



# HARBOR VIEW

Investment Banking

*Our buy-side advisory practice augments private equity and internal M&A teams to provide a proactive strategy to source, engage, and execute through acquisition.*

## CASE STUDY

### CHALLENGE:

A Private Equity client identified an attractive asset in the background screening industry. After executing an LOI with their future platform investment (a corporate carve out), they were eager to hit the ground running with a growth through acquisition strategy.

### SOLUTION:

Our Private Equity client engaged Harbor View Advisors to execute a buy-side engagement that began during the investor's due diligence period. We worked with the portfolio company's leadership team to build a funnel of acquisition targets.

### OUTCOME:

With the early start to the buy-side engagement, the Private Equity client was able to validate their buy and build strategy during platform diligence, and together we lined up a robust funnel of actionable targets. This enabled them to be very efficient in jump starting their acquisition program, closing three transactions within the first 18 months of their ownership period. Working collaboratively, we assisted our client team in establishing an efficient buyside process and continue their acquisition momentum.



### IN SUMMARY:

The background screening industry remains highly fragmented with low barriers to entry but high barriers to scale. In this commoditized space, specialization, tech-enabled efficiency and economies of scale allow Private Equity-backed emerging leaders to compete effectively with the three legacy market leaders while taking share from the large number of sub-scale competitors.

Our client recognized an opportunity to acquire a platform investment with a technology backbone that could be upgraded and a buy and build strategy that could leverage their investment. Harbor View worked with both the portfolio company's leadership team and the private equity team to add both scale and incremental capabilities through a series of acquisitions.

Harbor View began the engagement by mapping the landscape of this fragmented industry. Deploying a Source => Engage => Execute approach, and leveraging our technology infrastructure combined with a thoughtful approach to engaging prospective targets, our outreach yielded a high response rate (about 40%) and a promising pipeline of potential opportunities.

During the Private Equity investor's ownership period, the company made a total of six acquisitions, three of which were sourced through the pipeline of opportunities Harbor View cultivated.

