

Fourth edition

## Capitalmind Fabulous 40 - Staffing

An initiative of Capitalmind in cooperation with FlexNieuws (2017)



Bart Jonkman,  
Managing Partner Capitalmind

**The upward tendency  
in the Dutch staffing sector has continued**

The growth nearly doubled

**capitalmind**  
CORPORATE FINANCE ADVISORY

BENELUX | FRANCE | GERMANY | NORDICS

*This edition of the Fabulous 40 concerns the years 2015, 2014 and 2013. In the previous edition, the rise of Private Equity and investment funds was visible in the sector. Currently, there is significant consolidation going on in the market. The number of acquisitions in the top 40 thus doubled in the period measured here. Next to the list with the fastest growers in 2015-2013, the current edition offers comparative charts with the growth of publicly traded staffing intermediaries and information about current developments in the market*



## Increase in scale, is an important driver, among other things to counter pressure on the margins.

In the previous edition of this publication, 2014 - 2012, it was clear that Private Equity firms see opportunities in the staffing sector. That stimulates the growth in the sector and drives the number of acquisitions.

'De Hoge Dennen was the first to invest in payrolling, in 2014 with the acquisition of Tentoo Payroll Professionals. Last summer, Tentoo was sold to another investor, Waterland Private Equity Investment, who added Tentoo to their portfolio

that includes, among others, Pay for People, which ranked second in the previous edition of the Fabulous 40. These are transactions that we are seeing more often in the market', according to Bart Jonkman, Managing Partner at Capitalmind Corporate Finance Advisory.

Capitalmind assembles this list of the 40 fastest-growing companies in the staffing sector annually, thereby making the trends in this sector visible in the areas of growth, acquisitions and the involvement of Private Equity.

*Capitalmind also publishes these rankings for the Food, Industrial Markets and Retail sectors.*

### Top 3 growing companies in the staffing industry

#### 1: NettStaff

NettStaff is a staffing agency that provides the right technical staff at the right time in the right place. Staffing & seconding from 8 locations. 'We ensure the right technical staff by being an engaged employer and optimally facilitating our professionals, so that our clients can achieve maximum results with the insourced staff.'

**NettStaff**

#### 2: HelloFlex group

HelloFlex delivers software and services for staffing agencies and companies that make use of flexible labour.

HelloFlex group

HelloFlex group is a holding company and has multiple tools and services that together serve the entire flex market. All tools are based on cloud software and are developed by 100 experienced online marketing and enterprise software engineers.

- HelloFlex, sourcing management software for intermediaries and borrowers
- FlexService, business software for intermediaries
- HelloFlex People, back office services for intermediaries
- FlexNieuws, news for the flex sector and all CLAs

#### 3: Abiant

Abiant is one of the largest staffing organizations of Northern Netherlands. Between 5,000 and 6,000 outsourced employees work each day on behalf of Abiant. Over recent years, the network of locations in Northern Netherlands has been expanded with branches in the provinces of Groningen, Drenthe and Friesland. 'That puts us in the middle of the work area and always nearby for employees and clients.' Abiant also has a network of locations in Northern Germany. In 2015, MF Uitzendbureau was acquired.

abiant

The highest-ranking newcomer in this edition is NettStaff, which was founded at the end of 2013. Due to rapid growth in the measured period, the company immediately captured the top position in the list. NettStaff provides professionals for the Electrical and Installation sector. NettStaff grew from €0.5 million in revenues in 2013 with a CAGR of 271% to €6.6 million in revenues in 2015.

Direct Payrolling is the next entrant, immediately taking the seventh position. The payroll organization grew with a CAGR of 38.3% from €6.5 million in revenues in 2013 to €12.5 million in revenues in 2015. The third newcomer is Studentalent with Venturion as the underlying investor, taking the eighth position. In the measured period, Studentalent grew partly due to acquisitions of Find'em and XL Studenten bureau with a CAGR of 33.2% to revenues of €22.2 million in 2015. Other newcomers relative to the previous edition are: Greentalent (no. 11), RedWave (no. 17), Maandag (no. 27), Payroll Talent (no. 25), mtévn (no. 27), Welten (no. 30), Worktrans (no. 31), DIT Personeel (no. 33).

*The number of acquisitions for the 40 fastest-growing staffing companies has doubled.*

'The general upward tendency in the staffing sector was already visible in the previous edition and has continued since. Whereas last year the number 40 has a CAGR (Compound Annual Growth Rate) of 5.3%, in this edition that is 10.3%', according to Marleen Vermeer, Director at Capitalmind. 'If we look at the average CAGR from the current edition versus that from the previous edition, we also see this growth. The 40 fastest-growing staffing companies in the previous edition grew by 19.8%, while in the current edition that is 30.0%.'

This increase is in line with the trend that was shown in the previous edition: a strongly growing economy and an increased demand for outsourcing in general. If we look at the cumulative revenues from 2015 versus those from 2014, we see an increase of nearly €250 million for the 40 companies noted. We see that the growth in the sector is related to the number of investors active in this sector. These parties are focused on growth, both organically and through acquisitions. In the previous edition, nine investors were active in the list, versus twelve this year.

Within the measured period for the current edition, 16 of the 40 noted companies have completed acquisitions, versus 8 of the 40 in the previous edition. 'We see that an important driver for acquisitions is increase in scale, among other things to counter pressure on the margins. In addition, the need for innovation (such

as the use of data and technology), internationalization and business continuity are equally important drivers for acquisitions', says Bart Jonkman from Capitalmind. According to Marleen Vermeer from Capitalmind, there is consolidation taking place in the payroll sector. 'Investors play a big role in that. An example of that is the



*'The general upward tendency in the staffing sector has continued in the fourth edition'*

purchase of Tentoo by Waterland Private Equity Investment, which first acquired Pay for People and then Smart Payroll Services and Holland Payroll in 2015, and has recently added Tentoo.

In December 2014, ABN AMRO Participaties invested in the payroll company Payroll Select, which is highly active in acquiring companies. Zember and Meesterhulp were already acquired in 2014. In 2015, the acquisition of Prokx followed. In 2016, Flint Personeelspartner and EasyStaff were acquired as well.'

Staffing organizations and secondment agencies have also been noticed by investors. The Employment Group (TEG) was recently acquired by Egeria from Bencis. In 2013, Tracé was added to TEG. Egeria subsequently acquired KP&T and Staatvast from Mentha. Following that, Egeria facilitated a merger between KP&T and Tracé the same time as this acquisition, KP&T



**Bart Jonkman and Marleen Vermeer, Capitalmind**

# Capitalmind Fabulous 40 - Staffing Industry

Rank 2016	Rank	Company	Branche	Total revenues 2015 in mln. €	Total revenues 2014 in mln. €	Total revenues 2013 in mln. €	CAGR (percent growth)	M&A 2012-2014	Private equity
-	1	NettStaff	Technical	6,6	2,3	0,5	270,7%		
1	2	HelloFlex group <sup>①</sup>	Payroll	63,6	43,4	25,9	56,7%		
20	3	Abiant Personeelsdiensten (AB Groningen)	Logistics / industrial	149,0	81,9	63,3	53,5%	✓	
2	4	Payper <sup>②</sup>	Payroll	59,1	36,4	25,5	52,2%		
6	5	Aethon Groep <sup>③</sup>	Professionals	19,2	13,4	9,2	44,8%	✓	Mentha Capital
3	6	Pay for People <sup>④, ⑤</sup>	Payroll	88,8	59,2	45,2	40,2%		Waterland
-	7	Direct Payrolling	Payroll	12,5	10,8	6,5	38,3%		
-	8	Studentalent	Generalist	22,2	14,2	12,5	33,2%	✓	Venturion
25	9	Consolid	Logistics / industrial	77,2	53,8	43,5	33,2%		Scheybeek Investments
13	10	Prima Personeel	Technical	56,3	41,0	32,0	32,6%		
-	11	Green Talent	Logistics / industrial	7,6	5,6	4,3	32,6%		
10	12	Staffing Associates <sup>⑥</sup>	Generalist	60,0	43,0	35,9	29,2%	✓	
8	13	Driessen HRM	Professionals	218,6	183,5	136,5	26,5%	✓	
11	14	Please Payroll	Payroll	80,4	66,6	52,1	24,2%	✓	
18	15	Timing Uitzendteam	Generalist	363,2	312,0	242,0	22,5%		
16	16	Payroll Select <sup>⑦</sup>	Payroll	128,6	109,7	85,9	22,3%	✓	ABN AMRO Participaties
-	17	Redwave	Professionals	74,3	74,0	50,0	21,9%		Nordian
22	18	YoungCapital (Studentenwerk)	Professionals	127,7	99,2	85,9	21,9%	✓	
15	19	Oranjevliet Beheer (NL-Jobs)	Technical	79,1	66,5	53,7	21,4%		
9	20	Talenter <sup>⑧</sup>	Professionals	22,1	19,6	15,1	20,9%		NPM Capital
23	21	Kolibrie Uitzendbureau	Payroll	62,5	51,2	43,6	19,8%		
-	22	Maandag	Generalist	108,6	84,4	75,9	19,6%		
40	23	YER Group	Professionals	59,4	47,5	41,6	19,5%		
34	24	Match International	Technical	20,2	14,2	14,2	19,3%		
-	25	Payroll Talent	Payroll	16,8	13,1	12,0	18,4%		
12	26	EasyStaff <sup>⑨</sup>	Payroll	72,4	59,0	52,6	17,4%	✓	
-	27	mtérv T	Technical	12,1	10,6	8,9	16,6%		
4	28	The Employment Group <sup>⑩, ⑪</sup>	Logistics / industrial	90,3	80,4	66,8	16,3%	✓	Egeria
35	29	Brainnet	Professionals	349,2	279,1	262,8	15,3%	✓	
-	30	Welten	Professionals	69,2	52,3	52,6	14,7%	✓	Synergia Capital partners
-	31	Worktrans	Logistics / industrial	23,7	20,0	18,1	14,4%		
26	32	In Person <sup>⑫</sup>	Generalist	70,2	62,4	53,9	14,1%	✓	
-	33	DIT Personeel	Technical	82,8	63,0	64,2	13,6%		H2 Equity
29	34	OTTO Work Force	Generalist	244,8	209,5	190,1	13,5%		
14	35	IT Staffing Groep / De Staffing Groep	Professionals	406,3	391,2	323,3	12,1%	✓	
31	36	Euro Planit	Generalist	17,2	15,5	13,7	12,1%	✓	
7	37	Decom	Technical	8,8	9,4	7,0	11,8%		
32	38	Tentoo <sup>⑬, ⑭</sup>	Payroll	133,0	120,3	108,7	10,6%		Waterland
27	39	AB Service Midden Nederland	Logistics / industrial	34,7	31,4	28,5	10,4%		
-	40	Humares <sup>⑮, ⑯</sup>	Technical	134,5	115,0	110,6	10,3%	✓	Bencis Capital Partners

## Comments

- ① Name changed in 2017, before that: FSGroep - The company is active and headquartered in The Netherlands
- ② Created in 2014 as a result of the merger of 3 companies - A minimum revenue of five million Euro in one of the three measured years
- ③ Since 2017, Mentha Capital is an investor - The annual financial statements are filed at the Chamber of Commerce
- ④ Acquired Tentoo in 2017 - Majority stake owned by Dutch shareholders or private equity firms
- ⑤ Acquired Smart Payroll Services & Holland Payroll in 2016 - Not listed on a stock exchange
- ⑥ Acquired Uitzendmarkt & X-flex Werkbureau in 2017
- ⑦ Acquired Flint & Easystaff in 2016
- ⑧ Until 2016, Gilde Equity Management was the investor
- ⑨ Acquired by Payroll Select in 2016
- ⑩ Until 2016, Bencis Capital Partners was the investor

- ⑪ Acquired KP&T in 2016
- ⑫ Acquired Human United XS in 2016
- ⑬ Until 2017, De Hoge Dennen was the investor
- ⑭ Acquired by Pay for People in 2017
- ⑮ Until 2016, ABN AMRO Participaties was the investor
- ⑯ Acquired Artec Interim in 2016

## Criteria for the Fabulous 40

1. The company is active and headquartered in the Netherlands
2. A minimum revenue of five million euro in one of the three measured years
3. Annual financial statements are filed at the Chamber of Commerce (KvK) or shared with an accessible database or with Capitalmind.
4. Majority stake owned by Dutch shareholders or private equity firms.



## Dynamics in the ranking of this edition, versus with the previous one

Newcomers: 12	Rising: 10	Descending: 17	Equal: 1
---------------	------------	----------------	----------

## Revenue growth of the listed staffing agencies

	Revenues 2015 (in mln €)	CAGR 2015-2013
Adecco	577,2	9,0%
Brunel	1.228,9	-2,1%
DPA	116,3	27,9%
Manpower	4.914,8	6,6%
Randstad	3.076,9	6,0%

and Tracé were also acquired, so that the two organizations could be merged within TEG.

ABN AMRO Participaties was involved until 2016 with Humares as an investor. At the end of 2016, Humares was sold to Bencis Capital Partners.

Synergia has been an investor in Welten for years, and started to also participate in The Human Network at the beginning of 2017, among others to facilitate secure and smooth business continuity.

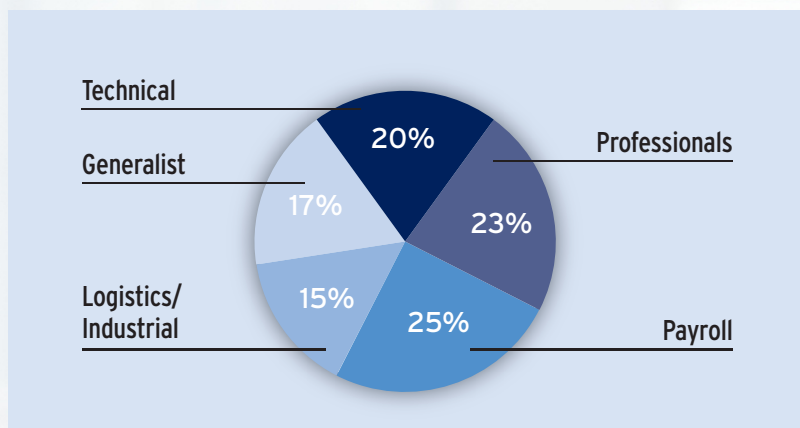
### In closing

The growth of the staffing industry follows economic, social and demographic developments. Investors currently facilitate the growth of many of the players in the market. This makes bundling strengths, innovation and diversity in the staffing portfolio possible. How will the Fabulous 40 look next year? Who will have grown the fastest then based on consolidated figures? And who has the most inspiring story to tell? We will see.

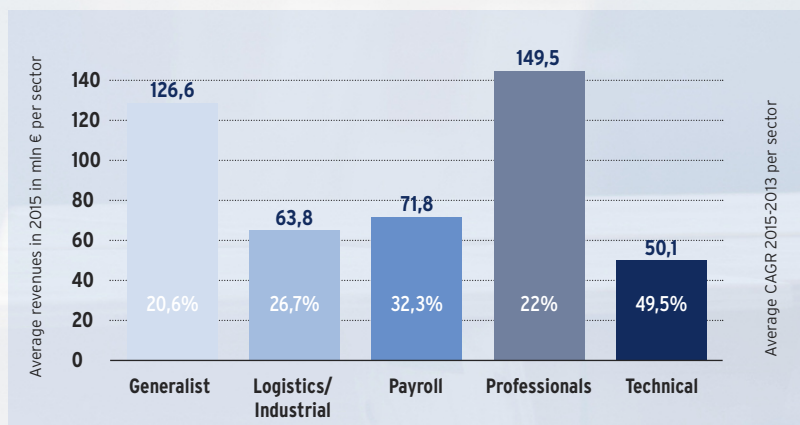
## Subsector analysis

	#	Total revenues 2015 in mln. €	Average revenues 2015 in mln. €	CAGR 2015-2013
Generalist	7	886,2	126,6	20,6%
Logistics / Industrial	6	382,5	63,8	26,7%
Payroll	10	717,7	71,8	30,0%
Professionals	9	1.346,0	149,6	22,0%
Technical	8	400,5	50,1	49,5%

## Market share



## Revenue growth of the players of the ranking



## Smart advice, by your side, worldwide



Capitalmind is one of the largest independent corporate finance advisory firms in Europe, owned by its partners. Since 1999 we have provided unbiased advice to mid-market companies, entrepreneurs, (private equity) investors and large corporates on selling, buying and financing businesses all over the world, and in the following sectors:

- 200+ closed transactions in the last 5 years - 500+ since 1999
- Worldwide access to strategic/financial players and likely buyers
- Team of 60 experienced professionals in Europe; plus 300 worldwide, via our international partnership
- European Headquartered advisory firm, with offices in Benelux, France, Germany & the Nordics
- We have received numerous awards



BUSINESS SERVICES



CONSUMER



FOOD & AGRO



HEALTHCARE



INDUSTRIALS



TMT

's-Hertogenbosch, The Netherlands  
Reitscheweg 49  
5232 BX 's-Hertogenbosch  
T +31 (0)73 623 87 74

Paris, France  
62, rue La Boétie  
75008 Paris  
T +33 1 48 24 63 00

Frankfurt, Germany  
Sonnenberger Straße 16  
65193 Wiesbaden  
T +49 611 205 480

Amsterdam, The Netherlands  
Vreelandseweg 7  
1216 CG Hilversum  
T +31 (0)73 623 87 74

Copenhagen, Denmark  
Lyngsø Alle 3  
2970 Hørsholm  
T +45 20 433 373

Berlin, Germany  
Schumannstrasse 17  
10117 Berlin  
T +49 611 205 4810