

# Available for Acquisition #201409

## California B2B Telecom & Security Systems Provider

ACT Capital is pleased to offer a highly profitable telecom and security systems integrator for acquisition. For the past 50 years the Company has successfully provided solutions including voice, video and security solutions to business, education, and government entities throughout Northern California. The Company is a trusted advisor and has solidified itself as the go-to provider for hundreds of educational institutions throughout the region. In its' second generation of ownership, the Company is poised for growth with an incredible bench of technologists, implementation specialists, and field service technicians, all of which are long-term employees with a strong desire to remain with and grow the Company under new owner and leadership.

### Investment Highlights

- **Massive Population Shifts to Northern California.** Massive population shifts from California's main economic centers to northern California's rural communities has resulted in new cities, communities, and major economic centers like Sacramento. The Sacramento region has experienced over 25% growth in the last decade, which has resulted in the development of numerous new schools and local businesses. The Company has 4 decades of deep roots in the education and business arena, which will allow them to take advantage of these new opportunities.
- **New Products & Expanded Sales Force.** The Company has added the Motorola, NEC, and Ring Central cloud products for 2022, while adding additional dedicated sales resources to focus on the expanded school and government building infrastructure budgets. Already paying dividends as January saw large contract wins for CCTV with a major county, and with the largest California city north of Sacramento. The new HALO smoke/vape detection system has also proven incredibly popular.
- **Services – Annuity.** The Company's track record of renewing >95% of their support contracts offer a tremendous base of annual revenue, but also allows close connections to customers allowing it to win expansions and new projects within their core base.
- **Technology Advancements & Migration.** Business, governments, and schools have found themselves in an ongoing situation to continually improve their technological capabilities in order to compete and provide their customers, citizens, and students with the latest services and capabilities. The Company's brand awareness in the north counties makes them the preferred partner for technology implementations.

### Facts & Figures

- **Authorized Distributors** for leading technology manufacturers such as NEC, MITEL, Motorola, Valcom, PELCO, Avigilon, and HALO
- **Committed Employee Base**
  - 15+ Average Tenure
  - Most are DOH Compliant
  - Have designed and implemented hundreds of solutions
  - Continuous training on new technologies

**+40%** Gross Margin due to massive tech refresh for California schools

**+20%** Consistently returns over 20% in EBITDA margin every year.



Leader in VOIP, IP CCTV, Security, Video, Access Control, Unified Communications, and Remote Monitoring Solutions.



Robust technology and implementation team committed to providing the latest and most effective technology solutions.



Strong reputation and relationships with leading education and government in the northern CA market.

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## Summary Financial Information

	2020	2021	2022	2023E
Sales	\$2,084,212	\$3,179,315	\$2,889,103	\$3,184,200
Gross Profit	\$772,333	\$1,182,274	\$1,165,117	\$1,292,365
EBITDA (adj.)	\$484,518	\$426,600	\$567,852	\$603,445

## Contact Information

For more information, please contact:

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Interested parties should execute the attached Non-Disclosure Agreement (NDA) and return to ACT Capital Advisors with a written request to receive the Confidential Information Memorandum (CIM).

NDAs and CIM requests should be submitted to:



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