

CRAIN'S DETROIT BUSINESS

Turnaround firm sets up shop

New office targets troubled auto suppliers

By [Tom Henderson](#)

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Seeking opportunity where there is turmoil, **Callaway Partners L.L.C.**, a fast-growing accounting and consulting firm based in Atlanta, has opened an office in Southfield and will target auto suppliers and companies in turnaround or merger situations.

The managing partner is David Head, formerly a senior manager in the Detroit office of **Deloitte & Touche L.L.P.**, and an auto supplier and turnaround specialist.

The office, which opened in the 2000 Town Center earlier this month, has more than 40 on staff and is looking to be at more than 80 by year's end, according to Jeffrey Anderson, lead partner of business development managing partner in the Atlanta office.

"This gives me the opportunity to do what I love. I have automotive parts in my blood," Head said.

"We waited to decide on going full bore in Detroit until we had the right partner to run our office there," Anderson said.

He said the Southfield office has "two good-sized clients. They are household names I'm not at liberty to discuss. The Michigan marketplace is ideally aligned for our kind of work. It's a huge market. We're looking for companies who need help fast and don't want to pay \$300 an hour. We'll give them Big Four experience at half the price."

Callaway was founded in 2002. Anderson said it has grown from revenues of \$1.5 million its first year to more than \$60 million in 2005 and has nearly 500 employees. It opened a Washington office last year and an office in Birmingham, Ala., in April. The Detroit office is its fourth.

Anderson said the firm won't directly compete with Big Four firms, but will look for niches its bigger rivals can't fill. He said the company also will look to partner with Big Four firms on Sarbanes-Oxley compliance work and on special projects, as it did in 2004 on the restatement of financial figures for 1999-2003 for Alabama-based **HealthSouth Corp.** in light of allegations of fraud against its CEO, Richard Scrushy.

"They're almost like a **Kelly Services** of professional accounting. There's a niche for a company like that," said Randy Paschke, a former partner at **Arthur Andersen** who is now chairman of the accounting department in the School of Business Administration at **Wayne State University**.

"Their most direct competitor here is Jefferson Wells. Jefferson Wells has been around the Midwest a long time. People have gotten to know them. Callaway is going to have to promote themselves," Paschke said.

Jefferson Wells International Inc., founded in 1995, is headquartered in Milwaukee. It has an office in Southfield.

"I've heard of Callaway golf clubs and **Callaway Gardens** in Atlanta, but I've never heard of Callaway Partners," said Dan Saint, managing partner of Jefferson Wells' Southfield office.

"If you look at *Crain's Book of Lists*, there's quite a few accounting firms. I wish them well. It's a great market to be in. We're doing well."