

MERGER AND ACQUISITION ACTIVITY IN

CORPORATE & PROFESSIONAL TRAINING

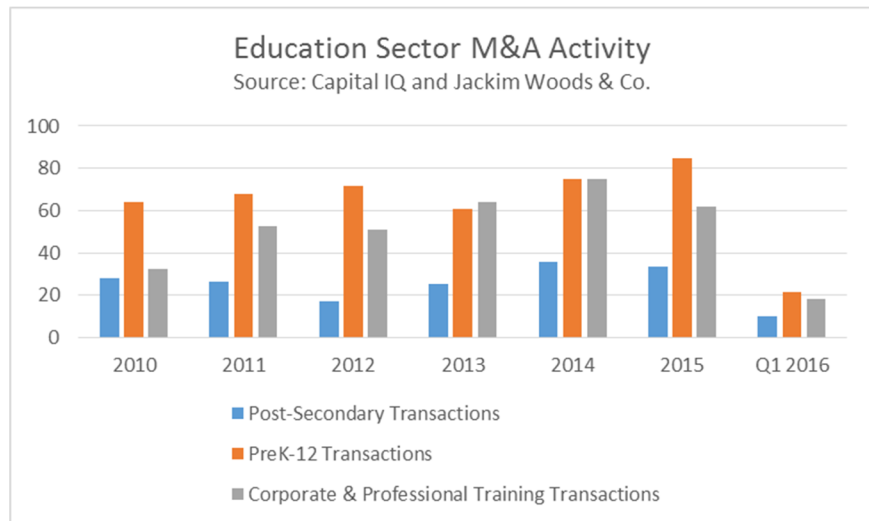
The corporate & professional training sector has continued to show significant M&A activity through Q1 2016. The sector is expected to continue to grow due to increasing demand from employers, and growing acceptance on the part of employers of the need to invest in on-going training and coaching for their employees. In many cases, employers find that adopting online corporate training programs is a more affordable and flexible option than traditional training practices. The market is also expanding as small and mid-sized companies that would not be able to afford traditional training programs have begun to adopt online corporate training as a sound and more cost effective alternative. Financial and strategic buyers are acquiring technology driven corporate training programs in order to meet market demand, expand product and service offerings, grow revenues, and realize synergies and economies of scale.

The corporate training sector has experienced a high level of innovation in recent years with advances in new technology that have helped drive industry growth. The shift to e-learning has helped the industry grow at almost 8% a year since 2012. Buyers and investors expect this trend to continue as more and more employers look to upgrade their employees skills by shifting to e-learning over traditional training programs, using more mobile apps and delivery platforms, adopting Massive Open Online Courses (MOOCs) and employing more gamification in training programs and delivery mechanism.

Training companies that deliver e-training programs will continue to be in strong demand from buyers and employers alike due to their lower cost structure and ability to scale their programs to handle any

number of students. In addition, employers and students clearly prefer the study “anywhere, anytime” model over traditional in-person training. Recent studies also confirmed that educational outcomes of e-training programs are superior to traditional in-person training due to higher levels of collaboration, higher retention of content, and higher proficiency on skill based tests. As a result, training companies that deliver e-training programs will command a significant premium from buyers in the M&A market. LinkedIn’s acquisition of Lynda.com is also a testament to the range and diversity of buyers interested in the online education space right now.

As the chart and table below illustrates the corporate and professional training sector has been an active and thriving M&A market, and Jackim Woods & Co expects this trend to continue as the industry responds to growing demand and more widely adopts technology driven platforms.



Outlook

Jackim Woods & Co believes the outlook for the Corporate & Professional Training sector will remain strong for the foreseeable future due to the renewed focus on the value of continued investment in training by employers, the increase in labor pool, the significant skills gap of new college graduates entering the workforce, and the need to invest in training to remain competitive in a knowledge-based economy. We expect these trends to drive

significant M&A activity over the next 24-36 months as both financial and strategic buyers take positions in this key sector of the education economy.

Professional & Corporate Training Sector M&A Transactions

Date	Seller	Buyer	Seller Description
1/2016	Innovative Learning	La Clinica del Valle	Provides leadership and personal development training to individuals, corporations and governmental agencies.
1/2016	Distance	OnCourse Learning	Provides long distance learning courses for emergency medical services professionals.
1/2016	ExitCertified	Avnet	Provides information technology training to corporate and government clients.
1/2016	Code3	Career Step	Provides online training and virtual education for emergency medical services.
1/2016	Solutions In Mind	Frontline Technologies	Provides online training and professional development to the K-12 industry.
12/2015	AKLearning	Business Training Library	Provides online training services for employees.
11/2015	Price Mine	Compliance Staffing Agency	Provides MSHA and OSHA training for working in mines.
11/2015	Sherwood Learning	InfoPro Learning	Provides accounting training, coaching and workshops for professional development.
11/2015	GlobalHealth Training	Keypath Education	Provides online learning services for employees and members of healthcare companies.
10/2015	AnalystSuccess	John Wiley & Sons	Provides CFA study programs and training to candidates for CFA exam preparations.
10/2015	Proflight Aviation	Tempus Applied Solutions	Provides aviation training services.
10/2015	STC	Circuit Technology	Provides hand soldering training and IPC certification services.
10/2015	RediLearning	Relias Learning	Provides online training courses for the senior care industry.
10/2015	SmartPros	Kaplan	Provides educational solutions for accounting/finance, legal, insurance, and engineering sectors.
10/2015	Develop Mentor	Global Knowledge Training	Provides software design and development training.
9/2015	BigKite	Traction Sales	Provides customer relationship management training, implementation and consulting services.
9/2015	TopLine Matters	Futuri Media	Provides expert advisory and guidance services for executive management in various digital sectors.
9/2015	Archipelago	Tectonic	Delivers IT solutions including data strategy, management and training.
9/2015	CaseNEX	Longleaf	Provides online and case-based professional development programs to educators and school leaders.
8/2015	Learner's Digest	Wolters Kluwer	Develops mobile-based educational products for healthcare professionals.
8/2015	Trinity Consultants	Levine Leichtman	Provides training courses on environmental issues and EH&S professional training services.
8/2015	TSS Redmond	360training	Provides Microsoft content and testing training.
8/2015	Fitness Association	Academy Of Sports Medicine	Provides fitness training, certification and education services.
8/2015	CompuWorks	NH Learning Solutions	Provides IT education services to legal, corporate, and federal and state government clients.
7/2015	ZEE Medical	Cintas	Provides van-based first aid, safety and emergency training solutions.
7/2015	BridgeFront	Callidus	Provides online education courses on HIPPA, compliance, risk management and communication skills.

7/2015	Imedex	Vesey Street	Provides accredited continuing medical education to healthcare professionals.
7/2015	Masterlink	360training	Provides professional and leadership development training.
7/2015	US Medical	Relias Learning	Provides online education services for nurses and healthcare professionals.
6/2015	CTB McGraw-Hill	Data Recognition	Publishes educational assessment products and services for K-12 and adult education.
6/2015	Emergency Certifications	Career Step	Provides online American Heart Association-based training and education programs.
5/2015	Corporate Visions	Sentinel Capital	Provides marketing and sales messaging, tools and training services.
5/2015	SideraWorks	CrowdSource	Provides professional development programs to improve collaboration skills.
5/2015	Acatar	The Learning House	Provides professional education and certification programs.
5/2015	Fire EMS Academy	Praetorian Digital	Provides certificate and degree programs for firefighters and first responders in the US.
5/2015	Health & Safety Institute	Riverside & Maranon	Provides environmental, health and safety training solutions.
5/2015	Management Impact	HR Impact	Provides HR consulting and leadership development, training tools and services.
4/2015	LearningExpress	EBSCO	Develops eLearning tools for professional development.
4/2015	lynda.com	LinkedIn	Provides training courses for individuals to learn business, software, technology and creative skills.
4/2015	Adnet's Learning Services Division	NH Learning	Provides education training solutions.
4/2015	National Seminars	SkillPath	Designs and provides online training courses and related services.

Source: Capital IQ and Jackim Woods & Co.

Completed and In-Process Transactions

The professionals at Jackim Woods & Co have completed many transactions in the training sector. Below are a few profiles of some of our recently closed transactions and our in-process transactions in the education & training space.



The Exit Planning Institute is the leading training and certification company in the growing field of exit planning professionals. It provides in-person training, certification testing, continuing education, and networking opportunities for attorneys, accountants, lenders, consultants, financial advisors and other professionals who assist business owners in developing strategic exist strategies to successfully exit their businesses.



was acquired by

RN Plus LLC

The transaction was arranged by principals of



RN+ was a specialized nurse staffing and training company that recruited nurses overseas, and provided them with supplemental training to improve their English and in help them pass U.S. licensure exams, and to secure them jobs in the United States and Canada. The buyers operated the company independently for a few years, and then sold it to a large national healthcare staffing company that provides traveling nurse staffing solutions to hospitals nationwide.



was acquired by

A Private Investor

The transaction was arranged by principals of



Caring Hands is a leading home healthcare agency and hospice services provider that also developed a comprehensive pre-employment training program and continuing education program for home healthcare and hospice workers to train its employees and for third parties. At the time of sale approximately 50% of the firm's revenues were coming from providing training services to other home healthcare agencies and hospice service providers. The buyer operated the company independently for several years and eventually sold it to a large non-profit hospice group based in Atlanta.



was acquired by

The principals of
Breakwater Expeditions

The transaction was arranged by principals of



Echo Springs Transition Study Center is a therapeutic boarding school and life skills training center for young adults. The program was founded by Doug Kim-Brown, a remarkable educator who developed the programs used to help young adults recover from troubled backgrounds and train them in the life skills they will need to lead productive and fulfilling lives. The center was acquired by a strategic buyer who operated a leading wilderness therapy program for adolescents and young adults.

About Jackim Woods & Co.



Rich Jackim is the founder of Jackim Woods & Co, and head of the firm's education group. He is a former Wall Street lawyer and bulge bracket investment banker. During his career Rich has advised on over 60 transactions with a market value of over \$2 billion. Since 2008 Rich has worked with privately-held, small and mid-sized companies in the education sector. He has written several white papers and articles on education related mergers and acquisitions and has been a speaker at the Education Industry Association's annual summit. He may be reached at (224) 513-5142 or at rjackim@jackimwoods.com.