

The Inquirer

DAILY NEWS philly.com

<http://www2.philly.com/philly/blogs/ing-phillydeals/unitek-backed-by-new-mountain-adds-miss-broadband-installer-20181016.html>

UniTek buys 4th firm in 2 years as phone, cable giants update; wireless next?

by [Joseph N. DiStefano](#), Posted: October 16, 2018

UniTek Global Services Inc., a King of Prussia commercial telecom installation company that counts [Comcast](#), AT&T, and Verizon among its customers, has agreed to buy Southern Diversified Technologies Inc., a Brookhaven, Miss., telecom installation and engineering firm, for an undisclosed price.

It's the latest in a string of deals designed to make UniTek a leading provider of broadband Internet distribution systems since investors Littlejohn & Co. LLC and New Mountain Finance Corp. tapped UniTek veteran Dan Yannantuono in 2016 to lead its expansion after a [bankruptcy](#) reorganization.

Since Yannantuono took the top job, UniTek has expanded to 2,500 full-time employees, from around 1,700. The company also uses around 1,000 additional workers through contractors. The company employed more than 3,000 before it filed for bankruptcy protection four years ago.

"We're going to continue down this path" of national growth and acquisitions, Yannantuono told me. The U.S. "is in the early stages of a really large cycle of broadband infrastructure development. It's happening for commercial and residential customers. Next is the wireless piece." He wouldn't comment on specific acquisition plans.

The chief executive said UniTek's expansion puts it among the ten largest players in satellite, cable, and home-automation installations in what is still a largely fragmented industry. "We have a national footprint," which makes it easier to land business from "massively consolidated" national telecom giants, while still competing with regional rivals, Yannantuono said. The company is non-union in the U.S. but has unionized installers in the Toronto, Canada area.

This is UniTek's fourth acquisition aided by Littlejohn and by New Mountain, a publicly-traded affiliate of New Mountain Capital, the industrial investment company whose advisers include DuPont Co. boss Edward Breen, and Rajiv Gupta, the last chief executive of Philadelphia's former Rohm & Haas chemical company.

Yannantuono said Southern boss Charlie Smith and his workforce will stay with UniTek.

Earlier UniTek acquisitions include GW Communications LLC (wireline broadband infrastructure, 2017), plus Graycliff Enterprises Inc. and its affiliate Hutchins Telecom, which added capacity in the south Atlantic region, Tennessee and Arizona, earlier this year.

"UniTek is well-positioned to benefit from faster upgrade cycles and significant anticipated capital spend by telecommunications providers," said New Mountain President John Kline in a statement.

Acquest International served as financial adviser to UniTek in the deal. The Philadelphia-based law firm Pepper Hamilton LLP served as legal adviser to UniTek.