



Jamie Pherous's Corporate Travel Management lands in Asia with \$49m takeover

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Jamie Pherous, founder of Corporate Travel Management, has broken ground in the US and has now established five offices. **Photo: Glenn Hunt**

Brisbane-based Corporate Travel Management has capped another impressive year by expanding into Asia with the \$49.2 million acquisition of a 75.1 per cent stake in Hong Kong-listed group Westminster Travel.

CTM, which listed in late 2011 at \$1 a share, has seen its share price rise 70 per cent since the start of 2013 to \$5.94.

Chief executive and founder Jamie Pherous continues his march towards [the BRW Rich 200 list](#). His stake in the company is worth \$142.6 million.

CTM pushed into the United States in July 2013 with the acquisition of Colorado-based R&A Travel, and Pherous told *BRW* the Westminster acquisition is a “game changer” for the group.

The business has five offices in Hong Kong, Singapore, China, Macau and Taiwan, and has been operation for 40 years.

“Overnight, we are a real player in Asia,” he says. “There is no doubt that there are bids for travels that we would have not been a part of, that we will have a great chance of getting now.”

Background work

CTM has been “networking” its customers who were travelling in Asia with the help of Westminster for a number of years and had been impressed with the company’s service levels and management team.

“With acquisitions, you take a lot of risk out if you already know them. The feedback that I was getting from my guys was that these guys were great.”

The founders of the business, Wong Sin Just and Lawrence Yu Kam Kee, will retain a 24.9 per cent stake in the business. Pherous says is pleased with the arrangement.

“We were happy to do that because the doors they can open are significant,” Pherous says.

“The two owners are high profile men and it shows a confidence in the business. This is just consistent with everything else we do. Our goal is skin is the game and they’re an excellent management team.”

Expanding the halo

Pherous and his team will now have to manage the consolidation of the CTM and Westminster brands in Asia, such that the halo effect of Westminster is retained but a more united brand presence emerges in the region.

“We’re working through that. There is no doubt Westminster is a great brand, we see them as the CTM of Asia.”

CTM will raise \$53.3 million in an underwritten rights issue to pay for the deal. The company expects the acquisition to boost earnings before interest, tax, depreciation and amortisation to \$27 to 28 million for 2013-14, compared with previous guidance of \$24 to 25 million.

Pherous next target looks likely to be Europe, but he says he will be guided by what his customers demand.