2020	Randstad RiseSmart	Mühlenhoff +	Other Workforce Solutions
7/14/2020	Jobvite	artificial intelligence and data science team at Predictive Partner	Talent Acquisition Technology
7/21/2020	Adevinta (OSL: ADE)	eBay's online classified ad business	Talent Acquisition Technology
7/24/2020	Circa	America's Job Exchange	Talent Acquisition Technology
8/5/2020	Modern Hire	Sonru	Talent Acquisition Technology
8/13/2020	Providence Services Group	Navin, Haffty & Associates	Multiple Workforce Solutions
8/26/2020	Cognizant Technology (NASDAQ: CTSH)	Tin Roof Software	Direct Work Engagement
8/26/2020	The Acacia Group	TradeHelm	Multiple Workforce Solutions
8/28/2020	NTT Data Services	Acorio LLC	Direct Work Engagement
9/1/2020	ASGN (NYSE: ASGN)	LeapFrog Systems Inc.	Direct Work Engagement
9/3/2020	Source Capital	BlueAlly	Process Outsourcing (MSP-RPO-BPO)
9/8/2020	Stone Point Capital	Bullhorn	Talent Acquisition Technology
9/10/2020	Jobvite	Talentegy	Talent Acquisition Technology
9/14/2020	OneDigital	Resourceful HR	Other Workforce Solutions
9/23/2020	Accenture (NYSE: ACN)	N3	Process Outsourcing (MSP-RPO-BPO)
9/29/2020	MBO Partners	MindSumo Inc.	Talent Acquisition Technology
10/1/2020	Mastech Digital (NYSE: MHH)	AmberLeaf Partners	Direct Work Engagement
10/2/2020	Hudson Global Inc. (NASDAQ: HSON)	Coit Group	Process Outsourcing (MSP-RPO-BPO)
10/5/2020	Nordic	Tasman Global	Direct Work Engagement
10/7/2020	HireVue	AllyO	Talent Acquisition Technology
10/14/2020	Huddl3 Group	SmartSearch	Talent Acquisition Technology
10/21/2020	Futuris Co. (OTC: FTRS)	TalentBeacon International	Multiple Workforce Solutions
10/26/2020	OutMatch	FurstPerson Inc.	Talent Acquisition Technology
11/1/2020	The Planet Group	NDA Partners	Direct Work Engagement
11/2/2020	Coupa Software (NASDAQ: COUP)	Llamasoft	Other Workforce Solutions
11/11/2020	Top Echelon Software	CATS Software	Talent Acquisition Technology
11/12/2020	MBO Partners	MBO Partners UK and Ireland	Payrolling/Compliance - PEO
11/17/2020	iCIMS (Vista Equity portfolio)	Easyrecrue	Talent Acquisition Technology
11/17/2020	OutMatch	Checkster	Talent Acquisition Technology
11/18/2020	Stride (NYSE: LRN)	Tech Elevator	Other Workforce Solutions


DATE	ACQUIRER	TARGET	SEGMENT
11/18/2020	Stride (NYSE: LRN)	MedCerts	Other Workforce Solutions
11/18/2020	Icon Information Consultants	Vendorpass Inc.	Payrolling/Compliance - PEO
11/23/2020	Vetterly	Hired Inc.	Talent Acquisition Technology
12/2/2020	ASGN Inc. (NYSE: ASGN)	Integrated Solutions Management	Direct Work Engagement
12/2/2020	ettain group	Centerline Partners	Other Workforce Solutions
12/6/2020	Pivotal Group	SnapNurse	Talent Acquisition Technology
12/10/2020	Cielo	Talent Function	Other Workforce Solutions
12/14/2020	NTT Data Services (a division of Japan-based NTT Data Corp.)	Hashmap	Direct Work Engagement
12/14/2020	Phenom	Endouble	Talent Acquisition Technology
12/14/2020	Vista Equity Partners (private equity group)	Pluralsight	Other Workforce Solutions

Sources: Capital IQ, Staffing Industry Analysts, PEHUB and De Bellas & Co.

**De Bellas & Co. Certain Recent Transactions**

  
 Division of  



Has been acquired by




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We represented the seller.

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Has been acquired by



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We represented the seller.

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Has been acquired by



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Has been recapitalized by




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Has been acquired by



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We represented the seller.

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We represented the seller.

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Serving the Staffing industry since 1985, De Bellas & Co. is the leading M&A Advisory firm focused exclusively on the Staffing and Workforce Solutions industry. We have advised in over 250 completed transactions and have performed hundreds of valuations, and other corporate financial advisory assignments. De Bellas monitors nationwide consolidation activity to support its Investment Banking specialty. For more information about De Bellas & Co. please visit our website at: [www.debellas.com](http://www.debellas.com)

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