

Locomote undergoing offshore expansion, could bring on strategic investor

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Locomote, the private Australian travel management platform for corporates, is undergoing offshore expansion and could bring on a strategic investor to assist with the strategy, executive chairman Philip Weinman said. The company has received minority stake approaches as recently as last week, he added.

The Melbourne-based company wants to roll out the Locomote platform throughout southeast Asia, with plans to open an office in Hong Kong and Singapore. Southeast Asia has a close proximity to Australia and there is a large client base of multinational corporations to service, he noted. It also plans to open in the UK, US and other emerging markets for corporate travel such as Brazil, he added.

The company is currently being advised by law firm Allen and Overy, but is happy to hear from other firms on its market expansion strategy, Weinman said.

Although Locomote has been self-funded to date and does not require capital, it would be interested in hearing from investors interested in buying a minority stake in the company to fast-track its global expansion by bringing strategic benefits, Weinman said. For instance, credit card companies would give Locomote access to their global customer base, he added. In return, credit card companies would also be able to increase their exposure to a user base that is engaged in expense management, Weinman said. **American Express** is currently selling Locomote platform. A majority stake sale is not being considered, the chairman added.

Launched nine months ago, Locomote is the platform used by **Plan B**, another company largely held by Weinman, fellow shareholder Dr Clive Sher and two other shareholders. The aim of Plan B is to become a low-cost alternative to travel agents, as corporate users can rectify about 80% of issues without having to call a travel agent.

All of Locomote's revenues are fed into Plan B, Weinman said. Plan B, which was established in 2010, recorded FY12 revenues of about AUD 28m.

Locomote shareholders include Weinman, Dr Clive Sher, co-founders Ross Fastuca and David Fastuca, and Dean Weinman. The company has an extensive advisory panel and has had relationships with Deloitte and PwC. It has offices in Sydney and Perth.