

Long-Term Value Creation for a **Top 20 Private Equity Firm**

Partner Overview: The PE Firm

A Top 20 Private Equity (PE) firm specializing in acquiring multi-site healthcare organizations, including large hospital systems, needed a partner that could deliver measurable potential EBITDA improvement for a presale acquisition. Their goal was to ensure every spend had a clear path to value creation. They sought key vendors to act as experts—analyzing and benchmarking improvements, making recommendations, and establishing a long-term implementation plan—all aimed at achieving a stronger exit multiple for the firm.

Why They Chose ComTec

The firm engaged ComTec Consulting to review two of their target's largest expense categories—energy and telecom—key drivers of healthcare operational costs. ComTec was selected because:

- PE partners trust them to make strategic, well-informed decisions that increase enterprise value.
- They hold themselves accountable to benchmarks, consistently exceeding expectations over a typical 3-year PE hold period.
- Their approach delivers sustained savings and predictable EBITDA growth, not one-time cost cuts.

By benchmarking against industry standards and evaluating personnel and operations, ComTec identified overspending and process improvements that produced measurable savings.

Initial Engagement: First Portco Referral

The PE firm provided ComTec with access to pre-acquisition financial data for a hospital system target. Our team conducted a thorough review of:

- Energy spend, including natural gas and electricity.
- Telecom spend, including corporate data networks and mobile devices.

Pre-Sale Approach

- Identified millions of dollars in untapped savings in energy and telecom expenses that the seller had not recognized.
- This insight gave the buyer greater confidence in proceeding, knowing that post-acquisition, immediate improvements could be implemented to boost EBITDA.

The projected savings became a core part of the buyer's internal value creation plan, driving EBITDA growth during the hold period and enhancing potential exit value.

Post-Acquisition Implementation & Results

Over two years, ComTec executed a structured savings strategy across energy and telecom:

- Eliminated legacy carriers and redundant contracts.
- Renegotiated contracts and streamlined vendor management.
- Delivered consistent, measurable savings year-over-year.

Impact

- Dollar Impact: Millions in EBITDA identified pre-sale and realized post-acquisition.
- Operational Benefits: Simplified vendor ecosystem, clearer cost allocation, standardized processes, minimal disruption to internal teams.
- Portfolio Expansion: Success led to extending ComTec's engagement across additional portfolio companies, embedding pre- and post-acquisition savings strategies into the firm's investment playbook.

Looking Ahead

ComTec remains a long-term partner, providing pre-acquisition cost evaluations, multi-year savings roadmaps, and ongoing procurement and vendor management support across high-impact operational areas.



"ComTec's analysis gave us the confidence to move forward with acquisitions, identifying savings opportunities that we could act on immediately and sustain over time."

— Managing Partner

