G-SIDE CAPITAL ADVISORS

Business Services Perspectives

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Business Services Deal Highlights

-6%	5%	45%
Decrease in YOY deal volume	Increase in YOY deal value	Private equity involvement

Notable Quotes & Trends:

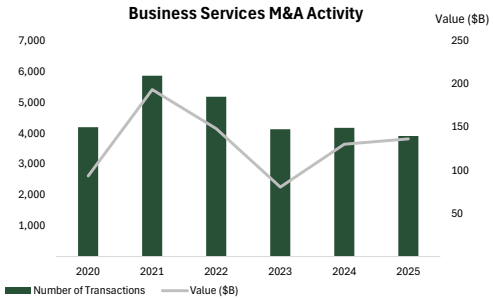
"As federal emphasis on environmental protection declines, we are seeing many states increase their efforts to fill the gap, creating opportunities for ICF and state planning, rulemaking, permitting and compliance." ***– John Wasson, CEO, ICF International***

"Law firm Cohen & Gresser LLP in talks to sell stake to private equity. Looking into my crystal ball, I can't help but think this is just the tip of the iceberg and the transformation of the legal profession will greatly resemble what has taken place in the accounting profession." ***– Allan Koltin, CEO, Koltin Consulting***

Andersen Group, a U.S. tax and consulting firm, became the second publicly traded accounting firm with its IPO priced in December, potentially kicking off a wave of accounting firm IPOs in the coming years.

Business Services Year in Review

In 2025, M&A activity within the Business Services industry remained strong, propelled by continued private equity-driven consolidation across highly fragmented sub-sectors. The Professional Services segment was at the forefront of this trend, with private equity firms actively acquiring CPA and advisory practices in response to succession planning challenges within an aging workforce, persistent talent shortages, and the imperative to scale high-margin advisory services through targeted investments in technology and AI. The momentum began early in the year with Blackstone's landmark investment in Citrin Cooperman, a middle market CPA firm, and was further accelerated by high-profile consolidations, including the Hellman & Friedman and Valeas-backed merger of Baker Tilly and Moss Adams which created the sixth largest CPA firm in the U.S. Another services sub-sector that experienced sustained M&A activity was HVAC given its stable, recession-resistant, and fragmented characteristics. Buyer appetite for HVAC was driven by steady demands for essential services like repairs and maintenance, offering recurring revenue and strong cash flow, plus opportunities for growth through technology. Private equity firms continued to implement buy-and-build strategies through add-on acquisitions, aiming to secure recurring maintenance revenue contracts and enhance the scale of existing platforms. This acceleration was further supported by steady demand for comfort cooling, precise industrial temperature control, and specialized solutions such as liquid-cooled data center thermal management. Within industrial services, buyers increasingly targeted niche providers specializing in waste, cleaning, and environmental or remediation services, owing to the essential nature of these offerings which ensures sustainable revenue generation across economic cycles. As demand intensifies for infrastructure integrity, environmental safety, and sustainable operations, the fragmented landscape across these targeted sub-sectors is expected to continue attracting acquirers seeking scale and access to mission-critical services.



Looking Ahead to 2026

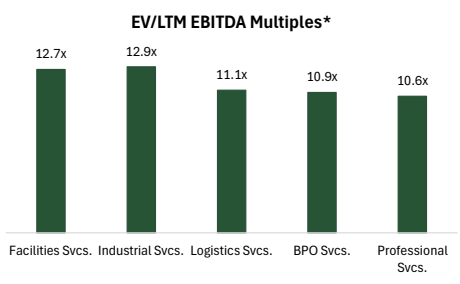
Looking ahead, private equity firms will continue to seek deals for accounting, tax, and advisory firms and likely expand into new segments such as executive recruiting and legal services. Private investment into high-margin specialty law firms is viewed by many market participants as the next major consolidation opportunity. Additionally, the highly fragmented U.S. Home Services sector—dominated by small and regional HVAC, plumbing, electrical, and landscaping enterprises—is projected to experience continued consolidation in 2026 encompassing both residential and commercial segments.

Deal & Valuation Tracker

Recent Headline Deals

Acquirer	Target	Vaue (Billions)
THOMABRAVO	dayforce	$12.3
CINTAS READY FOR THE WORKDAY	UniFirst	$5.2
Blackstone	TECHNOPRO HOLDINGS	$3.5
wsp	TRC	$3.3
Advent Corvex Management	Heidrick & Struggles	$1.3

Public Company Valuations



*As of 12/31/25

G-Side Capital Advisors provides independent M&A and ancillary investment banking advisory services to privately-held middle market businesses in a variety of industries. Learn more at www.g-sideca.com.

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