

PITTSBURGH REGIONAL M&A REPORT: 1Q18

Merger & Acquisition
Corporate Finance Advisory
Strategic Consulting

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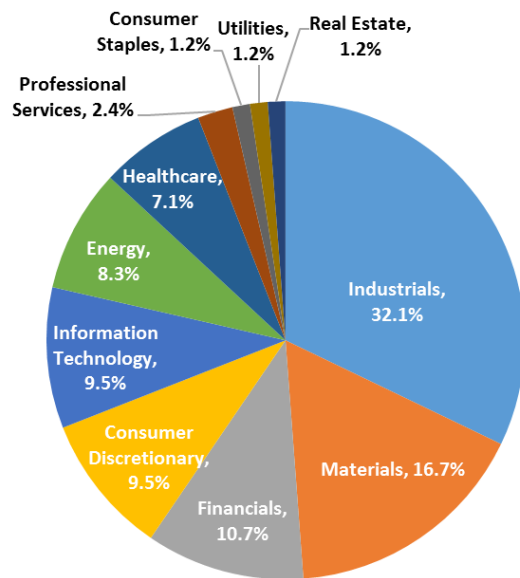
Bringing Efficiency to Inefficient Markets

Volume Down Slightly, Albeit in a Strong Quarter

Quarterly regional M&A volume decreased slightly (2.3%) to 84 transactions in the first quarter of 2018. This is compared to a total of 86 transactions during the previous quarter as well as the first quarter of 2017, respectively. The slight decline may be reflective of broader national trends including fierce competition, which is driving up multiples and making deal economics look less attractive. Nonetheless, this figure is still strong and is on par with the full-year 2017 total of 332 transactions on an annualized basis.

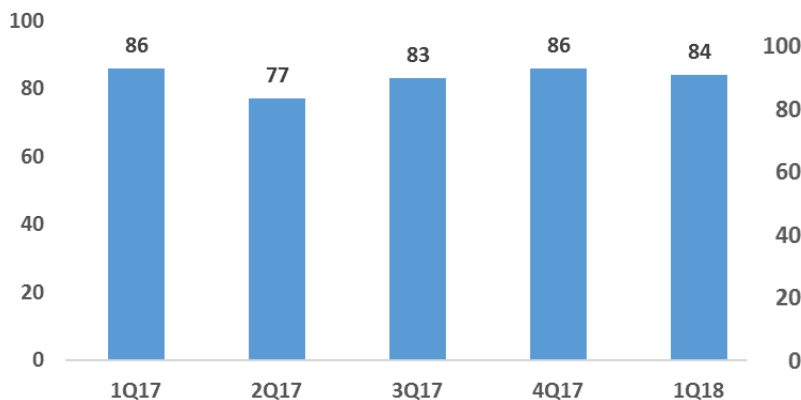
Strategic buyers completed 92.9% of all transactions in the first quarter of 2018, 70 basis points higher than 2017 figures. Strategic buyers have a large amount of cash on their balance sheets and continue to buy into markets. However, several factors could drive higher acquisition rates by financial buyers over the coming quarters. These factors include a record amount of global dry powder (over \$1.0 trillion that needs to be put to work), an increasing preference for Strategic Buyouts or “SBO’s” (50% of private equity or “PE” exits in 2017 were SBO’s) as an exit strategy, and a trend toward bolt-on acquisitions as way to grow PE portfolio companies.

In the first quarter, regional M&A activity was primarily concentrated in the following sectors: Industrials (32.1%), Materials (16.7%), Financials (10.7%), Consumer Discretionary (9.5%), and Information Technology (9.5%).

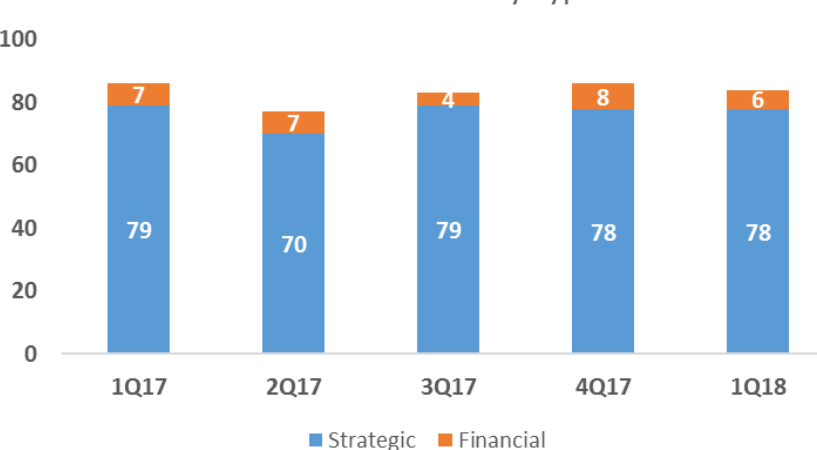


1Q18 Transactions by Sector

of Transactions Per Quarter



of Transactions by Type



■ Strategic ■ Financial

PITTSBURGH REGIONAL 1st QUARTER 2018 M&A TRANSACTIONS

Close	Target	Location	Buyer	Buyer Type	Location	Primary Sector	EV*	Primary Industry
3/28/2018	Entitle Direct Group, Inc.	Independence, OH	ValuAmerica, Inc.	Strategic Buyer	Pittsburgh Area	Financials	-	Reinsurance
3/28/2018	ACERO Junction, Inc.	Steubenville Area	JSW Steel Limited	Strategic Buyer	Mumbai, India	Materials	180.4	Steel
3/26/2018	ANNA X Anzeigensysteme GmbH	Germany	Westinghouse Air Brake Tech Corp.	Strategic Buyer	Pittsburgh Area	Information Technology	-	Communications Equipment
3/26/2018	CoAdna Holdings, Inc.	Sunnyvale, CA	II-VI Incorporated	Strategic Buyer	New Castle Area	Information Technology	85.0	Communications Equipment
3/22/2018	Optis SAS	France	ANSYS, Inc.	Strategic Buyer	Pittsburgh Area	Information Technology	-	Application Software
3/21/2018	Kimbell Bruehl Inc.	Austin, TX	Civil & Environmental Consultants, Inc.	Strategic Buyer	Pittsburgh Area	Industrials	-	Construction and Engineering
3/19/2018	CALISO Corporation	Miami, FL	SAE International	Strategic Buyer	Pittsburgh Area	Consumer Discretionary	-	Education Services
3/19/2018	Technical Svs Div of Miller Ppetch	New Brighton, PA	Hydromax USA LLC	Strategic Buyer	Evansville, IN	Industrials	-	Environmental and Facilities Services
3/16/2018	Shirley-Pennsboro System	West Virginia	CONE Midstream DevCo ILP	Strategic Buyer	Pittsburgh Area	Industrials	265.0	Industrial Machinery
3/15/2018	Prima Health Care, LLC	Youngstown n Area	Mercy Health Youngstown LLC	Strategic Buyer	Youngstown n Area	Healthcare	-	Healthcare Facilities
3/14/2018	Crazy Mocha Coffee Company	Pittsburgh Area	Kiva Han Coffee Co.	Strategic Buyer	New Castle Area	Consumer Discretionary	-	Restaurants
3/13/2018	Technical Marketing Manufacturing, Inc.	Southwest US	Gray Matter Systems LLC	Strategic Buyer	Pittsburgh Area	Industrials	-	Trading Companies and Distributors
3/13/2018	Kopper Glo Mining, LLC	Knoxville, TN	Industrial Minerals Group, LLC	Strategic Buyer	-	Energy	8.0	Coal and Consumable Fuels
3/12/2018	Horsemen's Pride, Inc.	Akron Area	Tenth Avenue Commerce, LLC	Strategic Buyer	New York, NY	Materials	-	Commodity Chemicals
3/12/2018	Eagle Manufacturing Company	Wheeling Area	Justrite Mfg. Co., L.L.C.	Strategic Buyer	Des Plaines, IL	Industrials	-	Office Services and Supplies
3/12/2018	The Hite Company	Altoona Area	Mayer Electric Supply Company, Inc.	Strategic Buyer	Birmingham, AL	Industrials	-	Trading Companies and Distributors
3/9/2018	Pacific Ozone Technology, Inc.	Benicia, CA	Evoqua Water Technologies Corp.	Strategic Buyer	Pittsburgh Area	Industrials	-	Industrial Machinery
3/9/2018	Calgon Carbon Corporation	Pittsburgh Area	Kuraray Holdings U.S.A., Inc.	Strategic Buyer	Houston, TX	Materials	1,353.3	Commodity Chemicals
3/8/2018	Metal Deco Ink Bus of PPG	Pittsburgh Area	Sun Chemical Corporation	Strategic Buyer	Parsippany, NJ	Materials	-	Specialty Chemicals
3/8/2018	Connecticut Electric Inc.	Anderson, IN	MW Mezz Fds; Tecum Cap Mgt; Onward Cap	Financial Buyer	Pittsburgh Area	Industrials	-	Electrical Components and Equipment
3/8/2018	Alliance Petroleum Corporation	Canton Area	Diversified Gas & Oil PLC	Strategic Buyer	Birmingham, AL	Energy	95.0	Oil and Gas Exploration and Production
3/6/2018	Motter's Music Inc.	Youngstown n Area	Music & Arts Center, Inc.	Strategic Buyer	Frederick, MD	Consumer Discretionary	-	Specialty Stores
3/6/2018	Byrd Newspapers	Winchester, VA	Ogden Newspapers, Inc.	Strategic Buyer	Wheeling Area	Consumer Discretionary	-	Publishing
3/5/2018	Lynxrail Corporation	Perth, Australia	Westinghouse Air Brake Tech Corp.	Strategic Buyer	Pittsburgh Area	Industrials	-	Constr. Machinery and Heavy Trucks
3/2/2018	X-L-Engineering Corp.	Niles, IL	Oberg Industries, Inc.	Strategic Buyer	New Castle Area	Industrials	-	Engineered components
3/1/2018	Hycorp LLC	Middleburg Heights, OH	Saint-Gobain Perf Plastics Corp.	Strategic Buyer	Akron Area	Materials	-	Commodity Chemicals
3/1/2018	Rolling Fields, Inc.	Erie Area	Heritage Ministries Chrblie Care Netw k, Inc.	Strategic Buyer	Northwestern NY	Healthcare	-	Healthcare Facilities

Close	Target	Location	Buyer	Buyer Type	Location	Primary Sector	EV*	Primary Industry
2/28/2018	Safety First Contracting (1995) Ltd	Canada	AWP, Inc.	Strategic Buyer	Canton Area	Industrials	-	Traffic control safety solutions
2/28/2018	Discount Drainage Supplies	Akron Area	Foundation Investment Partners, LLC	Financial Buyer	Chagrin Falls, OH	Industrials	-	Building Products
2/28/2018	Wombat Security Technologies, Inc.	Pittsburgh Area	Proofpoint, Inc.	Strategic Buyer	Sunnyvale, CA	Information Technology	225.0	Internet Software and Services
2/28/2018	Presque Isle Downs, Inc.	Erie Area	Churchill Downs Incorporated	Strategic Buyer	Louisville, KY	Consumer Discretionary	178.9	Casinos and Gaming
2/28/2018	Kratos Public Sfty & Srty Solutions, Inc.	San Diego, CA	Securitas Electronic Security Inc.	Strategic Buyer	Canton Area	Industrials	69.0	Security and Alarm Services
2/28/2018	M.A. Energy Resources, LLC	San Diego, CA	Koppers Holdings, Inc.	Strategic Buyer	Pittsburgh Area	Energy	66.1	Coal and Consumable Fuels
2/27/2018	Day Automotive Group Inc.	Pittsburgh Area	Lithia Motors, Inc.	Strategic Buyer	Medford, OR	Consumer Discretionary	-	Automotive Retail
2/27/2018	GeoEnergy USA, Inc.	Clarksburg Area	American International Ventures, Inc.	Strategic Buyer	Lithia, FL	Energy	0.5	Coal and Consumable Fuels
2/27/2018	EXCO Resources (PA), LLC	Pittsburgh Area	EXCO Resources, Inc.	Strategic Buyer	Dallas, TX	Energy	-	Oil and Gas Exploration and Production
2/26/2018	AutoLion Batry Mod Sftw re Bus of EC Pwr	State College	Gamma Technologies, Inc.	Strategic Buyer	Westmont, IL	Information Technology	-	Systems Software
2/16/2018	Western Kentucky Coal Resources, LLC	Saint Louis, MO	Murray Energy Corporation	Strategic Buyer	Steubenville Area	Energy	31.4	Coal and Consumable Fuels
2/15/2018	A. Schulman, Inc.	Akron Area	LyondellBasell Industries N.V.	Strategic Buyer	Rotterdam, Netherlands	Materials	2,172.3	Specialty Chemicals
2/14/2018	CardiacAssist, Inc.	Pittsburgh Area	LivaNova PLC	Strategic Buyer	United Kingdom	Healthcare	250.0	Healthcare Equipment
2/14/2018	Costapacking Ind. Com. de Plásticos Ltda	Brazil	Plastek Industries, Inc.	Strategic Buyer	Erie Area	Materials	-	Metal and Glass Containers
2/14/2018	Braun & Steidl Architects, Inc.	Akron Area	PRIME AE Group, Inc.	Strategic Buyer	Columbus, OH	Industrials	-	Research and Consulting Services
2/13/2018	Matson Insurance Agency Inc.	Du Bois Area	Sunstar Insurance Group, LLC	Strategic Buyer	Memphis, TN	Financials	-	Insurance Brokers
2/8/2018	Syntech Products Corporation	Toledo, OH	Midwest Industrial Supply, Inc.	Strategic Buyer	Canton Area	Industrials	-	Environment control services
2/6/2018	Man-Text Mfg & Welding, Inc	Rifle, CO	Femco Machine Company, Inc.	Strategic Buyer	Johnstown n Area	Materials	-	Diversified Metals and Mining
2/5/2018	PTR Group, LP	New Castle Area	Fulcrum IT Services, LLC	Strategic Buyer	Centreville, VA	Materials	-	Diversified Metals and Mining
2/5/2018	Zulama, LLC	Pittsburgh Area	EMC Publishing, LLC	Strategic Buyer	-	Consumer Discretionary	-	Education Services
2/2/2018	Mountain State Information Systems, Inc.	Fairmont, WV	TMC Technologies, Inc.	Strategic Buyer	Clarksburg Area	Information Technology	-	IT Consulting & Other Services
2/2/2018	Samuel J. Cordes & Associates	Pittsburgh Area	Rothman Gordon	Strategic Buyer	Pittsburgh Area	Professional Services	-	Employment attorneys
2/1/2018	Star Granite Co., Inc.	Elberton, GA	Matthew's International Corporation	Strategic Buyer	Pittsburgh Area	Materials	41.2	Memorial tomstones
2/1/2018	Canton Drop Forge, Inc.	Canton Area	Park-Ohio Holdings Corp.	Strategic Buyer	Celeveland, OH	Materials	-	Diversified Metals and Mining
2/1/2018	Sobol Veltum & Associates	Pittsburgh Area	H2R CPA LLC	Strategic Buyer	Pittsburgh Area	Financials	-	Accounting firm

Close	Target	Location	Buyer	Buyer Type	Location	Primary Sector	EV*	Primary Industry
1/31/2018	Pure Water Solutions, Inc.	Castle Rock, CO	Evoqua Water Technologies Corp.	Strategic Buyer	Pittsburgh Area	Industrials	4.7	Environmental and Facilities Services
1/31/2018	Omnyx, LLC	Pittsburgh Area	Inspirata, Inc.	Strategic Buyer	Tampa, FL	Healthcare	-	Life Sciences Tools and Services
1/31/2018	Snaveley Forest Products, Inc.	Pittsburgh Area	Weekes Forest Products, Inc.	Strategic Buyer	St. Paul, MN	Industrials	-	Trading Companies and Distributors
1/31/2018	TRS Technologies, Inc.	Altoona Area	Tayca Corporation	Strategic Buyer	Japan	Industrials	26.5	Electrical Components and Equipment
1/30/2018	Welles-Bowen Realty, Inc.	Toledo, OH	Howard Hanna Real Estate Svs, Inc.	Strategic Buyer	Pittsburgh Area	Real Estate	-	Real Estate Services
1/29/2018	CENTRIA Incorporated	Pittsburgh Area	NA	NA	NA	Materials	-	Construction Materials
1/25/2018	Weiss, Alden & Polo P.A.	Miami, FL	Buchanan, Ingersoll & Rooney PC	Strategic Buyer	Pittsburgh Area	Professional Services	-	Immigration Legal Practice
1/24/2018	Fixed Inc & Eqt Bus of Columbia Prtns, L.L.C	Chevy Chase, MD	Tristate Capital Holdings, Inc.	Strategic Buyer	Pittsburgh Area	Financials	1.2	Asset Management and Custody Banks
1/24/2018	Pittsburgh Brewing Company	Pittsburgh Area	Tecum Equity	Financial Buyer	Wexford, PA	Consumer Staples	-	Brewers
1/24/2018	APG-Specialty Valve & Machined Prds	Wyandotte, MI	Alpha Precision Group, Inc.	Strategic Buyer	Du Bois Area	Industrials	-	Industrial Machinery
1/22/2018	Zenith Supply Company, Inc.	Pittsburgh Area	AIV Inc.	Strategic Buyer	Harmans, MD	Industrials	-	Trading Companies and Distributors
1/18/2018	ZARGES GmbH	Weilheim, Germany	Werner Co., Inc.	Strategic Buyer	New Castle Area	Industrials	-	Constr. Machinery and Heavy Trucks
1/17/2018	Via Oncology, LLC	Pittsburgh Area	El Sevier	Strategic Buyer	New York, NY	Healthcare	-	Health Care Technology
1/16/2018	Detroit Renewable Energy LLC	Detroit, MI	DCO Energy, LLC; Basalt Infrtne Prtns LLP	Strategic Buyer	NJ / NY	Utilities	-	Renewable Electricity
1/12/2018	THB, Inc.	Salt Lake, UT	Fairmont Supply Company	Strategic Buyer	Pittsburgh Area	Industrials	-	Industrial Supplier
1/10/2018	Foundation Bancorp, Inc.	Bellevue, WA	First Commonwealth Financial Corp.	Strategic Buyer	Johnstown n Area	Financials	57.6	Thrifts and Mortgage Finance
1/9/2018	Neishloss & Fleming, Inc.	Pittsburgh Area	Integrity Marketing Group, LLC	Strategic Buyer	Dallas, TX	Financials	-	Life and Health Insurance
1/9/2018	R. Applegate & Assoc, Paul Abendroth Grp	Pittsburgh Area	D.B. Root & Company, Inc.	Financial Buyer	Pittsburgh Area	Financials	-	Asset Management and Custody Banks
1/8/2018	The Scottdale Bank & Trust Company	Greensburg Area	Mid Penn Bank	Strategic Buyer	Pittsburgh Area	Financials	59.1	Regional Banks
1/5/2018	Kenneth McDonald Plumbing & HVAC, Inc.	New Castle Area	Armstrong Group of Companies	Strategic Buyer	New Castle Area	Industrials	-	Construction and Engineering
1/5/2018	JAD Equipment Company	Youngstown n Area	Marco Group International, Inc.	Strategic Buyer	Davenport, IA	Industrials	-	Trading Companies and Distributors
1/5/2018	Fresh Media Group, LLC	Pittsburgh Area	The Savvy Group, LLC	Strategic Buyer	Pittsburgh Area	Consumer Discretionary	-	Advertising
1/5/2018	Erickson & Meeks Engineering, LLC	Phoenix, AR	Civil & Environmental Consultants, Inc.	Strategic Buyer	Pittsburgh Area	Industrials	-	Construction and Engineering
1/4/2018	Westinghouse Electric Company LLC	New Castle Area	Brookfield Business Partners L.P.	Financial Buyer	Bermuda	Industrials	4,600.0	Construction and Engineering
1/3/2018	CONE Gathering LLC	Pittsburgh Area	CNX Gas Company LLC	Strategic Buyer	Pittsburgh Area	Energy	305.0	Oil and Gas Exploration and Production
1/3/2018	Avere Systems, Inc.	Pittsburgh Area	Microsoft Azure	Strategic Buyer	Redmond, WA	Information Technology	-	Tech. Hardware, Storage & Peripherals
1/2/2018	G&S Bar and Wire, LLC	Canton Area	Fort Wayne Metals, Inc.	Strategic Buyer	Fort Wayne, IN	Materials	-	Diversified Metals and Mining
1/2/2018	Accessible Mobility Center, LLC	Concord, NC	WMK, Inc.	Strategic Buyer	Akron Area	Healthcare	-	Healthcare Distributors
1/2/2018	Juvo Telecom LLC	Cary, NC	System One Holdings, LLC	Strategic Buyer	Pittsburgh Area	Industrials	-	Construction and Engineering
1/2/2018	Procoatings B.V.	Netherlands	PPG Industries, Inc.	Strategic Buyer	Pittsburgh Area	Materials	-	Paints, Coatings and Materials
1/1/2018	Stocketon Financial Services, Inc.	Grand Blanc, MI	Visual Edge Technology, Inc.	Strategic Buyer	Canton Area	Information Technology	-	Technology Distributors
1/1/2018	Doolin Security Savings Bank, FSB	Clarksburg Area	Belpre Savings Bank	Strategic Buyer	Belpre, OH	Financials	-	Regional Banks


*a - Announced Date; * - EV is Enterprise Value; **Transaction Requirements:** Either buyer, buyer parent, target or seller must be local, and the local participant must have purchased or sold majority control. Excludes real estate & facility sales. Sorted by Close Date.

About Strategic Advisors


Strategic Advisors is a middle market investment-banking firm that helps clients achieve financial and business goals by providing merger and acquisition advisory, corporate finance advisory and strategic consulting services. Along with many years of experience in advising middle market clients, our Managing Directors have experience investing in and managing portfolio companies. As a result, Strategic Advisors not only has expertise in advisory services but also firsthand knowledge of what stakeholders, investors, and lenders expect and desire.

When considering a sale of your business, the acquisition of a business, or the restructuring or recapitalization of your balance sheet, the best pathway for achieving your expectations is a well-run process that addresses all your business and personal goals. Strategic Advisors is accustomed to working with business owners to determine the best pathway to achieve their goals and objectives. Give us a call to discuss your possibilities.


Strategic Advisors works with clients across numerous industries. Selected transactions include:




has been acquired by



The undersigned acted as the exclusive financial advisor to the members of Cellar Tech, LLC.




May 2018




Has Completed a Restructuring of Debt

The undersigned acted as financial advisor and placement agent



March 2018




has been acquired by


ABMECH Acquisitions, LLC

A newly created affiliate of a nationally recognized foundation repair and basement waterproofing contractor

The undersigned acted as financial advisor to the owner of ABMECH, Inc.




February 2018




has been acquired by

GPB Waste OH, LLC


A newly created entity of



The undersigned acted as financial advisor to the owner of Iron City Express.



September 2017




Prime Metals and Alloys, Inc.

has been acquired by

Amerinac Holding Corp.

The Undersigned acted as financial advisor to the ownership of Prime Metals and Alloys




August 2017


Restructuring of Debt

East Coast Manufacturer

The undersigned acted as financial advisor to the Shareholders



April 2017




CREEKSIDE ENTERPRISES HOLDING, L.P.

With Operating Subsidiaries

INSIGHT PIPE CONTRACTING, L.L.C. and IPC SERVICES, L.L.C.

has completed a recapitalization

The undersigned acted as financial advisor and placement agent to the Shareholder of Insight Pipe Contracting, L.L.C. and IPC Services, L.L.C.



January 2016



GATEWAY FASTENERS, LLC

has been acquired by



a portfolio company of



The Undersigned acted as financial advisor to the ownership of Gateway Fasteners



June 2015



has been acquired by



The Undersigned acted as financial advisor to the shareholders of LTS Scale



May 2015

Author: Ricard Wilusz, Investment Banking MBA Intern

Sources: S&P Capital IQ

Important Information:

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Bringing Efficiency to Inefficient Markets

