

The Bottom Line: NewSpring's Investment in Dynamic Workforce Solutions

July 13, 2020

NewSpring, a family of private equity strategies, today announced that NewSpring Mezzanine, the Firm's dedicated mezzanine strategy, has invested in [Dynamic Workforce Solutions](#) (DWFS) in partnership with [Dawn Patrol Partners](#).

DWFS is a leading provider of workforce training, consulting, management, and administrative services solutions

DWFS is a full-service, outsourced solutions provider that contracts with state and local workforce boards to help them fulfill their training obligations to dislocated workers and ultimately provide more individuals with employment opportunities. The Company's many services include jobseeker skills assessments, employment planning, in-person workshops, online training, and on-the-job training. By working in tandem with workforce boards, job seekers, and the business community, DWFS efficiently and effectively leads to job placement for individuals and benefits the economy by reducing unemployment.

DWFS receives a funding boost during a critical time in employment

With the historic rise in unemployment in the U.S. during the COVID-19 pandemic, workforce boards and job seekers across the country need access to the crucial training, consulting, and administrative services DWFS provides. DWFS has worked to identify areas to expand its service contracts with workforce boards to help job seekers build their set of skills and adapt to a new employment environment. The Company also sees a great opportunity for growth with virtual training, workshops, and job fairs now and in the future, and is investing a portion of the proceeds of this transaction into bolstering its virtual capabilities.

“The current pandemic has created a nationwide need for DWFS’s workforce training and development services. With more and more individuals out of work, we see an opportunity to help the nation’s job seekers adapt and thrive in this new employment landscape. We’re fortunate to partner with NewSpring and Dawn Patrol Partners and we look forward to leveraging their operational expertise as we help get more Americans back to work today and in the future.”— Paul Dunn, CEO of DWFS

NewSpring Mezzanine’s deal structure flexibility allows for a debt and equity investment to support growth

NewSpring Mezzanine has invested subordinated debt and preferred equity to support the acquisition of DWFS from previous shareholders in partnership with Dawn Patrol Partners. Leveraging NewSpring’s operating expertise and deep network of value creation advisors, DWFS plans to use the remaining proceeds to expand their workforce offerings into new state and local government programs across the nation.

DWFS’s long-tenured leadership team is well-positioned to power the Company’s next phase of growth

DWFS CEO Paul Dunn and President Terri Leisten are true workforce advocates and bring a combined 50 years of workforce development experience to the Company. This management team has more than doubled the Company’s revenue since 2011 during a time when unemployment steadily decreased from 9 percent to below 4 percent through 2019. Demonstrated by their many years creating new and innovative solutions for job seekers, Paul and Terri embody the type of growth-minded leaders NewSpring targets for investment.

“Before the pandemic, the DWFS team had made amazing strides in working with workforce boards across the U.S. to lower the national unemployment rate. As the pandemic continues to displace a large portion of the country’s workforce, DWFS is primed to facilitate the necessary training and connections that will get people back to work. We’re thrilled to partner with Paul, Terri, and the rest of the DWFS team to continue this important work.”— Andrew Panzo, NewSpring General Partner