

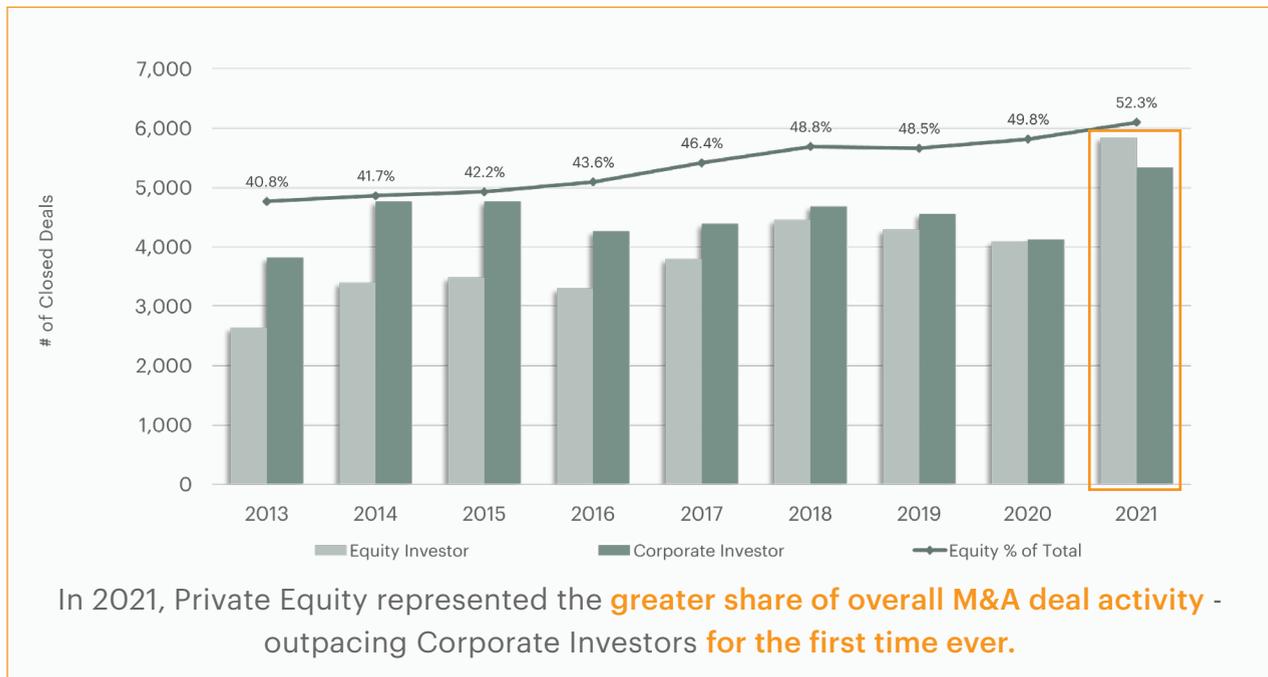
# 2022

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## Market Analysis & Origination Guide

# State of the Market

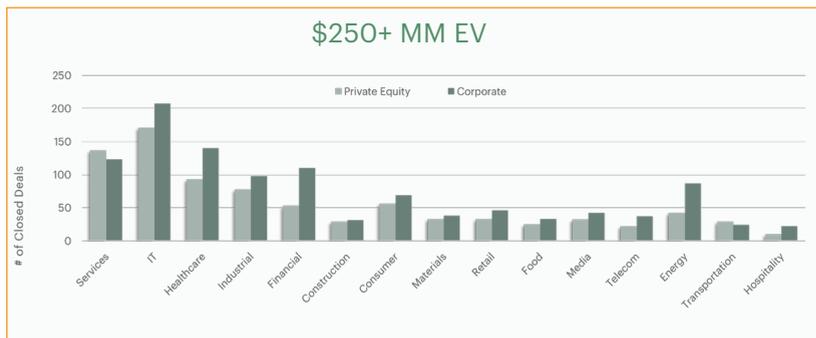
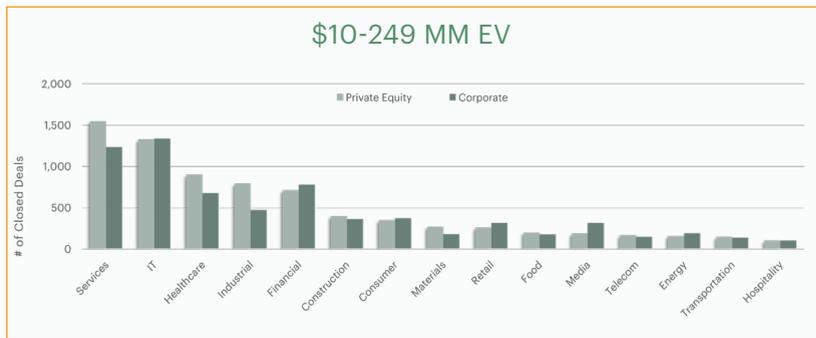
## 2021 PE vs. M&A Activity



Foot Notes  
1 - New platforms and add-ons, all industries, 10+ MM EV, based in North America, with private equity buyers.

# Industry Breakdown

## 2021 PE vs. M&A Activity



Private Equity's accession results from overall market share in deals below \$250MM EV, while Corporate Investors lead for deals above \$250MM EV.

### Sell-side Process Snapshot

All deal sizes & industries, with intermediaries

#### Private Equity

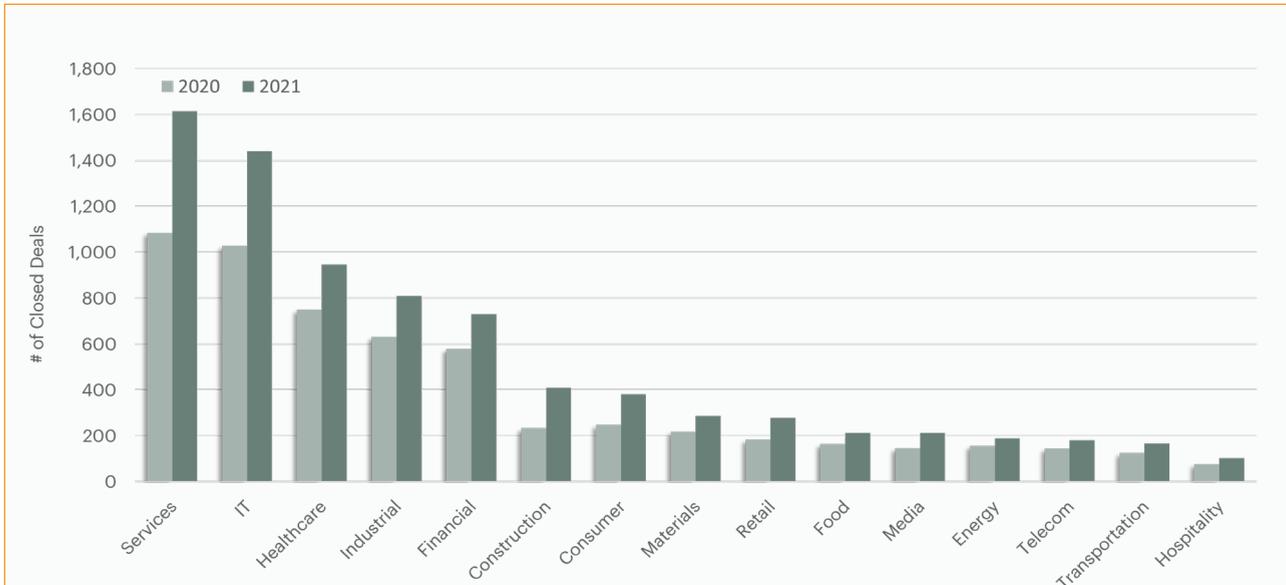
	Limited	Moderate	Broad
\$10-49MM EV	42%	28%	30%
\$50-249MM EV	13%	25%	62%
\$250-499MM EV	18%	26%	56%
\$500-999MM EV	17%	39%	44%
\$1,000+MM EV	43%	45%	12%

#### Corporate

	Limited	Moderate	Broad
\$10-49MM EV	70%	20%	10%
\$50-249MM EV	47%	18%	34%
\$250-499MM EV	55%	19%	26%
\$500-999MM EV	59%	24%	17%
\$1,000+MM EV	76%	19%	5%

# Industry Breakdown

## Sponsor Investments by Industry



In 2021, the **Services**, **IT**, **Healthcare**, and **Industrial** sectors led the way in Sponsor activity, while activity across all sectors increased compared to 2020.

# Understand the M&A Ecosystem

## Market Mapping: Industrial PE Fund

*Know who you're...*

*Sourcing from*

*Competing with*

*Borrowing from*

Most Active Intermediaries	Most Active PE Buyers	Most Active Senior Lenders
Lincoln International	Arline Investment Management	Antares Capital
Houlihan Lokey	Audax Group	Adams Street Partners
Harris Williams	Greenbriar Equity Group	Ares Capital
Robert W. Baird	Arlington Capital Partners	Churchill Asset Management
William Blair & Co.	Wind Point Partners	Maranon Capital
Jefferies & Co.	AE Industrial Partners	Business Development Corporation of America
Piper Sandler Cos.	AEA Investors	J.P. Morgan Chase
Stifel, Nicolaus & Co.	H.I.G. Capital	Madison Capital Funding
Lazard	MiddleGround Capital	Main Street Capital Corporation
Truist Securities	American Industrial Partners	NXT Capital
BlackArch Partners	Carlyle Group	Blue Owl Capital
Raymond James	Genstar Capital	FS KKR Capital Corp
J.P. Morgan Chase	Wynnchurch Capital	PennantPark Investment
Cowen & Co.	Bain Capital	BMO capital Markets
Duff & Phelps Securities	Center Rock Capital Partners	Cerberus Business Finance

**Total Market 27,853**

All closed deals

**Broad Industrials 6,325**

Narrowed to all Industrial sectors

**\$50-999MM EV 1,565**

Filtered by transaction value

**Intermediated 1,153**

Excludes deals without intermediaries

**PE Buyers only 771**

Excludes Corporate Investors

# Understand the M&A Ecosystem

## Top Intermediaries for PE in 2021

**\$10-49 MM EV**

Generational Equity
Sica Fletcher
Lincoln International
Marsh, Berry, & Company
Cascadia Capital
KPMG Corporate Finance
Raymond James
Robert W. Baird
Capstone Partners
FOCUS
Houlihan Lokey
William Blair & Co.
Woodbridge International
Duff & Phelps Securities
Piper Sandler Cos.
Mesirow Financial
Vista Point Advisors
AGC Partners
Bailey Southwell & Co.
Benchmark International

**\$50-499 MM EV**

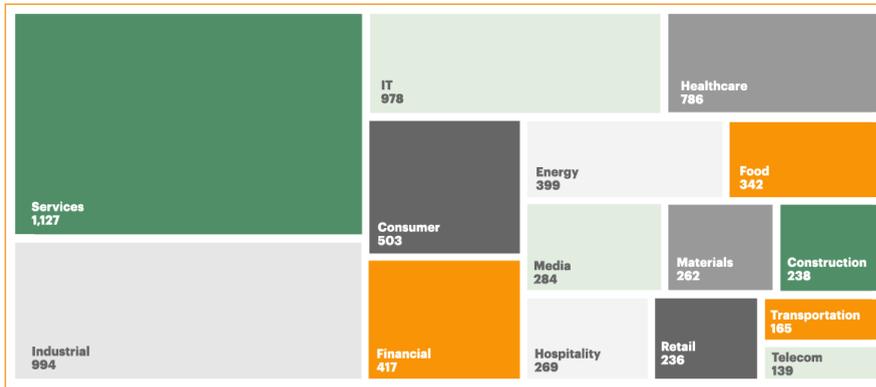
William Blair & Co.
Houlihan Lokey
Lincoln International
Robert W. Baird
Harris Williams
Raymond James
Jefferies & Co.
Piper Sandler Cos.
Stifel Financial Corp.
Lazard
Goldman Sachs
Canaccord Genuity
Evercore Partners
Moelis & Company
RBC Capital Markets
Citizens Capital Markets
Brown Gibbons Lang & Co.
Cain Brothers
FocalPoint Partners
J.P. Morgan Chase

**\$500-1,000+ MM EV**

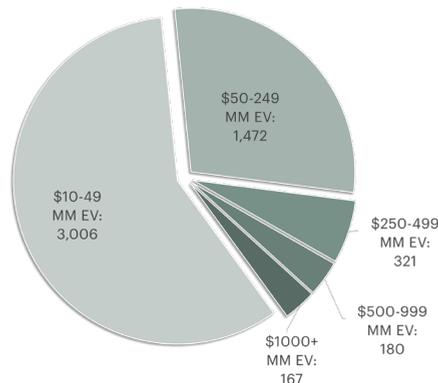
Goldman Sachs
J.P. Morgan Chase
Jefferies & Co.
Robert W. Baird
Morgan Stanley
Evercore Partners
William Blair & Co.
Bank of America Merrill Lynch
Houlihan Lokey
Moelis & Company
Barclays Capital
Harris Williams
Citigroup
UBS
Guggenheim Partners
Piper Sandler Cos.
Credit Suisse
BMO Capital Markets
Centerview Partners
Lincoln International

# Industry Breakdown

## Sourcing from Sponsors: PE Portfolio Harvest



Over **5,100+** companies that originally traded to PE investors between 2013-2018, are **still being held** and **may trade again soon**.



Sponsor	# of Active PortCos.
KKR & Co.	41
Carlyle Group	30
H.I.G. Capital	30
The Riverside Company	25
Vista Equity Partners	25
Apollo Global Management	24
Audax Group	22
L Catterton (fka Catterton Partners)	22
Warburg Pincus	22
Blackstone Group	20
Caisse de Depot et Placement de Gemini Investors	20
Salt Creek Capital Management	18
Goldman Sachs	17
Main Street Capital Corporation	17
Neuberger Berman Group LLC	17
ARBY Partners	16
Bain Capital	16
Stone Point Capital	16
Tailwind Capital Group	16
TPG Capital Group	16
Clearlake Capital Group	15
Insight Partners	15
Platinum Equity	15
Serent Capital	15
Madison Dearborn Partners	14
Thompson Street Capital Partners	14
Webster Equity Partners	14
AEA Investors	13
Altamont Capital Partners	13
Cerberus Capital Management	13
Fonds De Solidarité FTQ	13
FTV Capital	13
General Atlantic	13
Thoma Bravo	13

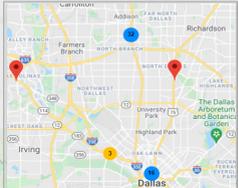
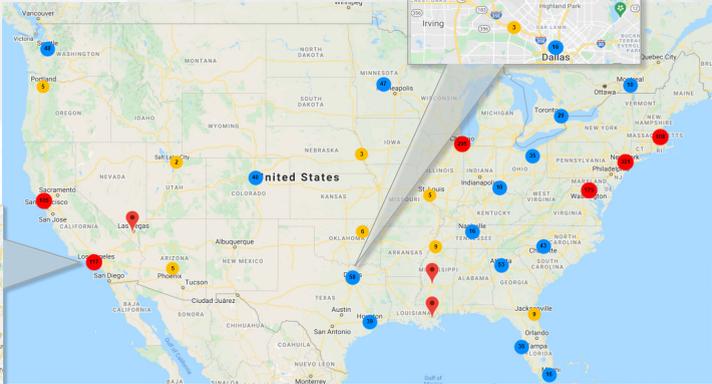
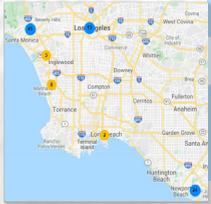
# Travel is Back

## Where are the advisors?

Use the Travel Planning tool to prioritize cities with advisors you don't know, who are closing relevant deals

City	State
New York	NY
Chicago	IL
Boston	MA
San Francisco	CA
Richmond	VA
Los Angeles	CA
Dallas	TX
Atlanta	GA
Minneapolis	MN
Charlotte	NC
Houston	TX
McLean	VA
Milwaukee	WI
Seattle	WA
Denver	CO
Toronto	ON
Tampa	FL
Baltimore	MD
Washington	DC
Cleveland	OH

Top locations sorted by number of active professionals



Heat map shows the number of active professionals by branch office location, not HQ

# SPS Product Development

## 2022 Roadmap

### Taxonomy Upgrade - Q2 rollout

The SPS database is being updated to improve functionality and accuracy across the entire platform including:

**SPS Alerts, Market Coverage, and sector-level analyses.**

- Access **four defined tiers** and over 560 options at the lowest (subindustry) level
- **Improve your search** with primary/secondary structure for deals with multiple tags
- Layer the new **Business Function** field on top of existing queries - e.g., "Distributor" within consumer products

**Updates Available Now**

- Renovated Dashboard
- Target Criteria Enhancements
- Data Access Expansion

Sector	Industry Group	Industry	Subindustry
Energy & Natural Resources	2	10	39
Industrials	4	22	105
Business Services	5	43	53
Consumer	7	15	96
Healthcare	5	11	62
Financial Services	7	13	58
Technology	3	9	86
Media & Telecommunications	2	8	40
Utilities	7	10	18
Real Estate	1	2	11
<b>Totals per category</b>	<b>43</b>	<b>143</b>	<b>568</b>

Our new, groundbreaking industry taxonomy includes an upgrade to our historical database of **80K+ transactions**



## 2022 Disclaimer

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SPS is an award-winning provider of actionable data and analytics for PE and M&A professionals to optimize their business development and deal sourcing efforts.

Request an SPS demo