

Industry Highlights

- On July 9, 2020, AI Fire, a Long Beach, California-based provider of fire and life safety services and a portfolio company of Audax Private Equity, has acquired Kennebec Fire Equipment, Inc. Kennebec Fire Equipment, founded in 1987 and based in Winslow, Maine, provides fire safety and firefighting equipment distribution and services. In April 2017, Audax partnered with AI Fire and intended to work with AI Fire management to build a leading platform through organic growth initiatives and add-on acquisitions.
- On June 30, 2020, The Cook & Boardman Group LLC, a leading specialty distributor of commercial door entry solutions and systems integration services, announced the acquisition of Advantech Inc. Advantech is a full-service security integration company serving a wide range of educational, governmental, commercial, and healthcare customers. The company specializes in large facility security, fire and life safety systems, access control, video surveillance, intrusion protection, emergency communication, and identity management solutions.
- On June 29, 2020, Sun FireDefense, a maker of fire retardant products, announced that the company is seeking \$5.0 million, strategic partners, or both to scale and meet demand within six months, according to CEO, founder, and majority owner James Moseley. The Marina del Rey, California-based company, which was founded in 2018 and funded through friends, family, and high net worth individuals, would welcome further private investment, Moseley said.
- On April 29, 2020, The Riverside Company, a global private equity firm focused on the smaller end of the middle market, has invested in fire protection service provider Basic Fire & Safety as an add-on to its fire and life safety platform, Performance Systems Integration. Based in Portland, Oregon, PSI is a leading provider of fire and life safety services in the Pacific Northwest. The company provides customers with fire and life safety services, including system inspection, service and monitoring, equipment sales and cylinder repairs as well as installations for new construction and retrofits.

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- On June 08, 2020, Therma Holdings, a portfolio company of Gemspring Capital, announced that it acquired Minneapolis, Minnesota-based Gilbert Mechanical Contractors LLC. Therma Holdings is a leading mechanical, electrical, plumbing, and controls services company focused on designing, building, and servicing complex systems in mission-critical facilities. Gilbert, founded in 1978, is a leading provider of mechanical, electrical, plumbing, controls, and fire protection services.

Ancillary Revenue Growth by Industry¹

	Fire & Smoke Alarm	Fire Extinguisher	Alarm Services	Automatic Sprinkler Systems
2013	\$1,192.80	\$1,302.60	\$20,500.30	\$379.80
2014	\$1,168.70	\$1,220.70	\$22,459.30	\$396.80
2015	\$976.50	\$1,228.20	\$23,578.30	\$388.50
2016	\$921.90	\$1,209.30	\$25,348.00	\$381.60
2017	\$987.10	\$1,206.60	\$26,397.70	\$375.00
2018	\$1,091.30	\$1,224.30	\$27,701.40	\$382.20
2019	\$1,075.00	\$1,227.90	\$28,349.90	\$386.90

Ancillary Revenue Outlook by Industry¹

	Fire & Smoke Alarm	Fire Extinguisher	Alarm Services	Automatic Sprinkler Systems
2021	\$968.00	\$1,255.30	\$27,937.70	\$393.70
2022	\$1,063.60	\$1,271.80	\$28,644.00	\$400.80
2023	\$1,098.90	\$1,288.90	\$29,271.40	\$407.80
2024	\$1,114.70	\$1,308.90	\$29,886.50	\$414.40
2025	\$1,134.60	\$1,306.70	\$30,530.30	\$420.80
2026	\$1,153.60	NA	\$31,147.90	\$427.20

¹ Revenue growth and outlook provided by IBISWorld

Notable M&A Deals



On August 5, 2020, Johnson Controls, the industrial and safety services conglomerate, announced that it had acquired a remaining stake in Qolsys Inc, a San Jose, California-based residential and commercial security and smart-home manufacturer. Financial terms and conditions weren't disclosed. The acquisition will help Johnson Controls to achieve operational efficiencies and scale across its global markets and enhance the suite of products and services offered.



On July 6, 2020, McCain Capital Partners announced that it has partnered with Rick Berwick, founder, and Chief Executive Officer, in the long-term success of Classic Fire Protection. Classic is an industry leader and an expert in Canada's fire and life safety regulations and requirements. Together with MCP, Classic's outstanding team will build on the company's long history and excellent reputation of providing fast, efficient, 24-7 customer service.