

# Market Research Report

## DESCRIPTION (maximum 50 words)

Tech in the US spans software, hardware, and cloud solutions. Driven by digital transformation, recurring revenues, and robust growth, it attracts mid-market private equity interest. Key focus includes B2B SaaS, cybersecurity, analytics, and targeted platforms for buy-and-build strategies.

## INVESTMENT OPPORTUNITY & THESIS (maximum 65 words)

This theme aligns with Warren Equity Partners' focus on essential infrastructure and specialized platforms. Tech's scalable business models, recurring revenues, and vertical-focused solutions dovetail with WEP's strategy. Consolidation potential plus cybersecurity and SaaS expansions offer robust returns. A disciplined buy-and-build approach can unlock above-average risk-adjusted returns through operational enhancements and strategic bolt-ons.

## MARKET SIZE, TAM & CAGR, INCLUDING SERVICES AND PRODUCTS (maximum 130 words)

The U.S. tech market reached approximately \$1.7–\$1.8 trillion in 2022 (CompTIA), projected to exceed \$2 trillion by 2025 at a ~5% CAGR (Statista, Gartner). Software-based segments, particularly cloud, cybersecurity, and specialized SaaS, may outpace overall growth at 7–10%. Services include IT consulting, managed services, and professional support, while products span software platforms (SaaS, analytics, AI/ML) and on-premise or cloud infrastructure. Vertical-specific applications (healthcare tech, fintech, industrial IoT, etc.) continue to gain traction.

## INDUSTRY TRENDS (maximum 50 words)

Key trends include faster cloud adoption, heightened cybersecurity demand, increased AI/ML reliance, and growing investment in data-driven decision-making. Vertical-specific solutions (e.g., healthcare IT, manufacturing, gov-tech) also accelerate. Low-code/no-code platforms expand addressable markets, while advanced analytics and IoT drive innovation across multiple end-user segments.

## KEY GROWTH DRIVERS (maximum 30 words)

Digital transformation, escalating cyber threats, regulatory-driven compliance, and evolving consumer expectations foster tech adoption. AI-powered automation and the shift to subscription models further propel market expansion.

## VALUE CHAIN (maximum 60 words)

Activities include R&D and software/hardware creation, distribution through direct or partner channels, and implementation via consulting or managed services. Ongoing maintenance, updates, and customer support ensure recurring revenue. Cloud and SaaS delivery models reduce friction upfront, while system integrators, VARs, and MSPs play critical roles in bridging providers and end-users across industries.

PRODUCT/SERVICES OFFERING (maximum 65 words)

Products: SaaS (CRM, ERP), cybersecurity suites (endpoint, identity), AI/ML and analytics solutions, IoT devices, and cloud/on-prem infrastructure.

Services: IT consulting, managed services, system integration, data migration, tech support, and custom development.

END MARKETS (maximum 25 words)

Serves financial services, healthcare, manufacturing, retail, logistics, telecom, government, education, and more—virtually any industry requiring digital transformation, security, analytics, and cloud solutions.

COMPETITIVE LANDSCAPE (maximum 20 words)

Overall fragmentation: Medium. Software: Medium. Cybersecurity: Medium, many specialized players. Cloud Infrastructure: Low, dominated by large providers. MSPs: Highly fragmented.

TOP 5 MARKET LEADERS (maximum 35 words)

Amazon AWS (30–35%, stable), Microsoft Azure (20–25%, rising), Salesforce (20% CRM, stable), Oracle (~10% databases, declining slightly), IBM (~5% cloud, slipping). Market shares reflect modest changes over the past three to five years.

NOTABLE DEAL ACTIVITY

Date of the Deal	Acquirer	Target	Deal Value
January 2023	Microsoft	Activision Blizzard	\$68.7 bn
September 2022	Adobe	Figma	\$20 bn
April 2022	Thoma Bravo	Anaplan	\$10.7 bn
April 2021	Microsoft	Nuance Communications	\$19.7 bn
March 2020	Intuit	Credit Karma	\$7.1 bn

POTENTIAL ACQUISITION TARGETS

Name of the Company	HQ Location (City, State)	Website	Short Description
Most Recent Annual Revenues (US\$)	Number of Employees	Business Sub-Segments	End-Markets

Company	Location	Website	Product/Service	Market Size (mm)	Employees	Business Model	Target Market
Squire	New York, NY	<a href="https://www.getsqire.com">https://www.getsqire.com</a>	Provides booking and PoS software for barbershops, appointment management	10 mm (est)	~100	SaaS, SMBs in grooming & personal care	
Zylo	Indianapolis, IN	<a href="https://zylo.com">https://zylo.com</a>	SaaS management platform tracking and optimizing software spend, software expense	20 mm (est)	~150	SaaS, management across multiple verticals	
Stonly	New York, NY	<a href="https://stonly.com">https://stonly.com</a>	Creates interactive self-service guides and knowledge base software, knowledge management	5 mm (est)	~25	SaaS, Customer support, tech, e-commerce	
SavantX	Jackson, WY	<a href="https://www.savantx.com">https://www.savantx.com</a>	Offers big data analytics for logistics, supply chain, and maritime, AI, analytics	15 mm (est)	~50	Big data, optimization	