

Behind the deal: How a cup of coffee led to a Houston energy deal



By Joshua Mann

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About a year ago, [Lance McAnelly](#) and [Firoz Jhaver](#) met for coffee. Now, 12 months later, London-based consulting firm Capco has reached a deal acquiring Houston-based Atom Solutions LLC, an energy software consultancy and [one of the fastest-growing privately held businesses in Houston](#).

McAnelly, managing partner of Capco's energy arm, said Atom's senior team, which includes CEO Jhaver, have been "friends of the firm" for years. During their coffee catch-up, McAnelly mentioned that [Capco was looking to chase rapid growth](#), both organically and via mergers and acquisitions. A couple of months later, he got a call from Jhaver expressing interest in a deal. The companies would have a combined headcount of 130 people, which isn't expected to be affected by any post-merger job consolidations, McAnelly said.

"First and foremost, we don't expect there to be any layoffs whatsoever," McAnelly said of the merger.

On top of that, McAnelly said he thinks the headcount will grow over the course of the next 12 months, reaching well over 160 by this time next year.

"We are certainly expecting an aggressive growth plan as it relates to the combined business," McAnelly said.

Both Atom and Capco have Houston offices right now, but McAnelly said he expects to move legacy Atom employees into Capco's offices in Houston and Dallas. Atom recently reported 18 local full-time employees, [according to Houston Business Journal research](#).

Atom has some flexibility in its Houston lease right now to get that done, McAnelly said. Capco's push for growth kicked off after private equity firm Clayton, Dubilier & Rice acquired [a 60 percent stake in Capco for about \\$477 million back in 2017](#), McAnelly said. But Atom doesn't mark the end of that strategy — McAnelly said he thinks this deal will be the first in a series. McAnelly declined to comment on Capco's revenue or the financial terms of the Atom deal, but he said Capco employs about 5,000 people globally.

Atom was founded in 2011 and reported a 60 percent year-over-year increase in revenue in 2018, up from a 25 percent increase a year earlier, according to a February press release. Between 2016 and 2018, the company reported a nearly 100 percent increase in revenue, reaching \$5.71 million in 2018. That two-year growth ranks the company [No. 47 on the HBJ's 2019 Fast 100 List](#). Atom also made the Fast 100 in previous years, ranked on the HBJ's former Fast Tech 50 List and [made the Inc. 5000 in 2016](#).