

Katten 2025 Middle-Market Private Equity Report Garners Broad Media Coverage

April 29, 2025

Katten launched its 2025 Middle-Market Private Equity Report on April 3, 2025, and it has garnered broad media coverage.

The report, which surveyed over 100 private equity investors in early 2024, included results from a follow-up flash survey conducted in March 2025. *Connect Money* noted the shift in sentiment, citing that "60 percent now feel less optimistic about dealmaking compared to early 2024. Still, 48 percent remain positive about PE activity in 2025, though 29 percent harbor concerns."

Kimberly Smith, partner and global chair of Katten's Corporate Department, elaborated on the shifting sentiment in the marketplace in *Alternatives Watch*. She said, "The increased confidence we saw from respondents regarding a range of transaction types — platform deals, add-ons and exits — signals the potential for improved dealmaking momentum in a market that has swung from the M&A boom of 2021, when money was cheap and more easily available, to the subsequent slump as interest rates soared. However, uncertainty surrounding the impact of tariffs on business forecasts is now casting a shadow over some M&A activity."

J. David Washburn, partner and co-chair, Mergers & Acquisitions and Private Equity, shared with *The Texas Lawbook* that investors are likely to focus on certain sectors. He said, "PE investors view business services as an area of focus because, in many cases, such services are required and cannot be deferred — consider security services, commercial landscaping, waste management, property management, janitorial and the like."

Looking forward, David told *Fund Fire*, "We anticipate significant volatility in the next couple of quarters. People were overly optimistic about what 2025 might bring. People keep talking about the value of certainty."

Read the full report here.

"Tariffs Throw Monkey Wrench Into 'Pretty Good' Q1 Deal Flow," *Fund Fire*, April 11, 2025

"Tariffs, Policy Uncertainty Cloud Private Equity Dealmakers' Outlook — Evening Brief," *Connect Money*, April 8, 2025

"Hamilton Lane's Erik Hirsch: 'private markets, particularly private equity, outperform by the greatest amount' in down periods; what's your take?," *PE Hub*, April 7, 2025

"Rising tariffs volatility muddies private equity waters despite hopes for improving deals landscape," *Alt Assets*, April 4, 2025

"Dealmakers Balancing Hope for Steadying Private Equity Market Against Lingering Economic and Policy Uncertainty, Katten Report," *ABL Advisor*, April 4, 2025

"Katten Report Finds Dealmakers Balancing Hope for a Steadying Private Equity Market Against Lingering Economic and Policy Uncertainty," *ABF Journal*, April 4, 2025

"Middle-Market PE Report Reflects a Sense of Optimism Undermined," *Secured Finance Network*, April 3, 2025

"Middle-Market PE Report Reflects a Sense of Optimism Undermined," *The Texas Lawbook*, April 3, 2025

"Navigating Opportunities in a Rapidly Changing Private Equity Landscape," *Investors Hangout*, April 3, 2025

"Katten: PE dealmakers less optimistic on prospects post-Q1," *Alternatives Watch*, April 3, 2025

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