Why Metair meets our definition of ‘adaptability’

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Despite publicly claiming a “*founder’s spirit of innovation*”, the highly indebted 178-year-old **Thomas Cook**, who merged with My Travel in 2007, has been forced into liquidation and the London Stock Exchange suspended trading.

In stark contrast, consider **Metair,** who also claims innovation but provides concrete evidence to back up they are walking their talk while also maintaining a strong balance sheet. In October 2013, Metair acquired Mutlu Akü, a Turkish automotive battery manufacturer, for R2.17bn to allow them to “*capture a greater share of the anticipated growth in the market for start-stop batteries*”. Between 2013 & 2018, in SA Rands Mutlu’s revenues increased by 17% and operating profits by 45%, this despite the Turkish economy tanking and the Turkish Lira depreciating by 47% against the Rand during this same timeframe. They achieved this by significantly changing its business model.

Both companies made large acquisitions in the past and both were faced with significant changing market dynamics and macro-economic headwinds. The evidence guides me to believe Metair survived and thrived because it combines a culture of mental and organisational adaptability with a conservative ‘owner-mentality’ approach to funding that provides it with the flexibility to change when circumstances changed.

In a world where disruption is a certainty, I respectfully submit the increased importance of investing in businesses with proven adaptability.

Our work continues…

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