



Elevator Equipment Services

Industry Insights
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Elevator Equipment Services Represent An Attractive Area For PE Investment With A Recurring Revenue Core Supplemented By Ad-hoc Repair And Modernization, With The Opportunity To Consolidate The Fragmented ISP Landscape



Market Has Durable Revenue Profile From Recurring Maintenance, With Heavily Unionized Labor Force:

- OEMs often offer extended post-installation maintenance contracts to secure recurring service revenue; in Class B/C buildings and in Tier 2-5 markets, ISPs often take over the contract after 5-10 years when the initial contract expires
- Tier 2-5 markets tend to be more attractive than Tier 1 markets that are price-competitive due to use of elevator consultants
- The International Union Of Elevator Constructors (IUEC) represents 80-90% of labor, although non-union technicians can also qualify via the National Association of Elevator Contractors (NAEC) exam



Steady Demand Is Driven By Installed Base Growth, Safety & Uptime Requirements, Modernization, And ISP Share Gain:

- ASME A17.1 mandates periodic testing of elevator systems; ISPs not only benefit from expanding scope of testing and state adoption of newer editions, but also from subsequent corrective repairs, which are usually higher-margin
- Modernization (ranging from piecemeal upgrades to replacement of major systems) is increasingly triggered by OEM-driven parts obsolescence
- ISPs are currently gaining share from OEMs through lower pricing enabled by non-proprietary parts; many ISPs use competitively priced maintenance contracts as an entry point for higher-margin repair and modernization work



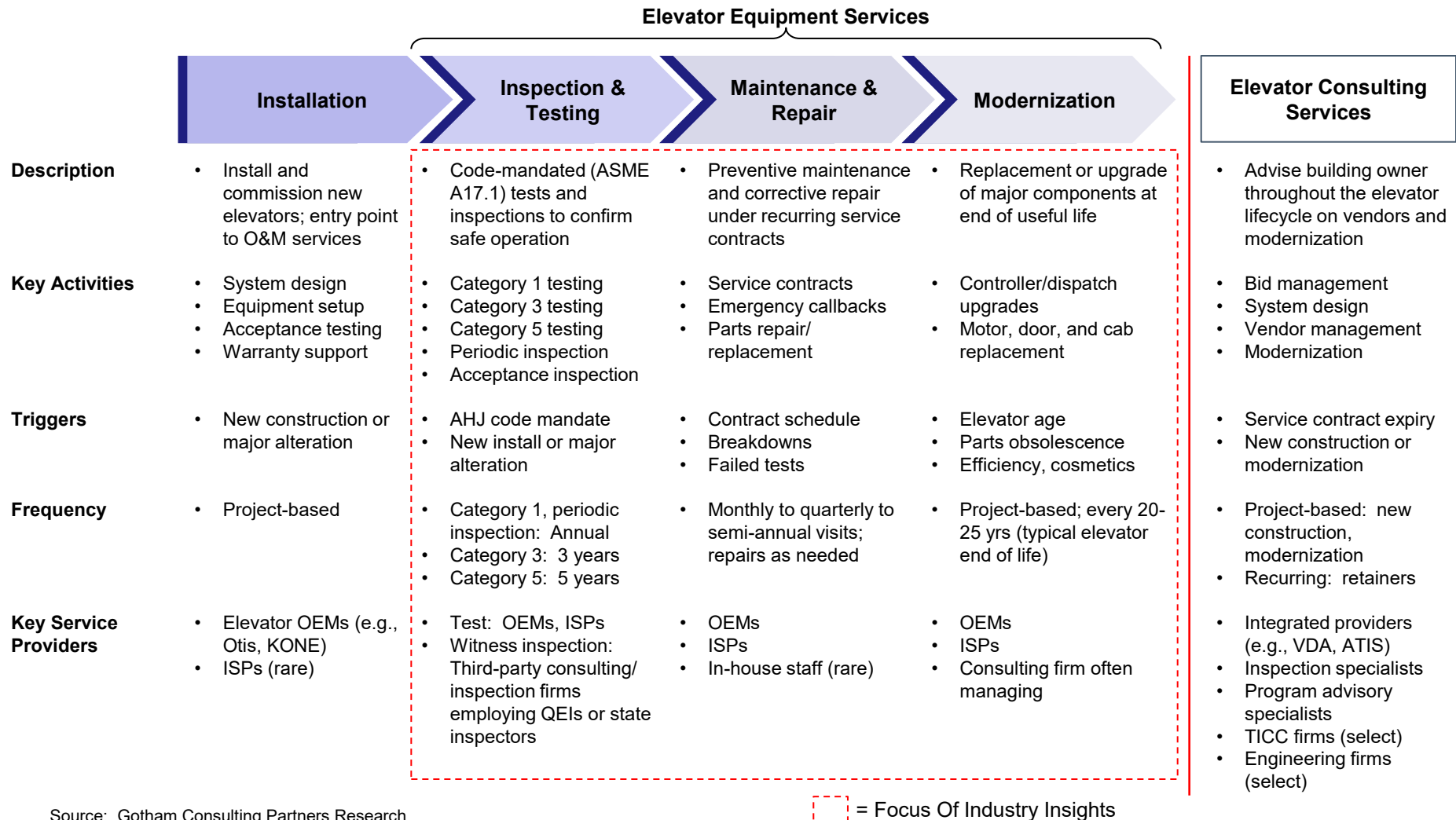
A Fragmented ISP Competitive Landscape Brings Multiple Consolidation Scale Benefits:

- 4 key OEMs at the top (Otis, KONE, TKE, Schindler) are followed by a fragmented landscape of 100s of ISPs, including 8 national/multi-regional players with broad service offerings and a long tail of regional players and local shops
- 12 PE-backed ISP platforms exist adding scale via acquisition; scale benefits include access to national customer accounts, route density, technical expertise across OEM systems, and lower insurance costs (a significant expense given liability and workers' comp exposure)

Market Overview: Post-installation Elevator Equipment Services Comprise A Mix Of Project-based And Recurring Services Across Inspection & Testing, Maintenance & Repair, And Modernization

Elevator Services Overview

– Preliminary –

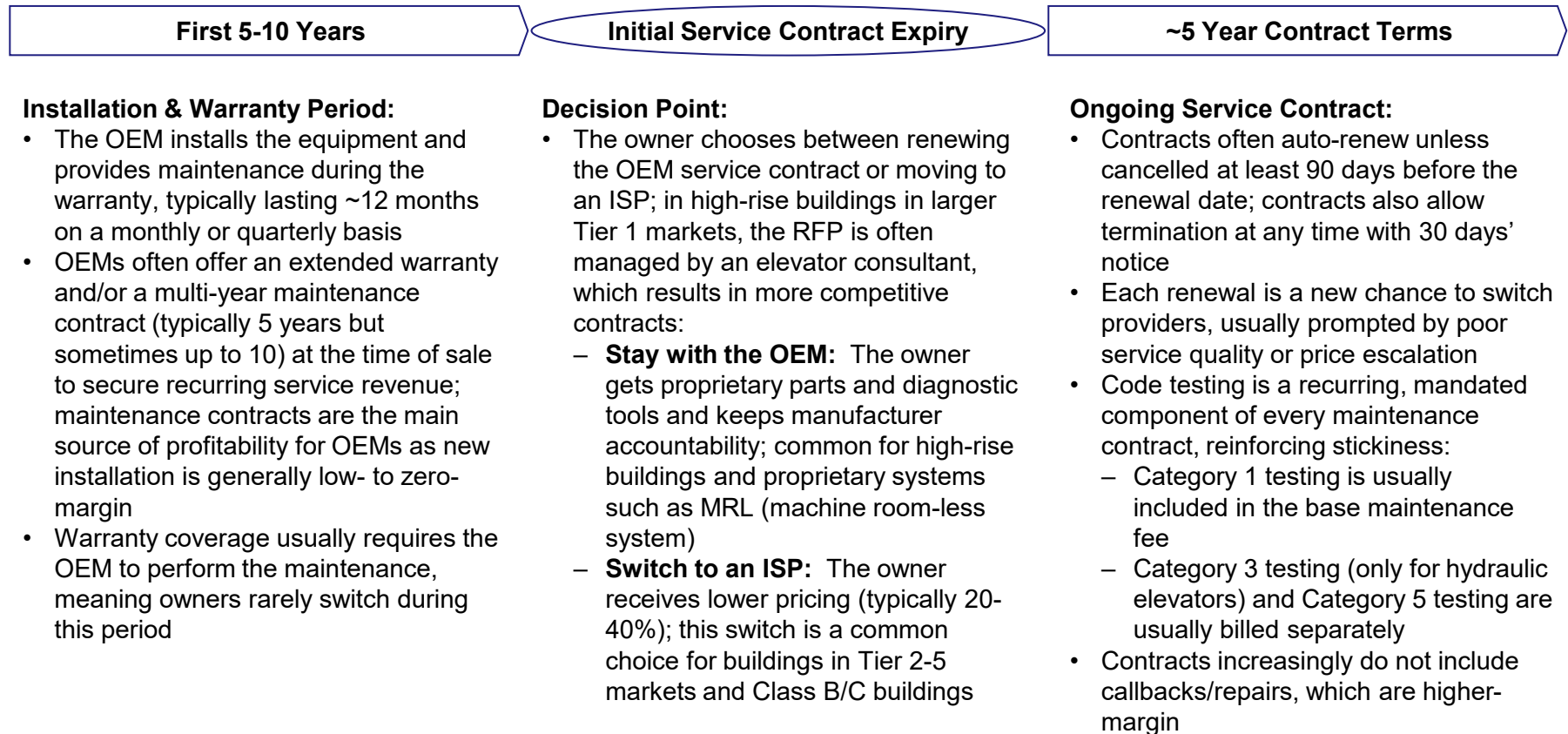


Source: Gotham Consulting Partners Research

Market Overview: Multi-year Maintenance Contracts And Code-mandated Testing Drive Recurring Revenue And Sticky Relationships, With Contract Expiry Giving Building Owners A Window To Switch Providers

Maintenance Services Timeline

– Preliminary –

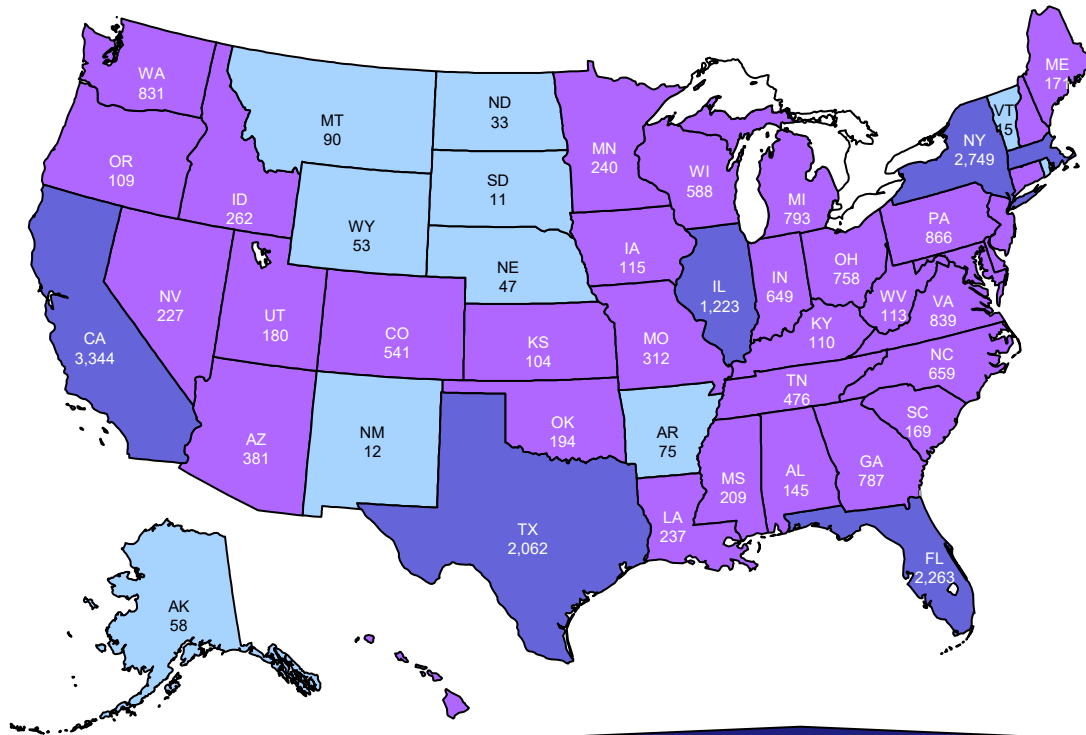


Source: Gotham Consulting Partners Research

Market Overview: The U.S. Labor Force For Elevator Equipment Services Is Unionized, With Presence In All States

IUEC U.S. Membership (2025)

– Preliminary –



In addition to IUEC Local 1 (2.9K), with the exception of new installations, elevators in New York can also be serviced by electricians that are members of IBEW Local 3 (~22K members)

IUEC membership post-covid has remained stable, growing from 31.0K in 2021 to 31.6K in 2026

IUEC Membership*

- Low (<100 Members)
- Medium (100-1,000 Members)
- High (1,000+ Members)

The IUEC Is The Primary Talent Pipeline For Elevator Technicians:

- The IUEC represents 80-90% of the U.S. elevator field labor and, as a result, controls the training and recruitment pipeline
- Union Pipeline:** Union-affiliated technicians complete a 4-year apprenticeship and mechanic exam, earn a wage premium, and carry a reputation for higher quality; they are primarily concentrated in coastal and large urban markets
- Non-union Pipeline:** Technicians qualify through the NAEC's CET exam after completing 5 years on-the-job training, although most competencies are covered within ~6 months (electricians can qualify in 2 years); typically, they earn less than a union member

* IUEC member numbers are reported by local; members of locals covering multiple states were allocated to states using each state's elevator count.

Source: U.S. Department Of Labor; Gotham Consulting Partners Research

Demand Drivers: ISP Elevator Equipment Services Demand Is Driven By Underlying Installed Base Growth, Safety & Uptime Requirements, Modernization, And ISP Share Gain Vs. OEMs

ISP Elevator Equipment Services Demand Driver Overview

– Preliminary –



Installed Base Growth

- U.S. elevator installed base has grown ~1% annually (from ~0.9MM in 2007 to ~1.1MM in 2026E); new installations add decades of mandated testing and recurring long-term maintenance



Safety & Uptime Requirements

- ASME A17.1 mandates regular testing and inspection, with newer code editions adding test items and frequency (e.g., annual Category 1 testing since 2016)
- State adoption of newer editions is a growth driver as states must absorb all accumulated requirements at once
- Tenant expectations for minimal downtime and fast emergency response further sustain recurring service contracts



Modernization

- The aging elevator installed base has modernization needs at end of life, accelerated by OEM-driven parts obsolescence
- Code requirements generally only apply to updated components, although broader compliance can be required once alterations pass a certain scope
- Modernization is highly cyclical; during a recession, service providers' modernization revenue (~20% of total) can drop as much as 40-60%



ISP Share Gain

- Owners in Class B/C buildings and in Tier 2-5 markets typically switch from OEMs to ISPs at warranty expiry and service contract renewal (typically after 5-10 years but dependent on customer satisfaction with the OEM), enabled by ISPs' aggressive pricing (often 20-40% lower) allowed by non-proprietary parts
- Building owners are incentivized to reduce their buildings' maintenance budget and therefore are more attracted to the prices that ISPs quote

Source: Gotham Consulting Partners Research

Competitive Landscape: ISPs Hold 35-40% Share Of The Equipment Services Market, Focusing On Class B/C Buildings And Smaller U.S. Cities, With Revenue Mix Indexed Toward Maintenance

Competitive Segmentation

– Preliminary –

Original Equipment Manufacturers (OEMs)

Overview

- Manufacture elevators and escalators, then install and service them over the asset lifecycle; can service any OEM system
- Typically serve large accounts in large Tier 1 cities (e.g., New York, Chicago), including Class A high-rise commercial, institutional, and multi-site national customers; preferred vendor for elevator consultants serving owners
- Sell proprietary parts, remote monitoring, and diagnostics that lock customers into newer equipment; 1-year warranty and maintenance services typically bundled with the equipment sale

Of Firms

- 6 ('Big 4' – Otis, KONE, TKE, and Schindler)

Services Mix (% Of Revenue)

- Installation: ~35%
- Maintenance (including code-driven testing): ~35%
- Repair: ~10%
- Modernization: ~20%

Equipment Services Share %

- 60-65%

Union Labor Penetration



Illustrative Companies



Independent Service Providers (ISPs)

- Service and modernize existing elevators, typically using third-party (non-proprietary) components to maintain and repair OEM elevator systems
- Primarily serve Class B/C small and mid-size buildings, such as low- and mid-rise commercial, residential, schools, and smaller healthcare facilities; larger presence in smaller Tier 2-5 cities in each state (e.g., Raleigh)
- Typically charge 20-40% lower than OEMs

- 700-900

- Installation: ~5%
- Maintenance (including code-driven testing): ~60%
- Repair: ~15%
- Modernization: ~20%

- 35-40%



● = High ○ = Low □ = Focus Segment

Source: Gotham Consulting Partners Research

Competitive Landscape: The ISP Landscape Is Fragmented – National Platforms Lead With Service Breadth Followed By Hundreds Of Local Shops Focused Primarily On Maintenance And Repair

Elevator Independent Service Providers Segmentation

– Preliminary –

Segment	Revenue (\$MM)	Number Of Companies	Overview	Illustrative Companies
National/Multi-regional Elevator ISPs	>\$150	8	- Offer the full service lifecycle (installation, maintenance/repair, modernization) across elevators and escalators; some firms provide ancillary engineering/design services - Can serve multi-site owners and larger buildings across the private and public sector by combining national/multi-region coverage with local branch service - High levels of PE activity from add-on acquisitions of regional and local ISPs	
Regional Elevator ISPs	\$20-150	20-30	- Typically offer full suite of services for elevators with some smaller firms not possessing installation capabilities - Serve mid-size commercial, government, and residential owners from a core geography, competing on responsiveness and long-standing relationships	
Local Elevator ISPs	<\$20	700-900	- Focus on maintenance, repair, and modernization services for Class B/C buildings; some specialize in residential elevators in apartment buildings - Often sole proprietorships led by a former OEM or ISP technician who brings relationships and equipment-specific expertise with them	

Source: Gotham Consulting Partners Research

Competitive Landscape: There Has Been Significant PE Activity In The Elevator Equipment Services Space, With Acquisitions Focused On Geographic Expansion In Elevator-dense Locations

Key Elevator Equipment Services PE Platforms

– Preliminary –

PE Platform	Revenue (\$MM)	PE Acquirer	Platform Overview	Geography	Union	# Of Acquisitions	Acquisition Strategy	Add-ons
Ascend Safety Collective (HQ not disclosed)	\$10-20	Altaline Capital Management; Haven Capital Partners (May 2026)	• Newly launched PE platform actively soliciting independent safety/vertical-transportation service companies	Louisiana, Texas	-	-	• -	• -
EverRise Lift Group (Millersville, MD)	\$100-150	H.I.G. Capital (Sep 2024)	• Action Elevator (Mid-Atlantic) combined with Minneapolis-based All City in 2026 but retains both brands; services non-proprietary equipment only; is led by a former Otis/Schindler executive	4 states and DC; Mid-Atlantic and Midwest focus	✓	4	• Density in the Washington DC/Mid-Atlantic market; geographic expansion into the Upper Midwest	• 2026: 1 • 2025: 2 • 2024: 1
Total Access Elevator (Santa Fe Springs, CA)	\$30-50	Century Park Capital Partners (Apr 2024)	• Unionized LA independent focused on modernization; three 2025 tuck-ins (Vertical Elevator Solutions, LA Elevator, TRE) deepened LA footprint and added installation and MRL capabilities	Southern California	✓	4	• Density across Southern California (Los Angeles, Ventura County, San Fernando Valley)	• 2026: 1 • 2025: 3
Integrity Elevator Solutions (IES) (Houston, TX)	\$10-20	Del Monte Capital (Apr 2024)	• Young Gulf Coast unionized independent with an industrial and petrochemical niche; added unionized Stratos (Baton Rouge/New Orleans- South focus player) and actively pursuing add-ons	3 states; Texas/Gulf South focus	✓	1	• Geographic expansion into Baton Rouge/New Orleans, LA	• 2024: 1
Axxiom Elevator (Pompano Beach, FL)	\$125-175	Gauge Capital (Sep 2023)	• Unionized PE-backed platform that buys founder-owned independent contractors and keeps their local brands and management in place	9 states and DC; South and SW focus	✓	8	• National geographic expansion (Southwest, California, Mid-Atlantic, Texas, Southeast)	• 2026: 1 • 2025: 3 • 2024: 2 • 2023: 2
Southern Elevator (Greensboro, NC)	\$30-50	Plexus Capital (Aug 2023)	• Leading independent elevator servicer in NC, SC, and VA; ex-manufacturer that shifted to multi-brand service, repair, and modernization after a 1991 ownership change	3 states; Southeast focus	✓	1	• Geographic expansion across the Southeast and Mid-Atlantic	• 2024: 1
Specialized Elevator Corp. (Canton, MA)	\$300-400	Berkshire Partners (Jun 2021)	• Unionized elevator service roll-up; operates as a set of retained local brands on a shared national platform	20 states and DC; bi-coastal	✓	15	• National expansion by acquiring union independents while preserving local brands	• 2026: 2 • 2022: 8 • 2021: 5

Source: Gotham Consulting Partners Research

Competitive Landscape: There Has Been Significant PE Activity In The Elevator Equipment Services Space, With Acquisitions Focused On Geographic Expansion In Elevator-dense Locations (Cont.)

Key Elevator Equipment Services PE Platforms (Cont.)

– Preliminary –

PE Platform	Revenue (\$MM)	PE Acquirer	Platform Overview	Geography	Union	# Of Acquisitions	Acquisition Strategy	Add-ons
Urban Elevator Service (Chicago, IL)	\$20-30	Skydeck Capital (Jan 2021, minority)	Once one of the largest independents with 11 locations, platform sold 8 locations to Otis in April 2025 after previously selling its Florida division (incl. Aventura Elevator) to Axxiom	Illinois, Indiana	✓	2	Geographic expansion (Southeast Florida, San Diego)	2021: 2
Accredited Home Elevator (Barnegat, NJ)	\$20-30	Stoic Holdings; Aldine Capital Partners (Jan 2021)	Residential elevator manufacturer, installer, and servicer with limited commercial exposure; Sunrise Elevator add-on (Aug. 2023) expanded Florida customer base	4 states; Northeast and Florida	-	1	Geographic expansion into Florida	2023: 1
American Elevator Group (AEG) (New York, NY)	\$400-500	Arcline Investment Management (May 2020)	PE-backed elevator service roll-up; operates as a group of partner companies that each retain their legacy regional brand rather than a single consolidated brand	22 states; East coast focus	-	11	National roll-up of independents; density in the Northeast, expansion into the Southeast and Midwest	2025: 1 2023: 1 2022: 3 2021: 1 2020: 5
Elevator Service Inc. (ESI) (Grand Rapids, MI)	\$80-100	Carroll Capital (Oct 2019)	Trains its own technicians through the NAEC certification program; works only on non-proprietary equipment; carries a sizeable accessibility line of wheelchair lifts and stair chairs	8 states; Midwest focus	✓	13	Regional expansion across the Midwest, Gulf Coast and Southwest; targets #1 independent in each union market	2026: 3 2025: 3 2024: 1 2023: 3 2022: 2 2021: 1
Southwest Elevator Company (Fort Worth, TX)	\$30-50	Align Capital Partners (Sep 2019)	Unionized Fort Worth buy-and-build platform; merged with Action Elevator and added Avery Elevator (DC) in 2020, then opened Las Vegas and Miami branches	Texas, Florida, Nevada	✓	2	Geographic expansion into the Mid-Atlantic (Baltimore-Washington); greenfield branches in Las Vegas and Miami	2020: 2

Source: Gotham Consulting Partners Research

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