

McTevia discusses business growth trends with Crain's Detroit Business

A conversation with: Jim McTevia

By Ryan Beene

Jun. 16, 2008

Jim McTevia is managing member of Bingham Farms-based business advisory firm McTevia & Associates. His expertise includes business restructuring, mergers, acquisitions, crisis management and refinancing. He spoke to reporter Ryan Beene about business growth trends.

Q: Which industries right now offer the greatest growth potential?

A: Health care and high-tech. Health care because the population is aging, because people are living longer and as a result there is going to be a tremendous demand for health care in this country. Technology is the second because the tech is driven by the future, and we are competing in a global economy.

Q: What does an automotive company need to do in order to grow its business in the tough current economic situation?

A: Any automotive growth for the immediate future is not going to be domestic; it's going to be in other countries.

The drive of the global automotive future is driven not by people in this country. The future consumers in this industry are pulling rickshaws and riding bicycles right now. There is going to be enormous growth in the transportation industry globally, but not necessarily domestically.

If I were involved in the automotive industry, I would be reaching offshore, outside the continental U.S. You just heard where Mexican automobile workers were making \$2-\$3 an hour — it's pretty tough to compete with that.

Q: Is an approach to growth through international expansion applicable to other industries at this point?

A: I think so. If I were involved in the medical field, I would be expanding globally because there are other societies that need the same care that we need whose populations are not aging but who nevertheless need the same medical care that the aging population needs.

Q: What about companies that don't have the capital resources of large global organizations? How do they capitalize on emerging and low-cost markets overseas?

A: Plenty of people are in that same boat, and the only way to do that is through joint ventures, networking, mergers — that's what you do. You forge alliances with those that are in the same position you're in, and collectively you present a more formidable force for exploration, acquisitions, joint ventures, because that's what's going to have to happen. Products that are being built offshore are going to be supplied by suppliers who are offshore too. So, people who are thinking into the future have got to think globally.