

WYTV turns to McTevia to analyze GM spending cuts

GM Set To Make Major Announcement

After suffering through one of the worst October's ever, published reports claim General Motors will announce spending cuts for its new models next year, including a possible delay in the long awaited Chevrolet "Cruze" which is currently set to begin production next summer.

David Cole's Center for Automotive Research recently issued a report on the effects of a possible bankruptcy by an automaker like GM, saying failure "would be absolutely devastating" for communities like Youngstown.

But others argue GM is already losing so much money so fast, bankruptcy is inevitable.

Analyst Jim McTevia claims no government bailout or automaker merger will be enough, saying, "I don't think they have any other choice," claiming consumers have been scared off by the nation's economic meltdown.

But Boardman car dealer Doug Sweeney contends his business has been doing well in spite of the sluggish economy. While he remains optimistic, he predicts the government will step in to help General Motors.

Now despite the dire predictions from McTevia and others, David Cole claims bankruptcy isn't realistically an option telling us Thursday afternoon US automakers are simply too big and their failure would be too devastating to allow to fail. He predicts a bailout of some sort will be coming from the government. The real question is when.