

DealsDirect

A Monthly Listing of IT ExchangeNet Clients for Sale

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July 2024



Bringing Together Buyers and Sellers of IT Businesses

FINANCIALS

Description (\$M)	2022	2023	2024E
Revenue	\$2.8	\$3.0	\$3.2
Adj EBITDA	\$531k	\$609k	\$640k

NUMBER OF CUSTOMERS:

+120

OF EMPLOYEES: 4

FOCUS: This well-established Company boasts a proven 15+ year track record of delivering unparalleled service and expertise in ERP, CRM and BI solutions. With a deep understanding of client requirements and strong ties in the State and Local government sector, the Company has earned a leading position as a go-to Microsoft and NetSuite partner, with a host of complimentary and niche ISV product offerings.

FINANCIALS

Description (\$M)	2022	2023	2024E
Revenue	\$8.6	\$8.8	\$7.0
Adj EBITDA	\$555k	\$31k	\$121k

NUMBER OF CUSTOMERS:

30+

OF EMPLOYEES: 36

FOCUS: Founded 8 years ago, this Company is a digital transformation consulting firm with expertise in management consulting, technology and business architecture, process improvement, project management, and integration. The Company was named 2020 Rookie Partner of the Year leading global enterprise software company. The Company's services include Advisory, Transformation and Managed & Support Services.

Click [HERE](#) for more information on this engagement.

FINANCIALS

Description (\$M)	2022	2023	2024E
Revenue	\$5.4	\$6.0	\$7.1
Adj EBITDA	\$161k	\$472k	\$789k

NUMBER OF CUSTOMERS:

350+

OF EMPLOYEES: 17

FOCUS: The Company is an MSP focusing on the enterprise, mid-market, and SMB sectors in multiple verticals such as Biotech, Healthcare, Pharma and FinTech. With 21 FTEs, this MSP offers a comprehensive suite of services, encompassing Managed Services, Managed Security Services, cutting-edge technology solutions, compliance, and tailored professional services. The Company offers leading edge Cloud Solutions to address the long runway of digital transformation.

Click [HERE](#) for more information on this engagement.

FINANCIALS

Description (\$M)	2022	2023	2024E
Revenue	\$.01	\$1.4	\$1.1
Adj EBITDA	(\$0.05)	(\$0.6)	\$0.5

NUMBER OF CUSTOMERS:

300+

OF EMPLOYEES: 12

FOCUS: Founded in 2021, this Company is a trusted partner focusing on optimizing and enhancing technology solutions. The Company was awarded the 2023 *Partner of the Year* award from a leading global technology company. The business pioneered the first ever Solution Enablement Education (SEE) provider offering efficient solutions. High-growth is expected in 2025 and beyond anchored by exclusive multi-year contracts. Leadership and legacy are in place for a smooth ownership transition.

Click [HERE](#) for more information on this engagement.

FINANCIALS

Description (\$M)	2022	2023	2024E
Revenue	\$13.2	\$10.7	\$12.0
Adj EBITDA	\$0.2	\$0.3	\$0.6

NUMBER OF CUSTOMERS:

3000+

OF EMPLOYEES: 20

FOCUS: The Company is a 46-year-old established leader in designing, delivering and managing mission-critical technology solutions for a diverse client base across the United States and Canada. The Company is building on their history and vast customer base products to grow renewals and deeper professional services engagements. With four decades of experience and proven track record, the legacy leadership and staff is knowledgeable and in place for new ownership.

Click [HERE](#) for more information on this engagement.

FINANCIALS

Description (\$M)	2022	2023	2024E
Revenue	\$1.1	\$1.4	\$1.1
Adj EBITDA	(\$585K)	(\$458K)	(\$510K)

NUMBER OF CUSTOMERS:

15+

OF EMPLOYEES: 17

FOCUS: Founded in 2014, this Company has developed an Employee Experience Super-App for large geographically dispersed workforces with deskless, frontline employees. By accessing all HR systems through a single Super-App, employees can find what they need quickly and easily with zero training. The SaaS platform is accessible from mobile and the web, with powerful add-ons that drive communications, productivity, employee engagement and financial wellbeing.

Click [HERE](#) for more information on this engagement.

FINANCIALS

Description (\$M)	2022	2023	2024E
Revenue	\$4.1	\$4.0	\$4.9
Adj EBITDA	\$0.2	\$0.0	\$0.1

NUMBER OF CUSTOMERS:

20,000+

OF EMPLOYEES: 40

FOCUS: Based in the Midwest, this FinTech company specializes in student loan benefits with expertise in loan forgiveness. The Company offers a unique blend of proprietary technology and expert advisory services. Its online portal integrates with payment partners to facilitate loan repayment. The staff has over 10 years of experience in providing custom loan benefits. Considerable growth opportunities exist in the \$1.8 trillion student loan market.

Click [HERE](#) for more information on this engagement.

FINANCIALS

Description (\$M)	2022	2023	2024E
Revenue	\$2.6	\$2.9	\$3.3
Adj EBITDA	\$0.7	\$0.9	\$1.1

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NUMBER OF CUSTOMERS:

30+

OF EMPLOYEES: 10

FOCUS: Founded 20+ years ago, the Company offers cloud-based digital transformation solutions focusing on implementation, data integration, development, licensing and general support services. These include CRM, ERP, Document and Workflow Management, Analytics and BI Services. An early adopter, the Company has more than twelve years of experience directly implementing and developing cloud-based platforms and provides modernization solutions and integration roadmaps.

Click [HERE](#) for more information on this engagement.

ENTERING THE MARKET

EX-839

 Southwest



OF EMPLOYEES: 17
2024E REVENUE: \$8.5M
FOCUS: Premise and Cloud Contracts

EX-841

 Midwest



OF EMPLOYEES: 51
2024E REVENUE: \$12.5M
FOCUS: Strategic Bus Consulting, MSFT
Cloud Biz Apps (AI, CR/CRM, Field Service,
Power Platform, Power BI, Project
Operations)

ENTERING THE MARKET

EX-842



DM
Digital
Marketing

OF EMPLOYEES: 54
2024E REVENUE: \$11.7M
FOCUS: Digital Marketing, Web
Development, Technology and Strategy

SOLD: Client Profile

Technology Spa



MSP
Managed
Service
Provider

Sold to Buchanan Technology

"Working with the **IT ExchangeNet** team was meaningful for us. In addition to their disciplined process and IT industry expertise, we witnessed our anticipated valuation double based on the buyers they identified and managed. They are leaders in the mid-market IT M&A space for a reason." - Doug Levy, CEO, Technology Spa

Deal Notes

Date of Sale: June 2024

Number of buyers: 75+

<https://technologyspa>



Doug Levy
CEO, Technology Spa

BuyersDirect

A Monthly Listing of Global Buyers Seeking IT Businesses

Welcome to the July issue of **BuyersDirect**, highlighting global buyers seeking IT businesses and their acquisition imperatives.

With more than 70,000 **DealsDirect** subscribers, many are owner/operators contemplating the sale of their IT Business. Let us know if want to learn more about a Buyer or (as a buyer) if you'd like to be highlighted in a future issue.



Bringing Together Buyers and Sellers of IT Businesses

Buyer Profiles

BX-101

TYPE: Private Equity Firm

SEEKING:

- \$30M-\$90M VAR
- \$5M-\$30M MSP
- Based in Northeast or Midwest
- EBITDA (flexible)

TRANSACTION SIZE: \$5M-\$90M

COMPANY HIGHLIGHTS:

- Expertise in managed services within data center, managed public cloud, digital transformation
- Diversified client base across standard industry verticals with minority government accounts

Click [HERE](#) for more information

BX-102

TYPE: Private Equity Firm

SEEKING:

- GovTech, SaaS, Systems Integrators, IT Consulting, Software Development Consulting
- US or Canada based
- EBITDA \$3M-\$15M
- Revenue \$20M-\$100M

TRANSACTION SIZE: \$10M-\$100M

COMPANY HIGHLIGHTS:

- Systems Integrator Focus on Oracle, Salesforce, Microsoft Dynamics, and other Ecosystem Channel Partners
- Growth-oriented investor
- For add-on acquisitions, no size parameters

Click [HERE](#) for more information

Buyer Profiles

BX-103

TYPE: Private Equity Firm

SEEKING:

- ERP enablement partners
- US based
- EBITDA \$3M-\$10M
- Revenue \$10M-\$75M, >25% Recurring

TRANSACTION SIZE: \$15M-\$75M

COMPANY HIGHLIGHTS:

- Private Equity investment group focused on partnering with founder-owned growth companies
- New \$435M committed capital investment fund

Click [HERE](#) for more information

BX-104

TYPE: Private Equity Firm

SEEKING:

- MSP
- SMB Focus
- East Coast
- EBITDA \$600k-\$3M
- Revenue \$4M-\$20M, > 50% Recurring

TRANSACTION SIZE: \$25M-\$200M

COMPANY HIGHLIGHTS:

- PE backed strategic acquirer
- Completed 3 add on investments to date

Click [HERE](#) for more information

Buyer Profiles

BX-105

TYPE: Strategic Buyer

SEEKING:

- MSP, MSSP, ERP Support Partners, outsourced government contractors
- For ERP Partners, prioritizing Microsoft Dynamics, Sage Intacct, Acumatica, NetSuite, SAP ecosystems
- EBITDA \$500k+

TRANSACTION SIZE: \$3M+

COMPANY HIGHLIGHTS:

- Committed to providing a permanent home for businesses
- Partnered with 85 businesses
- Provides flexibility for founders

Click [HERE](#) for more information

BX-106

TYPE: Private Equity Firm

SEEKING:

- IT consulting, Data migration
- Oracle focus MSP
- Broader tech enabled B2B services
- EBITDA \$2M+ of adj
- 65% Recurring Revenue

TRANSACTION SIZE: \$10M-\$60M

COMPANY HIGHLIGHTS:

- 98 Portfolio Companies
- Ability to invest control or non-control capital
- Middle-market focus
- Founded 1987

Click [HERE](#) for more information

Buyer Profiles

BX-107

TYPE: Private Equity Firm

SEEKING:

- MSP, Software Development
- Consulting, Cybersecurity
- US & Canada
- EBITDA \$2M+
- Revenue \$10M+

TRANSACTION SIZE: Variable

COMPANY HIGHLIGHTS:

- Completed 14 transactions in cybersecurity, supply chain, managed services, software development, and systems integration
- Empowering founders to realize their vision for companies with more than just capital
- Founded in 2013

Click [HERE](#) for more information

BX-108

TYPE: Strategic Buyer

SEEKING:

- MSP, focus on small-medium sized businesses
- 25-1000 User environments
- Microsoft technology focus
- US Based
- EBITDA \$500k+ with 15% min margin
- Minimum 60% Recurring Revenue

TRANSACTION SIZE: \$3M-\$30M

COMPANY HIGHLIGHTS:

- Founder led and backed
- Allows equity rollover
- 10 Worldwide offices
- Founded in the 1990s

Click [HERE](#) for more information

Buyer Profiles

BX-109

TYPE: Strategic Buyer

SEEKING:

- MSP, MSSP
- Consulting, Cybersecurity
- US based
- EBITDA: Up to \$5M
- Revenue: \$250k-\$25M

TRANSACTION SIZE: \$250k-\$15M

COMPANY HIGHLIGHTS:

- Completed 12 add-on acquisitions since 2014
- Diversified also with Managed Print Services, Document Automation Software
- SMB/Mid-Market focus
- Founded in 1989

Click [HERE](#) for more information

BX-110

TYPE: Strategic Buyer

SEEKING:

- MSSP, Infrastructure services, Cloud managed services
- Microsoft Azure, AWS cloud migration
- App development & Implementation
- US based
- EBITDA: \$500k-\$10M
- Revenue: \$5M-\$25M

TRANSACTION SIZE: \$2M-\$80M

COMPANY HIGHLIGHTS:

- 6 Acquisitions since 2020
- Leading solutions and service provider in storage, networking, security and cloud
- Customers across SMB, Mid-Market, SLED, Enterprise and Federal

Click [HERE](#) for more information

Buyer Profiles

BX-111

TYPE: Private Equity Firm

SEEKING:

- MSP, MSSP, IT services serving SMB, mid-market and SLED organizations
- Microsoft Azure and AWS cloud expertise
- US based
- EBITDA: Variable

TRANSACTION SIZE: \$3M-\$50M

COMPANY HIGHLIGHTS:

- \$50M committed fund exclusively raise for IT and CS services
- Equity rollover available, potential for CEOs to stay on
- Three portfolio companies since 2022 inception

Click [HERE](#) for more information

BX-112

TYPE: Strategic Buyer

SEEKING:

- MSP, MSSP, ERP Providers, IT Services, Business Process Outsourcing
- Metro Areas of TX, NC, SC, GA, CA & AZ
- EBITDA: \$0.5M-\$2M
- Revenue: \$1M-\$10M

TRANSACTION SIZE: \$2M-\$10M

COMPANY HIGHLIGHTS:

- Founded, Built, Exited out of 100M business
- Financially strong and fully self-funded
- 100% time and attention to grow the business

Click [HERE](#) for more information

Buyer Profiles

BX-113

TYPE: Strategic Buyer (PE Backed)

SEEKING:

- MSPs, MSSPs, DaaS, focused on healthcare, legal, and financial end markets, Private, public, hybrid, and on-prem cloud solutions
- EBITDA: \$3M-\$15M for platforms, \$500k+ for add-ons
- Revenue: \$25M-\$100M for add-ons, \$1-\$100M for platforms
- Recurring revenue business model, 75%+

TRANSACTION SIZE: Variable

COMPANY HIGHLIGHTS:

- Completed nearly 60 platform investments and over 130 add-ons.
- Focus on founder owned and operated businesses

Click [HERE](#) for more information

BX-114

TYPE: Private Equity Firm

SEEKING:

- Interested in IT-enabled companies serving the healthcare and business services sectors.
- EBITDA: \$1M-\$20; less than \$3M for add ons
- Revenue: \$10-\$250M+

TRANSACTION SIZE: Variable

COMPANY HIGHLIGHTS:

- Focus on backing stable, mid-sized, healthcare and business services companies
- Provides a broad network of relationships to help accelerate growth

Click [HERE](#) for more information

Buyer Profiles

BX-115

TYPE: Strategic Buyer

SEEKING:

- MSPs and MSSPs with a SMB customer base
- EBITDA: \$1M-\$4M
- Revenue: \$4-\$25M
- High degree of recurring revenue
- US or Canada bases; within a growing market

TRANSACTION SIZE: \$5M-\$40M

COMPANY HIGHLIGHTS:

- Eight add-on transactions completed over the last three years
- SMB/ Mid-Market focused
- Preference for management to continue leading their business and roll equity alongside us

Click [HERE](#) for more information

BX-116

TYPE: Search Fund

SEEKING:

- MSPs, MSSPs, IT Services, ERP Support Partners
- Microsoft Dynamics, NetSuite, Saas, Tech Enable Services
- US Based
- EBITDA: \$2M-\$10M

TRANSACTION SIZE: Variable

COMPANY HIGHLIGHTS:

- Offer business owners a flexible succession alternative
- Approach centered around partnering with a single business

Click [HERE](#) for more information

Buyer Profiles

BX-117

TYPE: Strategic Buyer

SEEKING:

- Owners tired of the back office, but want to grow
- Culture focused leaders who care about their teams.
- Eastern Half of US
- EBITDA: Less than \$1M
- Revenue: Less than \$5M

TRANSACTION SIZE: Variable

COMPANY HIGHLIGHTS:

- Midwest System Integrator and MSP with deep Microsoft connections
- 25%+ organic growth yearly
- Multiple time Best Places to Work Award Winner

Click [HERE](#) for more information

BX-118

TYPE: Private Equity

SEEKING:

- MSP
- MSSP
- Cloud, Compliance

TRANSACTION SIZE: \$10M-\$100M

COMPANY HIGHLIGHTS:

- Technology services focused investor
- 25+ platform investments in founder led bootstrapped businesses
- North American based with most owners rolling equity into the deal

Click [HERE](#) for more information

About Us

Headquartered in Cleveland, Ohio, IT ExchangeNet has more than 25 years of experience facilitating M&A transactions in the IT Services sector. We own a buyer database of more than 85,000 global mid-market IT decision makers.

Since 1998, our firm has fostered strong and steady relationships with private equity firms and strategic buyers who seek to expand their business platforms and geographic footprint through M&A.

AREAS OF EXPERTISE INCLUDE:

- *Managed Security Services Providers (MSSPs)*
- *Managed Services Providers (MSPs)*
- *Cloud Services Providers*
- *IT Services Providers*
- *VARs*
- *Digital/Database Marketing Firms*

We keep it simple: Learn the intimate details about our clients, and then identify the best possible buyers to make the acquisition based on aligned businesses philosophies, cultural fit, and total transaction value.

For more information:

Joan Cook, Marketplace Director

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