

How to Create a Valuable Medical Physics Practice

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RECENT M&A ACTIVITY IN MEDICAL PHYSICS

-  **Recapitalization of West Physics by LNC Partners (May 2018)**
 - Add-on acquisition of Phoenix Technology Corporation (May 2019)
-  **Recapitalization of Krueger Gilbert Health Physics by Blue Sea Capital (May 2019)**
 - Add-on acquisition of OMPC (Sept 2019)
 - Add-on acquisition of Radcom (Nov 2019)
-  **Recapitalization of Associates in Medical Physics / RMA by L2 Capital (May 2017)**
-  **Acquisition of Landauer by Fortive (Oct 2017)**





FACTORS DRIVING M&A ACTIVITY IN MEDICAL PHYSICS

-  **Attractive business model** (i.e. recurring revenue, low customer concentration, high margins, regulatory driven demand, low cap ex)
-  **Fragmented industry**
-  **Consolidation of hospital systems**
-  **Increasing demand for equipment specific specialization of physicist**
-  **Aging demographic of owners**

VALUE DRIVERS FOR MEDICAL PHYSICS FIRMS



WHAT SHOULD OWNERS KNOW?

-  Industry consolidation is likely to continue with Private Equity backed firms executing on rollup strategies
-  Hospital consolidation is likely to continue to drive demand for specialization and move towards larger providers of physics services
-  Valuations remain healthy despite current broader M&A market disruption
-  Selling a company remains a challenging process for many small business owners; good advisors are key to ensuring optimal outcome

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