

NEXUSTEK CASE STUDY



Company Description:

Founder-Owned
Managed IT Services
Provider Focused on
SMBs

Theme:

IT Managed Services

HQ:

Denver, CO

Status:

- September 2014 Investment
- Sold to Abry Partners in Dec 2017**

Investment Thesis

- Leverage LV domain/operating expertise in IT Managed Services
- Acquire local platform company in fragmented market
- Build into regional/national player with multi-city presence by optimizing sales, executing M&A and augmenting management team

Value Creation Playbook

Establish Operating Metrics

- Established KPIs and BOD dashboard
- Created/implemented new forecasting methodology

Optimize Sales & Marketing

- Instituted hunter / farmer sales model
- Recruited new VP of Sales, Hired 3 new sales professionals and marketing rep

Develop Management Team

- Recruited CEO with strong operating experience
- Recruited CFO, EVP of Operations, and Senior Practice Leads

Corporate Development

- Executed 3 strategic acquisitions (2 in Denver and 1 in Phoenix)
- Expanded service offering to include IaaS and VoIP

Results

- 3x Revenue Growth and 2x EBITDA Growth
- 60% recurring revenue, growing 50% YoY
- Grew from 30 to 100+ employees
- Built scalable core systems for back office and customer management
- Proven platform in Mountain West