

NuTech prospers as other companies fail

By [Mike Carr](#), Photos by Brian Tietz

Special to The Gazette

June 1999 was a glorious period for technology companies. An entrepreneur could fill plush offices with fancy furnishings and equipment, hang out a tech-sounding name, preferably with dot-com at the end, and success was assured.



Profits and business plans meant little.

Sometimes even the service offered was not clearly defined. It was the peak of the tech boom.

But in the spring of 2000, what went up came down. Fast and hard.

Bankruptcies, layoffs, closings were the order of the day. As fast as the tech world blossomed, it withered even faster.

It was in this atmosphere that a recent UNC Charlotte graduate, his father and a Lincolnton money manager formed their new business. In June 1999, NuTech Solutions opened its doors in Charlotte, offering software products to businesses and organizations around the world.

But NuTech would prove to be slightly different than many of the other newly founded tech companies. It would grow and prosper.

Today the young founder and CEO, Matt Michalewicz, is a seasoned 25-year-old.

"Almost 26," he quickly points out.

His father, Zbigniew "Mike" Michalewicz is chief scientific officer. Daniel Cullen, former investment adviser with his own Lincoln firm, Cullen Financial Group, Inc., is the vice president of investor relations.

The list of clients includes some of the biggest names from the nation's business pages: Ford Motor Co., Daimler-Chrysler, Siemens, Phillips Electronics, Unilever, Branch Banking and Trust (BB&T), BMW, and Bank of America. Government agencies using NuTech services include NASA, the IRS, The Dutch Ministry of Traffic, the Polish Air Force, U.S. Navy, and the Department of Defense.

The board of directors is a familiar-sounding roster with names such as Hugh McColl Jr. and Bill Gaither, former CEO of Heafner Tire in Lincoln.

The firm boasts offices in Boston, Warsaw, Poland and Dortmund, Germany as well as its headquarters off Harris Boulevard in Charlotte.

The dot-com bust was a period of anxiety for the young company, Cullen admits.

"But it may have been a blessing in disguise," he said. "Wall Street was going back to fundamentals."

So the management team went back to business basics and began concentrating on time-tested principles, such as revenue production and client growth. It worked and today NuTech Solutions is prospering.

According to Matt Michalewicz the secret to its success is simple, as its widespread offices provide a clue. NuTech is successful because of its high-powered roster of technology experts. And its offices are in such widely scattered locations simply because that's where the talent is, he said.

Mike Michalewicz is a recognized expert in computers and software, author of 15 books in the field, and the former chairman of the computer sciences department

at UNC Charlotte. His reputation in the field is strong enough to attract some of the top minds to NuTech.

But rather than bring the talent to NuTech, NuTech goes to the talent. Offices have been opened where the experts live, Matt Michalewicz says. With modern communications, actual location is unimportant.

"They collaborate and communicate constantly," Matt Michalewicz said. Weekly staff meetings via video links set the tone, and the company Intranet keeps them close as they work to solve their clients' problems.

But just what does NuTech do to solve problems? The firm's goal, Matt Michalewicz said, is to help clients "optimize and maximize" their operations. Translated, this means NuTech devises ways for computer software to guide clients' operations in a way to provide maximum benefit, whether it be profits or the public good.

For instance, Matt Michalewicz points to the growth of auto leasing programs among the nation's auto producers. Most leased cars eventually return to the company, and they must be disposed of.

Auto companies routinely send these cars to auction markets. But returns from auction markets are not always the same. Some markets in some areas may nurture a greater demand for certain types of cars, and this demand can shift with the seasons. In one obvious example, convertibles would bring higher prices in southern states in the winter months, but as spring approaches the northern states would begin to bid up the prices.

NuTech's software approach for Ford Motor Company and Bank of America analyzes these demand shifts and constantly advises the company where to send each type of car. This has resulted in higher returns of as much as \$100 per car. Not a great sum at first glance, but Ford and Bank of America deal with

hundreds of thousands of leased cars at a time. The increase in returns runs into the tens of millions.

The Polish Ministry of Energy brought a completely different type of problem to NuTech. Its power generating plants were producing air pollutants. NuTech's software analyzes population concentrations along with changing weather and wind patterns. By using the software, the Ministry can schedule its energy production, raising the output at some plants and lowering it at others to minimize pollution.

Designing software like this is accomplished with a work force of 150, including 36 with Ph. D. degrees and 51 with Master of Science degrees. But with all this high-powered technical talent and ivory tower thinking, the basis of NuTech Solutions is still grounded firmly in business. Helping to keep that base intact is Gaither, who serves as much more than the traditional board member.



He also serves as a business adviser, calling on his 25 years in business.

At one point the family business, Heafner Tire, formerly of Lincolnton, was one of the largest tire distributors in the country.

"I went from low tech to high tech," Gaither said. But he calls on his business experience to add "what I call the blocking and tackling."

When discussions and planning approach dreaming and speculation, Gaither steps in with some down-to-earth advice.

"I talk to them, on the phone, every day, and I'm in the office probably an average of once a week," he said.

These high-tech thinkers and hard-nosed businessmen got together when Matt Michalewicz and Cullen began working out at the same gym. Cullen had opened the Edward Jones financial office in Lincolnton in the mid-1980s, and was a veteran financial adviser. Michalewicz was a college student. But Cullen was attracted to the potential.

"Matt is a brilliant young man," Cullen said, using almost the same words Gaither did in a separate interview.

Michalewicz was studying business, not computers.

"I went into business because I had been around computers all my life," he said.

Like the typical teen-ager, he wanted to go in new directions.

Cullen took him on in his advisory service. It was through Cullen that Gaither met Matt Michalewicz. Like Cullen, he was impressed and ready to join in when the father-son team began talking about a business.

A technology business sounded appealing to the veteran businessman and the finance man in the high-flying 1990s. But when the crash came, it was their business experience that helped make the difference.

The Gaston Gazette
PO Box 1538
Gastonia, North Carolina - USA 28053

Phone: 704-864-3291 Email: gastongazette@link.freedom.com