

Trawell Co. represents the travel retail sector on the Stock Exchange

Trawell Co., a global travel retail company operating 135 stores at 38 airports in 13 countries, tells the story of its listing on the Italian Stock Exchange.

MILAN, MI, ITALY, March 14, 2023 /EINPresswire.com/ -- [Trawell Co.](https://www.trawell.co), a global travel retail company operating 135 stores at 38 airports in 13 countries, with more than 200 employees and 4 million customers served worldwide, tells the story of its listing on the Italian Stock Exchange.

It's funny to think that Travel Tech was born at the same time as the internet. "I know this," says Rudolph Gentile, who founded Trawell Co. in 1997,

"because Telecom Italia, Italy's incumbent phone company, came to our first shops in Bologna, Venice, Naples, and Verona airports when we were just starting out."

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*Rudolph Gentile, founder of
Trawell Co.*



TraWell Co



Trawell Co.

Trawell Co., formerly Safe Bag S.p.A., was setting up their first 56K modems to connect via the Internet, from the shops in the various airports to the main office near Varese. Their main service was to wrap passengers' luggage to protect and insure it against theft, loss, and damage.

It was before Osama bin Laden revolutionized the way we travel. Back then, people needed a solution against thieves and careless airlines. The company tried to get technology into their shops so they could run them from afar. Since

they sold small items in many places, they needed software to keep track of and manage operations on a large scale. Today, the company operates 150 stores in 38 airports and in 13

countries.

It was the dawn of a new sub-segment of the economy, travel retail services, spurred by the bigger sector of airports and airlines. According to Statista.com, the global travel retail market size is well over \$60 billion and is projected to grow up to \$175 billion in 2030.

"When it first started," Gentile says, "you could hardly change money at the airport, and all the shops were selling goods, not services."

But people needed more services to smooth their travel. As Trawell Co. started to offer protection to passengers travelling to emerging countries, other services started to appear in airports: business centres, internet cafes, and massage parlors, among others.

Travellers spoke with their wallets. In 2002, Trawell Co. added an insurance service to their packaging. This gave them a competitive edge that helped them become the market share leader.

With the advent of mobile phones, customers could buy services on the internet while at the airport, making the use of expensive airport retail locations less important for selling services than goods.

"With the smartphone revolution, we moved to a hybrid model where we used the locations in the airport for physical services" (luggage wrapping) and the internet for intangible services such as the Lost Luggage Concierge," recalls Gentile, describing the service that tracks and recovers delayed and lost luggage via a customer support centre speaking nine languages that are connected to the airline's luggage tracking system called SITA.

That's when the company saw the potential of listing on the stock market. In 2013, the company founder, Gentile, decided to list the company on the small-cap segment of Borsa Italiana, which was just starting to take its first baby steps in Italy. "It was incredible to see how little tourism and travel, one of the champions of Italian GDP creation, was represented in the Italian stock exchange index," explains Gentile

The COVID pandemic in 2021 showed Trawell Co. how important it was to be listed. When the



Rudolph Gentile, Founder of TraWell Co.



pandemic hit, the group already had more than 200 employees and served more than 4 million customers around the world.

"They were hard years for everyone in the airport business," says Gentile. "With planes grounded and airports empty, TraWell Co. was faced with an unprecedented crisis."

But thanks to the listing, the company was able to keep its competitive advantage. Being the only publicly traded company in its sector gave it better access to debt and equity financing. Also, the growth that the listing had helped finance via mergers and acquisitions globally meant that the group was diversified geographically and could generate revenues in areas that were less impacted by the travel restrictions.

COVID—from a life-threatening crisis to the purveyor of new opportunities

In 2021, the company used the market for a capital increase and issuing warrants, and in 2022, as the world emerged from the travel bans and air passenger numbers started to pick up, so did the airport tenders to allocate retail space.

"Guess what?" says Gentile. "Airports had learned an important lesson: they needed to pay more attention to the financial strength of their lessees. "And what's better than preferring listed companies to non-listed?"

That's when Trawell Co. ventured into a double listing in the U.S., where it generates half of its EBITDA. Trawell Co. chose to start trading on the [OTCQX](#) market, leveraging the strength of the reporting and compliance needed by their primary listing in Italy. "This was a strategic move for us," concludes Gentile. "We wanted to be close to our customers and test their appetite as investors as well as users of our company."

There are so many other great stories out there in the market and profitable companies like Trawell Co. that are not accessible to investors because they are not listed. Why is travel technology so under-weighted in the stock market?

Investors like to invest in airlines and airports, but these are capital-intensive sectors that operate assets on a long-term basis, often through public concessions, and are heavily dependent on the interest rate environment.

Even though the technology used for travel is still new on the stock market, a few companies like Tripadvisor, Lastminute.com, and eDreams have sprung up. All these companies have reported negative EBITDA for H1 2022, though they trade at a higher EV/Revenue multiple (the average of the sector for this metric is 3.2x).

In the meantime, in duty-free spaces, the merger of Dufry and Autogrill has reduced the number

of companies investors can pick to get exposure to the high CAGR of the travel retail sector.

So it looks like it will be a while before the sector is properly represented in the stock market.

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