

 Harris Williams

# Testing, Inspection, Certification & Compliance

QUARTERLY SECTOR REVIEW | Q3 2022

# Select TICC M&A Transactions

Announced July 18, 2022



## Ecofish Research acquired by Trinity Consultants

- › Ecofish Research, an environmental consulting firm headquartered in Vancouver, BC, offers environmental regulatory services to the hydroelectric, mining, infrastructure, and LNG industries, as well as First Nations and governments.
- › Trinity Consultants, a portfolio company of Oak Hill Capital, is a Texas-based provider of regulatory-driven environmental, health & safety, and engineering consulting services.

Announced June 28, 2022



## Advanced Testing Laboratory (ATL) acquired by Bureau Veritas

- › ATL is a Cincinnati, OH-based scientific sourcing services provider to healthcare products, cosmetics & personal care, and medical device end markets.
- › Bureau Veritas is a global leader in TICC services ensuring that client assets, products, infrastructure, and processes meet quality, health and safety, environmental, and social responsibility regulations.

Announced June 23, 2022



## Technical Safety Services (TSS) acquired by Levine Leichtman Capital Partners (LLCP)

- › TSS is a leading provider of testing, inspection, certification, and calibration (TICC) services to customers in the pharmaceutical, biotechnology, healthcare, and other life sciences end markets.
- › LLCP is a Los Angeles-based PEG and acquired TSS from The Edgewater Funds and JZ Partners. Harris Williams served as lead advisor on the transaction.

Announced April 21, 2022



## Promag acquired by FoodChain ID

- › Promag is a leading food and feed safety certification solutions provider in the Benelux region of the EU and a key player in animal nutrition and farming in Belgium and France.
- › FoodChain ID, a portfolio company of Berkshire Partners, is a leading provider of technology-enabled food safety, quality, and sustainability solutions.

Announced April 8, 2022



## SPL Inc. acquired by Sentinel Capital Partners

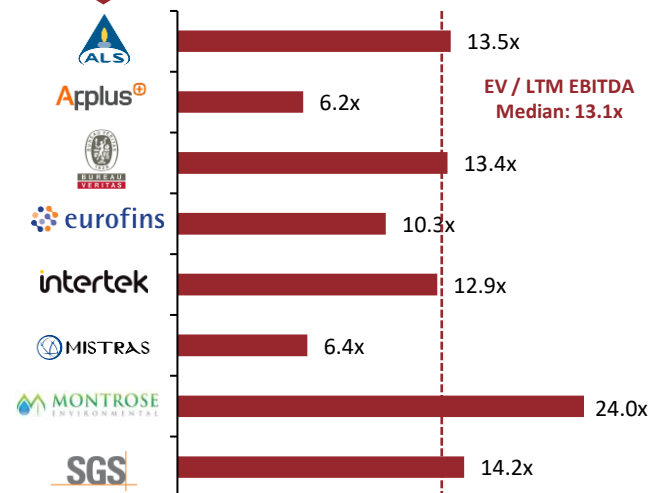
- › SPL Inc. is a leading international provider of TICC services for energy and environmental markets.
- › Sentinel Capital Partners specializes in buying and building midmarket businesses in the United States and Canada in partnership with management.

# TICC Public Company Valuations<sup>1</sup>

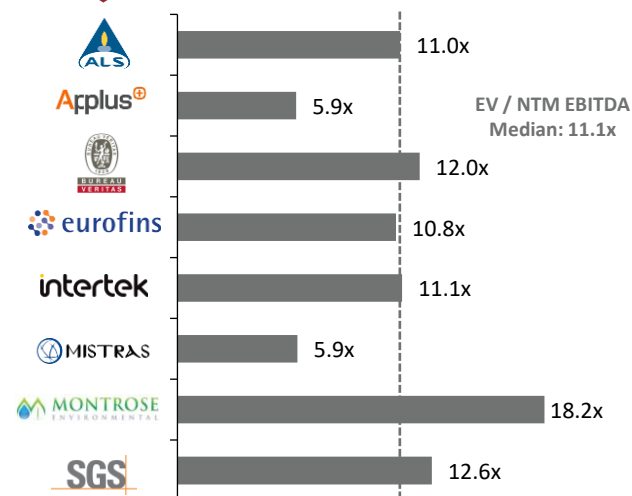
Five-Year Trading EV / LTM EBITDA Multiple



EV / LTM EBITDA Multiple

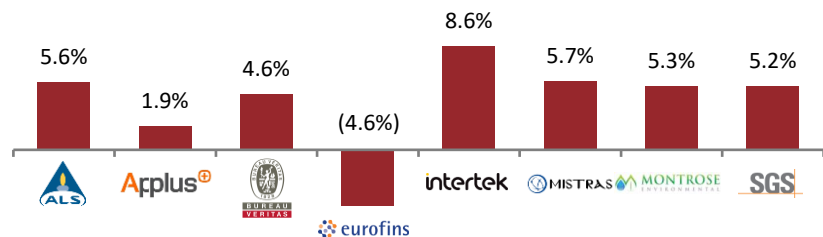


EV / NTM EBITDA Multiple

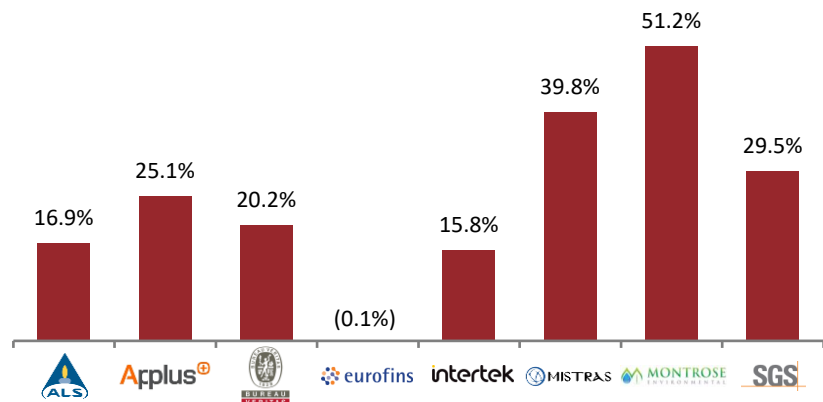


# TICC Public Company Benchmarking<sup>1</sup>

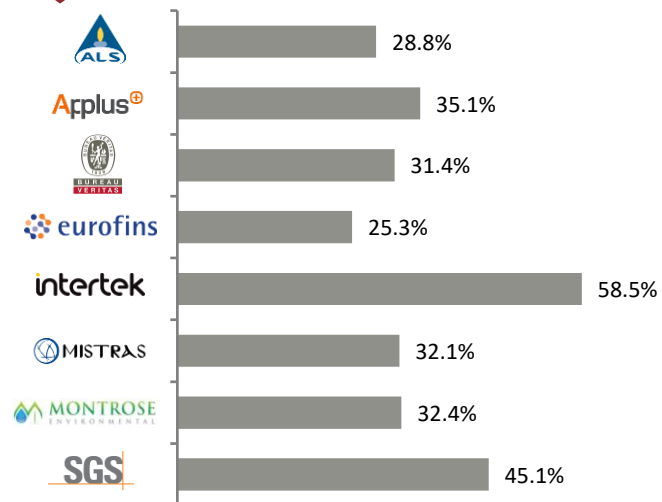
## NTM Revenue Growth Forecast



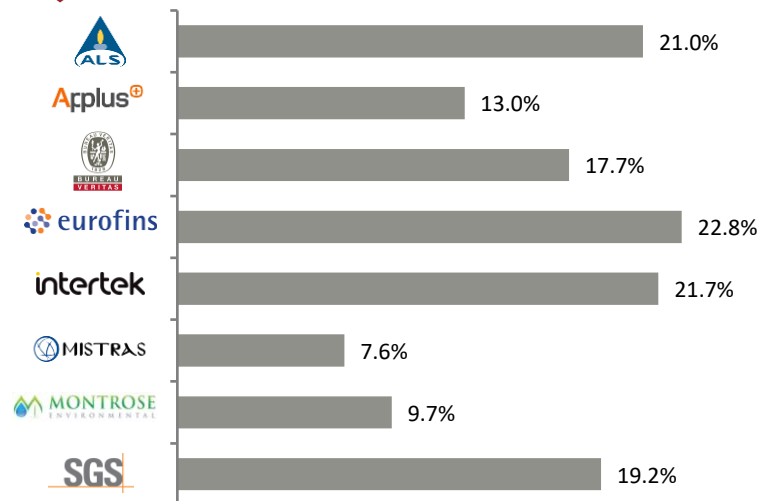
## NTM EBITDA Growth Forecast



## LTM Gross Margin



## LTM EBITDA Margin



# Harris Williams TICC Overview

## Harris Williams TICC Sector Focus Area

### BUILDINGS & INFRASTRUCTURE

- › Design Review
- › Commercial, Residential, and Civil Inspection
- › Project and Construction Management
- › Construction Materials Testing
- › Structural Integrity Analysis

### CONSUMER

- › Product Failure Analysis
- › Environmental Impact Testing
- › Consumer Products Testing
- › Trade Certification and Auditing
- › Expert Witness Services

### ENERGY

- › Oil, Fuel, Liquids, and Chain of Custody Testing
- › Energy Infrastructure Inspection and Testing
- › Integrity Management
- › Corrosion Monitoring
- › Production Analytics and Measurement

### ENVIRONMENTAL

- › Stormwater Management
- › Emissions Monitoring and Testing
- › Soil, Water, and Air Testing
- › Environmental Consulting
- › Industrial Hygiene

### FOOD & AGRICULTURE

- › Pesticide, Soil, and Seed/Crop Testing
- › FDA Audit and Compliance
- › Chemical and Nutritional Testing
- › Food Production Assessments
- › Food Contaminant Testing

### LIFE SCIENCES

- › Pharmaceuticals Testing
- › Medical Device Testing
- › Ecological Toxicology
- › Residue and Analytical Chemistry
- › Soil, Plant, and Animal Metabolism

### POWER & UTILITIES

- › T&D Inspection and Testing
- › Electrical Inspection and Testing
- › Renewables Testing and Inspection
- › In-Plant Inspection
- › Reliability Services

### TRANSPORTATION & AEROSPACE

- › Supplier and Supply Chain Audits
- › Third-Party Assessments
- › Performance Management Services
- › Aerospace and Automotive Parts Testing
- › Manufacturing Inspection

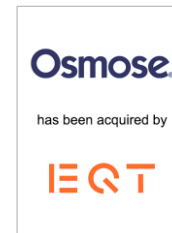
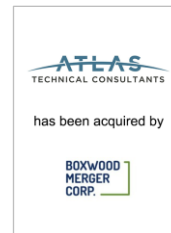
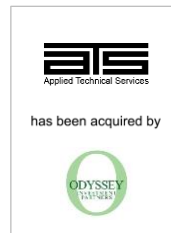
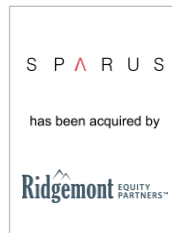
## HARRIS WILLIAMS TICC CONTACTS

**Brian Lucas**  
Managing Director  
[blucas@harriswilliams.com](mailto:blucas@harriswilliams.com)  
Office: 804-932-1323

**Luke Semple**  
Managing Director  
[lsemple@harriswilliams.com](mailto:lsemple@harriswilliams.com)  
Office: 804-915-0158

**Erik Szyndlar**  
Managing Director  
[eszyndlar@harriswilliams.com](mailto:eszyndlar@harriswilliams.com)  
Office: 415-217-3418

## Select Recent Harris Williams TICC Transactions



# Our Firm

Harris Williams has a broad range of industry expertise, which creates powerful opportunities. Our clients benefit from our deep sector experience, integrated industry intelligence and collaboration across the firm, and commitment to learning what makes them unique. For more information, visit our website at [www.harriswilliams.com](http://www.harriswilliams.com).

## Industry Group Expertise

[Aerospace, Defense & Government Services](#)

[Business Services](#)

[Energy, Power & Infrastructure](#)

[Specialty Distribution](#)

[Transportation & Logistics](#)

[Building Products & Materials](#)

[Consumer](#)

[Healthcare & Life Sciences](#)

[Industrials](#)

[Technology](#)

## Consistent Recognition for Quality



## Harris Williams Office Locations

### UNITED STATES

#### BOSTON

One International Place  
Suite 2620  
Boston, Massachusetts 02110  
Phone: +1 (617) 482-7501

#### CLEVELAND

1900 East 9th Street  
25th Floor  
Cleveland, Ohio 44114  
Phone: +1 (216) 689-2400

#### MINNEAPOLIS

222 South 9th Street  
Suite 3350  
Minneapolis, Minnesota 55402  
Phone: +1 (612) 359-2700

#### RICHMOND

1001 Haxall Point  
9th Floor  
Richmon, Virginia 23219  
Phone: +1 (804) 648-0072

#### SAN FRANCISCO

One Market Plaza, Steuart Tower  
11th Floor  
San Francisco, California 94105  
Phone: +1 (415) 288-4260

#### WASHINGTON, D.C.

800 17th St. NW  
2nd Floor  
Washington, D.C. 20006  
Phone: +1 (202) 207-2300

### EUROPE

#### FRANKFURT

Bockenheimer Landstrasse 33-35  
60325 Frankfurt, Germany  
Phone: +49 069 3650638 00

#### LONDON

25 Savile Row  
London W1S 2ER, England  
Phone: +44 (0) 20 7518 8900

# Disclosures and Disclaimers

---

Investment banking services are provided by Harris Williams LLC (“Harris Williams”). Harris Williams is a registered broker-dealer and member of FINRA and SIPC. Harris Williams & Co. Ltd is a private limited company incorporated under English law with its registered office at 8th Floor, 20 Farringdon Street, London EC4A 4AB, UK, registered with the Registrar of Companies for England and Wales (registration number 07078852). Harris Williams & Co. Ltd is authorized and regulated by the Financial Conduct Authority. Harris Williams & Co. Corporate Finance Advisors GmbH is registered in the commercial register of the local court of Frankfurt am Main, Germany, under HRB 107540. The registered address is Bockenheimer Landstrasse 33-35, 60325 Frankfurt am Main, Germany (email address: [hwgermany@harriswilliams.com](mailto:hwgermany@harriswilliams.com)). Geschäftsführer/Directors: Jeffery H. Perkins, Paul Poggi. (VAT No. DE321666994). Harris Williams is a trade name under which Harris Williams LLC, Harris Williams & Co. Ltd and Harris Williams & Co. Corporate Finance Advisors GmbH conduct business.

The information and views contained in this presentation have been prepared in part by Harris Williams. This presentation does not purport to be comprehensive or to contain all the information that a recipient may need in order to evaluate any investment or potential transaction. This presentation is not a research report, as such term is defined by applicable law and regulations, and is provided for informational purposes only. Any and all information, including estimates, projections and other forward-looking statements, presented in this document may involve various assumptions and significant elements of subjective judgment and analysis which may or may not be correct. Harris Williams has not independently verified, and neither Harris Williams nor any other person will independently verify, any of the information, estimates, projections or forward-looking statements contained herein or the assumptions on which they are based. The information contained in this document is made as of the date hereof unless stated otherwise. Harris Williams does not expect to update or otherwise revise this document nor provide any additional information, nor correct any inaccuracies herein which may become apparent.

The information contained herein is believed by Harris Williams to be reliable but Harris Williams makes no representation or warranty as to the accuracy or completeness of such information, and information contained herein that is based on material prepared by others may involve significant elements of subjective judgment and analysis which may or may not be correct. Opinions, estimates and projections contained herein constitute Harris Williams’ judgment and are subject to change without notice.

This presentation is not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular transaction, nor shall this presentation form the basis of any contract. It does not constitute and should not be construed as an endorsement or recommendation of any entities’ products or services.

No part of this material may be copied or duplicated in any form or by any means, or redistributed, without Harris Williams’ prior written consent.