



THREESIXTYSEVEN  
ADVISORS

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FIRE & LIFE SAFETY INDUSTRY REPORT

# Fire & Life Safety Services

*A market overview for \$1-25M EBITDA owners and acquirers — fire detection, suppression, sprinkler, alarm, and inspection / testing / maintenance services across U.S. commercial and industrial end markets*

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## About Three Sixty Seven Advisors

Buy-side, sell-side, and corporate debt advisory for \$1–25M EBITDA owners

# Why fire & life safety is the LMM/MM consolidation story of the decade

U.S. fire & life safety ("F&LS") services represent one of the most actively consolidating segments of building services — and almost all of that consolidation is happening in the lower-middle and middle market. Demand is non-discretionary, driven by NFPA codes, state and local AHJ requirements, and insurance mandates that compel annual inspection, testing, and maintenance ("ITM") of fire alarm, sprinkler, suppression, and life-safety systems. For owners with \$1–25M EBITDA, the result is a deep, well-capitalized, multi-tier buyer universe — PE-backed strategics, independent sponsors, family offices, and search funds — all competing for high-quality service-led businesses.

## Key takeaways for \$1–25M EBITDA owners

- F&LS deal volume averaged ~50 transactions per quarter since early 2024 — the vast majority are LMM/MM add-ons in the \$1–25M EBITDA window.
- Multiples cluster 5–8x EBITDA in the \$1–10M EBITDA band; well-run, service-heavy businesses with 40%+ recurring revenue routinely clear 8–10x; \$10–25M EBITDA platforms can transact 9–12x+.
- Recurring inspection / monitoring revenue is the single largest valuation driver. Operators with multi-year contracts, sub-5% attrition, and route density consistently command 1–3 turns of premium over project-heavy peers.
- Buyer universe is unusually deep at the LMM/MM tier: 7+ active PE-backed strategic add-on buyers, 30+ independent sponsors / family offices, and an expanding cohort of ETA / search funds with F&LS mandates.
- Sellers have meaningful structural flexibility — rollover equity, seller notes, earn-outs, and management retention are routinely available, particularly with sponsors and family offices below \$10M EBITDA.

## \$1–25M

EBITDA window — most active deal band

## ~50

F&LS M&A deals per quarter (2024–25)

## 5–8x

Typical \$1–10M EBITDA multiples

## 8–12x

Service-heavy / \$10–25M platforms

## 40%+

Recurring revenue drives premium

## 30+

Active LMM/MM buyers in the space

# 02

SECTION

## Industry Landscape & Sizing

*Code-mandated services across detection, suppression, sprinklers, and inspection*

# What this report covers

## Fire Detection & Alarm

Design, installation, monitoring, and ITM of fire alarm panels, smoke / heat detectors, mass notification, and emergency communications systems.

**57.7%**

*Detection share of global market (2024)*

## Sprinklers & Suppression

Wet & dry sprinkler systems, clean agent / pre-action / kitchen suppression, fire pumps, and standpipes for commercial & industrial buildings.

**\$25.9B**

*U.S. fire protection (2024)*

## Inspection, Testing & Maintenance

Recurring, code-mandated annual / semi-annual ITM of installed life-safety systems — the recurring-revenue heart of the industry and the LMM/MM valuation lever.

**60%+**

*Service mix at premium-multiple platforms*

## Adjacent Security Integration

Access control, video surveillance, intrusion, and integrated life-safety solutions — increasingly bundled with core fire offerings.

**\$22.1B**

*U.S. fire & security install contractors*

# A \$26B U.S. industry on a multi-year growth trajectory

U.S. fire protection systems market — USD billions



## PROJECTED CAGR

# 3.6%

U.S. fire protection systems, 2025 → 2030 (Grand View Research)

## KEY DEMAND DRIVERS

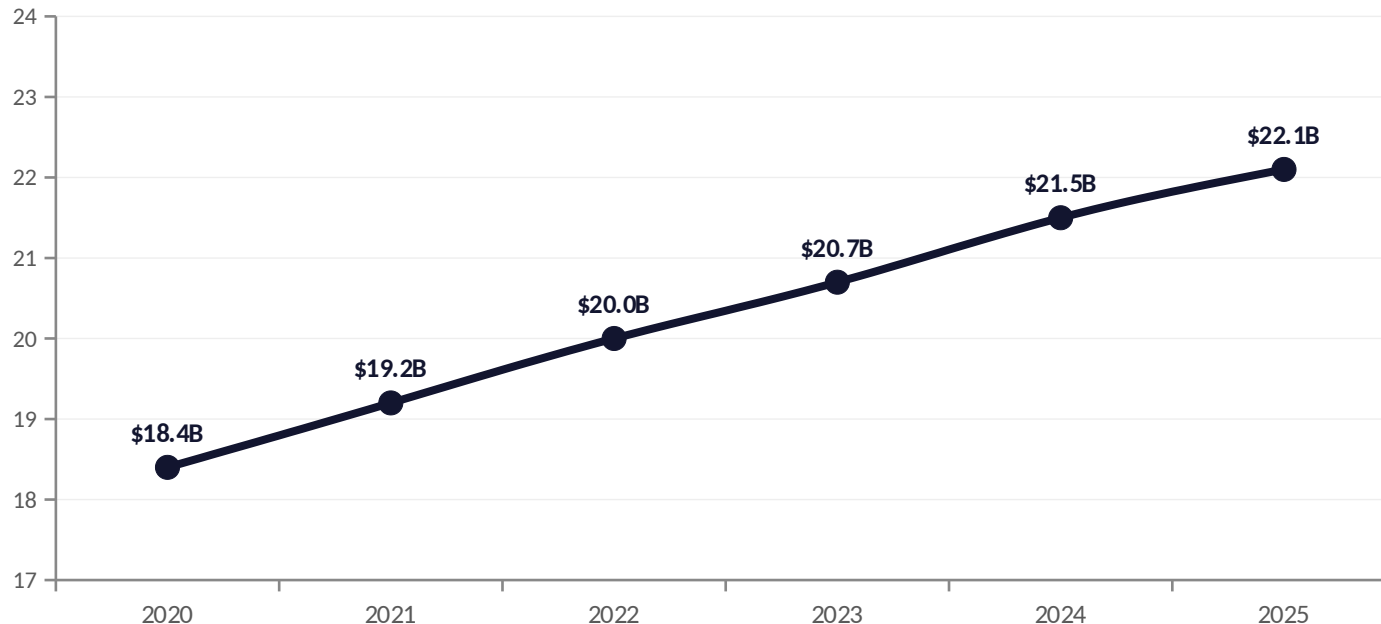
- NFPA, OSHA & state code requirements mandate annual ITM
- Commercial construction & retrofits sustain installation pipeline
- Data center build-out driving premium suppression demand
- High-rise residential & mixed-use require integrated life safety
- Insurance underwriting tightening compliance enforcement

Source: Grand View Research, Fortune Business Insights, Precedence Research (2025–26)

# Highly fragmented — thousands of regional operators across all 50 states

<h2>19,845</h2> <p>U.S. fire &amp; security install contractors</p>	<h2>~50</h2> <p>F&amp;LS M&amp;A deals per quarter (2024-25)</p>	<h2>\$1-25M</h2> <p>EBITDA window driving most activity</p>	<h2>~20%</h2> <p>Top-5 platforms' combined market share</p>
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U.S. fire & security system installation contractors — USD billions



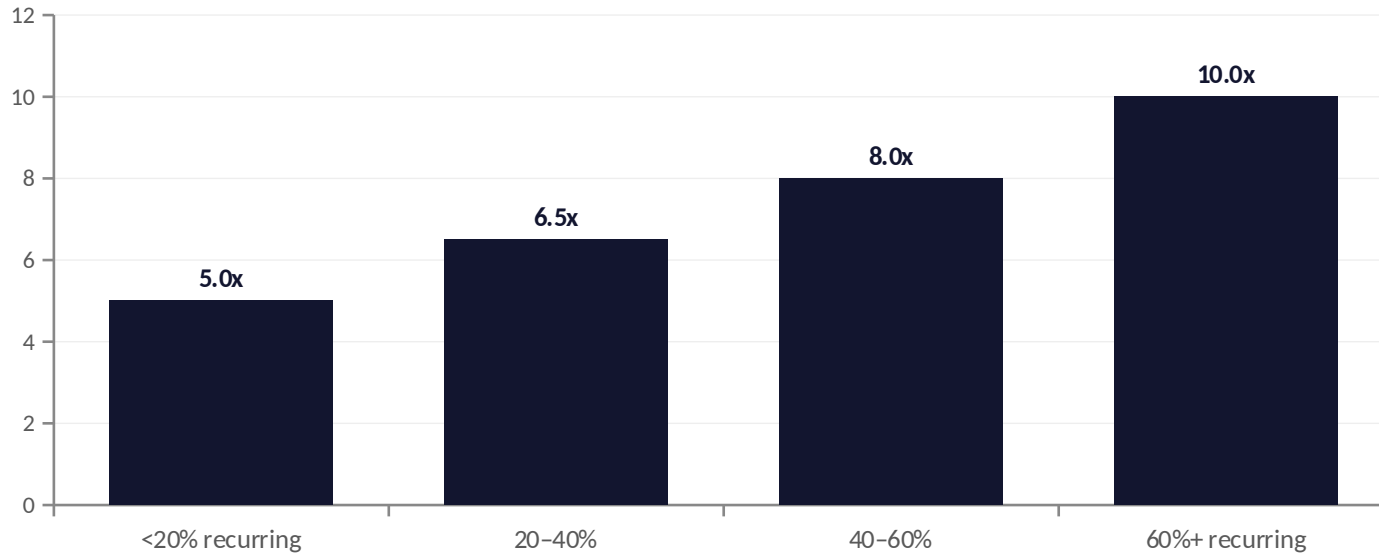
### WHY LMM/MM OWNERS ARE IN DEMAND

- Thousands of regional operators — well below the threshold of mega-platform attention
- Top-5 platforms hold roughly 20% combined share — runway for both add-ons and new platforms
- Local relationships and AHJ familiarity drive moats that scale-based competitors can't replicate
- Acquirers compete aggressively for clean books, route density, and service-led mix in the \$1-25M EBITDA range
- Active competition from PE platforms, independent sponsors, family offices, and search funds

Source: IBISWorld, Meridian Capital Fire & Life Safety M&A Updates, Lincoln International (2024-26)

# Recurring ITM revenue is the prize — and the multiple lever

Illustrative EBITDA multiples by recurring service mix



## TOP VALUE DRIVERS — \$1-25M EBITDA F&LS

What buyers underwrite (and what moves multiples up or down 1-2 turns)

- Service / ITM mix — 40%+ recurring routinely worth +1-2 turns
- Customer attrition — sub-5% annual is the threshold for premium pricing
- Contract quality — multi-year auto-renew >> year-to-year
- Route density — geographic clustering = labor & overhead leverage
- Full-service mix — design, install, inspect, monitor, service > single-service

## WHERE OWNERS LEAVE MULTIPLES ON THE TABLE

### Customer concentration

Top-customer concentration above ~15% is the single most common multiple killer in F&LS LMM/MM diligence. Diversification efforts 12-24 months pre-process pay back materially.

### Working capital & systems

Manual ITM scheduling, paper inspection reports, and mixed AR aging signal integration drag — buyers discount or push earn-out structures. Cloud ITM software is now table stakes.

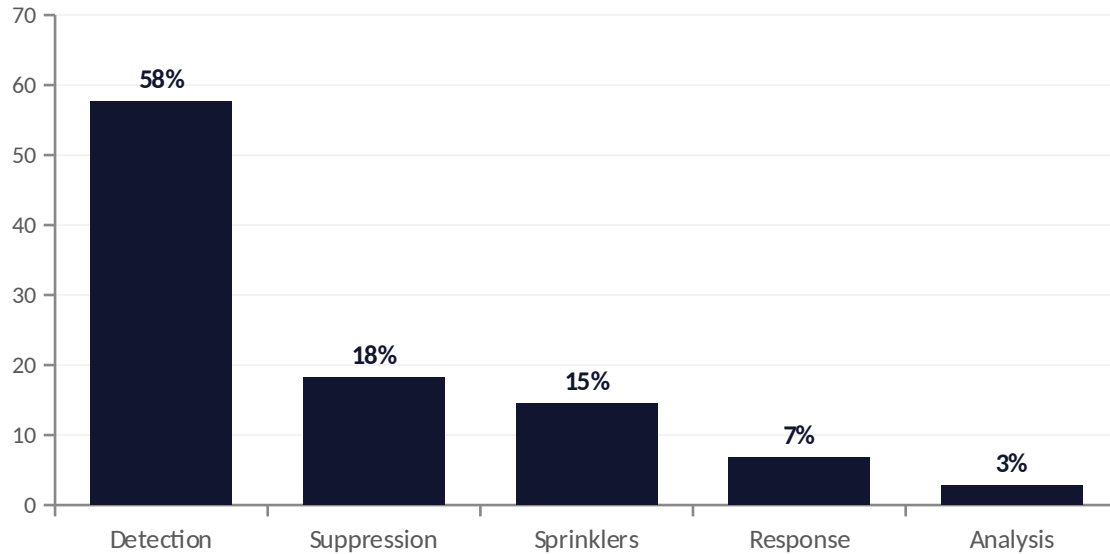
### Owner-dependence

Buyers underwrite a continuing operator. Established second-line management and documented sales process protect multiples; founder-only relationships reduce them.

Source: Meridian Capital, Lincoln International, Capstone Partners, Breakwater M&A, 367 transaction experience (2024-26)

# Detection-led product mix; equipment & adjacent security growing

Global fire protection by product segment — 2024 share (%)



Detection segment leads with 57.7% share (Precedence)

U.S. fire safety equipment — USD billions



Equipment market growing 7%+ through 2035 (Fact.MR)

## WHY THE CATEGORY IS GROWING

- Lithium-ion battery fire risk in data centers and energy storage facilities is creating premium demand for advanced detection — favoring credentialed LMM/MM operators with the right technical certifications.
- Integration of fire detection, mass notification, emergency communications, and access control into unified life-safety platforms is the dominant new-build specification — and a tailwind for service-led integrators.
- Smart-home tie-ins (Resideo / First Alert / Google Nest partnership, March 2025) are growing the addressable residential service base for regional operators.

Source: Precedence Research, Fact.MR, Fortune Business Insights, MarketsandMarkets (2025–26)

# 03

SECTION

## Key Trends Shaping the Market

*What's actually moving the needle for LMM/MM owners and acquirers*

# Six forces shaping fire & life safety services

01

## Add-on M&A defines the LMM/MM tier

The vast majority of F&LS deal flow is add-on activity in the \$1-25M EBITDA window. PE-backed strategics, independent sponsors, family offices, and search funds are all competing aggressively for high-quality regional operators.

02

## Inspection-first models earn a premium

Buyers explicitly bid up service-heavy mix. Operators with 40%+ recurring revenue routinely clear 8x; 60%+ recurring can clear 10x+. Multi-year auto-renew contracts and sub-5% attrition are the defensible LMM/MM moat.

03

## Data center & critical-infrastructure tailwind

Hyperscale and AI data center construction is driving disproportionate demand for clean-agent suppression, very-early-warning detection (VEWFD/VESDA), and Li-ion battery monitoring — a premium niche that rewards technically-certified regional operators.

04

## Cross-pollination with security integration

Acquirers are increasingly bundling fire, access control, video, intrusion, and emergency communications. Owners who can credibly cross-sell into adjacent security categories command premium multiples — and broaden their pool of strategic acquirers.

05

## Compliance software is now table stakes

Cloud ITM platforms (BuildingReports, ServiceTrade, Honeywell CLSS, First Due), mobile field apps, and AI-driven inspection analytics are now LMM/MM expectations. Tech-forward operators command material premiums in M&A processes.

06

## Long-tail of regional fragmentation

Top-5 platforms hold ~20% combined share. Thousands of \$1-25M EBITDA regional operators remain — the fragmentation runway supports continued LMM/MM consolidation for at least the next 5-7 years.

# 04

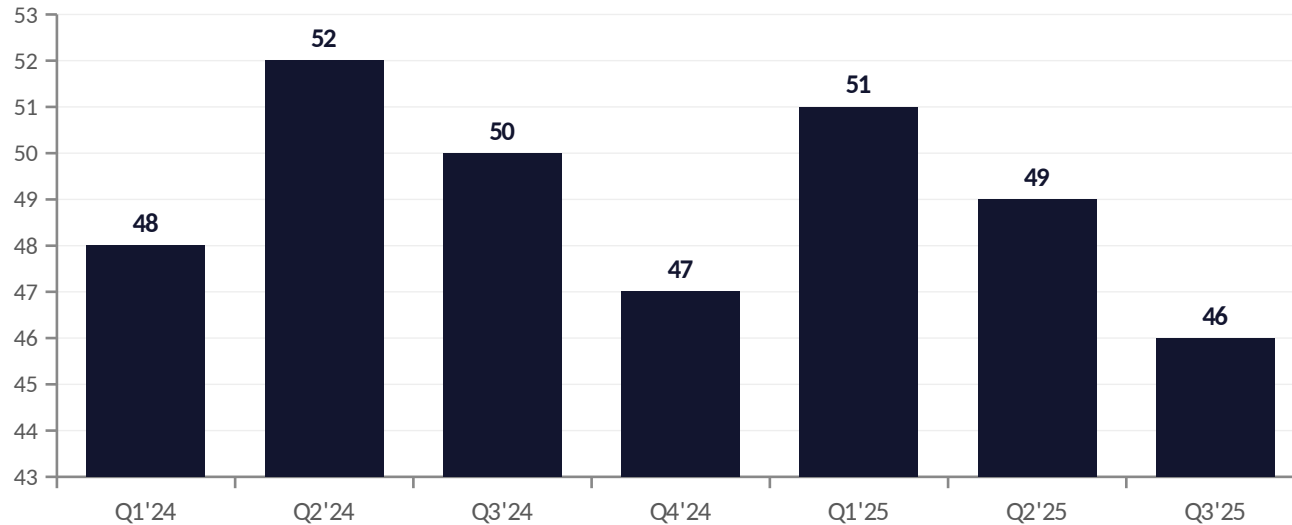
SECTION

## M&A Activity & Transaction Trends

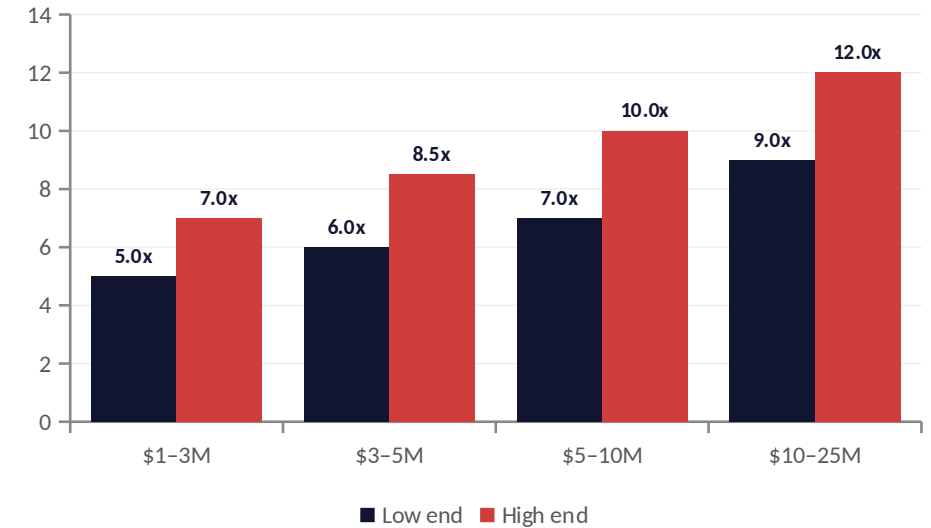
*Deal flow, valuation multiples, and notable transactions in the LMM/MM*

# Multiples scale with EBITDA size and recurring service mix

U.S. F&LS services M&A — quarterly deal count



Illustrative F&LS EBITDA multiples by deal size (\$1-25M)



**5-8x**

\$1-10M EBITDA — typical lower-middle market F&LS range

**8-12x**

\$10-25M EBITDA / service-heavy, recurring-revenue MM platforms

**+1-2x**

Premium for 40%+ recurring service mix, sub-5% attrition, multi-year contracts

Sources: PitchBook, Meridian Capital F&LS Updates, Lincoln International, Capstone Partners, Breakwater M&A (2024-26). Multiples illustrative; vary materially by mix and quality.

## Selected LMM/MM-relevant F&LS transactions (2024-26)

Date	Acquirer	Target	Category	Strategic Rationale
Feb 2025	Pye-Barker Fire & Safety	USA Security Services	Security & fire alarm add-on	Northeast regional add-on; commercial intrusion / CCTV / fire alarm
Feb 2025	Sciens Building Solutions	Fire Security & Sound Systems	Fire alarm / electronic systems	Northeast add-on; fire alarm, security integration, nurse call, sound
Jan 2025	Pye-Barker Fire & Safety	Encore Technology Solutions	Fire alarm install services	Add-on; specialist fire alarm installation services
2025	RapidFire Safety & Security (Concentric)	Texas Star Fire Systems / Troy Alarm	Regional fire & alarm add-ons	Multi-regional buy-and-build; 12 deals since 2022
Sep 2024	Convergint	Essco	Security & F&LS systems	Chicago / Midwest add-on; fire & life safety integrator
Aug 2024	Sciens Building Solutions	Western Fire Protection	Fire detection / sprinkler	San Diego add-on; Carlyle-backed regional expansion
Jul 2024	Pye-Barker Fire & Safety	Allstar Fire Protection	Fire protection services	Commercial / residential add-on
Jul 2024	Pye-Barker Fire & Safety	Treasure Valley Fire Protection	Fire safety inspection	Inspection-led regional add-on
Jun 2024	Pavion (Wind Point)	Signet (Norwell)	AV / security / healthcare	Healthcare-focused integrator add-on
Apr 2024	Pavion (Wind Point)	Integrated Security & Comms	Integrated fire / security	Critical communications add-on
Apr 2024	Sciens Building Solutions	Mammoth Fire Alarms	Fire alarm / monitoring	MA / NH regional add-on
2024	Gemspring Capital	Security 101	Security & fire add-on	Independent sponsor / MM buyer add-on

Sources: Company press releases, PitchBook, PE Hub, SDM Magazine, Meridian Capital, Capstone Partners (2024-26). Selection illustrative of LMM/MM activity; not exhaustive.

# 05

SECTION

## Buyer Universe & Competitive Set

*Who is paying — and what they're paying for at \$1-25M EBITDA*

# Three deep pools of capital actively bidding in the LMM/MM

## PE-BACKED STRATEGIC ADD-ON BUYERS

*Setting the pace of LMM/MM consolidation*

### REPRESENTATIVE PLAYERS

- Pye-Barker Fire & Safety (Altas / LGP)
- Summit Companies (BDT & MSD)
- Sciens Building Solutions (Carlyle)
- Marmic Fire & Safety (KKR)
- Pavion (Wind Point Partners)
- RapidFire Safety & Security (Concentric)
- APi Group (NYSE: APG)

*Most active acquirers of \$1–25M EBITDA F&LS businesses. Pay up for service-heavy mix, route density, and clean operations. Often offer rollover and management retention.*

## INDEPENDENT SPONSORS & FAMILY OFFICES

*Often the right home for owner-operators*

### REPRESENTATIVE PLAYERS

- Gemspring Capital
- Riverside Company
- Concentric Equity Partners
- Baymark Partners
- Lee Equity Partners
- Multi-generational family offices
- Operator-led independent sponsors

*Most flexible on structure (rollover equity, seller notes, earn-outs), longer hold horizons, lighter-touch governance. Often the right partner for \$1–10M EBITDA operators with growth potential.*

## ETA / SEARCH FUNDS & PUBLIC OEMs

*Underestimated — but increasingly active*

### REPRESENTATIVE PLAYERS

- Search funds with F&LS / services mandates
- ETA-backed buyers (SBIC-supported)
- Operator-CEO platforms (first-time buyers)
- Honeywell, Johnson Controls (selective)
- Siemens, Bosch (tech-led)
- Allied Universal (security adjacent)
- Resideo / First Alert (residential adj.)

*Search funds and ETAs increasingly target \$1–5M EBITDA F&LS for owner-operator transitions. Public OEMs are selective but pay strategic premiums for tech-differentiated assets.*

# 06

SECTION

## Outlook

*What the next 18-36 months mean for \$1-25M EBITDA owners*

# Five themes shaping LMM/MM owner outcomes

## LMM/MM consolidation runway is long

With ~20% combined market share at the top-5 platforms and ~20,000 U.S. installation contractors, the LMM/MM consolidation runway extends 5–7+ years. Owners with \$1–25M EBITDA and clean books should expect a deep, competitive process now and through the medium term.

## Multiple expansion tracks service mix

The single highest-leverage value-creation initiative pre-process is shifting revenue toward inspection / monitoring / service. Operators who move from 25% to 50% recurring routinely earn +1–2 turns of multiple — a meaningful EBITDA outcome on a \$1–25M base.

## Buyer universe is unusually deep

Owners can credibly run multi-track processes: PE-backed strategics for scale, independent sponsors / family offices for flexibility, and search funds / ETAs for owner-friendly transitions. Optionality at \$1–10M EBITDA has rarely been better.

## Tech adoption is the new diligence checkpoint

Cloud ITM, mobile field execution, integrated compliance reporting — tech-forward operators command premiums and clear diligence faster. Sub-scale operators on manual systems should plan 12–18 months of system upgrades before going to market.

## Customer concentration & owner-dependence are the watch-outs

Single-customer concentration above 15% and over-reliance on the founder relationship are the two most common multiple killers in F&LS LMM/MM diligence. Both can be addressed in 12–24 months with the right plan.

# 07

SECTION

## About Three Sixty Seven Advisors

*Buy-side, sell-side, and corporate debt advisory for \$1-25M EBITDA owners*

# A focused M&A advisor for the lower-middle and middle market

Three Sixty Seven Advisors (367) is an M&A advisory firm supporting buyers and sellers of **\$1-25M EBITDA businesses** in focused industries. Having advised over \$1B+ of add-on revenue, placed executives and board members, and represented sellers in full marketing processes, 367 has established itself as a leader in lower-middle and middle market M&A advisory across facility services, including fire & life safety.

## BUY-SIDE ADVISORY

*For acquirers building platforms*

- Acquisition strategy & target landscaping
- Proprietary deal sourcing & outreach
- Origination of off-market opportunities
- Due diligence coordination & negotiation support
- Integration & 100-day planning

## SELL-SIDE ADVISORY

*For owners pursuing a liquidity event*

- Pre-sale readiness & valuation positioning
- Confidential marketing materials & data room
- Curated buyer outreach (strategic + financial)
- Bid management, negotiation & structuring
- Closing & transition support

## CORPORATE DEBT ADVISORY

*Capital structure that supports growth*

- Acquisition & growth financing
- Refinancing & recapitalization
- Senior, unitranche, and mezzanine sourcing
- Lender selection & terms negotiation
- Sponsor & non-sponsor situations

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## Important disclosures

This report has been prepared by Three Sixty Seven Advisors ("367") for general informational purposes regarding the U.S. fire & life safety services industry, with a focus on the lower-middle and middle market (\$1–25M EBITDA). Information contained herein has been compiled from public sources, third-party research, and industry data believed to be reliable, but has not been independently verified. Statements regarding market sizing, growth rates, multiples, and transaction activity reflect information current as of the date of this report and are subject to change without notice.

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