



DRC makes a deal

- By [Nick Wakeman](#)
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Dynamics Research Corp. has signed an agreement to buy Kadix Systems LLC for \$42 million.

Kadix is a management consulting firm that specializes in organizational change, human capital, information technology, public and environmental health, and learning and organizational development. The company, based in Arlington, Va., had \$23 million in 2007 revenue.

The company and its 270 employees will become an operating unit of DRC and will be led by Kadix President Doug Layman, who will become a DRC senior vice president and group manager.

The acquisition is part of DRC's strategy to build its management and consulting capabilities. "Kadix Systems' high-end management consulting capabilities fully complement DRC's current core competencies in IT infrastructure, business intelligence, business transformation and training and enable greater access to key markets that we have targeted for growth," said Jim Regan, DRC's chairman and chief executive officer.

Kadix customers include the Homeland Security Department, the Marine Corps and civilian agencies. About 95 percent of its contracts are prime contracts and 40 percent are performance-based, DRC said.

The company is a prime contractor on two DHS vehicles ? Enterprise Acquisition Gateway for Leading Edge Solutions (EAGLE) and the Program Management Strategic Sourcing contract.

In addition to the \$42 million purchase price, another \$5 million will be paid if certain goals are achieved. The investment bank KippsDeSanto & Co. served as the financial advisor to Kadix.

About the Author

Nick Wakeman is the editor of Washington Technology.