

**Anticipated acquisition by
Global Business Travel
Group, Inc of CWT
Holdings, LLC.**

Supplementary Interim Report

ME/7096/24

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The Competition and Markets Authority has excluded from this published version of the supplementary interim report information which the inquiry group considers should be excluded having regard to the three considerations set out in section 244 of the Enterprise Act 2002 (specified information: considerations relevant to disclosure). The omissions are indicated by [X]. Some numbers have been replaced by a range. These are shown in square brackets. Non-sensitive wording is also indicated in square brackets.

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FINDINGS

1. INTRODUCTION

- 1.1 On 6 November 2024 the Competition and Markets Authority (**CMA**) published its Interim Report (the **Interim Report**)¹ on the anticipated acquisition by Global Business Travel Group, Inc (**GBT**) of CWT Holdings, LLC (**CWT**) (the **Merger**) (together, the **Parties**).
- 1.2 The Interim Report set out the CMA's provisional view that the Merger may be expected to result in a substantial lessening of competition (**SLC**) in the global market for the supply of business travel agency (**BTA**) services to global multinational (**GMN**) customers.
- 1.3 On 27 November 2024 the Parties submitted their written response to the Interim Report (**IR Response**); and on 5 December 2024 the CMA held a hearing with the Parties (**main party hearing**). Following the main party hearing, the Parties have made a number of additional submissions and provided additional information in response to information requests.
- 1.4 In the IR Response, the Parties submitted that the relevant market considered by the CMA should include all contracts, of whatever size and for whatever type of travel service, provided they were entered into by any customer that had an annual total travel spend (**TTV**) of \$25 million or more.² The Parties submitted that the Interim Report's competitive assessment was inconsistent with the market definition, as it included TTV within the GMN segment only if it derived from a GMN customer that spent >\$25 million with the same travel management company (**TMC**).³
- 1.5 On 16 January 2025, in response to the submissions made by the Parties, the CMA shared with the Parties a paper confirming that the product market that is the subject of this investigation and was provisionally identified in the Interim Report is the supply of BTA services to GMN customers, meaning those customers requiring services that support a high volume of travel indicated by \$25 million or more of TTV placed through a single TMC across multiple distinct regions of the globe.⁴ The CMA noted in that paper that this provisional market definition was consistent with the analysis carried out by the CMA in the Interim Report, with descriptions of this customer base in the Parties' internal documents, and with

¹ A summary of the Interim Report was published on 6 November 2024, and the full [Interim Report](#) with [Appendices](#) was published on 14 November 2024.

² [Parties response to the Interim Report](#), 27 November 2024, paragraphs 1.21b.ii, 3.3b and 3.3f.

³ [Parties response to the Interim Report](#), 27 November 2024, paragraphs 1.21b.ii, 3.3b and 3.3f.

⁴ CMA, Market Definition paper, 16 January 2025, paragraph 2.

descriptions of customer segmentations by third party industry participants.⁵ The Parties submitted a written response on 23 January 2025.⁶

- 1.6 In addition to receiving evidence and representations from the Parties on the provisional market definition identified in the Interim Report, information gathering has continued throughout this phase 2 inquiry. Since we published the Interim Report, we have continued to collect and analyse evidence relevant to our investigation and have conducted some further analysis. We have considered the additional evidence, and representations received following the Interim Report,⁷ in the round together with all other evidence received to date.
- 1.7 Having reviewed the totality of the evidence and analysis now before the Inquiry Group, we consider the answer to the statutory question of whether the merger may be expected to result in an SLC to be finely balanced. When considering this statutory question, unless a two-thirds majority of the group finds in favour of an SLC, no SLC arises from the Merger.⁸ In light of the finely balanced nature of the decision in this case, two members of the Inquiry Group have now provisionally concluded that the Merger may not be expected to result in an SLC. The other two members' provisional conclusions on this statutory question remain unchanged from the Interim Report.
- 1.8 As a result, the CMA's revised provisional conclusion is that the Merger may not be expected to result in an SLC in the global market for the supply of BTA services to GMN customers.
- 1.9 We set out below an explanation of those areas where the Inquiry Group's provisional findings have evolved following the Interim Report.
- 1.10 First, we have provisionally concluded that CWT is a materially weaker competitor and accordingly exercises a considerably weaker constraint on GBT than we considered in the Interim Report. In summary:
- (a) CWT's continuing financial difficulties have had an adverse impact on its ability to [redacted] and we now provisionally consider that its financial position is unlikely to improve and it potentially faces a trajectory of losing more business than it will gain, resulting in [redacted] which will adversely affect CWT's ability to [redacted].
 - (b) Our further review of the bidding data has confirmed our provisional conclusion that BCD and GBT are the two strongest competitors in the

⁵ CMA, Market Definition paper, 16 January 2025, paragraphs 3 and 4.

⁶ Parties response to the CMA's Market Definition paper, 23 January 2025.

⁷ In addition to the IR Response and oral submissions at the main party hearing, the Parties have provided various supplemental written submissions: CWT submission to the CMA [redacted], 18 December 2024; Parties submission to the CMA 'Questions and concerns raised at and after the Main Party Hearing', 20 December 2024; CWT submission to the CMA [redacted], 23 January 2025; and Parties email to the CMA 'Contract win by [redacted]', 3 February 2025.

⁸ Enterprise and Regulatory Reform Act 2013, [Schedule 4](#), paragraphs 55-56.

market, by far, and has led us to the provisional conclusion that both are substantially stronger than CWT.

- (c) New analysis we have conducted on CWT's overall performance in recent years shows that CWT has lost [X] TTV than it has won. This is consistent with data showing that CWT has been competing [X] frequently, and winning [X] frequently, in tenders for new customers.

1.11 Second, based on the available evidence in the round, we have provisionally concluded that, in addition to strong competition from BCD, the Parties face a stronger competitive constraint from FCM than we previously thought and will also do so in future from CTM and Navan as they continue to grow:

- (a) Our further review of the bidding data, in particular our updated analysis of winners and participants in the opportunities that the Parties were involved in, shows that FCM already constitutes a material competitive constraint, while other TMCs such as CTM and Navan are competing against the Parties in tenders. It also confirms that the Parties continue to face a strong competitive constraint from BCD.
- (b) Our new analysis of recent trends in the number and associated TTV of GMN customers when considered together with our analysis of new GMN customer acquisitions (updated from the analysis previously set out in the Interim Report), shows that, in addition to BCD, competitors such as FCM, CTM and Navan have been consistently increasing the number of customers and associated TTV that they support. As these businesses continue to grow we expect they will exert increased competitive constraints in the market.

1.12 The evidence and analysis set out in this Supplementary Interim Report should be read in conjunction with the Interim Report.

2. COMPETITIVE ASSESSMENT

- 2.1 This chapter sets out our updated provisional assessment of the competitive strength of CWT on the one hand, and of FCM, CTM and Navan on the other hand. In summary:
- (a) First, we set out our further review of the evidence on CWT's financial position.
 - (b) Second, we set out the outcome of our further review of the Parties' bidding data, in particular the analysis of winners and participants in the opportunities that the Parties were involved in.
 - (c) Third, we present our new analysis of recent trends in GMN customer numbers/TTV, together with our updated analysis on new GMN customer acquisitions.
 - (d) Fourth, we set out our further review of the evidence on CWT's competitive strength, including customer and competitor evidence and the Parties' internal documents.

Our further review of the evidence on CWT's financial position

- 2.2 [REDACTED], as a result of its [REDACTED], it is a 'significantly weakened competitor'.⁹ In this section, we assess CWT's recent financial performance and set out the evidence on its competitive position. This assessment has led to us to reach a provisional view that CWT exercises a considerably weaker constraint on GBT than we provisionally considered in the Interim Report.
- 2.3 We consider that CWT's financial position suffered [REDACTED] deterioration due to the COVID-19 pandemic: CWT's revenues in 2020 decreased by [REDACTED] from 2019 levels, it had [REDACTED] adjusted EBITDA, and its debts increased from [REDACTED]. The decrease in TTV, transaction sales and total revenue, and high debts contributed to its pre-packed bankruptcy in November 2021.
- 2.4 Since emerging from its pre-packed bankruptcy, the extent to which CWT has regained TTV and profitability has [REDACTED], CWT's [REDACTED] forecast for the financial year 2024 (prepared before the Merger announcement) continued to paint a mixed picture: on the one hand it forecast revenues and capital expenditure for 2024 would be [REDACTED] than 2023 [REDACTED]; on the other its forecast adjusted EBITDA would be [REDACTED] in 2024 than 2023 and that CWT was expected to [REDACTED].¹⁰

⁹ [REDACTED].

¹⁰ CWT internal document.

- 2.5 We also understand that CWT's shareholders have been supporting it through [X], and we recognise that CWT has been facing challenges [X] since 2019.
- 2.6 The cumulative effect of CWT's financial difficulties appears to have had an [X], as reflected below. As a result, CWT potentially faces a trajectory of [X], resulting in [X] which will [X].

Updated provisional conclusion on CWT's financial position

- 2.7 We provisionally consider that the evidence shows that CWT's financial performance is weak and is likely to further weaken in the future.

Our further review of the Parties' bidding data

GBT's bidding data

- 2.8 In this section, we consider the [X] opportunities from the GBT dataset where the bidding opportunity involved TTV above \$25 million (a total TTV of \$[X] billion). We analyse both win frequencies/values and participation by other TMCs in GBT's tenders. We also analyse a subset of tenders, removing those which were marked in the dataset as country-specific rather than multi-regional.
- 2.9 In relation to tender wins, as shown in Table 2.1, out of the opportunities with TTV above \$25 million GBT participated in over the three-year period between 2021 and 2023, BCD won [10-20%] of TTV, CWT won [10-20%], FCM won [5-10%], Navan won [0-5%] and CTM won [0-5%]. All other TMCs (including Spotnana and Blockskye/Kayak/Gant Travel) jointly won [5-10%] of TTV.¹¹
- 2.10 When we consider the number of opportunities won rather than the TTV, BCD won [10-20%] of these opportunities whilst CWT and FCM each won [5-10%]. Navan won [0-5%] and CTM won [0-5%]. All other TMCs (including Spotnana and Blockskye/Kayak/Gant Travel) collectively won [5-10%].¹²

¹¹ In contrast to Table 6.2 in the Interim Report, we include GBT renewal wins in Table 2.1.

¹² At least [X] of the [X] customers that chose in-house used this option previously according to GBT's bidding data.

Table 2.1: Winner identity analysis (GBT data), by TTV and number of opportunities, for GMN customers with TTV at or above \$25 million in the 2021-2023 period

Winners	TTV (\$[redacted]million)	(%) Number of opportunities ([redacted])
GBT	[50-60]	[50-60]
CWT	[10-20]	[5-10]
CWT/Spotnana	[0-5]	[0-5]
BCD	[10-20]	[10-20]
FCM	[5-10]	[5-10]
Navan	[0-5]	[0-5]
CTM	[0-5]	[0-5]
Spotnana	[0-5]	[0-5]
Blockskye/Kayak/Gant Travel	[0-5]	[0-5]
Other TMCs	[0-5]	[5-10]
In-house	[0-5]	[0-5]
Unknown	[0-5]	[0-5]

Note: Renewal wins (including those of GBT) have been included in this analysis.

Source: CMA calculations based on GBT response to the CMA's RFI 3, 11 September 2024.

- 2.11 In relation to participation in tenders, we found that out of all opportunities with TTV above \$25 million GBT participated in over the three-year period between 2021 and 2023, BCD competed for [70-80%] of TTV and CWT for [50-60%] of TTV. FCM competed for a smaller, but material, share of TTV, [20-30%]. Out of the other TMCs, Navan competed for [10-20%] of TTV, CTM for [5-10%], Spotnana for [5-10%] and Blockskye/Kayak/Gant Travel for [0-5%]. All other TMCs jointly competed for [10-20%] of TTV.
- 2.12 When we consider the number of opportunities rather than the TTV, BCD participated in [60-70%] of these opportunities, CWT in [50-60%] and FCM in [20-30%]. Navan and CTM each participated in [10-20%] of opportunities, while Spotnana and Blockskye/Kayak/Gant Travel each in [0-5%]. All other TMCs collectively participated in [10-20%].
- 2.13 When one removes those opportunities marked as being single-country contracts from GBT's datasets¹³ to factor in the multi-regional dimension of GMN customers' requirements – which reduces the total number of opportunities to [redacted] – it remains the case that BCD won the most ([20-30%]) followed by CWT ([10-20%], then FCM ([5-10%]). The rest of the TMCs won small shares of TTV, in each case that share was smaller than when single-country contracts were included, as set out in Table 2.1. CWT's and BCD's participation increased by approximately [5-10] percentage points in terms of both measures and participation did not change significantly for the rest of the TMCs in either measure.

¹³ [redacted]. GBT response to the CMA's RFI 3, 11 September 2024, question 9.

CWT's bidding data

- 2.14 Similarly to the approach we took with GBT bidding data, we consider the [redacted] opportunities from the CWT dataset where the bidding opportunity involved TTV above \$25 million (a total TTV of \$[redacted] billion). We analyse both win frequencies/values and participation by other TMCs in CWT's tenders.
- 2.15 In relation to tender wins, as shown in Table 2.2, out of the opportunities with TTV above \$25 million CWT participated in over the three-year period between 2021 and 2023, BCD won by far the largest share with [40-50%] of TTV, while GBT won [10-20%], FCM won [10-20%], CTM won [5-10%], Navan won [0-5%], and all other TMCs (excluding smaller TMCs such as Amadeus) in aggregate won [0-5%] of TTV.¹⁴
- 2.16 When we consider the number of opportunities rather than the TTV, BCD won [20-30%] of these opportunities, GBT won [20-30%] and FCM won [5-10%]. CTM won [0-5%] and Navan won [0-5%]. All other TMCs (excluding smaller TMCs such as Amadeus) collectively won [0-5%].

Table 2.2: Winner identity analysis (CWT data), by TTV and number of opportunities, for GMN customers with TTV at or above \$25 million in the 2021-2023 period

Winners	TTV (\$[redacted]million)	(%)
		Number of opportunities ([redacted])
CWT	[10-20]	[20-30]
GBT	[10-20]	[20-30]
BCD	[40-50]	[20-30]
FCM	[10-20]	[5-10]
Navan	[0-5]	[0-5]
CTM	[5-10]	[0-5]
Amadeus	[0-5]	[0-5]
China Travel	[0-5]	[0-5]
Internova	[0-5]	[0-5]
MSC Cruises	[0-5]	[0-5]
QBT	[0-5]	[0-5]
Travelgo	[0-5]	[0-5]
Local agent	[0-5]	[0-5]
Other	[0-5]	[0-5]
Unknown	[0-5]	[0-5]
In-house	[0-5]	[0-5]

Note: Renewal wins (including those of CWT) have been included in this analysis.

Source: CMA calculations based on Parties' response to the CMA's RFI 1, 12 August 2024, question 15.

- 2.17 In relation to participation in tenders, we found that out of the opportunities with TTV above \$25 million CWT participated in over the three-year period between 2021 and 2023, BCD competed for [60-70%] of TTV and GBT for [40-50%] of TTV. FCM competed for a smaller, but material, share of [20-30%], while CTM competed for [5-10%] and Navan for [0-5%]. All other TMCs (excluding smaller TMCs such as Amadeus) jointly competed for [5-10%] of TTV.

¹⁴ In contrast to Table 6.3 in the Interim Report, we include CWT renewal wins in Table 2.2.

- 2.18 When we consider the number of opportunities rather than the TTV, BCD and GBT each participated in [50-60%] of these opportunities. FCM participated in [20-30%], Navan in [0-5%] and CTM in [0-5%]. All other TMCs (excluding smaller TMCs such as Amadeus) collectively participated in [20-30%].
- 2.19 When one removes those opportunities marked as single country contracts from CWT's dataset¹⁵ to factor in the multi-regional dimension of GMN customers' requirements – which reduces the number of opportunities to [X] – BCD won the largest share of TTV ([40-50%]), followed by GBT ([20-30%]) and FCM ([10-20%]). The rest of the TMCs won similar or smaller shares of TTV compared to those set out in Table 2.2. BCD's and GBT's participation increased by approximately [0-5] percentage points in terms of both measures, while FCM's participation decreased in terms of TTV, and CTM's participation decreased in terms of both measures.

Updated provisional conclusion on Parties' bidding data

- 2.20 Overall, we provisionally consider that our further review of the bidding data confirms that BCD and GBT are the two strongest competitors in the market, by far, and has also led us to provisionally conclude both are substantially stronger than CWT. We also provisionally consider that the data shows that FCM though smaller is a material competitive constraint. The bidding data shows that other TMCs including CTM and Navan are also competing against the Parties in tenders.

Our new and updated analyses of recent trends in GMN customer numbers/TTV, new GMN customer acquisitions and the Parties' GMN customer losses

- 2.21 In this section we present:
- (a) Our new analysis of changes in the number of GMN customers, and the associated total TTV, served by the Parties and rival TMCs over the 2019-2024 period;¹⁶
 - (b) Our updated analysis of the Parties' and rival TMCs' new GMN customer acquisitions over the period 2021-2023 (as previously presented in Tables C.7 and C.8 of the Interim Report);¹⁷ and

¹⁵ [X]. GBT response to the CMA's RFI 3, 11 September 2024, question 9.

¹⁶ This analysis was conducted after the Interim Report in response to submissions from the Parties at the main party hearing.

¹⁷ We have clarified the interpretation of the results compared to the Interim Report.

(c) Our updated analysis of the Parties' GMN customer losses and to whom those customers switched¹⁸ (a previous version of which was presented in Tables C.9 and C.10 of the Interim Report).

- 2.22 While this data does not provide direct evidence of competitive constraints that third party suppliers exert on the Parties (we understand it includes, for example, TTV for which suppliers were not competing with one or both of the Parties, eg instances where the TTV of an existing customer has increased in the course of a contract), we consider that it provides information about the performance of these businesses over time, which we consider to be indicative of their competitive position in future.
- 2.23 We received data from TMCs on the number and associated total TTV of all their GMN customers in 2019, 2023 and 2024 (forecasted for the full year).¹⁹ We considered what this data showed about changes in the number of GMN customers and associated total TTV served by those TMCs over the 2019-2024 period. Tables 2.3 and 2.4 show that, of the TMCs who provided data, CWT is the only TMC who had fewer GMN customers in 2023 compared to 2019. Both GBT and CWT have lower TTV in 2023 compared to 2019. GBT's TTV in 2023 was [20-30%] lower than in 2019 while CWT's TTV was [30-40%] lower. FCM, CTM and Navan had more GMN customers and more TTV associated with those customers in 2023 compared to 2019.
- 2.24 Comparing 2024 to 2023, GBT's TTV increased by [10-20%], and BCD's TTV increased by [10-20%], while CWT's TTV decreased by [0-5%]. The TTV managed by FCM, CTM and Navan increased materially by [10-20%], [40-50%] and [30-40%] respectively.²⁰

¹⁸ We have updated the analysis (with marginal changes compared to the Interim Report) based on a revised assessment of the evidence previously received from the Parties. GBT response to the CMA's s109 notice 1, 16 August 2024, question 2; and CWT response to the CMA's s109 notice 1, 16 August 2024, question 2.

¹⁹ The differences over time are driven only in part by wins and losses and also reflect inflation and changes in spending by individual customers (eg a customer increasing its spending from \$24 million TTV in 2023 to \$26 million TTV in 2024 would show up as growth of \$26 million rather than \$2 million). These figures also do not include customers acquired very recently as switching takes time.

²⁰ We note that decreases for CWT between 2023 and 2024 may be as a result of the Merger so we place less weight on this finding.

Table 2.3: Total TTV of GMN customers over time (2019, 2023, 2024)

	TTV (million \$) from GMNs				2019 vs 2023		2019 vs 2024		2023 vs 2024	
	2019	2023	2024	Difference	%	Difference	%	Difference	%	
GBT	[X]	[X]	[X]	[X]	-[20-30]	[X]	-[5-10]	[X]	[10-20]	
CWT	[X]	[X]	[X]	[X]	-[30-40]	[X]	-[40-50]	[X]	-[5-10]	
BCD	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[10-20]	
FCM	[X]	[X]	[X]	[X]	[20-30]	[X]	[40-50]	[X]	[10-20]	
Navan	[X]	[X]	[X]	[X]	[1,800-1,900]	[X]	[2,500-2,600]	[X]	[30-40]	
CTM	[X]	[X]	[X]	[X]	-[5-10]	[X]	[30-40]	[X]	[40-50]	
Spotnana	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[500-600]	
Kayak/Booking	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[10-20]	

Source: CMA calculations based on GBT response to the CMA's s109 notice 1, 16 August 2024, question 2; CWT response to the CMA's s109 notice 1, 16 August 2024, question 2; GBT response to the CMA's s109 notice 5, 10 December 2024, questions 1 and 2; CWT response to the CMA's s109 notice 4, 10 December 2024, questions 1 and 2; third party responses to the CMA's RFI 1, 28 August 2024, question 11; third party responses to the CMA's s109 notice 1, 28 August 2024; third party responses to the CMA's s109 notice 2, 10 December 2024, questions 1 and 2.

Table 2.4: Total number of GMN customers over time (2019, 2023, 2024)

	Number of GMNs				2019 vs 2023		2019 vs 2024		2023 vs 2024	
	2019	2023	2024	Difference	%	Difference	%	Difference	%	
GBT	[X]	[X]	[X]	[X]	-[0-5]	[X]	[0-5]	[X]	[5-10]	
CWT	[X]	[X]	[X]	[X]	-[30-40]	[X]	-[30-40]	[X]	-[0-5]	
BCD	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[10-20]	
FCM	[X]	[X]	[X]	[X]	[10-20]	[X]	[30-40]	[X]	[10-20]	
Navan	[X]	[X]	[X]	[X]	[1,200-1,300]	[X]	[1,600-1,700]	[X]	[30-40]	
CTM	[X]	[X]	[X]	[X]	-[20-30]	[X]	[20-30]	[X]	[70-80]	
Spotnana	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[100-150]	
Kayak/Booking	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[X]	[0-5]	

Source: CMA calculations based on GBT response to the CMA's s109 notice 1, 16 August 2024, question 2; CWT response to the CMA's s109 notice 1, 16 August 2024, question 2; GBT response to the CMA's s109 notice 5, 10 December 2024, questions 1 and 2; CWT response to the CMA's s109 notice 4, 10 December 2024, questions 1 and 2; third party responses to the CMA's RFI 1, 28 August 2024, question 11; third party responses to the CMA's s109 notice 1, 28 August 2024; third party responses to the CMA's s109 notice 2, 10 December 2024, questions 1 and 2.

2.25 The Parties and their rival TMCs also provided information on the date they acquired new GMN customers²¹ (renewal wins, even when the TMC acquired additional TTV from the customer, are excluded). Table 2.5 shows: (i) the TTV in 2023 of the newly acquired GMN customers (ie acquired since 2021, with TTV equal or above \$25 million in 2023); and (ii) the TTV in 2023 of all GMN customers (ie including GMN customers acquired before 2021), for the Parties, BCD, FCM, Navan and CTM. Similarly, for the same TMCs, Table 2.6 shows: (i) the number of GMN customers in 2023 that are newly acquired (ie acquired since 2021, with TTV equal or above \$25 million in 2023); and (ii) the number of all GMN customers in 2023 (ie including GMN customers acquired before 2021).

2.26 The results show that of all of the TMCs considered in the analysis, GBT was the TMC that won the most TTV in 2023 from newly acquired GMN customers (as well

²¹ These datasets are based on actual TTV (rather than bid value). GBT response to the CMA's s109 notice 1, 16 August 2024, question 2; CWT response to the CMA's s109 notice 1, 16 August 2024, question 2; third party responses to the CMA's s109 notice 1, 28 August 2024, question 1; and third party responses to the CMA's RFI 1, 28 August 2024, question 11.

as the highest number of them). Furthermore, BCD, FCM, CTM and Navan all won more TTV in 2023 from newly acquired GMN customers than CWT.

Table 2.5: TTV from newly acquired GMN customers (2021-2023)

	TTV (million \$)			
	New TTV in 2023 (ie from GMNs acquired since 2021)	Total TTV in 2023	New TTV as a share of total TTV (%)	Shares of new TTV (%)
GBT	[X]	[X]	[10-20]	[40-50]
CWT	[X]	[X]	[0-5]	[0-5]
BCD	[X]	[X]	[10-20]	[20-30]
FCM	[X]	[X]	[40-50]	[10-20]
Navan	[X]	[X]	[60-70]	[5-10]
CTM	[X]	[X]	[20-30]	[0-5]
Total	[X]	[X]	-	100

Source: CMA calculations based on GBT response to the CMA's s109 notice 1, 16 August 2024, question 2; CWT response to the CMA's s109 notice 1, 16 August 2024, question 2; third party responses to the CMA's s109 notice 1, 28 August 2024, question 1; and third party responses to the CMA's RFI 1, 28 August 2024, question 11.

Table 2.6: Number of newly acquired GMN customers (2021-2023)

	Number of customers			
	Number of new GMNs in 2023 (ie acquired since 2021)	Total number of GMNs in 2023	Number of new GMNs as a share of total GMNs (%)	Shares of new GMNs (%)
GBT	[X]	[X]	[10-20]	[40-50]
CWT	[X]	[X]	[0-5]	[0-5]
BCD	[X]	[X]	[5-10]	[10-20]
FCM	[X]	[X]	[30-40]	[10-20]
Navan	[X]	[X]	[50-60]	[10-20]
CTM	[X]	[X]	[20-30]	[5-10]
Total	[X]	[X]	-	100

Source: CMA calculations based on GBT response to the CMA's s109 notice 1, 16 August 2024, question 2; CWT response to the CMA's s109 notice 1, 16 August 2024, question 2; third party responses to the CMA's s109 notice 1, 28 August 2024, question 1; and third party responses to the CMA's RFI 1, 28 August 2024, question 11.

2.27 As stated above, our new analysis shows that overall CWT's TTV and total number of GMN customers have reduced in recent years. We have previously asked the Parties to indicate which GMN customers²² they had lost recently (approximately over the period from the start of 2022 to mid-2024) and, if known, to which TMCs the customers switched. As we noted in the Interim Report, the list provided by the Parties shows that CWT [X] ([X] compared to [X]). Of the [X] customers that CWT lost, [X] customers went to competitors other than GBT ([X] customers went to BCD, [X] to FCM, [X] to CTM and the remaining [X] to unknown TMCs) with the remaining [X] going to GBT. Of GBT's [X] lost customers, [X] were lost to CWT while the other [X] went to [X] and [X].²³ In relation to the GBT losses, we consider that as a result of the very small number of

²² Those who generated more than \$25 million in TTV in 2023.

²³ We note that there is no support for these two TMCs being competitors to any material extent to GBT for GMN customers in any of the evidence we collected from third parties or the Parties' internal documents. [X] was considered by one respondent to our questionnaire and was rated by that customer as a 1 (not suitable) because it was considered to be 'not to the calibre of a global program'. Third party response to the CMA's customer questionnaire. [X] was considered by one respondent to our questionnaire and was rated as a 2 (somewhat suitable) because 'their global partner network vs wholly owned did not offer the global consistency we required'. Third party response to the CMA's customer questionnaire.

observations involved, we are able to place only limited weight on this evidence when assessing which TMCs act as a competitive constraint on GBT.²⁴

Provisional conclusion on recent trends in GMN customer numbers/TTV and new GMN customer acquisitions

- 2.28 Our new analysis of recent trends in the number and associated TTV of GMN customers together with our updated analysis of new GMN customer acquisitions, shows that competitors such as FCM, CTM and Navan have been consistently increasing the number of customers and associated TTV that they support. As these businesses continue to grow we expect they will exert increased competitive constraints in the market.
- 2.29 This analysis shows that CWT has been losing [redacted] TTV than it has won. This is consistent with data showing that CWT has acquired [redacted] newly acquired GMN customers than other TMCs.

CWT's competitive strength

- 2.30 As noted above, [redacted] that as a result of its [redacted], it is a 'significantly weakened competitor'.²⁵ We consider it helpful to bring together some of the evidence on CWT already set out above and set out some additional evidence that we consider relevant in assessing the Parties' submissions on this topic.
- 2.31 The evidence suggests that while CWT continues to compete for GMN customers it is a [redacted] than it was prior to 2019:
- (a) According to GBT's tender data, CWT was the incumbent in [redacted] tenders with GMN customers during the 2021-2023 period and won [redacted] of them, worth \$[redacted] billion TTV.²⁶ This suggests that CWT was unsuccessful in more than half of the tenders in which it competed with GBT and was the incumbent.
 - (b) The evidence suggests that the number of new GMN customers CWT competes for and wins is [redacted]. CWT has identified to the CMA just [redacted] new GMN customers with TTV above \$25 million that it has won since 2021 ([redacted]).²⁷ In addition, according to GBT's tender data, CWT has won [redacted]

²⁴ CMA calculations based on GBT response to the CMA's s109 notice 1, 16 August 2024, question 2; and CWT response to the CMA's s109 notice 1, 16 August 2024, question 2.

²⁵ [redacted]

²⁶ Based on a version of GBT's tender data that was checked against with CWT's bidding data and customer list. GBT response to the CMA's RFI 3 dated 11 September 2024, question 9.

²⁷ CWT response to the CMA's s109 notice 1, 16 August 2024, question 2; and Parties, Annex 2 to the response to the Interim Report, 27 November 2024, paragraph 8.

customers with TTV above \$25 million who had previously split their business between CWT and GBT ([REDACTED]).²⁸

- (c) While we consider that CWT is likely to have acted as a constraining force on GBT even in tenders it does not win, we have only obtained specific evidence of GBT revising its offer in response to CWT in respect of [REDACTED].²⁹ In any event we provisionally consider that CWT's declining position means that it is less likely to provide such a constraint in future, and we have therefore weighed this evidence accordingly.

2.32 As noted above, CWT has been losing [REDACTED] TTV than it has won. This is consistent with data showing that CWT has been competing [REDACTED] frequently, and winning [REDACTED] frequently, in tenders for new customers. Further, our new analysis of recent trends in the number and associated TTV of GMN customers and our updated analysis of new GMN customer acquisitions shows that smaller competitors such as FCM, CTM and Navan have been consistently increasing the number of customers and associated TTV that they support. As these businesses grow we expect they will exert increased competitive constraints in the market.

2.33 We asked customers to provide suitability ratings for different TMCs. As we stated in the Interim Report, based on the customer's last procurement, CWT was viewed as suitable to the customer requirements, and was rated on average 3.8 (out of 4, where 4 is 'very suitable') by CWT customers and 3.0 (where 3 is 'suitable') by GBT customers. Considering only the customers who ran the procurement in the last two years, and who therefore have a more recent experience of market testing, CWT was rated very highly by CWT customers (average of 3.9), and was rated as suitable by GBT customers (average of 3.0). CWT was the second most frequently considered alternative for these GBT customers (after BCD). FCM was rated similarly to CWT and received approximately the same number of mentions (8 compared to 7, both out of 10).

2.34 For all the customers who had views about their options if they were to run a hypothetical procurement today, there was overall only a minor change in how CWT is viewed. Specifically, the number of customers that would consider it increased from 49 to 52,³⁰ and the average rating decreased from 3.3 to 3.2. Around one-third of customers considering a hypothetical procurement today said that their options would be different from those considered in their last procurement. To the extent that customers considering that their options would be different have a particular insight as to the suitability of competitors, our further review of the evidence shows that when examining only the responses of those customers the difference is more pronounced, with the average rating that these

²⁸ Based on a version of GBT's tender data that was checked against with CWT's bidding data and customer list. GBT response to the CMA's RFI 3 dated 11 September 2024, question 9.

²⁹ As set out in Appendix D to the Interim Report, paragraphs D.52 and D.53, [REDACTED]. [REDACTED]. GBT internal document.

³⁰ Appendix E to Interim Report, paragraph E.36.

customers give to CWT falling from 3.3 at their previous procurement to 2.9 for a procurement today. However, we note that in considering this evidence (i) customers who had views about their options today but did not have different views to their last procurement may have equally valid insight as to the suitability of competitors; and (ii) the number of customers who had changed their view of CWT was relatively small (around one-third of those customers who thought their options would be different) and some of these customers thought CWT had become more suitable since their last procurement. Given these limitations, we have examined the comments made by those customers whose views on CWT changed since the last procurement process in order to provide more context:

- (a) Five customers explained why they think CWT is less suitable today (two rated it as a 1 (not suitable),³¹ two as a 2 (somewhat suitable)³² and one as a 3 (suitable)³³). Three of these customers referred to the Merger as the reason for this,³⁴ and the other two considered that its investments have reduced since COVID-19³⁵ and that its 'financial problems make it less suitable'.³⁶
- (b) Four customers explained why they would consider CWT today or would view it as more suitable than when they last procured, with three of these rating it as a 4 and referring to it as having a worldwide network,³⁷ being 'similar to GBT in terms of size and service'³⁸ and having 'Process efficiencies and advancement in technology space'.³⁹ The other rated it as a 2 and said that it was 'New'.⁴⁰

2.35 In the Interim Report, we further noted that of those customers who said that their options in a hypothetical procurement today would not be different from those considered in their last procurement, a number nevertheless noted that CWT's service had [redacted] since 2019. For example:

- (a) One customer, explained that CWT did not score very well during procurement [redacted] due to concerns over their bankruptcy, a cyber incident and their general service level. However, it would still consider CWT in a procurement today.⁴¹
- (b) One customer said that CWT had weak partners and technology [redacted], and that it has not recovered well since COVID-19. As a result of this, it did not

³¹ Third party responses to CMA's the customer questionnaire, 23 August 2024, question 10.

³² Third party responses to CMA's the customer questionnaire, 23 August 2024, question 10.

³³ Third party responses to CMA's the customer questionnaire, 23 August 2024, question 10.

³⁴ Third party responses to CMA's the customer questionnaire, 23 August 2024, question 10.

³⁵ Third party response to CMA's the customer questionnaire, 23 August 2024, question 10.

³⁶ Third party response to CMA's the customer questionnaire, 23 August 2024, question 10.

³⁷ Third party response to CMA's the customer questionnaire, 23 August 2024, question 10.

³⁸ Third party response to CMA's the customer questionnaire, 23 August 2024, question 10.

³⁹ Third party response to CMA's the customer questionnaire, 23 August 2024, question 10.

⁴⁰ Third party response to CMA's the customer questionnaire, 23 August 2024, question 10.

⁴¹ Third party call note.

consider CWT when it renewed the contract with GBT in 2023. However, it said that CWT would be invited to future procurements if CWT was financially stable.⁴²

- (c) One customer said that due to bankruptcy CWT have lost many agents and clients, and that it would not be considered in a procurement today because it is no longer a true competitor to GBT, but that they would include BCD and FCM. This customer also said that the acquisition of CWT was almost inevitable due to CWT's diminished competitiveness post-COVID-19.⁴³
- (d) One customer, [X], noted that CWT was not supporting the account in a way that was needed to manage a global programme and did not scale as required, particularly following the end of the pandemic as travel increased. Some employees had raised complaints about the service such as slow response times.⁴⁴

2.36 We also noted however that, conversely, some other customers set out reasons why they considered CWT had a strong offering despite its financial difficulties. For example:

- (a) One customer, [X] is considering CWT alongside GBT, BCD and FCM, [X]. It explained that CWT had embraced disruptive technology in a way that GBT had not and focuses on customers, which differentiates it from GBT (which is more focussed on size).⁴⁵
- (b) One customer, [X], said that it was chosen because of its technology, global reach, flexibility and streamlined approach to data and reporting.⁴⁶
- (c) One customer, [X], said that CWT has a very strong service offering and is one of the best TMCs for process management, and that although it has had some financial difficulties, it still has a strong overall offering.⁴⁷
- (d) One customer, [X], said that CWT had the best overall offer for a procurement [X] and provides more dedicated staff and a hub model which helps to reduce costs.⁴⁸ It also noted that it considered CWT's financial position as part of the financial due diligence and did not have any concerns about CWT's ability to meet its needs despite CWT's previous financial difficulties.⁴⁹

⁴² Third party call note.

⁴³ Third party call note.

⁴⁴ Third party call note.

⁴⁵ Third party call note.

⁴⁶ Third party call note.

⁴⁷ Third party call note.

⁴⁸ Third party call note.

⁴⁹ Third party call note.

- 2.37 Finally, in the Interim Report we also noted that while competitors considered that GBT and CWT compete very closely, two of them noted CWT's reduced bidding activity, although one of these suggested it has increased more recently:
- (a) One competitor explained that CWT has been less active in RFPs in the last five years.⁵⁰ It said that CWT has been focused on client retention following their bankruptcy filing. [REDACTED]. However, it noted that CWT has been a more frequent competitor in the last six months.⁵¹ As already set out above, despite this, it told us that GBT and CWT compete closely with BCD, and to a lesser extent with FCM and CTM.⁵²
 - (b) One competitor explained that CWT has not acted as a serious competitor to [REDACTED] since announcing the proposed Merger with GBT. It has not seen CWT appearing in tender offers very often recently. It stated that CWT's financial concerns have made customers hesitant to sign on with CWT and that many customers have chosen to leave CWT after their contract expired.⁵³ However, it also highlighted that it is extremely challenging to compete against GBT and CWT on price due to their scale.⁵⁴
- 2.38 As noted above, our analysis of the Parties' and other TMCs' (BCD, FCM, CTM and Navan) customer lists shows that CWT won [REDACTED] new TTV and number of customers among these six TMCs.
- 2.39 We consider that the evidence in the round presents a mixed picture on CWT's current competitive position. On the one hand, CWT continues to compete for customers, particularly to retain its existing customers, and there is evidence that, when competing for new customers, it maintained some competitive pressure on GBT. Most customers consider GBT and CWT to be suitable alternatives to each other and rated CWT highly, in particular CWT's own customers. Competitors also considered GBT and CWT to compete 'very closely'. On the other hand, CWT competed less strongly with GBT for new GMN customers and has acquired [REDACTED] new customers ([REDACTED]) than the other five TMCs featured in our analysis. Based on the data available, CWT's tender wins have been mostly [REDACTED] and CWT was the only TMC that had [REDACTED] GMN customers in 2023 compared to 2019, with a further reduction in GMN customer numbers and associated TTV in 2024 compared to 2023. Further, some of its customers raised concerns over CWT's financial stability and noted a weakening in CWT's offering, which meant they would not currently consider it as a suitable option. Some competitors ([REDACTED] and [REDACTED]) also

⁵⁰ Third party call note.

⁵¹ Third party call note.

⁵² Third party call note.

⁵³ Third party call note.

⁵⁴ Third party call note.

noted a reduction in CWT's bidding activity and some customer losses in the last few years.

Parties' internal documents

2.40 The Parties' internal documents [REDACTED]. CWT internal documents from 2023/2024 demonstrate that the company has [REDACTED].⁵⁵ [REDACTED] reflected in some GBT documents⁵⁶ but [REDACTED].⁵⁷ There is also some evidence within CWT's internal assessments/projections that the firm is stabilising (at least to some extent) its finances.⁵⁸ For example, a [REDACTED] reflects positively on CWT's 2022 financial performance, [REDACTED].⁵⁹ Similarly, a [REDACTED].⁶⁰ This is consistent with another CWT internal document which refers to CWT's sales performance as '[REDACTED]'.⁶¹ Despite the apparent optimism in some of CWT's internal documents, we note that, as set out above, CWT's number of customers and TTV served have continued to decline.

Updated provisional conclusion on CWT's competitive strength

2.41 We consider that CWT's financial difficulties during and following the COVID-19 pandemic have had an adverse impact on [REDACTED]. While it remains a competitor to GBT, it is a weakened one. By contrast, BCD has remained a strong competitor, FCM provides a material constraint, and CTM and Navan appear to be on a growing trajectory and on that basis are expected to exert increased competitive constraint in the future.

2.42 Although, as we noted in the Interim Report, CWT was considered and rated highly by the Parties' GMN customers, including those who tendered in the last two years, our further review of the customer evidence shows that when examining the responses of those customers who said that their options in a hypothetical procurement today would be different from those considered in their last procurement, there is a more pronounced difference in how customers rate the suitability of CWT, with the average rating that these customers give to CWT lower than the suitability scores given by all customers. Further, there were mixed views on CWT's current ability to service GMN customers. In particular, some customers raised concerns about CWT's ability to cater to their requirements as a result of its financial difficulties.

2.43 As noted in our updated provisional conclusions on bidding data and recent trends, overall, we provisionally consider that the bidding data shows that BCD and GBT are the two strongest competitors in the market, by far, and are

⁵⁵ CWT internal document.

⁵⁶ GBT internal documents.

⁵⁷ CWT internal document.

⁵⁸ CWT internal documents.

⁵⁹ CWT internal document.

⁶⁰ CWT internal document.

⁶¹ CWT internal document.

substantially stronger than CWT. Further, our new analysis of recent trends in the number and associated TTV of GMN customers and new GMN customer acquisitions shows that overall CWT has been losing [X] TTV and GMN customers than it has won.

- 2.44 Accordingly, we now provisionally consider that CWT is a weaker competitor that exerts less competitive constraint on GBT than we did in the Interim Report and that it is likely to continue to further weaken in the future.

Updated provisional conclusion on the overall competitive assessment

- 2.45 Having carefully considered the new evidence and analysis set out in this Supplementary Interim Report, together with our further review of the evidence and analysis set out in the Interim Report, we set out below our updated provisional competitive assessment.

- 2.46 First, we provisionally consider that CWT's financial difficulties during and following the COVID-19 pandemic have had a material adverse impact on [X]. While the evidence shows that CWT's financial performance has improved to a limited extent following its exit from bankruptcy, its financial position remains weak and is likely to continue to further weaken in the future.

- 2.47 Our further review of the bidding data, our new analysis of recent trends in the number and associated TTV of GMN customers, and our updated analysis of new GMN customer acquisitions, leads us to provisionally consider that BCD and GBT are both substantially stronger than CWT and that overall CWT has been losing [X] GMN customers and the associated TTV than it has won. In addition, our updated analysis shows that CWT has acquired [X] new GMN customers than any of the other TMCs included in our analysis.

- 2.48 Although, as we noted in the Interim Report, CWT was considered and rated highly by the Parties' GMN customers, including those who tendered in the last two years, our further review of the customer evidence shows that when examining the responses of those customers who said that their options in a hypothetical procurement today would be different from those considered in their last procurement, there is a more pronounced difference in how customers rate the suitability of CWT, with the average rating that these customers give to CWT lower than the suitability scores given by all customers. Further, customers and competitors have expressed mixed views on CWT's current ability to service GMN customers. In particular, some customers raised concerns about CWT's ability to cater to their requirements as a result of its financial difficulties.

- 2.49 Accordingly, taking all of these points in the round, we now provisionally consider that while CWT remains a competitor to GBT, it is a materially weakened

competitor such that it exerts less competitive constraint on GBT than we had provisionally considered to be the case in the Interim Report.

- 2.50 Second, as further explained below we now provisionally consider that FCM, though smaller than the Parties, is a material competitor to the Parties and as such provides a greater competitive constraint than we had provisionally considered to be the case in the Interim Report. In addition, we now provisionally consider that CTM and Navan (as well as FCM) have been consistently increasing the number of GMN customers and associated TTV that they support and as these businesses continue to grow we expect they will exert increased competitive constraints in the future. We also remain of the view, for the reasons set out in the Interim Report, that BCD is a strong competitor to the Parties.
- 2.51 As we noted in the Interim Report, a majority of competitors who offered their views on the closeness of competition between the Parties and various rival TMCs indicated that FCM, and to a lesser extent CTM, compete closely or very closely with the Parties for GMN customers.⁶² Whilst generally seen by competitors as being less strong, Navan was nevertheless identified as competing at least somewhat closely with the Parties for GMN customers.⁶³ FCM and CTM have been active in the GMN segment for many years, and plan to continue to pursue this strategy.
- 2.52 Some GMN customers told us they view FCM as capable of meeting their requirements now or in the near future,⁶⁴ and the majority of customers that we spoke to included FCM in their most recent tender exercise.⁶⁵ GMN customers also told us that if they were considering a procurement today, they would rate FCM higher than in previous procurements.
- 2.53 Further with regard to Navan, our analysis suggests that, despite being a relatively new entrant, Navan is actively competing in a number of tenders,⁶⁶ and has been consistently increasing the number of customers and associated TTV that it supports.⁶⁷ We also note that some competitors considered that Navan could be on a growth trajectory and become a more credible option for GMN customers.
- 2.54 The above evidence regarding FCM, CTM and Navan is consistent with our further review of the bidding data, which we provisionally consider shows that FCM is

⁶² 8 of 11 respondents (including FCM itself) scored FCM's ability to compete with the Parties at 4 or 5 out of 5, where 4 was competing 'closely' and 5 was 'very closely'. Third party responses to the CMA's RFI 1 dated 28 August 2024; and third party responses to the CMA's RFI 1 dated 28 August 2024.

Similarly, 7 of 11 respondents (including CTM itself) scored CTM a 4 or 5. Third party responses to the CMA's RFI 1 dated 28 August 2024.

⁶³ 11 out of 11 (including Navan itself) scored Navan's ability to compete with the Parties at a 3, 4 or 5 out of 5, where 3 was competing 'somewhat closely', 4 was 'closely' and 5 was 'very closely'. Third party responses to the CMA's RFI 1 dated 28 August 2024.

⁶⁴ CMA, [Interim Report](#), 6 November 2024, Figure 6.3.

⁶⁵ CMA, [Interim Report](#), 6 November 2024, Appendix E, paragraph E.38.

⁶⁶ See paragraph 2.15 above.

⁶⁷ See paragraph 2.23 above.

already a material competitive constraint. It is also consistent with our new analysis of recent trends in the number and associated TTV of GMN customers, together with our updated analysis of new GMN customer acquisitions, which we provisionally consider shows that competitors such as FCM, CTM and Navan have been consistently increasing the number of customers and associated TTV that they support. As these businesses continue to grow we expect they will exert increased competitive constraints in the market.

- 2.55 Whilst we consider that none of these elements in isolation would be sufficient to revise the overall conclusion on the competitive assessment set out in the Interim Report, when considered in their totality, and reflective of the finely balanced nature of the decision in this case, two members of the Inquiry Group have now provisionally concluded that the Merger may not be expected to result in a SLC. The other two members' provisional conclusion remains unchanged from the Interim Report.
- 2.56 Therefore, having considered the evidence in the round, the Inquiry Group has provisionally concluded that the Merger may not be expected to result in an SLC in the supply of BTA services to GMN customers.

3. PROVISIONAL CONCLUSION ON SLC

- 3.1 As a result of our assessment, and based on the evidence that is set out above together with that in the Interim Report, we have provisionally concluded that the Merger may not be expected to result in an SLC in the global market for the supply of BTA services to GMN customers.
- 3.2 We note that, in the event that the Inquiry Group makes a final decision that the Merger may not be expected to result in an SLC, it shall not be necessary for the Inquiry Group to proceed to take a decision on remedies.⁶⁸

⁶⁸ Pursuant to Enterprise Act 2002, [section 36\(2\)](#).

4. RESPONSES TO THIS SUPPLEMENTARY INTERIM REPORT

4.1 Any interested person is invited to provide the Inquiry Group with its reasons in writing as to why the provisional findings set out in this Supplementary Interim Report should not become final (or should be varied).

4.2 These reasons should be provided by email to GBT.CWT@cma.gov.uk and received by the Inquiry Group by no later than **17:00 (UK time) on Tuesday 25 February 2025**. The Inquiry Group will take all submissions received by this date into account in reaching its final decisions on the statutory questions and any consequential actions.