


2020

Private Company
Technology &
Services
Conference

**Transforming Business
Models Creates Challenges
and Opportunities**





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Transforming Business Models Creates Challenges and Opportunities

2020 Private Company Technology & Services Conference

2020
PCTS CONFERENCE

A LETTER FROM PETER KIES

As technology continues to revolutionize business, the lines separating technology and services companies are blurring. Every best-in-class service company needs to leverage technology, and every tech company needs to have people who can provide great service around their solutions. Outsourcing continues to be embraced by business, and the increasing burden of regulation, explosion of data and automation of functions creates challenges for companies across all sectors. Challenges are giving way to new opportunities, as technology is transforming traditional business models and charting a new course in productivity and efficiency.

Baird's Global Technology & Services Investment Banking group is optimally positioned to serve companies and investors as these trends continue. Our long track record of working with technology and services companies provides us with the expertise, capabilities and relationships to support companies through evolving markets and throughout their growth cycle.

In the following pages, our team selectively explores how technology is enabling new modes of service and solution delivery, driving innovation across sectors and at all levels of business.



A handwritten signature in black ink, reading "Peter Kies".

Cyber Risk, Repriced

How Evolving Realities Are Lifting Valuations and Driving M&A

The digital transformation of business continues apace, and the demand for cybersecurity solutions is only strengthening. As business goes digital, data is becoming more valuable and enterprise infrastructures are becoming more complex. Cyber risk is increasing as these trends accelerate. Thus, businesses are beginning to place a higher premium on managing cyber risk, which is contributing to a broader repricing of cyber risk and driving M&A activity in the cyber space.



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“Cybercrime will cost the world an estimated \$6 trillion+ annually by 2021, up from \$3 trillion in 2015.”

KEY MARKET DRIVERS

Data Volume and Value

As companies continue to shift to digital modes of work, communication and business dealings, data is becoming more and more valuable. This trend will only continue to accelerate with the wider adoption of Big Data, artificial intelligence (AI) and the internet of things (IoT).

Data aggregation – the merging and analysis of low-value data sets to create higher-value, more actionable insights – is also growing with the proliferation of fast, inexpensive, powerful analytics technologies and processes. This is giving way to an easily accessible supply of valuable data that companies must protect (and bad actors seek to access).

Complexity of Enterprise Infrastructure

The shift from on-premises models to hybrid and cloud solutions is creating new complexity for businesses. This change is resulting in a need for new tools to monitor and manage data, access, applications and security. Companies are facing new demands of their infrastructure, including:

- Shift from threat detection (versus prevention), including the application of machine learning and artificial intelligence
- Mounting regulation and data protection/fraud requirements, including the EU's General Data Protection Regulation (GDPR)
- Cloud systems, which allow for near-infinite scalability

All of these factors are contributing to the increased demand for cybersecurity solutions.

RISE OF THE SECONDARY MARKET

Enterprises are becoming increasingly concerned about refining and leveraging their data – but bad actors are also eager to tap into the power of these data sets. The availability of readily accessible and refined data is driving more organised crime and activity by state actors. This is further fuelled by the wide availability of tools that enable data exfiltration and penetration.

As such, the barriers of entry into the cybercrime market are now much lower, as a new ecosystem has emerged to supply this secondary market. The combination of valuable data and opportunities for monetisation on the secondary market provides incentives for “steal to order” techniques.

The rise of this secondary market has mounting implications for businesses and governments across the globe:

- The cybercrime frontier is expanding and even reaching the political sphere, as evidenced by increased interactions between state actors and cybercrimes.
- Cybercrime will cost the world an estimated \$6 trillion+ annually by 2021, up from \$3 trillion in 2015. Additionally, gains from these transfers will be more profitable than the combined global trade of all major illegal drugs.¹

¹herjavecgroup.com/wp-content/uploads/2018/12/CV-HG-2019-Official-Annual-Cybercrime-Report.pdf

“ Global cybersecurity spending will exceed \$1 trillion cumulatively for the 5-year period from 2017-2021. ”



- It is estimated global cybersecurity spending will exceed \$1 trillion cumulatively for the 5-year period from 2017-2021, which suggests 12-15% year-over-year growth in the cybersecurity market through 2021.

POROUS PERIMETERS

Network perimeters have become more complex and thus, increasingly porous. The shift to a real-time, “always-on” economy has blurred network boundaries. Enterprises now must monitor more connected systems, sensors, devices and integrated supply chains on their networks. Traditional “endpoint + perimeter” security solutions are simply no longer sufficient to protect the data residing on many endpoints.

The internet of things (IoT) is driving exponential growth in endpoints and, in turn, a massive expansion of the enterprise perimeter. This expansion will continue in the coming years. As IPv4 protocol approaches capacity, the transition to IPv6 will

accelerate. According to a Cisco report, an estimated 9.4 billion mobile devices will be IPv6 capable by 2022, as well as 8.9 billion fixed devices.²

Additionally, the ubiquity of mobile devices combined with the rise of the gig economy^{3,4} is contributing to perimeter complexity. Managing an enterprise perimeter is time- and resource-intensive to begin with. It is even more complex when who works for you and what they can access is constantly in flux.

It is crucial that businesses know where their “crown jewel” intellectual property and proprietary data is held and who (within and outside of the organisation) can access it. The Edward Snowden leaks arguably represent the most high-profile, publicly disclosed impact of “insider risk.” However, even customer lists or partial data sets can be targeted by and exploited through temporary workers.

AS TRADITIONAL APPROACHES FALL SHORT, COMPANIES ARE REPRICING RISK

In many scenarios, traditional cybersecurity approaches are struggling to facilitate modern business. Within many companies’ technology stacks, the provision of network detection, antivirus and firewalls is compromised or subject to inflexible access controls, which struggle to be both effective and conducive to regular business. Key limitations include:

- The decreasing effectiveness of antivirus software, which is generally looking “behind the curve”
- The still-nascent nature of AI – while it shows promise as a tool to identify outliers, it still requires human intervention and isn’t yet wholly reliable
- Network and security operations center (SOC) tools are struggling to keep up – they are often leveraged in “firefighting” exercises
- Tight labour market for highly skilled technical cyber workforce

²[cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/white-paper-c11-738429.html](https://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/white-paper-c11-738429.html)

³According to Deloitte Global Human Capital Trends survey, 33% of IT function extensively use alternative labor / workforce, 25% of Operations functions, 15% of Marketing, 15% of Innovation/R&D function (source: Deloitte Insights, see appendix 1 for details)

4 ⁴Global online marketplaces that fuel the gig economy could be worth around £43 billion by 2020 (source: PwC, published by The Gazette Official Public Record)

At the same time, cyber risk is being repriced. A number of factors are driving this change, including a massive increase in regulation and consequent penalties and fines, as well as a significant uptick in the number of announced data breaches and their direct and indirect costs.

Historically it has been difficult to insure against these types of events, though this market is evolving.

M&A THEMES

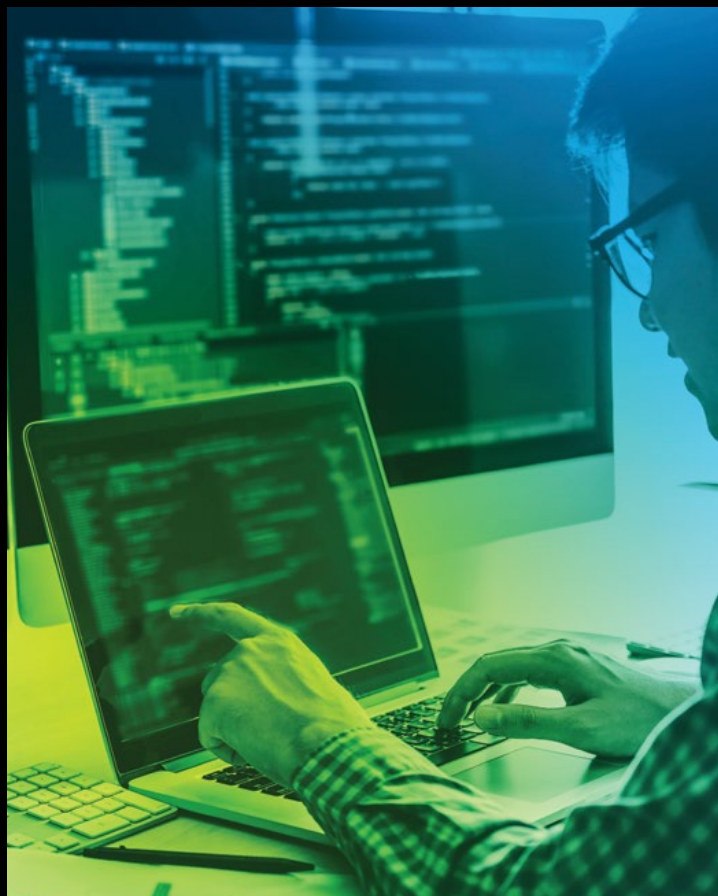
Growing Budgets and the Need for Internal Alignment

As companies reprice cyber risk and face the prospect of potential fines, spending on cybersecurity continues to grow. Cybersecurity budgets increased 141% from 2010 to 2018 globally, across industries. Meanwhile, spending for cloud security has grown 148% since 2017 and spending on other information security software was up 25% from 2017 to 2019. Globally, the top spending area within cybersecurity is security services as many companies and consumers remain anxious after the data breach scandals of recent years.⁵

C-suites are being forced to change their approach to mitigating their organisations' cyber risk. Perimeters have expanded and in many cases, the C-suite has yet to adapt. One of the greatest challenges to ensuring an appropriate cybersecurity budget is aligning all internal decision-makers. Technical understanding of cybersecurity challenges often differs between IT professionals and C-suite executives. The latter group may occasionally doubt the efficacy of preventative measures championed by cybersecurity professionals.

A lack of internal alignment and collaboration between executives and IT experts contributes directly to data breaches. Sixty percent of C-level executives believe their organisations' current solutions provide sufficient protection against hackers, but only 29% of IT professionals believe the same. What's more, 70% of cybersecurity breaches are caused by people and process failures within an organisation.⁵

Thus, providers who offer solutions to help companies navigate the ever-evolving risk landscape are receiving premium valuations. Regulatory forces are also accelerating the need



for enterprises to “get smart fast” and adapt to the current technology environment. Thirty percent of organisations worldwide have spent on Global Data Protection Regulation (GDPR)-related consulting and services in 2019.⁵

Transaction Market

With the backdrop of an increasingly data-driven, connected economy, the M&A transaction market is vibrant and investors and strategic players alike are hungry to keep up with the relentless pace of change in the market.

A lack of technical understanding, increased volume and complexity of data, and fragmented internal collaboration is pushing non-tech players to acquire the appropriate software assets to leverage the latest technology (versus doing it in-house). Forty percent of M&A transactions of tech companies are realized by companies in other industries.⁵

⁵Source: RSA Conference <https://www.rsaconference.com/industry-topics/blog/the-future-of-companies-and-cybersecurity-spending>
For a chart of relative performance of cybersecurity stocks and a table of notable recent M&A deals, visit techservices.rwbaird.com/Baird-Perspectives-Cyber-Risk-Repriced

FIRE in Focus

Key Trends in the Facilities, Industrial, Rental and Environmental Services Landscape



A Q&A WITH

BRAD PAGE

MANAGING DIRECTOR
FACILITIES, INDUSTRIAL, RENTAL &
ENVIRONMENTAL (FIRE) SERVICES

LOOKING ACROSS THE FIRE LANDSCAPE, WHAT EVOLVING TRENDS AND THEMES DO YOU SEE?

The key themes are the convergence of business models and the acknowledgement of FIRE sector businesses as providers of mission-critical outsourced services. Regarding convergence, customers want to partner with industry leaders in niche markets who can deliver more services, more effectively. We see the market adapting to that demand both organically as well as through M&A. Companies are continually trying to provide new services to the same customers or the same services to new customers. The goal is to be that trusted outsourced partner closely aligned with customers' needs. As outsourcing trends accelerate, having added services helps ensure revenue visibility regardless of the impact from the broader economy.

Companies within the FIRE sector are recognized as providing mission-critical outsourced services in niche industries that help modern society run smoothly. Trends around outsourcing are accelerating as companies continue to focus on the core aspects of their business and acknowledge that outsourcing makes them more efficient and delivers premium quality. Companies in the FIRE sector are the beneficiaries of this trend, becoming increasingly connected to their customers and by extension, as these customers continue to outsource non-core functions, they are increasing their spend with their most trusted service providers.

WHAT IS ATTRACTING CAPITAL INVESTMENT AND DRIVING CONSOLIDATION IN THE SECTOR?

Capital is coming into the sector at a record pace and valuations have been very attractive for sellers in today's



market. For the public markets, strategic consolidators are benefitting from premium valuations. In many instances, companies are trading at or near all-time highs. They are growing organically and via M&A and being rewarded for a successful track record of growth and confidence in future growth. As acquirors, they have a natural angle for why they can win, and it is frequently more than just cost synergies. Strategies are focused on expanding their customer base, growing their services portfolio, moving into new geographies and bringing leading management teams onto their platform. Regardless of the reason, strategics are active in today's landscape and in our sell-side processes.

Private equity investors continue to be attracted to the FIRE sector and are aggressively pursuing leading companies in the industry. Services provided by FIRE companies are mission critical and therefore should be insulated from the variability of market cycles. Separately, these are niche markets and there are natural consolidation opportunities providing the ability to deploy more capital, either creating the next market leader or continuing to distance from the existing competition. Given the dynamic of the current M&A environment, we frequently will see private equity focusing on areas where they have had success in the past, either with a similar business, a similar business model or where they have an existing executive relationship. Some combination of these enables a private equity buyer to move quickly and leverage a natural competitive advantage.

WHAT ARE THE KEYS TO SUCCESS IN A FIRE TRANSACTION?

Across the M&A landscape, diligence is becoming more involved and we are seeing more comprehensive diligence across a range of topics than ever before. With that trend, acquirors are aggressively pursuing premium assets, defined as those displaying sustainable competitive advantages, a track record of success, and a culture of leadership and innovation. Transaction success comes from the ability to effectively communicate these key factors and how they come together to translate into sustainable success.

Competitive advantages result from a reliable business model focused on service excellence. The competition can be tough in these markets, and holding the reputation as the company that takes the most care with service and customer engagement frequently wins. Service can be measured (by a net promoter score or other similar rankings) but is frequently defined by high customer retention or in project-based businesses where customers come back time after time as their needs warrant.

A track record of success frequently does not mean offering a service at the lowest cost. In fact it is frequently just the opposite. Companies in this sector show sustainable success by providing a reliable service to their customers, and customers are willing to pay. Frequently the cost differential separating the premium provider from the low-cost provider is measured in percentage points, and for services where failure is not an option people are willing to pay more to ensure the best.

Leadership and culture can be difficult to measure but are the only aspect of any business that are truly scalable. A company focused on the right things will have employees proud of the work they do and focused on quality service. A forward-leaning training program and a culture of career advancement ensure that the best and most highly productive employees remain with the business. Safety is a natural parallel and doesn't happen by accident. It is the output of a thoughtful leadership team and a careful approach to bringing everyone home safely.

HOW DOES BAIRD'S APPROACH GET FIRE CLIENTS TO MORE SUCCESSFUL OUTCOMES?

Our approach is different than others and we're proud of that. Our team has over 50 years of collective experience within this sector, successfully completing \$9.4 billion of transaction value across 25 transactions just in the past 3 years. We leverage this transaction and industry expertise with dedicated resources across the globe, delivering world-class outcomes every day. At Baird, we are a private company with over 100 years of experience serving clients, and our focus is on long-term, successful relationships and working together with great companies to achieve great outcomes.

Driving Innovation

How Tech Is Transforming Human Capital Management



A Q&A WITH
BRET SCHOCH
MANAGING DIRECTOR
HUMAN CAPITAL MANAGEMENT

WHAT ARE THE KEY TRENDS IN THE CURRENT HCM LANDSCAPE?

Within human capital, there are several main numerous categories with a variety of services under each category. Three key categories are talent acquisition, talent management and workforce management. Further, the various services within these categories can be delivered in different ways, including professional services models, outsourced models, tech-enabled offerings and tech-only.

Within talent acquisition, some of the key subcategories include staffing, recruitment process outsourcing, screening

and onboarding. Regarding staffing, a key trend coming out of the effects of The Great Recession was an increased focus on flexibility with the workforce and increased use of contingent workers to enable this flexibility to expand and contract as the economy or their business activity dictates.

Talent management includes subsectors such as performance, succession and compensation management – largely advisory services historically, but increasingly tech-enabled. Ideally, these offerings lead to increased employee engagement, performance and retention. Data analytics will likely play a big role in the future of these models with the goal to significantly impact productivity and development.

Workforce management includes sub-verticals like payroll, benefits and administration, time and attendance, tax and other HR outsourced services. In this space, there's a drive to increase functions that help create ease of use for employees and to give them more access to what they want, when they want it. It's all about increased capacity, increased functionality, increased access through the use of technology on a global basis.

WHAT IS DRIVING CONSOLIDATION IN THE MARKET?

Several of these categories remain very fragmented, such as staffing, screening and professional employer organizations (PEOs that provide back office outsourcing for small businesses), and provide classic consolidation opportunities.

Another driver is the acceptance of M&A as a core growth strategy. It's become a more necessary component to increase growth in this continuing economic cycle that has been challenged by lower growth. For example, within performance management, we have seen the drive towards acquiring across the category's various sub-verticals and bringing those discrete offerings together into one suite (performance, succession, compensation, etc.). Within workforce management, companies are increasingly using acquisitions to fill gaps in their offering or extend into new categories like talent acquisition.

WHAT ARE THE VALUATION THEMES FOR HCM BUSINESSES?

The overall philosophy about buying versus building is certainly a factor across categories. Some drivers are more unique to specific categories. Within talent acquisition, businesses can generally look very similar. However, the businesses driving the best outcomes are the ones with consistent, higher growth and a focus on white collar functions, particularly IT. Or those using technology in unique ways to differentiate their service or their processing.

How they deliver those services as well can separate the best from the rest. Within the workforce management category, the major drivers of value are recurring revenue, low customer churn

and building a defensible position that creates scarcity value. Again, the use of technology / tech-enablement is frequently a major contributor to these characteristics.

HOW DOES BAIRD'S APPROACH DRIVE SUCCESSFUL OUTCOMES FOR HCM COMPANIES?

What do we do to differentiate our approach? Number one, we focus on specific verticals. We like to characterize this coverage as being an inch wide and a mile deep. That allows us to spend more time getting to know the industry and its participants to a degree that we don't see our competitors do because they generally have a much broader coverage approach. Secondly, we take a flexible approach to process. It's absolutely critical to have the ability to recognize what's unique about a given transaction and what's resonating in today's market, and structure the process around that. Further, our reputation as a trusted advisor to our clients comes as a result of our ability to strategize with them, to partner with them, to give them a customized experience. Lastly, we have a history of strong retention with our senior bankers that fosters deeper relationships and experiences.

WHAT MAKES FOR A SUCCESSFUL TRANSACTION IN THE HCM SPACE?

This answer varies perhaps not as much by sector categories and subcategories, but more by the type of buyer. A strategic buyer will generally measure success based on the company's performance as a combined entity. The classic "one plus one equals three" trope lends itself to talent acquisition. It's about evolving from a pure transaction-oriented model to more of a solutions-oriented model. It's about finding a way to add more value to your client and be part of their strategy around managing their workforce. What makes for a successful transaction in the lens of a private equity firm is finding a differentiated asset with talent management where you can jointly identify and execute a growth plan to create an even better business.



Harnessing Opportunity

Evolving Trends in the State, Local and Education Industry

The state, local and education (SLED) industry is not only a vital segment of our everyday lives – it's a vibrant space with dynamic trends and attractive opportunities. Comprised of a wide array of publicly funded entities and an even more diverse universe of service providers, SLED is a large and growing market within the technology and services sector.



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EDUCATION TECHNOLOGY &
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MANAGING DIRECTOR
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JAMES WECK
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HEALTHCARE IT &
SERVICES



MARKET OVERVIEW

The SLED market includes companies that provide services to entities with local and/or state government funding sources – for example, K-12 school districts, healthcare organizations and government administrations. The market serves an enormous, diverse body of constituents:

- **State government:** 50 states + Washington, D.C., employing 3 million workers and serving the entire U.S. population
- **Local government:** 36,000 municipalities + 3,000 counties, employing 7 million workers and serving the entire U.S. population
- **Education:** 13,600 public school districts, employing 6 million teachers, assistants and administrators and serving 51.7 million students
- **Healthcare:** 3,000 local public health agencies, 3,000 local boards of health and 60 state, territorial and tribal health departments, including Medicaid agencies
- **Special districts:** 38,000 providing a wide range of operational and fiscal services¹

The market is currently served by a highly fragmented ecosystem of third-party solution providers. While SLED entities differ in size, structure and function, one of their common fundamental missions is to administer and effectively manage the cost of delivering services to citizens. The opportunities for capital investment and M&A consolidation are accelerating as the necessity of adopting modern solutions and technology grows for SLED entities.

MACRO AND MARKET-SPECIFIC TRENDS

There are a number of overarching, high-level themes impacting SLED entities and their service providers, as well as several trends that are significantly differentiated within this sector:

- **Data Protection:** Government entities' efforts to modernize technology infrastructures are generating new digital records with the sensitive, personal information of citizens. Thus, CIOs at the local and state levels are focused on data protection, cybersecurity, training and awareness.
- **IT as a Managed Service Offering:** Government entities are shifting to a managed services model, outsourcing key IT services functions instead of purchasing and managing hardware and software in-house.

¹All data per Deltek – SLED Information Technology Market, 2020-2025

- **Cloud Migration in Data Center Consolidation:** State and local governments are consolidating smaller, self-managed data centers into fewer, larger data centers or cloud solutions. The federal government is even offering grants to help states make this transition.
- **Digital Transformation:** As the federal government continues to modernize its legacy IT systems, state and local governments are following suit with the objective of improving performance, accessibility and transparency for governing agencies and citizens. Many are engaging software and service providers to help drive enhancements to both internal processes and capabilities (e.g., administrative workflow, productivity tools) and external (e.g., citizen engagement, public safety).
- **Safety and Risk Mitigation:** SLED organizations are increasingly focused on mitigating their risk profile. Organizations are working to enhance their safety profile and their meeting / exceeding compliance standards in light of the rising cost of non-compliance and heavy cost of headline and reputation risk. Additionally, software and capabilities around public safety tools such as unified communication platforms and critical event management tools must evolve in concert with other tech trends, such as the migration to 5G networks.
- **Vendor Consolidation:** SLED entities are increasingly rationalizing their operating systems to a more limited number of solution providers. Solution providers are responding by building and acquiring additional solutions that may be bundled to provide a more comprehensive suite of services to their existing clients.
- **Centralization of Purchasing Decisions:** Historically, SLED organizations had decentralized, siloed purchasing processes.



For example, individual K-12 school buildings would make purchasing decisions versus at the district level, or the fire, law and EMS organizations would make purchasing decisions versus at the municipality level. Over time, many of those purchasing decisions have become centralized. This centralization favors larger providers with depth and breadth of solution offering, while also allowing these SLED organizations to have enhanced visibility.

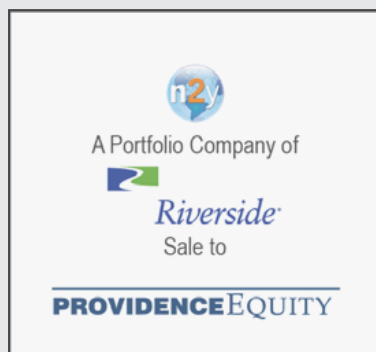
- **Consolidation of a Fragmented Market:** The need to enhance capabilities and increase solutions offerings is driving market consolidation, as larger players turn to M&A to procure new or complementary capabilities for their existing platform. Another consolidation driver is geographic expansion to fuel growth. Providers with a niche solution offering in a geography of interest are highly sought-after targets for acquirors.

BAIRD'S SLED TEAM

Backed by a leading global investment bank focused on the middle market, Baird's State, Local and Education (SLED) team is built upon our industry-leading practices in Government & Defense, Education Technology & Services, and Healthcare.

With nearly 400 investment banking professionals in the U.S., Europe and Asia, Baird provides corporations, entrepreneurs, private equity and venture capital firms with in-depth market knowledge and extensive experience in sell-side and buy-side M&A, debt advisory and equity financing transactions. Over the past five years, Baird has completed over 930 advisory and capital markets transactions representing more than \$250 billion in value. In 2019, Baird's Global Investment Banking business achieved strong results in 2019 completing more than 200 advisory and financing transactions globally, with increases in M&A volume, equity capital raised and number of debt advisory transactions from last year.





Baird served as lead financial advisor to n2y, a portfolio company of The Riverside Company, as it received a majority investment from Providence Equity Partners.

Since its founding in 1997, n2y has revolutionized how special education

is taught by providing award-winning personalized SaaS solutions to Pre-K-12 schools and districts. The company's products are designed to improve student outcomes, teacher efficiency, school compliance, and parent communication and collaboration by providing a highly customizable, easy-to-use total special education solution. n2y's cloud-based Total Solution connects teachers, administrators and specialists [e.g., speech therapists, occupational therapists] with powerful workflow tools that empower them to plan, teach, assess, report, manage behavior and reach students wherever they learn.



Baird served as financial advisor to Ontario Systems, LLC, a portfolio company of Arlington Capital Partners, on its sale to New Mountain Capital.

Ontario is a leading provider of enterprise software designed to improve operations and

revenue recovery for clients in the healthcare, accounts receivable management (ARM), as well as federal, state, and local governments. The company offers a full portfolio of leading software platforms including the Artiva family of products, FACS, TCS, RevQ, Ontario Omni and FullCourt Enterprise. Ontario serves 600+ hospital network customers – including 5 of the 15 largest hospital networks – that actively manage over \$40 billion in receivables collectively, as well as 8 of the 10 largest ARM companies and more than 600 federal, state, and municipal government clients in the United States.



Baird served as exclusive financial advisor to Digitech in its strategic investment from Pamlico Capital.

Digitech is a leading provider of advanced revenue cycle management services and technology to the emergency medical services

(EMS) transport industry. Since its founding in 1984, Digitech has refined its software platform to create a cloud-based billing and business intelligence solution that monitors and automates the entire EMS revenue lifecycle. Digitech leverages its proprietary technology to offer fully outsourced services that maximize collections, protect compliance, and deliver results for clients. Digitech serves many of the largest city government municipalities and health systems in the country.



Baird served as exclusive financial advisor to Vector Solutions, a portfolio company of Providence Equity Partners, on its sale to Golden Gate Capital.

Vector Solutions is the leader in industry-focused eLearning and SaaS performance

support solutions. The company serves a broad range of industries with award-winning online education, safety, compliance and performance-optimization solutions. With an extensive and growing library of more than 9,000 courses written by over 280 subject matter experts, Vector uses the latest innovations in learning and technology to create safer, more capable and compliant organizations across the commercial, education and public sectors.



Baird served as exclusive financial advisor to Quick Med Claims (QMC) in its investment by PWP Growth Equity.

QMC is a full outsourced revenue cycle management (RCM) solution covering the entire claim cycle with unique, dual expertise in air

and ground EMS transport services. Founded in 1992, the company provides solutions to maximize reimbursement, cash collection and timing, and ensure compliance for its diverse EMS-focused customer base. The company serves many of the largest government municipalities, private entities and health systems across the country.



Baird served as financial advisor to Conduent on the sale of its Constituent Government Software Solutions (CGSS) business to Avenu Insights & Analytics, a portfolio company of Mill Point Capital.

The CGSS business

is a leading provider of tech-enabled services and software solutions to state and local governments. The company brings a 40+ year legacy providing continuous support to a broad footprint of customers, including 1,400+ counties, all 50 states, and 5 countries. The company's portfolio includes a comprehensive suite of solutions surrounding land and vital records management, criminal courthouse and juror administration software, property tax assessment and collection software, unclaimed property collection management, pension administration software, and stand-alone IT infrastructure management.



Baird served as exclusive financial advisor to Client Network Services, Inc. (CNSI) as it received a majority investment from Alvarez & Marsal Capital Partners.

CNSI is a leading solutions provider with a core focus in developing and delivering

innovative healthcare management technology with a focus on government markets. The company delivers its solutions and customizable products to a diverse base of state and federal agencies with a expertise in state Medicaid Management Information Systems. CNSI aligns, builds and manages innovative, high-quality, cost-effective solutions that help clients achieve their mission, enhance business performance, and improve the health of over 30 million Americans. Formed in 1994, CNSI employs a world-class team of technologists, program managers, and subject matter experts, all of whom have experience with large scale mission-critical IT implementations.

† Engagement commenced while senior members of the Government & Defense Team were at a prior firm and the transaction has subsequently closed when the team transitioned to Baird. As a result, Baird is listed as a co-financial advisor to the client in connection with this transaction.

BAIRD'S PRIVATE COMPANY TECHNOLOGY & SERVICES CONFERENCE

Our Private Company Technology & Services Conference connects executive leadership with industry decision-makers.

A Platform for Growth

Held annually since 2016, Baird's Private Company Technology & Services Conference has showcased executives from more than 200 privately held technology, technology-enabled and business services companies across numerous sectors.

Presenting executives share market insights and company-specific updates with attending private market investors and sector-specific public company executives via formal presentations, 1-1 meetings, sector-specific dinners and networking events.

TO LEARN MORE ABOUT BAIRD'S GLOBAL TECHNOLOGY & SERVICES INVESTMENT BANKING PLATFORM, VISIT [TECHSERVICES.RWBAIRD.COM](https://techservices.rwbaird.com)



BACKED BY BAIRD'S GLOBAL TECHNOLOGY & SERVICES PLATFORM

2019 YEAR IN REVIEW

71
deals

Total Transactions
Completed



100+ Bankers
Reflect Our Expanding
Global Coverage

\$32.2
billion

Total Transaction Value

BAIRD'S GLOBAL TECHNOLOGY & SERVICES INVESTMENT BANKING TEAM

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Industrial Services

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Environmental Services

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Chase Sanders
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Bret Schoch
Human Capital

Alex Sevilla
Government & Defense

Andrew Snow
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Retail Services

John Song
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Jean Stack
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John Sun
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Eric Winn
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Peter Augar
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