

Q3 2019 Human Capital M&A Intelligence Report

December 10, 2019 – Irvine, CA – De Bellas & Co., the leading M&A advisory firm serving the Staffing and Workforce Solutions industries exclusively, reported today on M&A activity in Q3 2019.

Transactions

In Q3 2019, 52 M&A transactions were announced or completed, vs. 36 in Q3 2018, representing an increase of more than 44%. In Q3, Commercial, Software/Cloud and Healthcare continued to lead with 12, 11 and 6 transactions respectively.

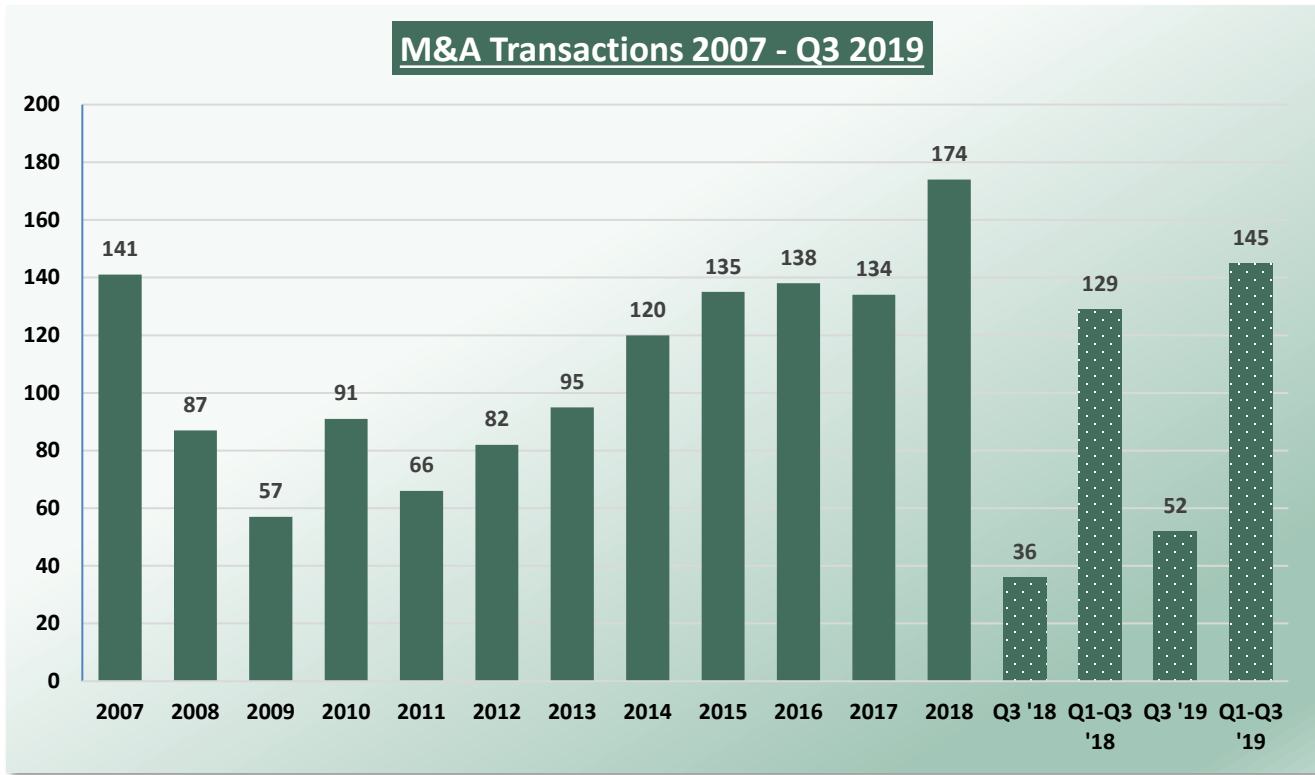
	Q3 2019	Q3 2018	Increase/Decrease
Commercial	12	3	9
Software/Cloud (a)	11	8	3
Healthcare	6	3	3
Executive Search	4	2	2
IT Staffing	4	7	(3)
Finance/Accounting	3	1	2
PEO	2	2	-
Engineering	1	0	1
Place & Search	1	1	-
VMS/MSP/RPO	1	2	(1)
Legal	0	0	-
Other (b)	7	7	-
TOTAL	52	36	

YTD 2019, 145 M&A transactions were announced or completed, vs. 129 in the first three quarters of 2018, representing an increase of 12%. In this period, Software/Cloud, Commercial, and Healthcare continued to lead with 28, 22, and 17 transactions respectively.

	Q1-Q3 2019	Q1-Q3 2018	# Change
Software/Cloud (a)	28	18	10
Commercial	22	16	6
Healthcare	17	17	-
IT Staffing	17	23	(6)
Executive Search	11	9	2
Place & Search	7	4	3
VMS/MSP/RPO	7	5	2
PEO	5	4	1
Finance/Accounting	4	5	(1)
Engineering	3	5	(2)
Legal	1	3	(2)
Other (b)	23	20	3
TOTAL	145	129	

(a) *Software/Cloud* includes Websites and Software on any platform.

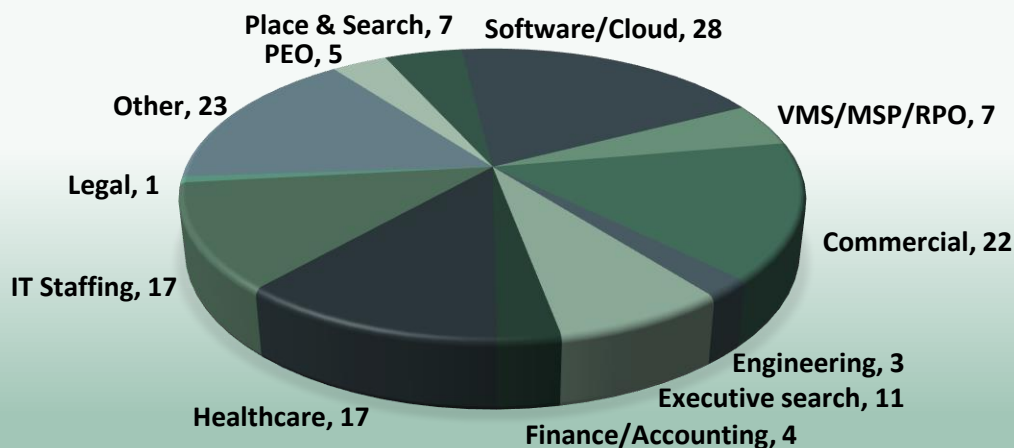
(b) *Other* includes segments not included in the main category list.



YTD 2019 M&A Activity by Quarter

SEGMENTS	Q1	Q2	Q3	TOTAL
Software/Cloud	10	7	11	28
Commercial	4	6	12	22
IT Staffing	8	5	4	17
Healthcare	4	7	6	17
Executive search	3	4	4	11
VMS/MSP/RPO	1	5	1	7
Place & Search	3	3	1	7
PEO	2	1	2	5
Finance/Accounting	1	0	3	4
Engineering	2	0	1	3
Legal	1	0	0	1
Other	9	7	7	23
Grand Total	48	45	52	145

**145 STAFFING AND WORKFORCE SOLUTIONS TRANSACTIONS YTD
2019**



Buyers

YTD 2019, Private Strategic Buyers accounted for 81% of all transactions. Public Strategic Buyers accounted for 8% and Private Equity Firms accounted for 11%.

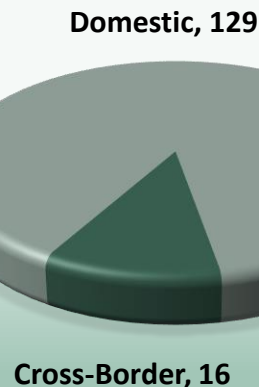
In Q3 2019 Private Strategic Buyers accounted for 80% of all transactions. Public Strategic Buyers and Private Equity Firms each accounted for 10%.

Publicly owned companies with M&A activity YTD 2019 included: Global Technology Associates LLC (GTA); Kelly Services Inc. (NASD: KELYA); ASGN Inc. (NYSE: ASGN); CTG Inc. (NASD: CTG); Appen (ASX:APX) - Sydney, Australia-based, Command Center Inc. (NASD: CCNI); AMN Healthcare Services Inc. (NYSE: AHS); Resources Connection Inc. (NASDAQ: RECN); Arthur J. Gallagher & Co. (NYSE: AJG) and Heidrick & Struggles International Inc. (NASDAQ: HSII)

YTD BUYER GROUPS



YTD DOMESTIC VS CROSS-BORDER



Q3 2019 Notable Transactions

Appcast (85% stake) - Job board StepStone acquired an 85% stake in Appcast for €70 million (US\$79.6 million). StepStone is part of Axel Springer, one of the largest job board operators in the world.

Founded in 2014, New Hampshire based Appcast provides software for increasing the efficiency of online jobs advertising (“programmatic job advertising”). It employs approximately 100 people in four locations. StepStone is based in Berlin and employs more than 3,000 people.

Veracity Consulting Group LLC - Resources Connection Inc. (NASDAQ: RECN), a professional staffing provider that operates as Resources Global Professionals (RGP) announced in Q3 that it will pay \$30.6 million plus earnouts to acquire Veracity Consulting Group LLC, a Richmond, Virginia-based supplier of IT services.

Founded in 2015, Veracity posted revenue of \$21.4 million in 2018. The deal gives Irvine, California-based RGP a 100% stake in Veracity.

Caviar (Subsidiary of Square Inc.) - Human cloud, food-delivery platform DoorDash agreed to buy rival human cloud firm Caviar for \$410 million in cash and preferred stock this year. DoorDash is acquiring Caviar from Square Inc., the San Francisco-based firm that makes the Square Reader that fits on cell phones and tablets enabling users to process credit card payments. Caviar was founded in 2012 and was acquired by Square in 2014. DoorDash was founded in 2013 by Xu, Andy Fang and Stanley Tang while students at Stanford University. It now operates in 4,000 cities in all 50 US states.

Command Center Inc. (NASD: CCNI) - selling its four CA locations - Colorado-based industrial staffing firm Command Center Inc. (NASD: CCNI) is exiting the California market and selling its four Golden State locations in Corona, Hayward, Sacramento, and Fresno to Resolute Enterprises LLC for \$1.8 million. Command Center Inc. determined that complying with a number of regulations unique to California would require significant and ongoing resources which do not make sense at their current size.

In April, Command Center announced plans to convert its branches to a franchise model and in July the company acquired industrial staffing provider Hire Quest Holdings LLC.

Q1-Q3 2019 Transactions



Date	Target	Acquirer	Seller Category
Q1			
1/7/2019	Bolder Staffing Inc. and Bolder Professional Placements	Intermountain Staffing	Commercial
1/8/2019	Drive360 Logistics	TransForce Inc.	Place & Search
1/8/2019	Global Technology Associates LLC (GTA)	Kelly Services Inc. (NASD: KELYA)	Engineering
1/8/2019	NextGen Global Resources LLC	Kelly Services Inc. (NASD: KELYA)	Engineering
1/9/2019	Focus Management Group	G&A Partners	PEO
1/10/2019	Wepow	OutMatch	Other
1/11/2019	JDC Group	Consulting Solutions (Portfolio Company of private equity firm White Wolf Capital LLC)	IT Staffing
1/11/2019	Princeton Information	DISYS (Digital Intelligence Systems LLC)	IT Staffing
1/15/2019	Kelly Services (NASD: KELYA) Legal Staffing Business Unit	Trustpoint.One	Legal
1/16/2019	PreCheck	Cisive	Healthcare
1/22/2019	The CDL School	TransForce Inc.	Other
1/23/2019	CareerBuilder	Textkernel (remaining stake that it did not already own)	Software/Cloud
1/24/2019	On Time Staffing LLC	Eclipse Advantage	Commercial
1/25/2019	Find My Flock (Job Board Technology)	Turing School of Software & Design	Software/Cloud
1/25/2019	Find My Flock (Recruiting Service)	Technical Integrity	Place & Search
1/28/2019	DHA Group Inc.	ASGN Inc. (NYSE: ASGN)	IT Staffing
1/29/2019	E.A. Hughes & Co.	Solomon Page	Executive search
1/30/2019	DLC Group	Addison Group	Finance/Accounting
2/4/2019	Sitec Recruitment Ltd.	Belcan LLC (Portfolio Company of AE Industrial Partners LP)	Place & Search
2/5/2019	Ultimate Software (NASD: ULTI)	Hellman & Friedman	Software/Cloud
2/6/2019	Bamboo Talent	Riviera Partners	Executive search
2/7/2019	Py	Hired.com	Software/Cloud
2/7/2019	Tech-IT PSA SA	CTG Inc. (NASD: CTG)	IT Staffing
2/11/2019	Revature	Investcorp	IT Staffing
2/13/2019	Canvas	Jobvite	Software/Cloud
2/13/2019	ClearVoice	Fiverr	Other
2/13/2019	RolePoint	Jobvite	Software/Cloud
2/13/2019	Talemetry	Jobvite	Software/Cloud
2/14/2019	Hillgate	Business Talent Group (BTG)	Software/Cloud
2/19/2019	Aventine Hill Partners	Vaco	Other
2/19/2019	Maxim Healthcare Services Home Healthcare Business	Aveanna Healthcare	Healthcare
2/20/2019	Onyx M.D.	Health Carousel	Healthcare
2/25/2019	American Personnel Staffing - Biosciences Division	Black Diamond Networks Inc.	Other
2/25/2019	USA Drivers	TransForce Inc.	Other
2/26/2019	FoodStaff	Hospitality Staffing Solutions LLC	Other
2/26/2019	TalentRISE	Aleron	VMS/MSP/RPO
3/1/2019	Kforce Government Solutions Inc. - Subsidiary of Kforce Inc. (NASD: KFRC)	ManTech International Corp.	IT Staffing
3/5/2019	TechGirlz	Creating IT Futures	Other
3/6/2019	Alternative Solutions Inc.	Compunnel Software Group Inc.	Healthcare
3/11/2019	TLC Companies	SE Capital Partners LLC	PEO
3/13/2019	Figure Eight	Appen (ASX:APX) - Sydney, Australia-based	Software/Cloud
3/15/2019	Labor Temps and LTI Services	The Onin Group	Commercial
3/19/2019	Seville Staffing	Intermountain Staffing	Commercial
3/20/2019	CP Group Latam	Kingsley Gate Partners	Executive search
3/21/2019	Jitjatjo	Morningside Technology Ventures	Software/Cloud
3/25/2019	Alliance of Computer Professionals	Diversant	IT Staffing
3/28/2019	Workforce Insight	Workforce Insight's leadership team	Other
3/29/2019	Omni Resources	Saggezza	IT Staffing
Q2			
4/5/2019	Cirrus Medical Staffing Inc.	Emerald Health Services	Healthcare
4/8/2019	Sullivan and Cogliano	CorTech LLC	IT Staffing

Date	Target	Acquirer	Seller Category
4/9/2019	Command Center Inc. (NASD: CCNI)	Hire Quest Holdings LLC	Commercial
4/9/2019	Innovantage, a UK-based analytics provider in the talent ecosystem.	Erecruit Holdings LLC	Software/Cloud
4/11/2019	Reliance Staffing	PeopleShare	Commercial
4/18/2019	Shiftgig - 1) national events business lineoperations 2) contacts and service relationships of New York market	Headway Workforce Solutions	Other
4/18/2019	Shiftgig - staffing business operations in 12 markets	LGC Hospitality	Other
4/22/2019	DCR Workforce's MSP business	Workspend	VMS/MSP/RPO
4/23/2019	Aon plc's Talent Business	Spencer Stuart	Other
4/23/2019	Search Wizards Inc.	COO Miranda Hinshaw from its founder Leslie O'Connor	Place & Search
4/23/2019	VTL	CareerBuilder	Software/Cloud
4/24/2019	CV Staff Solutions	THMed - portfolio company of private equity firm New Capital Partners	Healthcare
4/24/2019	Orbis Clinica	PharmaLogics Recruiting	Healthcare
4/24/2019	People 2.0	CIP Capital	Other
4/25/2019	Symmetry Healthcare Solutions - operates SymmetryMSP	Aya Healthcare	VMS/MSP/RPO
4/30/2019	Flexible Workforce, LLC	Openforce, portfolio company of Riverside Partners, a Boston-based private equity firm	VMS/MSP/RPO
5/1/2019	Nissen Staffing Continuum, Inc.	6th Avenue Group, LLC	Commercial
5/2/2019	Credere Group LLC	Eliassen Group	Other
5/2/2019	Dowd Associates	ZRG Partners	Executive search
5/2/2019	Engage PEO	Investment funds affiliated with private equity firm Lightyear Capital LLC	PEO
5/2/2019	Project One Inc.	Eliassen Group	IT Staffing
5/8/2019	Staffing Resources Inc	NSC Technologies, a portfolio company of White Wolf Capital	Commercial
5/8/2019	ULG Companies LLC	NSC Technologies, a portfolio company of White Wolf Capital	Commercial
5/14/2019	Lucidity Direct LLC	Health Carousel	Software/Cloud
5/16/2019	BlackRock Professional Services LLC	BizTek People Inc.	IT Staffing
5/16/2019	inFactor	SouthStar Capital	Other
5/16/2019	InSite Search Services	BizTek People Inc.	IT Staffing
5/21/2019	Accolo	Orion Novotus	VMS/MSP/RPO
5/22/2019	Flexwise Health Inc.	Concord Health Partners	Software/Cloud
5/28/2019	Management Recruiters International Inc. (operating as MRINetwork)	MRI Network Holdings LLC, a vehicle controlled by Bert Miller, a leader in executive search and talent advisory services	Place & Search
5/30/2019	Raso Solutions	Spectra360	VMS/MSP/RPO
5/30/2019	Syft	Indeed	Software/Cloud
6/4/2019	the525group LLC	Stretto	Other
6/11/2019	Koya Leadership Partners	Diversified Search	Executive search
6/12/2019	WorthyWorks	Riviera Partners	Place & Search
6/17/2019	Advanced Medical Personnel Services Inc.	AMN Healthcare Services Inc. (NYSE: AHS)	Healthcare
6/17/2019	Jobletics Inc.	Compunnel Software Group Inc.	IT Staffing
6/17/2019	Progressive Nursing Staffers	FlexRN	Healthcare
6/18/2019	hrQ Inc.	LandrumHR	Executive search
6/18/2019	Jibe Inc.	iCIMS Inc.	Software/Cloud
6/18/2019	Rockstar Recruiting	The Stepping Stones Group, LLC	Healthcare
6/20/2019	Touch Point Staffing	Belflex Staffing Network	Commercial
6/24/2019	WorkForce Software	Evergreen Coast Capital Corp, the tech-focused private equity arm of Elliott Management Corporation	Software/Cloud
6/26/2019	Locum Connections LLC	Aequor Healthcare Services LLC	Healthcare
6/28/2019	Fiore Global Search	ZRG Partners	Executive search
Q3			
7/1/2019	Appcast (85% stake)	StepStone	Software/Cloud
7/2/2019	C&D Technical Services, Inc.	HW Staffing Solutions	Commercial
7/2/2019	Hire Alternatives	The Reserves Network	Commercial
7/9/2019	Holker Watkin	ZRG Partners	Place & Search


Date	Target	Acquirer	Seller Category
7/9/2019	MERC Partners	Spencer Stuart, Inc.	Executive search
7/10/2019	BC Management	Avalution Consulting	Other
7/10/2019	Proximity Learning Inc.	Education Solutions Services LLC	Other
7/10/2019	The Rowland Group	System One	Engineering
7/16/2019	Aspen Medical Staffing LLC	Triage Medical Staffing	Healthcare
7/17/2019	Perengo	TMP Worldwide	Software/Cloud
7/22/2019	Enriched Schools	ESS	Other
7/24/2019	CoAdvantage	Aquiline Capital Partners	PEO
7/24/2019	Grant Cooper	Diversified Search	Executive search
7/24/2019	Top Echelon Network LLC (subsidiary of Patriot Software Co.)	SageLink Capital	Software/Cloud
7/26/2019	Peace at Home Caregivers	Diversified Medical Staffing LLC	Healthcare
7/30/2019	ALKU (majority investment in the firm)	FFL Partners	IT Staffing
7/31/2019	Capital GES	People 2.0 (Merger)	Other
7/31/2019	Kahu Malama Nurses, Inc.	Staffing Solutions of Hawaii, Inc.	Healthcare
8/1/2019	ProfitStaff	BelFlex Staffing Network	Commercial
8/1/2019	Veracity Consulting Group LLC	Resources Connection Inc. (NASDAQ: RECN)	Software/Cloud
8/2/2019	Caviar (Subsidiary of Square Inc.)	DoorDash	Other
8/5/2019	KRT Marketing	Recruitics	Other
8/6/2019	Cohesion	System One (through its ALTA IT Services LLC division)	IT Staffing
8/6/2019	MorganFranklin Consulting	Vaco	Finance/Accounting
8/13/2019	C&A Industries Inc., the parent company of Aureus Medical Group	Medical Solutions	Healthcare
8/14/2019	Stivers Staffing Services	TalentLaunch	Commercial
8/15/2019	Nomad Health (raised \$34 million in equity and debt financing)	Icon Ventures	Software/Cloud
8/20/2019	Method3 (RPO Operations)	PredictiveHR	VMS/MSP/RPO
8/20/2019	NurseFly	IAC (owner of Match.com. Handy, Angie's List and Bluecrew)	Software/Cloud
8/21/2019	Nordic operations of Resources Connection Inc. (NASDAQ: RECN) (Operates as Resources Global Professionals)	Capacent Holding AB	Finance/Accounting
8/23/2019	Blockstack (investment)	Recruit	Software/Cloud
8/26/2019	ConveyIQ	Entelo	Software/Cloud
8/26/2019	Innovative Technology Systems and Solutions Inc. (DBA ABS Technology)	ePlus Inc.	Software/Cloud
8/28/2019	Versant Supply Chain	Exegistics	Commercial
9/3/2019	Command Center Inc. (NASD: CCNI) - selling its four CA locations	Resolute Enterprises LLC	Commercial
9/5/2019	Best Practices Staffing	PeopleShare	Commercial
9/5/2019	Medical Staffing Solutions LLC	TotalMed	Healthcare
9/6/2019	Altek Information Technology	Digital Intelligence Systems LLC (Disys)	Software/Cloud
9/11/2019	Staffing Services Inc., or SSI	QPS Employment Group	Commercial
9/11/2019	TechLink	Execu Search Group	IT Staffing
9/13/2019	PC Staffing/PCS Staffing	BelFlex	Commercial
9/16/2019	Riteq	Ceridian	Software/Cloud
9/17/2019	Arth Systems	Xoriant Corporation	IT Staffing
9/17/2019	ESOP to its internal and external workers	Eastridge Workforce Solutions	Commercial
9/17/2019	TalentForce	Paramount Staffing	Commercial
9/18/2019	The Sage Group	24 Seven LLC	Other
9/19/2019	QUAD656	SolomonEdwardsGroup LLC	Finance/Accounting
9/23/2019	The Human Capital Group	Arthur J. Gallagher & Co. (NYSE: AJG)	Executive search
9/24/2019	2GET	Heidrick & Struggles International Inc. (NASDAQ: HSII)	Executive search
9/24/2019	SonoTemps	Loyal Source	Healthcare
9/30/2019	Anchor Staffing Inc.	Lyneer Staffing Solutions	Commercial
9/30/2019	PayPros	G&A Partners	PEO

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


De Bellas & Co. Certain Recent Transactions



Division of


Has been acquired by




We represented the seller.



INVESTMENT BANKING



Has been acquired by



We represented the seller.


INVESTMENT BANKING



Has been acquired by



We represented the seller.



INVESTMENT BANKING



Has been acquired by



We represented the seller.


INVESTMENT BANKING



"Providing Great People to Great Companies"

Has been recapitalized by




We represented the seller.



INVESTMENT BANKING



Has been acquired by



We represented the seller.


INVESTMENT BANKING




Has been acquired by




We represented the seller.



INVESTMENT BANKING


Your Source for I.T. Professionals

Has been acquired by



We represented the seller.


INVESTMENT BANKING



Has been acquired by



We represented the seller.


INVESTMENT BANKING

About De Bellas & Co.

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

Our Senior Professionals

Alfred F. De Bellas, Jr.
President
adebellas@debellas.com
949.540.9157

Royal J. Brown
Managing Director
rbrown@debellas.com
949.842.7068

Akash Taneja
Managing Director
Ataneja@debellas.com
714.349.0510

George Kuck
Managing Director
gkuck@debellas.com
714.501.7238

Investment Banking Services and securities offered through Independent Investment Bankers Corp. a broker-dealer, Member FINRA/SIPC. De Bellas & Co., LLC is not affiliated with Independent Investment Bankers Corp. www.iibcorp.com, www.finra.org, www.sipc.org