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Allied Universal carries on M&A spree while keeping IPO in sights, CEO says

Allied Universal largest security and facility serv2



seeking buys around the globe, Jones said. Allied made its first international acquisition outside of G4S in March,

Since G4S, Allied has looked at targets with revenue of less than USD 10m and up to more than 200m, Jones said. The company will continue to consider transformational deals like G4S in any of its business lines, he added, noting Allied has made several large buys in the past, including SecurAmerica (13,500 employees), SOS Security (15,000 employees) and US Security Associates (50,000 employees). In 2018, Allied paid USD 1bn for US Security, which had revenue and adjusted EBITDA of approximately USD 1.5bn and USD 95m, respectively.

and technology, according to Jones. The co

MSA Security, which at USD 200m in revenue greatly expanded its K9 security services. -based

The company would fund smaller and mid-size deals primarily with cash flow and could tap lines of credit for larger buys, Jones said.

Multiples in the space range from 7x-10x EBITDA, according to Jones. Average EBITDA margins are between 4% and 10%, with tech-focused players on the higher end, he added.

After its acquisition of G4S, Allied became the seventh-largest employer in the world and the third-largest employer in North America behind only Walmart [NYSE:WMT] and Amazon [NASDAQ:AMZN]. Jones mentioned that G4S continues to operate under its name outside North America, given its brand recognition.

Allied uses law firms **Cleary Gottlieb, Kirkland & Ellis** and **Sheppard Mullin. EY** and **Deloitte** provide accounting and auditing services, respectively.

Morgan Stanley, Credit Suisse and **Citi. Freshfields Bruckhaus Deringer** advised on the G4S transaction.

by Deborah Balshem in Fort Lauderdale
