

**Industry Highlights**

- On November 13, 2019, Summit Companies, which is backed by CI Capital Partners, has acquired Oklahoma-based Mac Systems Inc., a provider of fire and life safety services. A-1 National Fire Co., a subsidiary of Summit, will acquire Mac Systems and aligns with Summit's expansion into the Southern and Southwestern region of the U.S.
- On November 8, 2019, Markel Corporation and VSC Fire & Security, Inc. announced that they have entered into a definitive agreement for Markel to acquire VSC. VSC is a provider of comprehensive fire protection, line safety, and low voltage solutions to retailers, commercial campuses, healthcare facilities, and government properties throughout the Southeast U.S.
- On October 16, 2019, Core & Main, a \$3.2 billion distributor of water, sewer, and fire protection products, completed its eighth and ninth acquisitions since becoming an independent company in 2017 by acquiring J&J Municipal Supply Inc. and Erosion Resources & Supply Inc. The acquisitions and deal activity in 2019 align with Core & Main's aggressive geographic and product expansion.
- On October 15, 2019, Thompson Street Capital Partners announced that its portfolio company Marmic Fire & Safety has acquired Denver, CO-based Fire Safety Services, a provider of commercial fire protection services. FSS is the fourth add-on for Marmic since partnering with TSCP in August of 2018.
- On October 11, 2019, Marmic Fire & Safety, a portfolio company of Thompson Street Capital Partners, announced its acquisition of Brenneco Fire Protection. Brenneco offers Central Indiana, including Indianapolis, both fire protection and security services.
- On September 30, 2019, USSC Group, a manufacturer of custom safety survivability and technology products for the transit, military and first responder markets announced the acquisition of Firestorm Fire Protection, an Australia-based manufacturer of innovative fire suppression systems to a variety of industries.
- On September 12, 2019, ADT, who continues to gobble up commercial security integrators around the country, announced two asset purchase agreements with Systems Group and Fusion Fire Protection. Denver, Co-based Systems Group is said to be one of the largest providers of commercial fire alarm detection installation, inspection, and maintenance services in Colorado. Fusion serves the fire sprinkler systems needs of its customers in Baltimore, Washington, DC, and Northern Virginia.

<sup>1</sup> Revenue growth and outlook provided by IBISWorld

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- After the August 2018 merger of International Systems of America ("ISA") and ABCO Fire Protection ("ABCO"), the company has rebranded under one name – Protegis Fire & Safety. The combined company has a presence in 43 states and Canada, and remains a portfolio company of the Louisville, KY-based Align Capital Partners.
- On July 2, 2019, The Hiller Companies, a leading manufacturer of fire and safety equipment, announced the purchase of North Carolina-based American Fire Technologies. AFT supports commercial, educational, governmental, industrial, and medical and utilities markets nationally and internationally in the areas of suppression, detection management, and design.

**Ancillary Revenue Growth by Industry<sup>1</sup>**

	Fire & Smoke Alarm	Fire Extinguisher	Alarm Services	Automatic Sprinkler Systems
2012	\$ 1,053.40	\$ 1,284.70	\$ 19,560.90	\$ 353.90
2013	\$ 1,146.40	\$ 1,269.50	\$ 20,215.70	\$ 365.00
2014	\$ 1,124.00	\$ 1,191.00	\$ 22,138.80	\$ 381.60
2015	\$ 938.60	\$ 1,197.90	\$ 23,234.90	\$ 373.40
2016	\$ 883.90	\$ 1,177.40	\$ 24,918.60	\$ 365.90
2017	\$ 908.00	\$ 1,155.40	\$ 26,182.80	\$ 379.10
2018	\$ 959.20	\$ 1,203.30	\$ 26,868.10	\$ 390.60

**Ancillary Revenue Outlook by Industry<sup>1</sup>**

	Fire & Smoke Alarm	Fire Extinguisher	Alarm Services	Automatic Sprinkler Systems
2019	\$ 974.30	\$ 1,247.10	\$ 27,883.10	\$ 404.40
2020	\$ 984.10	\$ 1,274.80	\$ 28,387.00	\$ 415.20
2021	\$ 992.10	\$ 1,295.70	\$ 28,912.80	\$ 423.40
2022	\$ 998.50	\$ 1,318.80	\$ 29,416.00	\$ 430.80
2023	\$ 1,007.70	\$ 1,327.90	\$ 29,886.20	\$ 439.20
2024	\$ 1,016.60	\$ 1,358.90	\$ 30,358.10	\$ 447.40

**Notable M&A Deals**



On January 27, 2020, Rapid Fire Protection, which is a Boyne Capital portfolio company, acquired Aegis Fire Systems, Inc., a provider of end-to-end fire protection solutions including design, installation, and ongoing service of fire suppression systems to the Bay Area as well as the broader Northern California market.



On December 5, 2019, ArchKey Solutions, which provides electrical and technology solutions, has acquired Sprig Electric, a U.S.-based electrical contractor specializing in design-build services for electrical, controls, fire & life safety, and energy solutions. ArchKey is positioned to address changing market demands by scaling to one of the largest electrical and technologies providers in the U.S.



On December 11, 2019, Lincoln Road Global Management and Peninsula Capital Partners completed two add-on deals for Republic Fire Protection Inc., which saw the addition of Gold Coast Fire Protection LLC and Florida Fire Systems LLC, two Florida-based providers of fire alarm, suppression, and sprinkler systems.



On November 26, 2019, Leonard Green & Partners LP acquired Pye-Barker Fire & Safety, LLC from Carousel Capital for an undisclosed amount. Pye-Barker engages in the sale and servicing of fire protection products such as extinguishers, sprinkler systems, fire suppression, and alarms. Founded in 1946, Pye-Barker operates across 56 different locations in the U.S.