

CompuCom to buy work from Dutch firm

Tech firm will refer international clients to seller Getronics

BY JEFF BOUNDS | STAFF WRITER

CompuCom Systems Inc. has agreed to acquire the North American operations of the Netherlands' Getronics for an undisclosed sum.

The deal will boost Dallas-based CompuCom's headcount from roughly 7,800 to closer to 11,300. The technical-services provider employs just north of 1,000 people in the Metroplex.



MCKENNA

John McKenna, CompuCom's chief strategy and services officer, says it's "too early to tell" if there will be any layoffs as a result of the Getronics buy.

The combined businesses had revenue of about \$2.1 billion for 2007. Privately-held CompuCom's revenue for that year was closer to \$1.5 billion.

As part of the deal, CompuCom is getting Getronics' operations in the United States and Canada, along with a service center in Mexico. CompuCom supplies information-technology outsourcing services.

The purchase price includes cash and equity issued by CompuCom, with Getronics acquiring a minority stake in CompuCom and representation on its board.

Also getting a minority CompuCom stake is AlInvest Partners N.V., which is providing mezzanine financing for the deal.

Court Square Capital Partners, a New York private-equity firm that acquired CompuCom from affiliates of Platinum Equity last fall, will invest "substantial" equity into CompuCom to make the Getronics acquisition happen, according to a press release.

In addition to acquiring Getronics' North American operations, CompuCom has also formed a partnership with the Netherlands company. That deal essentially calls for each firm to refer business to the other for work in geographic areas

GETTING BIGGER

NAME: CompuCom Systems Inc.
BUSINESS: Technology outsourcing
HEADQUARTERS: 7171 Forest Lane, Dallas, 75230
OWNERSHIP: Private
TOP EXECUTIVE: James W. Dixon, president and CEO
EMPLOYEES: More than 7,800
ANNUAL REVENUE: More than \$1.5 billion, 2007
PHONE: 972-856-3600
WEB: www.compucom.com

where each company has a large presence. Getronics, for instance, is strong in Europe, Latin America and Asia, while CompuCom has large operations in North America. Ergo, if a hypothetical Getronics client needed work done in North America, Getronics would send it to CompuCom.

CompuCom provides a range of technical services, from server and network management to systems integration and training. McKenna says the Getronics business that CompuCom is getting has strengths in specific areas, such as remote infrastructure management, network management and managed security.

"We were strong there before, but this makes us stronger," he says.

Paul Roehrig, principal analyst at Cambridge, Mass.-based Forrester Research, says the Getronics piece will help CompuCom bulk up to attract bigger projects from large customers.

"I think it's a pretty attractive deal," he says.

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