

## Travel And Transport Buys U.K.-Based Statesman Travel

**T**ravel and Transport has acquired London-based travel management company Statesman Travel Group. T&T president and CEO Kevin O'Malley said his company has been looking “for the better part of five years” to make a buy of this nature in the U.K. market. Statesman’s clients are concentrated in the professional services, legal, private equity and investment banking industries, which O'Malley said is an ideal complement to Ultramar, which T&T bought in 2012.

“For us it was really important to find the right fit for Travel and Transport and Ultramar,” O'Malley said. “We wanted a TMC that had a focus on high-touch and technology, which aligns well with how Travel and Transport sells in the marketplace. And it was important to us we find an agency that services a number of different verticals from a client perspective.”

About 3 percent of T&T’s more than \$3 billion in annual sales is generated in the U.K. “It’s not insignificant,” O'Malley said. “We’ve had a lot of demand from our existing customers to have a Travel and Transport solution in the U.K.” Statesman, which employs about 150 people, has annual global sales of more than £150 million. Statesman managing director Mervyn Williamson will stay on to lead T&T’s U.K. organization.

O'Malley said Statesman will fully integrate Travel and Transport’s proprietary technologies. “[Statesman] has a fair amount of its own technology, which has sold well in the marketplace,” he said. “But what Travel and Transport can bring from a technology perspective—it’s only going to enhance and enrich the overall offerings for Statesman. There will be a focus on integration so the customer perspective will be fairly seamless whether dealing with Travel and Transport in the U.S. or with Statesman in the U.K.”

Agents will begin to use the same agent desktop, as well as the same systems for phone, mobile and data reporting. Statesman uses Travelport as its global distribution system, and that already is one of T&T’s primary GDSs. O'Malley estimates the integration for all systems will take six to nine months.

He said that while Brexit has created some uncertainty in

the U.K., “it didn’t give us enough pause to think, ‘We’re just not going to do anything right now,’ because it’s too important a market in the scheme of the global travel; we weren’t going to stop what we were doing to wait and see what happens.”

T&T did not disclose the terms of the deal, but purchased Statesman through an all-cash deal. This acquisition builds on T&T’s plans, detailed in 2015, to expand globally, whether through acquisitions or joint ventures. T&T owns TMC operations in Germany, France, Switzerland and now the U.K. It has joint ventures in Canada, Argentina and Brazil.

T&T is a majority shareholder in the multinational agency network Radius Travel, and T&T COO Tim Fleming is the Radius board chair. O'Malley previously told *The Beat* that T&T would look to existing Radius affiliates for acquisition targets. In that regard, T&T’s purchase of Statesman is a departure from that plan, as the company is instead a member of the Travel Solutions International network.

In the U.K., Radius counts as members Gray Dawes Travel & Expense Management and Clarity, which merged with Radius founding member Portman Travel last year.

“We have a lot of good Radius partners,” O'Malley said, “but you have to find a willing seller and a willing buyer at the right time, and depending on the market we’re looking in, you don’t always have that.”

Fleming said, however, that Radius will continue to play a strategic role in T&T’s acquisitions and multinational approach. “Radius has done an outstanding job with data management, which is such a critical part of managing a global travel program,” Fleming said. “From an outbound business standpoint, the U.S. in the corporate travel space is still a key driver, and the more successful we are as an organization, the more successful Radius will be. And the better our solutions become aligned globally, the more our Radius partners around the world will benefit.”

As for where T&T is looking to grow next, O'Malley said sights are set on Hong Kong, China, Singapore, Australia and India. “We have several things in the works in those markets ... more to come,” he said.