

Tristar Group eyes Central America, India for growth

DUBAI-BASED LOGISTICS FIRM TO INVEST MORE THAN \$100M ON EXPANSION PLANS

DUBAI

BY SARAH DIAA
Staff Reporter

Tristar Group, a Dubai-based logistics company, is eyeing emerging markets for growth, with plans to invest more than \$100 million (Dh367 million) this year to expand its presence in Central and Latin America, as well as in Africa and India.

Eugene Mayne, founder and chief executive officer of Tristar, said the company is targeting 15-20 per cent growth in top line performance, and is aiming to record \$400 million in revenues in 2017.

"We're looking to leverage our presence in Africa where we have a strong presence to supply fuel to various peace-keeping operations. Today, we have six missions from East Africa to Central and West Africa, and I think our focus is to continue to grow these operations. We're also looking to expand into commercial operations in remote parts of Africa," he said.

Tristar's growth plans in Africa come even as Mayne said the company's business there faced challenges in 2016 on the back of currency fluctuations and low oil prices.

Entry point

In an interview with *Gulf News*, the CEO said Tristar is also planning to grow operations in the Caribbean, and is particularly eyeing the Dominican Republic as the first entry point. He expects Tristar to have stronger presence there by the end of next year.

"We have a presence in Central America in Haiti, and we're looking to leverage that to enter Latin America and Central America, especially in the Caribbean. We're looking right now at how we can leverage this presence to expand in the Caribbean and in the aviation sector in the Caribbean," Mayne said.

He added, "We're looking mainly at high-growth re-



Courtesy: Tristar Group

■ Mayne, of Tristar, said the company is targeting 15-20 per cent growth in top line performance this year and looking to expand into commercial operations in remote parts of Africa.

\$90m

Tristar paid for Emirates Ship Investment Company.

gions. We are currently studying opportunities for us in India. India is targeted to offer high single-digit growth returns for the foreseeable future, and the way India is positioning itself for growth and being a net importer of oil supports our plans to build infrastructure there."

\$400m

in revenues, expected by Tristar's CEO this year.

China's One Belt, One Road trade initiative is another growth opportunity in Asia, Mayne said. He expects such projects in Asia and Central America to crystallise in the next three to five years.

In 2016, Tristar acquired Abu Dhabi-based Emirates Ship Investment Company for



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Eugene Mayne |
Founder and chief executive officer of Tristar

\$90 million, and the CEO said that the company is considering acquisitions in 2017 as well.

Mayne did not disclose further details, but said acquisitions were "definitely on the table" especially in new markets as an acquisition would facilitate Tristar's entry.

Cost-cutting plans

As for investment values, Tristar plans to invest around \$100 million in 2017 to expand its shipping fleet.

But the company is also working on cutting costs and implementing new technology to raise efficiency as lower oil prices are hurting the company's core clients in the downstream oil and gas industry.

"Most of our targeted customers are the major oil players and with reduced oil prices, everyone is concerned about managing their cost, and so, naturally, for us as suppliers, the pressure is on reducing costs," Mayne said.

He added, "As contracts come up for renewal, there's more pressure for cost reduction and for us, it's a question of balancing and tightening our own belt and seeing what kind of cost-savings we can generate. Today, with the rapid disruptions happening in the industry, it's a question of using that technology to give us that opportunity to manage our costs better."

Tristar Group unveils plans to boost Global Expansion

With strategic plans to invest over \$100 million (Dh367 million) this year in Central and Latin America, Africa and India, the Tristar Group revealed its global expansion plans focusing on emerging markets for growth. The Group is currently operating its business units in over 15 countries globally.

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