

Australian M&A digest: ZOOM ON RECENT DEALS



March 2020

8 Deals in the professional services sector including SCD Advisory's deal: Bistech sold to Deloitte.

- SCD Advisory's deal: Deloitte acquires Brisbane data analytics consultancy, Bistech.**
Deloitte has boosted its Brisbane team thanks to the acquisition of data analytics consultancy, financial performance management provider, IBM and Microsoft partner Bistech. As part of the deal, Bistech co-owners Shane Morgan, Justin Hoareau and Brad Culbert will join Deloitte's analytics and cognitive consulting practice in leadership positions, with Brad Culbert joining as a partner. The move sees Deloitte add 17 consultants to its Brisbane office from April. Deloitte already has more than 500 staff as part of its analytics and cognitive practice, and deems the Bistech buy as a strategic move. Bistech was founded in 2000 and names IBM, Microsoft and Adaptive Insights among its vendor partners. It focuses on the Queensland market, with an emphasis on helping clients to better understand and harness their business-critical data, leveraging cloud technologies and modern analytics solutions.
- Publicis Sapient acquires management consultancy Third Horizon strengthening its global strategy & consulting capability.** Publicis sapient has announced the completion of the strategic acquisition of Australia-based Management Consultancy firm, Third Horizon. The acquisition, expands the end-to-end digital transformation capability available to Publicis Sapient clients globally, particularly deepening the Strategy and Consulting expertise



available across industries. Publicis Sapient is a digital transformation partner helping established organizations get digitally enabled, both in the way they work and the way they serve their customers. Founded in 2004, Third Horizon, is a progressive consulting firm specialising in strategy execution. They have driven double-digit growth through their work with clients such as New South Wales and Victoria State Governments, Lendlease, Powerco New Zealand, Ausgrid and the Federal Government. They offer connected capabilities across strategy, design, and execution and offerings in strategic insights, human-centered design, operating model, commercial strategy, technology enablement, culture & change management, and program delivery.

3. **Australian strategy consulting firm AlphaBeta joins Accenture.** AlphaBeta Advisors, a boutique strategy consulting firm with around 35 consultants in Sydney, Melbourne and Canberra, has been acquired by Accenture. Founded just five years ago and led by a group of among others former McKinsey and BCG consultants, AlphaBeta Advisors is a firm that specialises in applying data-driven analysis to a traditional consulting and economics toolkit, helping clients understand how to deal with their most pressing challenges. The integration will see AlphaBeta Advisors become part of Accenture Strategy, the firm's division focused on strategic and management consulting services. The full team of AlphaBeta Advisors will transfer to Accenture, including a raft of former McKinsey & Company (including leaders Toby Brennan and Kate Pounder) and Boston Consulting Group (including leaders Jim Minifie and Shaun Chau) consultants. The Singapore office of AlphaBeta Advisors is not part of the Accenture transaction and will continue to operate independently.
4. **KPMG Acquires Action Sustainability Asia Pacific.** KPMG Australia has acquired environmental sustainability advisory company Action Sustainability Asia Pacific. The consultancy helps evaluate sustainability in businesses, buildings and supply chains using leading international and national standards and an innovative software package. Action Sustainability Asia Pacific also offers a range of sustainability training options from traditional classroom learning to e-learning. Action Sustainability Asia Pacific works with a range of clients across Australia, and will expand KPMG Banarra's and KPMG's Sustainability Services' ability to provide specialist advice to help businesses manage risk and create opportunities for positive impact in the areas of responsible sourcing, finance, sustainability, human rights, ESG management and modern slavery services.
5. **ASG ramps up acquisitions despite unsure market.** Australian managed service provider, ASG Group has acquired leading Canberra professional services firm Group 10 Consulting, its second buy in less than six months. In an interview with CRN chief executive officer of ASG, Dean Langenbach, said Group 10 is an ICT consultancy firm in Canberra, with a significant portfolio of public sector clients. The acquisition would provide ASG with additional capabilities, including the ability to provide clients with ICT asset management through Group 10 Consulting. Under the acquisition, Group 10, which was founded in 2013 and employs more than 80 staff, will continue to operate under its brand, specialising in customised solutions to clients in the ACT. The two co-founders, Cosimo Garreffa and Jennifer Nelson, will continue to lead the local team.



6. **Deloitte acquires Aussie security player Zimbani.** Deloitte Australia has ramped up its local cyber security practice by acquiring Melbourne-headquartered provider Zimbani. The local cyber security specialist's CEO and co-founder Rene Morel will join Deloitte as partner, alongside co-founder and chief security architect Jason Paul. Founded in 2012, Zimbani has partnerships with the likes of Splunk, NetApp and SailPoint, among others, and has worked with Australia's four top banks - Westpac, ANZ, CBA, and NAB. It now has offices in Sydney and also London, alongside its founding Melbourne office. According to Deloitte cyber leader James Nunn-Price, the addition of Zimbani will help the global systems integrator "hyperscale" its cyber security business across APAC. As of this time last year, Deloitte had snapped up 19 technology specialists across Australia and New Zealand within the space of five years.
7. **Rancher Labs closes \$40M funding round to "run Kubernetes everywhere".** The six year-old startup is going after new markets that want to run Kubernetes clusters at the edge. Rancher Labs, the maker of a popular, open source Kubernetes management platform, closed a \$40 million Series D funding round, the company announced Monday. At a time when Kubernetes is taking off, Rancher Labs is planning to use its new funding to continue its "run Kubernetes everywhere" strategy. That includes bringing it to new markets that want to run Kubernetes clusters at the edge. The new funding round was led by Telstra Ventures, the strategic VC firm backed by the private equity fund HarbourVest, as well as Telstra Corporation, Australia's largest telecommunications company. To date, the six year-old Rancher Labs has raised \$95 million.
8. **Capgemini acquires local MuleSoft specialist WhiteSkyLabs.** Capgemini has boosted its digital transformation capabilities through the acquisition of Sydney-headquartered MuleSoft consultancy WhiteSky Labs. Founded in 2009 in Sydney, WhiteSky Labs has offices in Melbourne, the Philippines and Singapore. The company works with more than 40 customers, including Energy Australia, Mynt, Blackmores, Qantas and 7-Eleven, with many customer projects involving the full-stack of consulting services on the MuleSoft Anypoint Platform, managed support, license management and training services. While financial details of the deal have not yet been disclosed, with the transaction due to close within weeks, it has been confirmed that the acquisition will see more than 150 specialist MuleSoft employees join Capgemini.

You would like to assess the sale readiness of your consultancy or you are thinking of an M&A deal in the near future, contact **Pierre Briand**.