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Thursday, 30 October 2008 | Leo D'Angelo Fisher

Miles Jakeman has packed a lot of activity into the past s
Since forming Canberra management consultancy Jakeman Busi:
Solutions with his wife Le-Anne in 2002, the business has
into a group of companies through a series of acquisitions
its successful "house of brands" model and last year becam
unlisted public company, The Citadel Group. This year, the
acquisitions have continued, and more will follow.

"JBS started out as a pure business-strategy and managemen
Jakeman says. "Today, Citadel is an end-to-end professiona
provider."

Citadel's portfolio of separately branded and individually
businesses includes the original business, JBS, and an inf

management consortium, Philosoph-e, of which Citadel is a 2 shareholder. The rest of the portfolio has been built through acquisition.

The first acquisition was Gibsons Consulting Group, a well-established Brisbane firm, in 2004, which enabled JBS outside Canberra and to diversify its client base beyond the public sector.

Others followed: recruitment firm Frontier in 2007 and videoconferencing company ServicePoint this year. In September Citadel bought two videoconferencing businesses in Sydney and Canberra.

Jakeman believes Citadel's "integrated visual communication" offering places his company in the box seat to benefit as a result in a bid to reduce their "carbon footprint", restrict travel and conduct meetings by videoconference. The slowing economy is likely to encourage a greater reliance on stay-at-home meetings.

Jakeman says each acquisition enables the group to "fill or deepen the areas we specialise in". The acquisitions strategy is central to Citadel's "house of brands" model.

Citadel's board has a mergers and acquisitions committee a

Jakeman's roles is to "actively look for businesses within capabilities area". At any given time, the "M&A pipeline" has 20 potential targets.

"There are some complexities around brand management," Jakeman admits.

"Each business trades in its own right, and there are mark-ups associated with that, and one of the challenges is getting to remember they're part of a larger whole.

"But the advantage is that the teams [in each business] concentrate on what they do best. In a difficult market, we're doing work on a portfolio of companies. The cross-selling opportunities are vast."

Internal referrals contributed \$1.75 million to revenue last year.

Acquisitions will help Citadel's penetration of the private Government work still accounts for 75 per cent of the group's business.

Although growth by acquisition is important, Jakeman insists it's not our only strategy - it's supplemental to organic growth.

Citadel wants to have revenue of \$100 million by 2010. The company will undergo its most significant transformation: an initial public offering, a trade sale or a succession plan.

The state of the economy will have a big influence on the company's founders take, but guiding the company through the uncertainty will be a board whose depth easily eclipses the boards of most similarly sized companies listed on the Australian Securities Exchange.

Jakeman established the board in 2004, before the creation of Citadel, and introduced an employee share plan the same year. Although it was a private company, the JBS group committed to the ASX's corporate governance guidelines. It was part of the company's strategy to "take the company to the next level and grow beyond its business origins".

The chairman of the board is a former chief finance officer of the Department of Defence, Ken Moore. Other directors include a former director-general within the Defence Materiel Organisation, Patch, and a former director-general of the Australian Security Intelligence Service, Rex Stevenson.

As well as positioning Citadel for a seamless transition to an exchange listing - if that's the course it chooses - Jakeman's board "supports and maintains a culture of good governance".

performance and accountability".

"It's important when using other people's money that shareholders have the assurance that management is doing the right thing," says.

The Citadel Group

Rank: 9

Chief executive: Miles Jakeman

Revenue (2007-08): \$38.65 million

Growth*: 146.59%

* Average annual revenue growth over three years