

Fire & Security Sector Update



Overview

The UK fire and security market is valued at £1.4bn and projected to grow in 2025 to £1.8bn.

The industry is highly fragmented with acquisition activity driven by consolidation, expansion of service or geography and integration of technology and expertise...

Key players in the industry are prioritising growth through acquisition.

Companies with strong recurring revenue through repeat business and contracts are particularly attractive to the market.



Watch: Paul and Louise Garry, former owners of Fire Action Ltd, discuss their experience with Entrepreneurs Hub

The Market

Is now a good time to sell?

4 key reasons why acquisitions are buoyant in this sector:

1 The fire, security and safety market is a fragmented one and continues to see consolidation from larger players in the industry. Growth through acquisition is a key strategy in these markets as it is often more cost effective than pursuing organic growth.

2 Technology and innovation are driving replacements and change, such as the increasing proximity of cyber and physical security. This can make companies with specific specialist knowledge and expertise very desirable.

3 Fire, safety and security are all front and centre of our minds due to the ongoing threats of terrorism, cyber-attacks, and disasters such as Grenfell.

4 The fire and security sector tends to possess the target qualities often cited by both trade and Private Equity buyers as attractive for acquisition:

It is regulated; ensuring that revenues are more stable and less vulnerable to discretionary spend.

Revenue is often recurring, contracted or repeat, which is a key reason that the sector is considered robust, with steady growth prospects.

Margins are underpinned by operational complexity and high barriers to entry.

Acquisitions and consolidation in the sector create synergies and economies of scale.

Key Players

A selection of the key players in the market, both UK-based and overseas:



Entrepreneurs Hub are in contact with many companies in this space who are actively looking for acquisitions. Each has their own set of criteria, why not arrange a no-obligation chat with one of our team where we can advise you further.

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enquire@entrepreneurshub.co.uk



Reason for Sale

3 examples of reasons why our clients decided to sell:



Video

The Deal

Martin has a passion for racing cars. A desire to spend more time on his hobbies and realising his own mortality while “hacking around Oulton Park Corner at some great rate of knots...” drove Martin to explore options to exit the business.



Video

The Deal

Following the death of his 15-year-old daughter from a food allergy, Nadim-Ednan Laperouse decided to sell WOW Toys to enable him to spend more time on his charitable work with the Natasha Allergy Research Foundation.



Video

The Deal

John and Bruce found themselves at a crossroads, raise investment and dilute their equity or sell the business. “I wanted to be the guy that left on a high, with the championship belt... and that’s what I think we did!”

Acquirer Motives

3 examples of key motivations for acquisitions in this sector:

Ranger Services Holdings (Apr & Mar 2024)
IPH Fire Solutions Ltd & Syncro Group Ltd



Strategic consolidation of market share aligning with the industry's trend of offering a one-stop solution to customers in a fragmented market.

TMA Security Services Ltd (Apr 2024)
Glevum Security Ltd



Broadening of geographic footprint across neighbouring regions, reflecting the trend of regional expansion to enhance market presence and client base, particularly in the security services sector.

Meian Group Co., Ltd (China) (Feb 2024)
(75% stake) **Fireblitz Extinguisher Ltd**



Foreign companies entering the UK market through strategic acquisitions, reflecting the attractiveness of the UK fire and security sector to international buyers seeking to expand service offerings and geographical reach.

Our Experience

Deals Entrepreneurs Hub has advised on in this sector:



Securefast  Acquirer Location

Acquired by  **OSL GROUP**

NA Private Equity Backing

NA Listed Company

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fire action fire safety & electronics security  Acquirer Location

Acquired by  **SPY ALARMS**

Phoenix Private Equity Backing

NA Listed Company

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sharpfibre  Acquirer Location

Acquired by  **OD Fire Protection**

NA Private Equity Backing

NA Listed Company

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AST Security & Automation  Acquirer Location

Acquired by  **EA-RS GROUP**

ROCKPOOL Private Equity Backing

NA Listed Company

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Alerter group  Acquirer Location

Acquired by  **SDIPTECH**

NA Private Equity Backing

Nasdaq Listed Company

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“I would like to thank the Entrepreneurs Hub and have no doubt that partnering with them added significant value to the business and helped us achieve our goal, finding the perfect acquirer for our business.”

Darrel Jones
 Managing Director, Elite Fire Protection

elite fire  Acquirer Location

Acquired by  **SCUTUM**

NA Private Equity Backing

NA Listed Company

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Time to act?



The fire and security market is highly active for acquisitions, driven by consolidation and as a means to growth and diversification. If you are thinking of selling, now would be a good time to discuss your options.

Selling your business in any industry is a significant event, so it's crucial to get it right and maximize your chances of finding an acquirer who can provide what you need and give the business the future it deserves.

If you would like to talk to someone about your plans and discover how much your business might be worth, with no obligation, please contact us.



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