



THREESIXTYSEVEN
ADVISORS

INDUSTRY REPORT

U.S. Commercial Janitorial Services

A market overview of a \$112B, highly fragmented industry undergoing accelerating private equity consolidation and a structural shift toward automation, robotics, and tech-enabled service delivery

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About Three Sixty Seven Advisors

Buy-side, sell-side, and corporate debt advisory

Fragmented, recurring-revenue, with a robotics inflection underway

U.S. commercial janitorial services is a ~\$112B industry comprising approximately 1 million businesses — among the most fragmented service categories in the lower-middle market. The top five global players control roughly 30% of revenue, leaving 70%+ of the market to regional and local operators with \$1–25M of EBITDA. Recurring contract revenue, low customer churn, and sticky outsourcing dynamics have made the space a structural target for private equity buy-and-build platforms. A parallel inflection — the deployment of autonomous floor scrubbers and AI-driven labor management — is reshaping the competitive frontier and creating premium valuations for operators with credible automation roadmaps.

Key takeaways

- U.S. janitorial services industry sized at ~\$112B in 2026 (IBISWorld), with ~1M businesses and a 2.7% 5-year CAGR — commercial subset (~\$76B) growing faster at 6–7%.
- Industry is structurally fragmented: top 5 global players (ABM, ISS, Sodexo, Compass, Aramark) hold ~30% of revenue, leaving the rest to ~999,000 regional and local operators.
- Private equity activity is sustained and broad-based — Rainier (Kleen-Tech), O2 (4M Building Solutions, now 9+ add-ons), and others are executing classic hub-and-spoke roll-ups in the LMM.
- Lower-middle-market EBITDA multiples cluster at 5–8x for sub-\$5M EBITDA businesses; premium platforms with recurring revenue, low concentration, and tech enablement clear 8–12x.
- Robotics is the disruptive variable — commercial autonomous floor scrubber market growing 10–12% CAGR; SoftBank Robotics America's March 2026 acquisition of Green Clean Commercial signals OEM-led entry into labor services.

\$112B

U.S. janitorial services (2026)

~1M

U.S. businesses in industry

89%

Revenue from commercial segment

~30%

Top-5 share of global revenue

5–8x

LMM EBITDA multiples (sub-\$5M)

11.5%

Robotic scrubber market CAGR

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Industry Landscape & Sizing

A \$112B fragmented services industry with four primary end-market verticals

Where commercial janitorial revenue is concentrated

Office & Class A Commercial

Day porters, night cleaning, and specialty services for corporate office, multi-tenant, and Class A real estate. Largest end-market segment by revenue.

~35%

Estimated share of commercial spend

Healthcare & Life Sciences

Hospitals, ambulatory care, senior living, lab and cleanroom environments. Highest margins; specialized compliance (HAI prevention, ISO 14644) creates barriers.

12-15%

Of commercial janitorial revenue

Education & Government

K-12, higher education, federal/state/municipal facilities. Procurement-driven, RFP-heavy, but stable multi-year contracts and recurring scope.

\$15B+

Combined annual spend (est.)

Industrial, Retail & Logistics

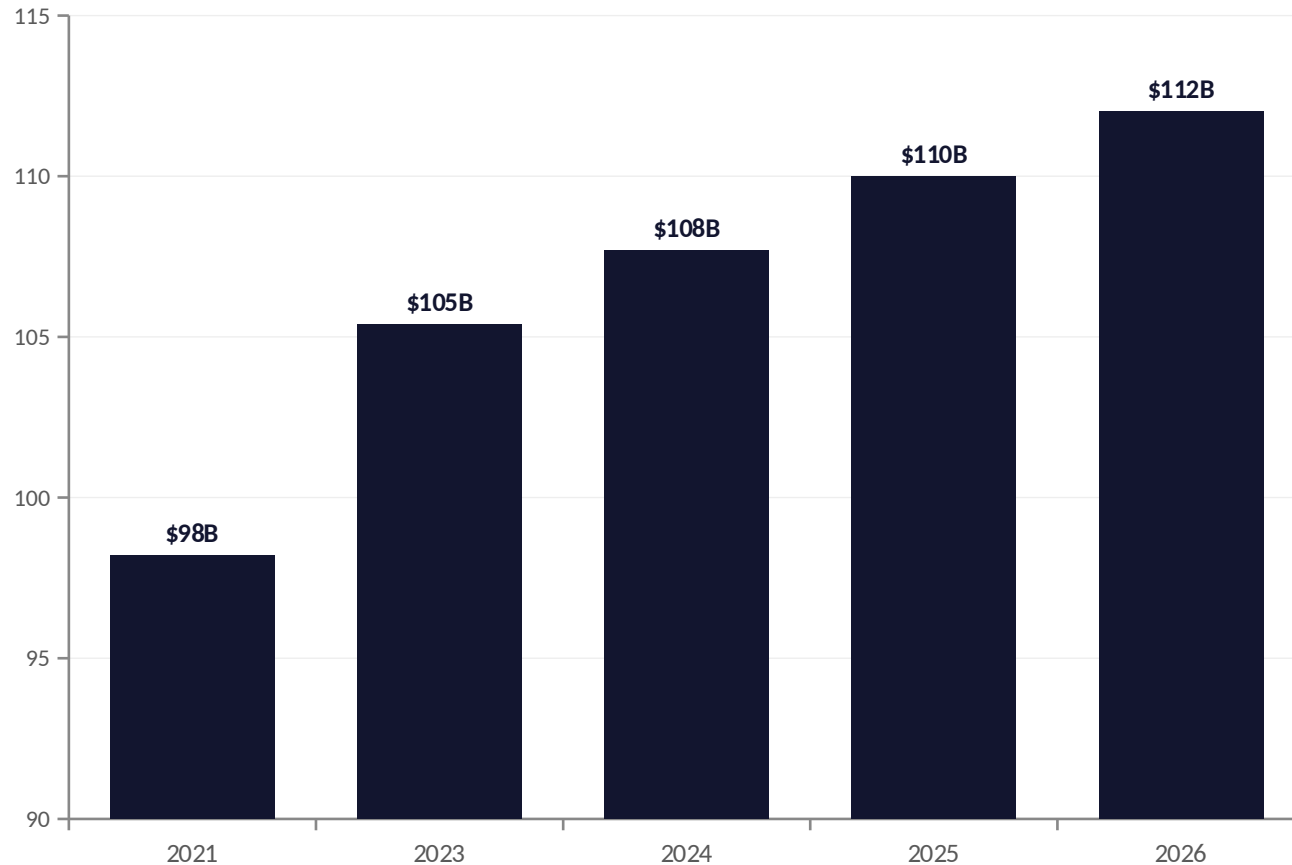
Manufacturing, warehouses, distribution centers, retail. Large-square-footage, high-volume environments — the prime use case for robotics adoption.

~25%

Of commercial janitorial revenue

A \$112B industry with steady, durable growth

U.S. janitorial services market — USD billions



5-YEAR CAGR

2.7%

U.S. janitorial services, 2021 → 2026

DEMAND DRIVERS

- Continued outsourcing of non-core building services by corporate, healthcare, and institutional occupiers
- Return-to-office activity supporting day-porter / day-cleaning scope expansion
- Higher hygiene standards post-pandemic embedded into baseline scope (specs sticky)
- Healthcare facility growth and aging-population infrastructure investment
- Labor cost inflation pushing customers toward tech-enabled / efficient providers

Source: IBISWorld Janitorial Services in the US (NAICS 56172, Feb 2026); Grand View Research; Renub Research (2025–26)

Commercial is ~89% of revenue — and is growing faster

<h2>\$76B</h2> <p>U.S. commercial janitorial (2025)</p>	<h2>\$81B</h2> <p>Projected 2026 (commercial)</p>	<h2>6-7%</h2> <p>Commercial subset CAGR</p>	<h2>89%</h2> <p>Of total industry revenue</p>
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Global commercial janitorial services market — USD billions



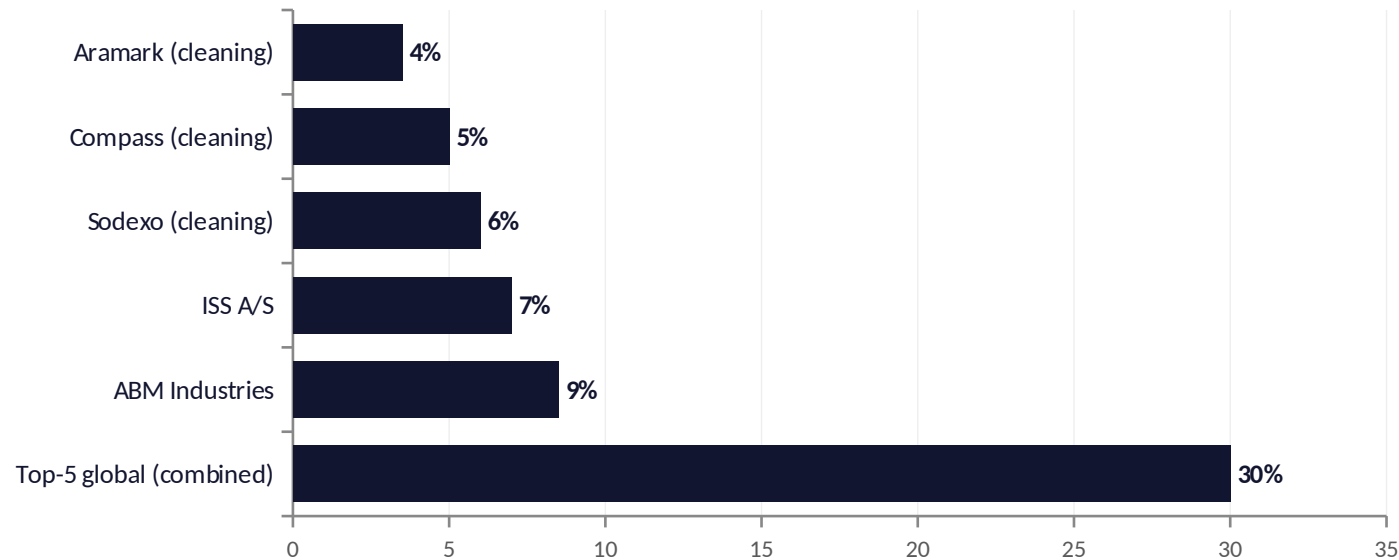
WHY COMMERCIAL OUTPACES TOTAL

- Outsourcing penetration is highest in commercial real estate, healthcare, and education
- Specifications shifted permanently post-COVID — disinfection / high-touch scope embedded
- Recurring multi-year contracts insulate revenue from labor and macro volatility
- Project-based work (post-construction, specialty floor care) layers on top of baseline contracts
- Tech-enabled providers (route optimization, IoT supplies, autonomous equipment) gaining share

Sources: The Business Research Company (commercial janitorial 2026 report); IBISWorld; Grand View Research (2025-26)

Highly fragmented — 70%+ of revenue sits with LMM operators

Approximate share of global contract cleaning revenue (2025)



ACTIVE LMM PLATFORMS

Recent platform and add-on activity (2024–2026)

- H&B Facility Services — Boyne Capital (May 2026)
- Sizemore — Inspirit Equity (Jan 2026)
- Green Clean Commercial — SoftBank Robotics America (Mar 2026)
- 4M Building Solutions — O2-backed; 9+ add-ons since 2023
- Kleen-Tech Services — Rainier Partners (Sep 2025)
- Marsden, Clean Team, Harvard — family-owned strategics

FRAGMENTATION DYNAMICS

1M businesses, mostly sub-scale

~1M U.S. janitorial businesses; the long tail is single-site or single-metro operators with founder-owners and limited succession planning — the supply of LMM sell-side opportunities is deep.

Scale economies are real

National accounts, route density, supplier rebates, technology investment, and labor systems all favor platforms above ~\$25M revenue — driving structural roll-up logic.

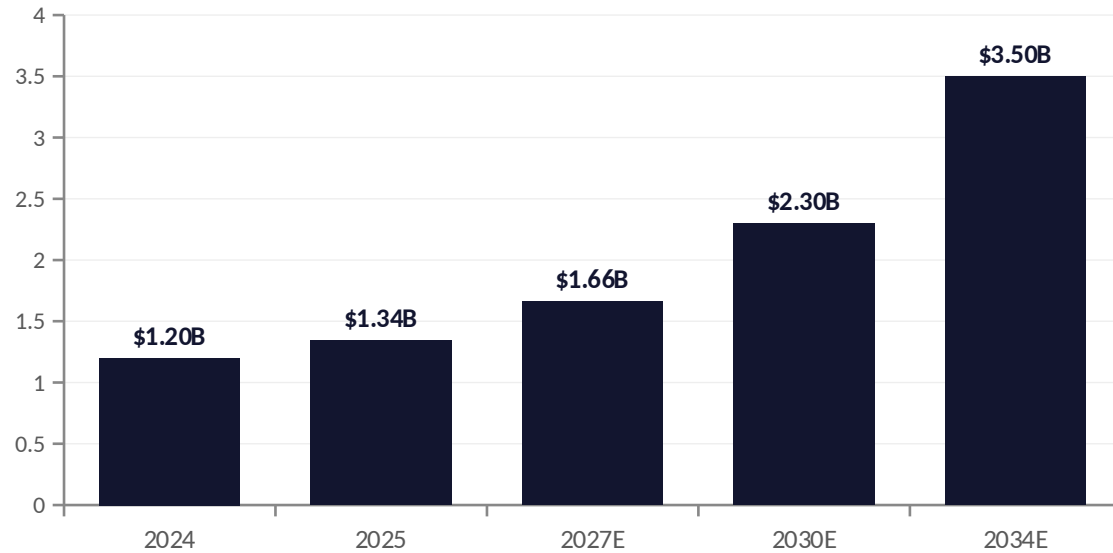
Local relationships still win

Customer decisions remain heavily relationship-driven. Buyers pay up for operators with low concentration, multi-year contracts, and credible local management teams that will stay post-close.

Sources: Mordor Intelligence (Contract Cleaning Services, 2025); company press releases; public filings (ABM, ISS); 367 analysis

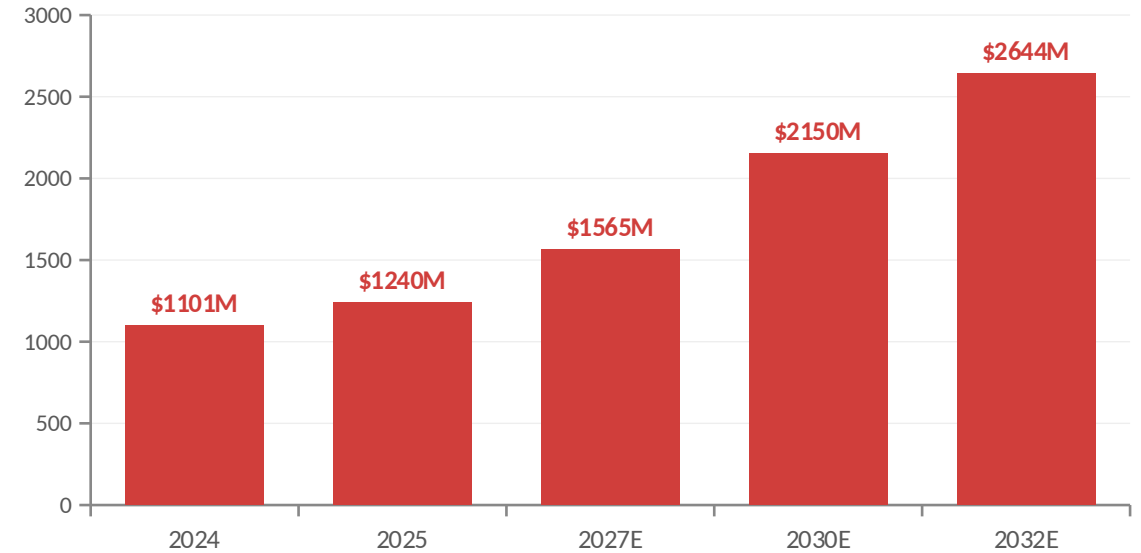
Robotics is reshaping cost structure — and M&A premiums

Commercial autonomous floor scrubber market — USD billions



CAGR: 11.5% through 2034

Robotic floor scrubber market — global, USD millions



CAGR: 10.5% through 2032

WHY THIS MATTERS FOR M&A VALUATIONS

- Autonomous scrubbers (ABM/Brain Corp, Tennant X4 ROVR, SoftBank Whiz, Avidbots, Gausium) cut labor hours up to 15% in large-footprint accounts — directly improving gross margin.
- Buyers are increasingly underwriting the automation transition: operators with deployed robotic fleets, OEM partnerships, or proprietary tech stacks are clearing premium multiples vs. labor-only peers.
- SoftBank Robotics America's March 2026 acquisition of Green Clean Commercial is a leading-edge example of an OEM-led entrant building a labor-services platform — expect more strategics to follow.

Sources: Reports and Data; Data Insights Market; Allied Market Research; IFR; PRWeb (SoftBank Robotics America, Mar 2026); company releases

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Key Trends Shaping the Market

What's actually moving the needle for operators and acquirers

Six forces shaping commercial janitorial services

01

Private equity buy-and-build

Sustained PE interest in fragmented, recurring-revenue services. Hub-and-spoke roll-ups continue: 4M (O2) has done 9+ add-ons since 2023; Rainier acquired Kleen-Tech in Sep 2025; multiple new platforms launching annually.

02

Robotics & automation inflection

Autonomous floor scrubbers crossed the chasm — over 1.2M units globally deployed by end of 2024. ABM/Brain Corp, Tennant X4 ROVR, SoftBank Whiz, Avidbots, and Gausium are driving 10–15% labor reduction in eligible accounts.

03

Labor cost & availability pressure

Wage inflation, immigration policy uncertainty, and a structurally tight cleaning labor market are pressuring margins industry-wide — and favoring operators with route density, tech enablement, and strong retention programs.

04

End-market specialization

Healthcare (HAI compliance), life sciences (ISO 14644 cleanrooms), data centers, and cold storage are growing premium subsegments where specialized providers earn 15–25% gross margins vs. 10–15% in commodity office.

05

Tech-enabled operations

Mobile workforce management (Aspire / ServiceMaster Clean partnership, June 2025), IoT supply monitoring, real-time QA scoring, and AI-based dynamic routing (ABM, June 2025) are becoming table stakes for \$25M+ operators.

06

Bundled facility services

Customer demand for integrated FM (janitorial + HVAC + landscaping + security + pest) is growing — driving M&A logic for adjacency expansion. ABM (Able Services 2023), GDI (Ainsworth 2024) lead this consolidation.

04

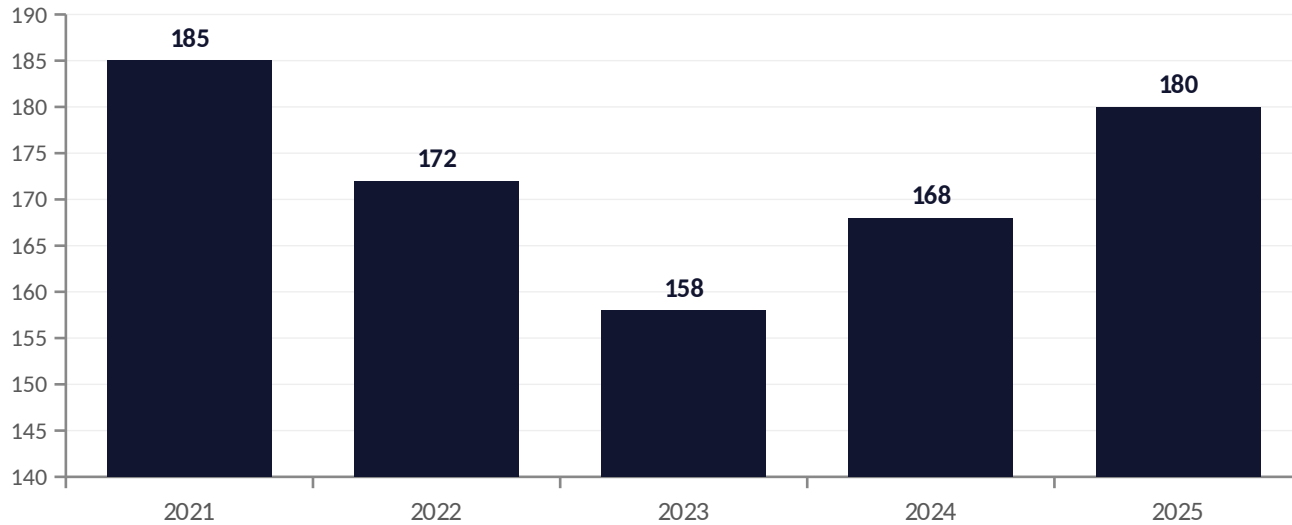
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M&A Activity & Transaction Trends

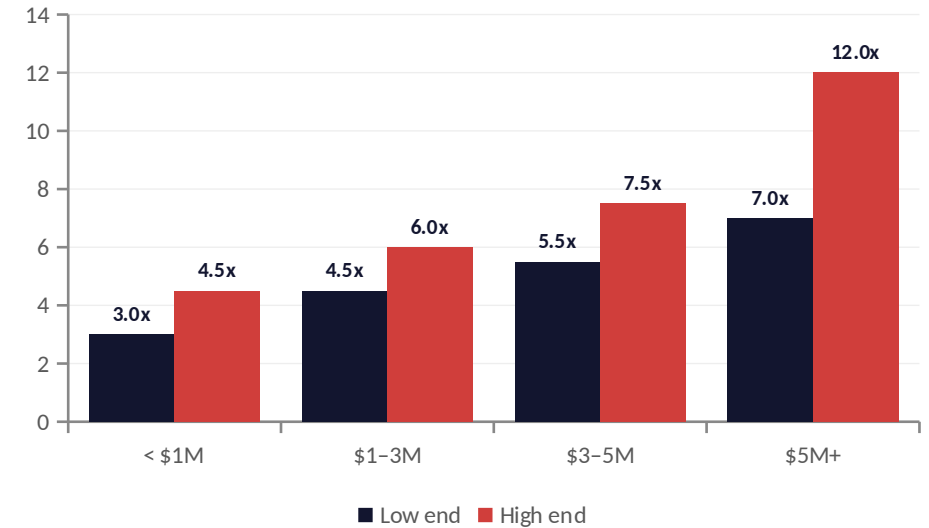
Deal flow, valuation multiples, and notable transactions

Valuation framework for janitorial & commercial cleaning assets

LMM M&A deal count — facility / cleaning services (illustrative)



Janitorial / commercial cleaning — EBITDA multiples by size



5-8x

Typical LMM janitorial EBITDA multiples (\$1-5M EBITDA, recurring contract base)

8-12x

Premium for scaled platforms with diversified contracts, tech enablement, and strong management depth

Buy & build

Active PE platforms compete intensely for \$1-5M EBITDA add-ons — quality assets routinely see 5+ competitive bids

Sources: GF Data (Business Services 7.8x avg 2025); Caber Hill Advisors; First Page Sage; Jackim Woods & Co.; 367 market intelligence. LMM ranges illustrative; actual multiples vary materially by quality of revenue.

Selected M&A activity in janitorial & commercial cleaning

Date	Acquirer	Target	Category	Strategic Rationale
May 2026	Boyne Capital	H&B Facility Services	New platform launch	Lake Hiawatha, NJ; 30+ year operator; Boyne's inaugural commercial cleaning platform — active for add-ons
Mar 2026	SoftBank Robotics America	Green Clean Commercial	Robotics-led platform	Anchor platform to integrate autonomous floor-care robotics into traditional facility services
Mar 2026	4M Building Solutions (O2)	Brokate Janitorial	Add-on	Springfield, MO add-on; bridges St. Louis–Kansas City gap; 9th 4M add-on since 2023
Jan 2026	Inspirit Equity	Sizemore, Inc.	New platform launch	Augusta, GA; 70-year family business; integrated janitorial + security + staffing across Southeast
Nov 2025	Clean Team, Inc.	JLCS (Jack Laurie Group)	Add-on	Indianapolis-based add-on; expands Clean Team's Indiana footprint and floor-care capability
Sep 2025	Rainier Partners	Kleen-Tech Services	New platform	Founded 1993; operations across 30+ states; LMM PE platform investment
2024–25	4M Building Solutions (O2)	Miracle Clean, FKI, LCS, Eagle	Add-on series	Expanded 4M into OH, NY, TX, WI, and Northern California — classic geographic roll-up cadence
Feb 2024	GDI Integrated Facility Services	Ainsworth	Bundled facility services	CAD 1.1B (~USD 810M); diversifies GDI into HVAC and energy services adjacencies

Sources: PrivSource; PRNewswire; BusinessWire; CleanLink; Boyne Capital; Inspirit Equity; Rainier Partners; company releases (Jan 2024 – May 2026). Selection illustrative; not exhaustive.

05

SECTION

Buyer Universe & Competitive Set

Who is consolidating — and what they're paying for

Three distinct pools of capital active in janitorial M&A

STRATEGIC ACQUIRERS

Operating platforms with active consolidation playbooks

REPRESENTATIVE PLAYERS

- ABM Industries
- ISS A/S
- Sodexo / Compass / Aramark
- GDI Integrated Facility Services
- The Facilities Group (Greenbriar / Revolent)
- Marsden Services
- Harvard Maintenance / Harvard Services Group
- Clean Team, Inc.
- ServiceMaster Brands (Roark)

Pursuing add-ons that bring geographic density, end-market specialization (healthcare, life sciences, data centers), or new service adjacencies (HVAC, security, pest, landscaping).

PRIVATE EQUITY PLATFORMS

PE-backed roll-ups in commercial cleaning & facility services

REPRESENTATIVE PLAYERS

- Boyne Capital (H&B Facility Services, May 2026)
- Inspirit Equity (Sizemore, Jan 2026)
- Rainier Partners (Kleen-Tech, Sep 2025)
- O2 Investment Partners (4M Building Solutions)
- Greenbriar Equity (The Facilities Group)
- Roark Capital (ServiceMaster Brands)
- Audax, Wind Point, Sentinel Capital

Looking for \$1-5M EBITDA add-ons that fit existing platforms, and \$3M+ EBITDA companies that could anchor new platforms. Recurring revenue, low concentration, and strong management depth all command premium pricing.

INDEPENDENT SPONSORS / FAMILY OFFICES

Often the right home for legacy operators

REPRESENTATIVE PLAYERS

- Operator-led independent sponsors
- Multi-generational family offices
- Search funds with services mandates
- SBIC-backed buyers / ETA platforms

Frequently more flexible on structure (rollover equity, seller notes, earn-outs), longer hold horizons, and lighter-touch governance. Often the right outcome for founder-owners who want to remain involved post-close.

06

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Outlook

Where the puck is heading across commercial janitorial services

Five themes shaping the next 18–36 months

PE roll-up activity persists

Buy-and-build remains the dominant strategy. Expect 2–4 new LMM janitorial platforms to launch annually through 2027, sustaining intense competition for \$1–5M EBITDA additions and supporting multiples at the upper end of the 5–8x range for quality assets.

Robotics adoption accelerates

The commercial autonomous floor scrubber market doubles from \$1.2B to \$2.3B by 2030. OEM-led platform plays (à la SoftBank/Green Clean) will multiply, and operators with credible automation strategies will command meaningful valuation premiums over labor-only peers.

Labor pressure persists

Tight cleaning labor markets, wage inflation, and immigration policy uncertainty will continue pressuring operators without scale or tech enablement. Margin compression at the sub-scale tail accelerates voluntary sale activity and supports buyer leverage on smaller targets.

Specialization premiums widen

Healthcare (HAI compliance), life sciences (cleanrooms), data center, and cold storage operators will continue earning premium multiples (8–12x+) vs. commodity office cleaning. Buyers actively seeking these niches for portfolio mix and margin expansion.

Bundled FM continues consolidating

Customer demand for integrated facility services (jan + HVAC + security + landscaping + pest) will sustain cross-vertical M&A. Expect more transactions like ABM/Able and GDI/Ainsworth — and adjacency expansion from jan-san distributors into services.

07

SECTION

About Three Sixty Seven Advisors

Buy-side, sell-side, and corporate debt advisory

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

Three Sixty Seven Advisors (367) is an M&A advisory firm supporting buyers and sellers 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 market M&A advisory, with a growing track record in facility services and commercial cleaning.

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

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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