

# VALUE FOCUS

## Laboratory Services Industry



**Mid-Year 2015**

### Executive Summary

The Laboratory Services industry has experienced favorable performance over the last five years as the industry's revenue increased at an average annual rate of 2.3% between 2010 and 2015, reaching an estimated \$17.1 billion in 2015. As defined by IBIS World, the laboratory services industry comprises the following segments: Product Performance & Safety Testing (42.6%), Product Certification (27.2%), Environmental Testing (14.9%), Agriculture & Food Testing (7.0%), Biological and Chemical Testing (6.3%), Other (2.0%). In addition to these segments, we will also focus on medical testing laboratories.

The industry's performance is sensitive to changes in the general economic environment both inside the U.S. and internationally. General economic conditions may impact demand for products and services which, in turn, trigger demand for laboratory services. Most recently, the industry has been the beneficiary of increasing environmental, industrial, and medical regulatory standards promoting demand for lab services. In addition to expanding regulatory regimes, influential growth factors include the aging population, industry consolidation, pharmacogenomics/companion diagnostics, cost pressures, and regulation.

### Inside

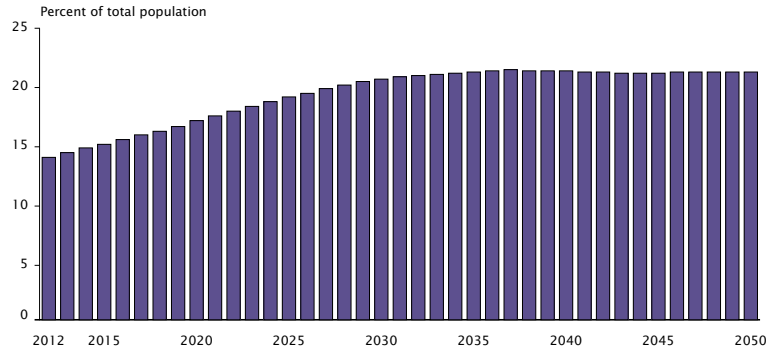
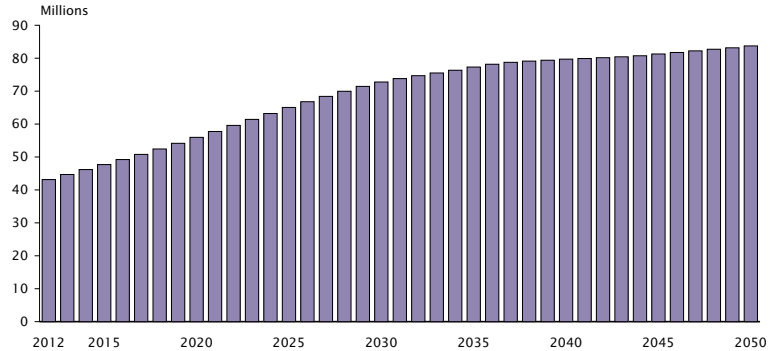
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## Industry Specific Macroeconomic Overview

### Aging Population

Demand for medical laboratory services is positively linked to an aging population. The older population, those persons aged 65 or older, included nearly 43 million persons, or approximately 14% of the U.S. population in 2012. This is primarily due to the “Baby Boomers” (those born between 1946 and 1964) beginning to turn 65 in 2011 as well as improved life expectancy projections. The charts to the right depict the projected growth in population aged 65 and over between 2012 and 2050 (in millions as well as a percentage of total population).

Population Aged 65 and Over for the United States: 2012 to 2050



Source: U.S. Census Bureau, 2012 Population Estimates and 2012 National Projections.

## Industry Specific Macroeconomic Overview (continued)

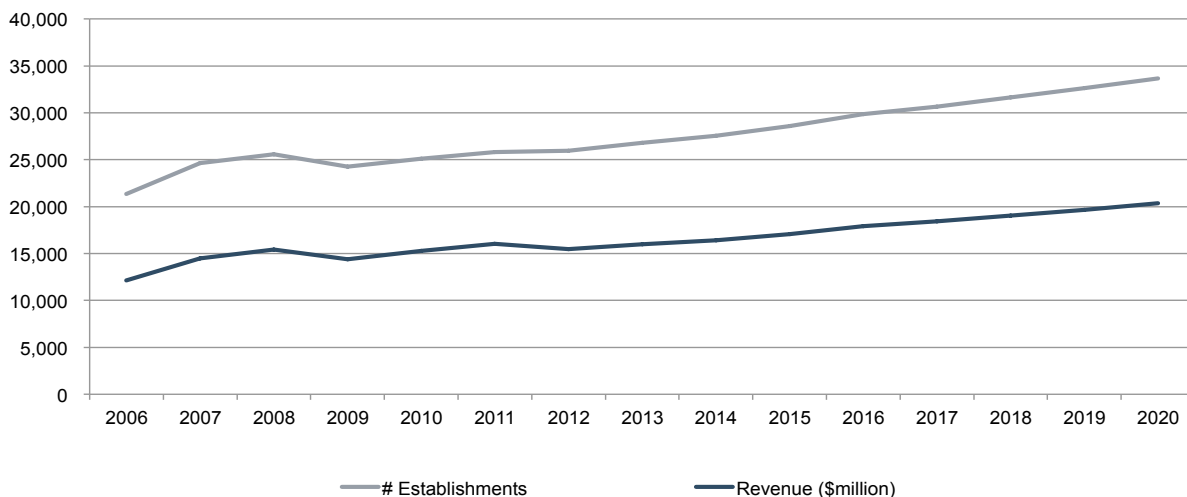
### Revenue & Industry Structure

According to IBIS World, the Lab Services industry has seen revenue increase at an average annual rate of 2.3% between 2010 and 2015. The industry is expected to grow at an average annual rate of 2.3% during the next 5 year period as product manufacturers strive to maintain compliance with government regulation and federal law. The Consumer Product Safety Improvement Act of 2008 increased federal funding for the creation of new testing standards and created additional safety compliance requirements for every manufacturer of consumer products. The requirements and spending have increased in the years since that Act in addition to other measures. For example, during the next five years, the government is expected to implement more stringent environmental legislation. In 2014, President Obama announced a proposed rule that would cut carbon dioxide emissions from the nation's power plants to roughly 30% below their 2005 levels by 2030. The Environmental Protection Agency (EPA) has responded to this and is expected to issue final regulations this year.

As this industry is impacted by the general economy, testing laboratories have benefited from economic growth through increased research and development (R&D) spending, which has in turn become the primary driver of industry growth. During the five years to 2015, R&D expenditure is projected to increase at an annualized rate of 4.1%, fueling demand for laboratory testing services.

The industry is fragmented, with the average revenue per establishment below \$1.5 million. While there are numerous establishments, competition in the industry is based on specialty. A small number of firms with expertise in a specific field, such as food testing or physical safety and engineering integrity, will compete amongst themselves for business. The number of established companies has grown at a compounded annual rate of 3.2% between 2010 and 2015 and is expected to experience continued stable compounded annual growth rate of 3.0% into the projected 2016-2020 period.

### Revenue and Number of Establishments



Source: IBIS World

## M&A Transactions

As noted in the transactions chart below, the largest acquisition reported during the first half of 2015 was Eurofin's purchase of Emory Genetics Laboratory (from Emory University's School of Medicine). The transaction provided Eurofins a 75% majority stake for approximately \$40.0 million cash.

The acquisition advances Eurofins' footprint in the genetics and genomic segment of the specialty clinical diagnostic testing market. Post-closing, the company will be known as EGL Genetic Diagnostics, LLC, a joint venture company of Eurofins and Emory University.

Announced Date	Target / Issuer	Trans. Types	Trans. Status	Total Trans. Value (\$USD mm)	Total Rev. [LTM] (\$USDmm) [Target / Issuer]	Buyers / Investors	Geographic Locations [Target/Issuer]	Geographic Region [Buyer/Investor]	Business Description [Target/Issuer]
01/30/2015	Enthalpy Analytical, Inc.	Merger/ Acquisition	Closed	5.5	-	Montrose Environmental Group, Inc.	United States and Canada	United States and Canada	Enthalpy Analytical, Inc., a testing laboratory, provides analytical solutions and services for environmental industries. It specializes in tobacco and smoke analysis, and ambient air quality and emissions measurement. The company was founded in 1993 and is based in Durham, North Carolina. As of January 30, 2015, Enthalpy Analytical, Inc. operates as a subsidiary of Montrose Environmental Group, Inc.
01/31/2015	Diassess Inc.	Private Placement	Closed	0.12	-	Y Combinator	United States and Canada	United States and Canada	Diassess Inc. provides DNA testing services for medical, forensics, chemical, industrial, and agricultural applications. The company was founded in 2013 and is based in Berkeley, California.
04/08/2015	Genesis Organic Assurance Testing Laboratories, Inc.	Private Placement	Announced	2.0	-	-	United States and Canada	-	Genesis Organic Assurance Testing Laboratories, Inc., a laboratory, provides chemical, biological, and chromatographic testing services. The company was founded in 2010 and is headquartered in Vancouver, Washington.
04/09/2015	GreenPlex Services, Inc. (OTCPK:GRPX)	Private Placement	Closed	0.2	0.038	-	United States and Canada	-	GreenPlex Services, Inc. operates a cannabis testing laboratory in Washington, the United States. It tests cannabis and cannabis related products for growers and processors. The company was founded in 2009 and is based in Spokane, Washington.
05/01/2015	Reterro, Inc.	Private Placement	Announced	5.5	-	-	United States and Canada	-	Reterro, Inc. provides soil remediation and waste-stream cleaning services worldwide. The company offers services to clean hydrocarbon contaminated waste in urban, populated, and space-constrained environments. Reterro, Inc. was incorporated in 2012 and is based in Pleasanton, California with an additional office in San Pedro, California. It has facilities in Livermore and Silicon Valley, California; Texas; and Oregon.

## M&A Transactions

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05/12/2015	Testing Services Group LLC	Merger/ Acquisition	Closed	-	3.5	SGS SA (SWX:SGSN)	United States and Canada	Europe	Testing Services Group LLC, an independent testing laboratory, provides fuel systems testing services for global customers in automotive, small engine, marine, agriculture, portable fuel container, and defense and the United States government markets. The company was founded in 1998 and is based in Lapeer, Michigan. As of May 8, 2015, Testing Services Group LLC operates as a subsidiary of SGS SA.
05/15/2015	Nichromet Extraction Inc. (DB:C3X1)	Private Placement	Closed	4.16	-	Investissement Quebec, Investment Arm	United States and Canada	United States and Canada	Nichromet Extraction Inc. develops precious and base metal extraction processes in that the residues of mining operations are totally void of contaminants. In addition, the company provides laboratory testing services for laterites and serpentines, precious metals ores, etc, in Brazil, Cuba, Dominican Republic, Congo, Guatemala, the Philippines, Canada, the United States, Bulgaria, Mexico, Morocco, Tanzania, Chili, Argentina, Peru, Namibia, Haiti, and Bolivia. Nichromet Extraction Inc. was incorporated in 1997 and is based in Montreal, Canada.
05/29/2015	DAI Ceramics, Inc.	Merger/ Acquisition	Closed	-	6.4	CeramTec GmbH	United States and Canada	Europe	DAI Ceramics, Inc. manufactures ceramic cores for foundry and other industries. It also provides laboratory services, such as thermal dilatometric analysis, particle size distribution, high temperature sintering and testing, and apparent density/bulk density/apparent porosity determining services. The company was founded in 1986 and is based in Willoughby, Ohio. As of May 29, 2015, DAI Ceramics, Inc. operates as a subsidiary of CeramTec GmbH.
06/01/2015	Arista Laboratories, Inc.	Merger/ Acquisition	Closed	0.5	5.2	Enthalpy Analytical, Inc.	United States and Canada	United States and Canada	As of June 1, 2015, Arista Laboratories, Inc. was acquired by Enthalpy Analytical, Inc. Arista Laboratories Inc. operates as tobacco testing laboratory which provides testing and analysis of tobacco, tobacco smoke, and other combustion products. It provides its services for governmental and regulatory agencies, and manufacturers of tobacco products; and pharmaceutical, chemical, personal, and nutraceutical industries in the United States and internationally. The company was founded in 2000 and is based in Richmond, Virginia.
06/12/2015	Water Planet Engineering LLC	Private Placement	Announced	14.73	-	-	United States and Canada	-	Water Planet Engineering LLC provides water treatment solutions for desalination and water reuse problems. The company also maintains laboratories for basic water quality analyses, oil/emulsion characterization, rheological studies, advanced materials characterization, bench-scale testing of chemical, membrane, media filtration, and phase separation processes. Water Planet Engineering LLC was incorporated in 2011 and is based in Los Angeles, California.

## M&A Transactions

Announced Date	Target / Issuer	Trans. Types	Trans. Status	Total Trans. Value (\$USD mm)	Total Rev. [LTM] (\$USDmm) [Target / Issuer]	Buyers / Investors	Geographic Locations [Target/Issuer]	Geographic Region [Buyer/Investor]	Business Description [Target/Issuer]
06/12/2015	GreenPlex Services, Inc. (OTCPK:GRPX)	Private Placement	Closed	0.1	0.038	-	United States and Canada	-	GreenPlex Services, Inc. operates a cannabis testing laboratory in Washington, the United States. It tests cannabis and cannabis related products for growers and processors. The company was founded in 2009 and is based in Spokane, Washington.
06/29/2015	Emory Genetics Laboratory	Merger/ Acquisition	Announced	40.0	-	Eurofins Scientific SA (ENXTPA:ERF)	United States and Canada	Europe	Emory Genetics Laboratory provides biochemical, cytogenetics, and molecular genetic testing services. It serves patients and clients in the United States and internationally. The company was founded in 1970 and is based in Decatur, Georgia.
06/30/2015	Caravel Investments Ltd.	Merger/ Acquisition	Closed	-	27.4	WSP Global Inc. (TSX:WSP)	United States and Canada	United States and Canada	Caravel Investments Ltd. provides a range of specialized engineering solutions in the areas of environment, geotechnical, building science, and materials engineering and testing. It offers its services to residential, industrial, and commercial owners; public-sector entities; design-build contractors; architects; and engineering consultants. The company was founded in 1966 and is based in Richmond, Canada with additional in British Columbia and Alberta. As of June 30, 2015, Caravel Investments Ltd. operates as a subsidiary of WSP Global Inc.

## Guideline Company Pricing

### Selected Financial Data

(in \$Millions, as of June 30, 2015)

Company Name	Ticker	Exchange	Sales	LTM EBITDA	LTM EBITDA Margin	Enterprise Value (EV)	EV / Sales	EV / LTM EBITDA
<b>Medical Testing Labs</b>								
Bio-Reference Laboratories Inc	BRLI	NASDAQ GS	882.5	116.0	13.1%	1,146.7	1.3	9.9
<i>Clinical laboratory serving the medical profession</i>								
Laboratory Corp of America Holdings	LH	New York	7,126.8	1,257.8	17.6%	12,219.0	1.7	9.7
<i>Clinical laboratory company serving the medical profession</i>								
Quest Diagnostics Inc	DGX	New York	7,551.0	1,353.0	17.9%	10,387.6	1.4	7.7
<i>Provides diagnostic testing information services</i>								
<b>Life Sciences Tools &amp; Services</b>								
Waters Corp	WAT	New York	2,019.2	645.6	32.0%	10,617.2	5.3	16.4
<i>Provides liquid chromatography products &amp; services for pharm, chemicals, &amp; environmental</i>								
Agilent Technologies Inc	A	New York	5,560.0	946.0	17.0%	12,847.1	2.3	13.6
<i>Provides bio-analytical and electronic measurement solutions and services</i>								
PerkinElmer Inc	PKI	New York	2,241.2	339.8	15.2%	5,959.1	2.7	17.5
<i>Provides products, services, and solutions to diagnostics, research, environmental, industrial and lab services</i>								
Thermo Fisher Scientific Inc	TMO	New York	16,853.9	4,082.9	24.2%	51,707.8	3.1	12.7
<i>Provides analytical instruments, equipment, reagents and consumables, software, and services</i>								
<b>Environmental &amp; Facilities Services</b>								
Republic Services Inc	RSG	New York	8,970.1	2,332.1	26.0%	13,682.1	1.5	5.9
<i>Provides non-hazardous solid waste collection, transfer, and recycling and disposal services</i>								
Stericycle Inc	SRCL	NASDAQ GS	2,723.8	623.8	22.9%	11,358.7	4.2	18.2
<i>Provides regulated and compliance solutions to the healthcare and commercial businesses</i>								
Waste Management Inc	WM	New York	13,394.0	3,490.0	26.1%	20,942.9	1.6	6.0
<i>Provides waste management environmental services</i>								
<b>Other Labs &amp; Related Services</b>								
Danaher Corp	DHR	New York	20,124.4	4,377.8	21.8%	68,112.5	3.4	15.6
<i>Provides environmental, life sciences, &amp; industrial technologies services to medical, industrial and commercial</i>								
Ecology and Environment Inc	EI	NASDAQ GM	124.8	6.9	5.5%	43.7	0.3	6.3
<i>Environmental consulting firm</i>								
IDEXX Laboratories Inc	IDXX	NASDAQ GS	1,531.3	331.8	21.7%	5,941.7	3.9	17.9
<i>Provides diagnostic, detection, and information systems for veterinary, food, and water testing</i>								
Clean Harbors Inc	CLH	New York	3,365.2	360.7	10.7%	3,139.9	0.9	8.7
<i>Provides a variety of environmental remediation and industrial waste management services</i>								
<b>Average (of above)</b>			<b>6,604.9</b>	<b>1,447.4</b>	<b>19.4%</b>	<b>16,293.3</b>	<b>2.4</b>	<b>11.9</b>
<b>Median (of above)</b>			<b>4,462.6</b>	<b>795.8</b>	<b>19.8%</b>	<b>10,987.9</b>	<b>2.0</b>	<b>11.3</b>

## Valuation Trends

We assessed the historical valuation trends of the fifteen companies by comparing each company's enterprise value divided by LTM EBITDA over the last two years at each quarter-end. The median multiple over the period analyzed ranged from 10.4x to 13.6x; the median multiple at June 30, 2015, was 11.3x, compared to 12.8 at the prior quarter-end. Companies focused on the life sciences tool and services garner the highest multiple (median of 15.0x) on the strength of more robust growth expectations.

### Historical Valuation Trends for Guideline Comparable Companies

(Enterprise Value/LTM EBITDA Multiple)

Company Name	6/30/15	3/31/15	12/31/14	9/30/14	6/30/14	3/31/14	12/31/13	9/30/13	6/30/13
<b>Medical Testing Labs</b>									
Bio-Reference Laboratories Inc	9.9	na	9.8	8.6	9.7	8.8	7.4	8.3	8.2
Laboratory Corp of America Holdings	9.7	9.2	10.6	10.1	10.2	9.7	8.9	9.3	9.5
Quest Diagnostics Inc	7.7	8.5	10.4	9.7	9.8	9.6	8.5	9.5	9.1
<b>Life Sciences Tools &amp; Services</b>									
Waters Corp	16.4	16.9	17.5	15.7	17.2	18.2	16.4	17.9	16.9
Agilent Technologies Inc	13.6	12.9	13.5	11.9	12.3	12.0	12.3	11.2	9.5
PerkinElmer Inc	17.5	17.5	15.0	14.5	15.8	16.5	15.8	22.1	21.5
Thermo Fisher Scientific Inc	12.7	12.8	16.9	17.0	18.6	20.3	19.4	15.7	14.9
<b>Environmental &amp; Facilities Services</b>									
Republic Services Inc	5.9	6.4	8.7	8.5	8.5	8.7	8.7	8.9	9.3
Stericycle Inc	18.2	18.0	19.5	17.9	18.2	17.6	18.2	18.6	18.5
Waste Management Inc	6.0	6.9	13.7	13.0	12.2	11.9	12.7	8.7	8.7
<b>Other Labs &amp; Related Services</b>									
Danaher Corp	15.6	13.7	14.5	12.9	13.3	13.2	13.7	12.5	11.8
Ecology and Environment Inc	6.3	8.4	11.3	12.0	nm	nm	27.0	35.5	6.9
IDEXX Laboratories Inc	17.9	22.9	22.9	18.6	21.7	20.3	18.4	17.2	15.9
Clean Harbors Inc	8.7	8.6	11.2	12.2	10.5	9.7	10.4	11.2	11.2
<b>Average (of above)</b>	<b>11.9</b>	<b>12.5</b>	<b>14.0</b>	<b>13.0</b>	<b>13.7</b>	<b>13.6</b>	<b>14.1</b>	<b>14.8</b>	<b>12.3</b>
<b>Median (of above)</b>	<b>11.3</b>	<b>12.8</b>	<b>13.6</b>	<b>12.5</b>	<b>12.3</b>	<b>12.0</b>	<b>13.2</b>	<b>11.9</b>	<b>10.4</b>

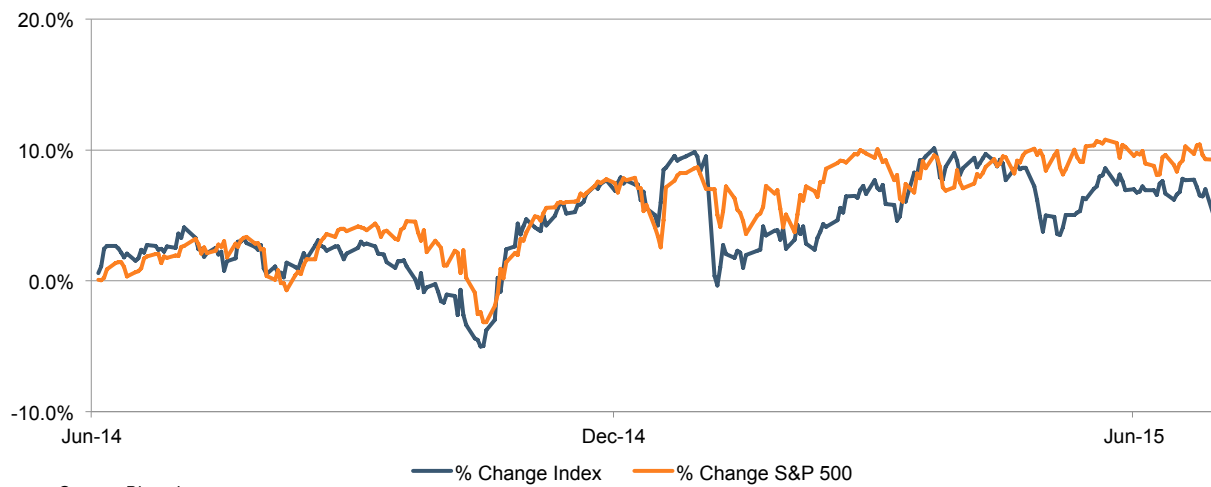


## Valuation Trends (continued)

In addition, we created an index based on the above fifteen companies and compared the performance to the S&P 500 over the last year as well as the last three years. As previously mentioned, the laboratory services industry is influenced by general macroeconomic conditions. During the first half of 2015, shares of lab services and related companies underperformed the broader equity markets.

### Historical Market Trends

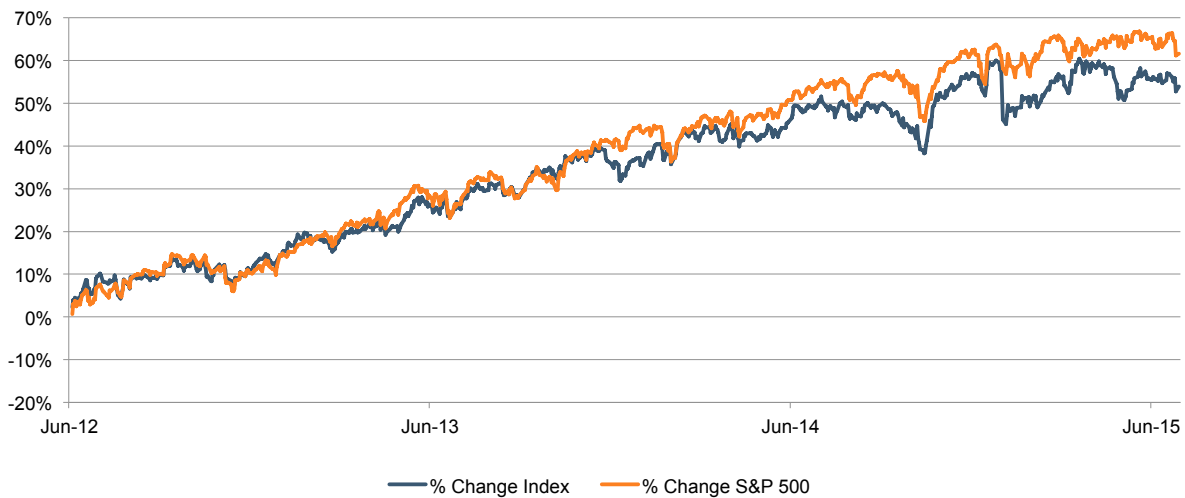
LTM



Source: Bloomberg

### Historical Market Trends

Last 3 Years



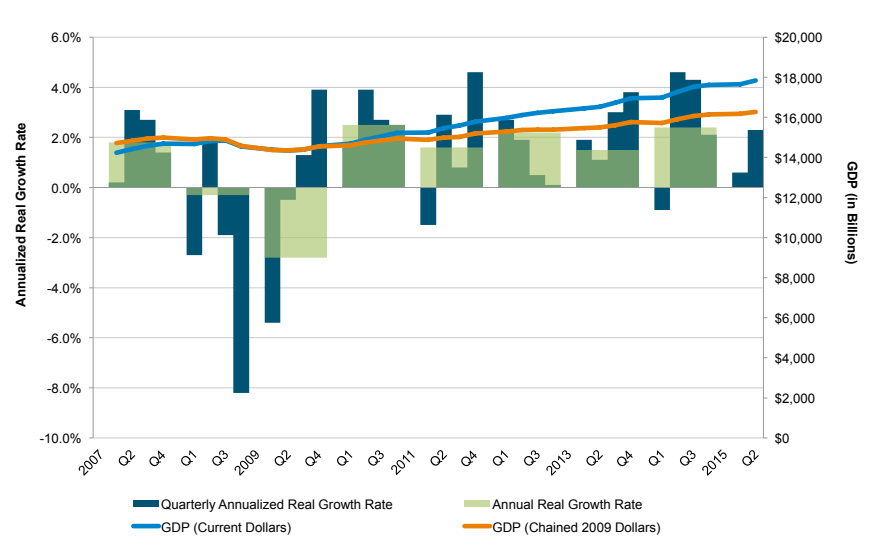
Source: Bloomberg

## Macroeconomic Overview

### Gross Domestic Product

According to advance estimates released by the Department of Commerce's Bureau of Economic Analysis (the "BEA"), Real Gross Domestic Product ("GDP"), the output of goods and services produced by labor and property located in the United States, increased at an annualized rate of 2.3% during the second quarter of 2015. The increase was attributable to gains in personal consumption expenditures, exports, state and local government spending, and residential fixed investment. Federal government spending, private inventory investment, and nonresidential fixed investment spending decreased. Imports, which are subtracted from the national income and product accounts used in the calculation of GDP, increased.

### Gross Domestic Product

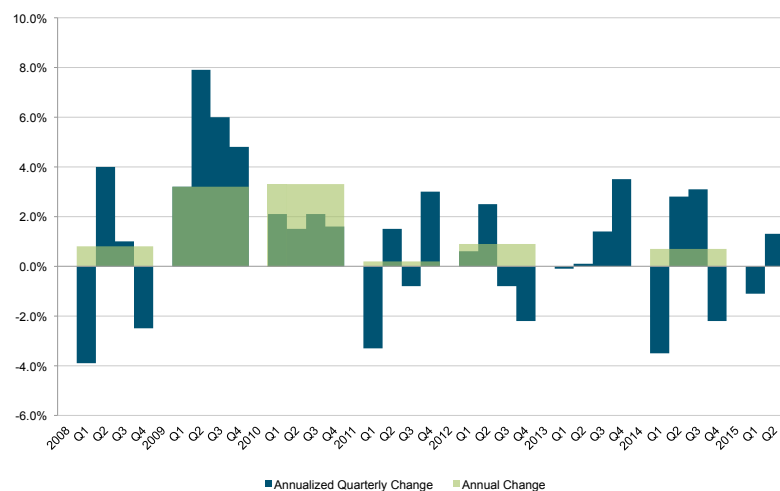


Source: Bureau of Economic Analysis

### Business & Manufacturing Productivity

According to the Bureau of Labor Statistics, seasonally adjusted nonfarm business productivity, as measured by the hourly output of all persons, increased at an annual rate of 1.3% in the second quarter of 2015. The increase was a function of the 2.8% increase in output combined with an increase of 1.5% in hours worked. Labor productivity, hourly compensation and unit labor costs also experienced increases, while real hourly compensation declined 1.1%. The productivity increase follows decreases in productivity of 2.2% and 1.1% in the fourth quarter of 2014 and the first quarter of 2015, respectively. Annual average productivity increased 0.3% in the second quarter of 2015 relative to the second quarter of 2014. Productivity increased 1.7% for the business sector (inclusive of farming activity) in the second quarter of 2015. This was the result of a 2.8% increase in output and a 1.1% increase in hours worked. Manufacturing productivity, generally more volatile in its quarterly measures, increased 2.5% during the quarter.

### Change in Nonfarm Business Productivity



Source: Bureau of Labor Statistics

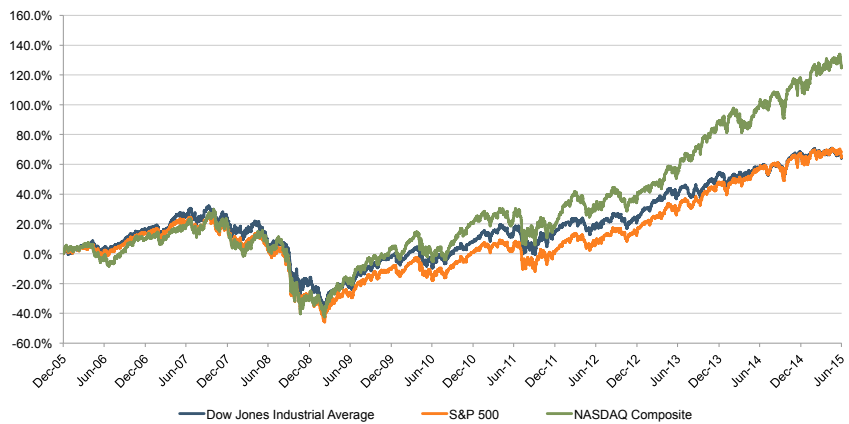
## Macroeconomic Overview (continued)

### The Financial Markets

Due to the Greek financial crisis spurring a sell-off at the end of the quarter, the Dow Jones, the S&P, and the NASDAQ experienced losses during June 2015. The Dow Jones and the S&P also posted losses for the second quarter of 2015, while the NASDAQ posted its tenth consecutive quarterly gain. Driven by signs of an improving economy and the anticipation of the Federal Reserve increasing rates, most U.S. Treasury yields rose during the second quarter of 2015.

The following chart shows the relative price performance of the Dow Jones Industrial Average, S&P 500, and NASDAQ Composite Indices.

Equity Index Price Return

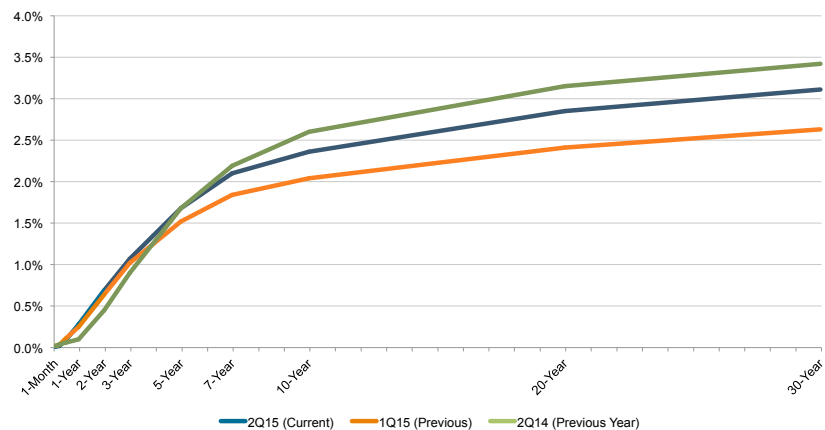


Source: Bloomberg L.P.

### Yield Curve

The number of nonfarm payroll jobs increased by 223,000 in June 2015. June's gain follows increases of 187,000 and 254,000 jobs in April and May, respectively. During 2008 and 2009, the economy lost nearly 8.7 million nonfarm payroll jobs. In 2014, the economy added approximately 3.0 million nonfarm payroll jobs, with the private services sector being the largest producer of jobs. Economists surveyed by *The Wall Street Journal* anticipate payroll gains of approximately 220,000 jobs per month over the next year.

U.S. Treasury Yield Curve



Source: Federal Reserve Statistical Release H.15

Note: Figures shown are the average yield for the last month of the quarter.

## Macroeconomic Overview (continued)

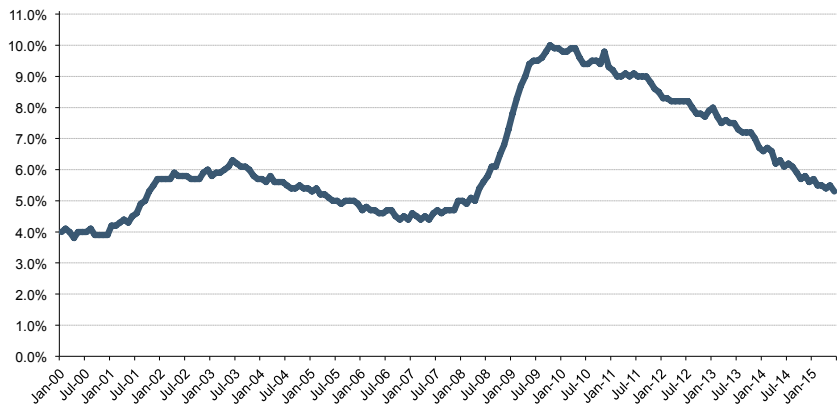
### Unemployment and Payroll Jobs

According to the Labor Department's Bureau of Labor Statistics ("BLS"), the unemployment rate was 5.3% in June 2015, down slightly from 5.4% and 5.5% in April and May, respectively. Unemployment rates increased steadily throughout 2008 and into 2009, peaking at 10% in October 2009. The October 2009 unemployment rate represented the highest level since 1983. Pre-recession unemployment levels were reached in December 2014. The June 2015 unemployment rate is the lowest rate since April 2008, though some experts believe that is due to a shrinking workforce. Excluding the recent trend, the last time the labor force participation rate was lower than its current level was 1977. As job availability increases the labor force could increase due to individuals re entering the workforce, which could lead to periodic increases in the unemployment rate in the foreseeable future. Economists surveyed by *The Wall Street Journal* anticipate an unemployment rate of 5.1% by year-end 2015 and a further decline to 4.9% by June 2016.

### Housing Market

Home building activity has traditionally been a primary driver of overall economic activity because new home construction stimulates a broad range of industrial, commercial, and consumer spending and investment. According to the U.S. Census Bureau, new privately-owned housing starts were at a seasonally adjusted annualized rate of 1,174,000 units in June 2015, 9.8% above the revised May rate of 1,069,000 units, and 26.6% above the June 2014 level. The seasonally adjusted annual rate of private housing units authorized by building permits (considered the best indicator of future housing starts) was 1,343,000 units in June 2015, 7.4% above the revised May estimate of 1,250,000, and 30.0% above the June 2014 level.

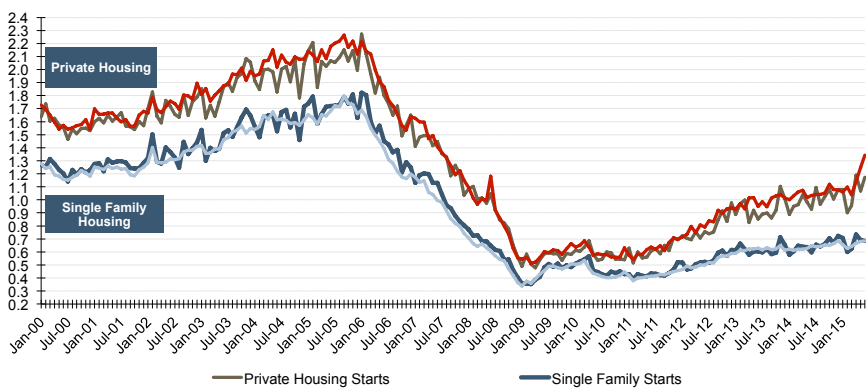
### Civilian Unemployment Rate



Bureau of Labor Statistics

### Seasonally Adjusted Annualized Rates of New Housing Starts and Building Permits

(millions of units)



Source: U.S. Census Bureau

Note: Permits at a given date are generally a leading indicator of future starts.

Beginning with January 2004, building permit data reflects the change to the 20,000 place series.

# Mercer Capital

## Laboratory Services Industry

Mercer Capital has expertise providing business valuation and financial advisory services to companies in the laboratory services industry.

Mercer Capital provides business valuation and financial advisory services to laboratory service companies throughout the nation. We provide valuation services for tax purposes, buy-sell agreements, partner buyouts, and other corporate planning purposes. Mercer Capital also works with owners who are considering the sale of their dealership or the acquisition of other laboratories.

### Services Provided

- Valuation of laboratory services industry companies
- Transaction advisory for acquisitions and divestitures
- Valuations for purchase accounting and impairment testing
- Fairness and solvency opinions
- Litigation support for economic damages and valuation and shareholder disputes

Contact a Mercer Capital professional to discuss your needs in confidence.

## Contact Us

**Travis W. Harms, CFA, CPA/ABV**  
901.322.9760  
harmst@mercercapital.com

**Timothy R. Lee, ASA**  
901.322.9740  
leet@mercercapital.com

**Nicholas J. Heinz, ASA**  
901.322.9788  
heinzn@mercercapital.com

**Karolina Grabowicz, CPA/ABV**  
901.322.9761  
grabowiczk@mercercapital.com

**Mercer Capital**  
5100 Poplar Avenue, Suite 2600  
Memphis, Tennessee 38137  
901.685.2120 (P)

[www.mercercapital.com](http://www.mercercapital.com)

# Erickson Partners

## Merges with Mercer Capital



**Mercer Capital**, a national business valuation and financial advisory firm specializing in Corporate Valuation, Litigation Support, Financial Reporting Valuation, and Transaction Advisory Consulting, and **Erickson Partners, Inc.**, a Texas-based Valuation and Litigation Support firm, announce their merger effective July 1, 2015.

Mercer Capital, with its strong presence throughout the Southeast and Midwest, and Erickson Partners, with its strong presence in Texas and Oklahoma, are a perfect fit.

Both firms maintain the highest standards of quality for financial analysis and client service and believe deeply in hiring and developing the best professionals.

“The culture of both firms is so similar and that was important to us. The professionals of Erickson Partners are well-known in the valuation profession as some of the best and brightest. Their work product and reputation are stellar. This merger not only allows us to broaden our geographic reach but also our industry expertise,” said **Matt Crow**, President of Mercer Capital.

Erickson Partners enhances Mercer Capital’s broad base of industry concentrations with their exceptional history working with and knowledge of professional sports franchises and the energy sector.

“Over our 30 plus year history, Mercer Capital has developed several industry concentrations. By adding the knowledge, insight, and expertise of Don Erickson, Bryce Erickson, and the rest of the professionals of Erickson Partners, we now bring deep experience and insight to a broader range of industries than we could as separate firms,” said **Chris Mercer**, CEO of Mercer Capital.

“Combining with Mercer Capital, we will now be able to offer new or expanded services that complement our existing services, as well as additional industry expertise,” said **Bryce Erickson**, Managing Director of Erickson Partners. “In addition to our sports franchise and energy industry concentrations, we will be able to offer deep industry concentrations in construction and building materials, agribusiness, manufacturing and financial institutions, which includes depository institutions, insurance companies, fintech companies, asset management firms, and PE firms.”

“The combined firm will have over 40 valuation professionals positioned in five markets throughout the southwest and southeast. Such a deep bench will provide us with a tremendous opportunity to better serve the expanding needs of our clients,” said **Don Erickson**, President of Erickson Partners. “Joining with Mercer Capital gives us national resources that will benefit our clients in Texas and beyond.”

### About Mercer Capital

Mercer Capital is a national business valuation and financial advisory firm offering corporate valuation, litigation support, financial reporting valuation, and transaction advisory consulting services to a national client base. Clients include private and public operating companies, financial institutions, asset holding companies, high-net worth families, and private equity/hedge funds.

### About Erickson Partners, Inc.

Erickson Partners is a professional valuation and advisory firm specializing in business valuation, litigation support, financial investigations and strategic corporate advisory services. Founded by Don & Bryce Erickson, Erickson Partners has served large and small clients by providing complex financial and economic analysis, leading to reasonable valuation opinions that withstand scrutiny.

### CONTACT US

**Z. Christopher Mercer, ASA, CFA, ABAR**  
901.685.2120  
mercerc@mercercapital.com

**Matthew R. Crow, CFA, ASA**  
901.685.2120  
crowm@mercercapital.com

**Donald Erickson, ASA**  
214.468.8400  
ericksond@mercercapital.com

**Bryce Erickson, ASA, MRICS**  
214.468.8400  
ericksonb@mercercapital.com

## COMBINING CULTURES OF EXCELLENCE

### MERCER CAPITAL

#### Headquarters

5100 Poplar Avenue, Suite 2600  
Memphis, TN 38137  
901.685.2120

#### Dallas

12201 Merit Drive, Suite 480  
Dallas, TX 75251  
214.468.2120

#### Nashville

102 Woodmont Blvd., Suite 231  
Nashville, TN 37205  
615.345.0350

[www.mercercapital.com](http://www.mercercapital.com)