

# Business

## BUSINESS PEOPLE

**EDWIN H. KLOVE JR.** of Bloomfield Hills has been appointed project manager, Paint Systems and Corrosion, Fisher Body Division. This is a newly created position. Klove's responsibilities will cover the development of plant emission reduction systems, evaluation of corrosion reduction systems, improvement of quality and customer satisfaction, and the development of priming and painting materials. A series of promotions led to his being named assistant engineer-in-charge in 1965. He was named engineer-in-charge of the safety analysis group in 1966, senior engineer-in-charge of air cushion restraint systems in 1971, and then transferred in 1973 to body engineering where he was a senior engineer-in-charge until his recent promotion to project manager.

**WILLIAM A. MORROW**, of Bloomfield Hills, was named a partner at the international public accounting firm of Touche Ross & Co. Morrow, 31 joined Touche Ross in 1971 after graduating from the University of Detroit with a bachelor's degree in accounting and from Wayne State University with a law degree. A member of the tax department, he belongs to the Detroit Bar Association, the State Bar of Michigan, the Michigan Association of Certified Public Accountants, the American Institute of Certified Public Accountants, and the Detroit Athletic Club.



**FRED W. HUGHES** has been appointed executive-in-charge of the Detroit Central Plants of Fisher Body. Hughes, who has been administrative assistant to the manager of the Detroit Central Plants since 1976, has been with General Motors since 1935 when he became a tool and die apprentice with Chevrolet Motor Division. He joined Fisher Body in Plant in 1940 in the tool and die department, later holding administrative positions at several Fisher Body plants.

**JOHN A. COURSON**, of Bloomfield Township, president and chief executive officer of Fort Wayne Mortgage Co., was elected and installed as president of the Mortgage Bankers Association of Michigan. Courson accepted the gavel of office from retiring president James T. Barnes Jr., whose term of office had been marked by the death of his father, James T. Barnes Sr., founder of the Barnes Group of companies which grew out of the original James T. Barnes & Co. Installed with Courson as the new vice president was **WILLIAM E. MATZENBACH**, of Birmingham, president of Citizens Mortgage Corp., Southfield, who had served as secretary-treasurer for 1978. Election secretary-treasurer was **DAVID G. ONG**, 37, president of NBD Mortgage Co., affiliate of National Bank of Detroit. Ong, of Bloomfield Hills, joined NBD in 1965 and left for a post with Ford Motor Credit Corp. in 1971. He returned in 1972 to be involved in starting the NBD mortgage affiliate. New members named to the board of governors were John Gehke, of First Federal Savings of Detroit; Robert J. Wilson, Jr., of Burton Abstract Co.; and Richard E. Chapin, executive vice president of Graham Mortgage Co. They replaced John H. Brenner, vice president of Lawyers Title Insurance Corp.; Troy Richard W. McEvilly, vice president of Detroit Bank & Trust Co.; James M. Burroughs, area manager of California-based Western Mortgage Corp., whose term had expired. Holdover board members, in addition to Courson, Matzenbach, Ong and Barnes, the latter ex-officio, are: Lawrence W. Dooley, senior vice president for the region for James T. Barnes & Co.; Kenneth M. Hoffman, of Hoffman & Hoffman Mortgages; Jon M. Fox, of City National Bank; Michael L. Hains, of Family Federal Savings; Sigmund Lawrence G. Southwell, of James T. Barnes & Co.; Grand Rapids; and George K. Heartwell, of Heartwell Mortgage Co., Grand Rapids.

**JOHN E. LOBBIA** of Novi has been named manager of Detroit Edison's Oakland Division. He succeeds J. Philip Lenihan who has been appointed assistant vice president in charge of marketing and customer relations for the company. Lobbia is responsible for electric service in an 862-square-mile area, covering 55 communities and serving about 357,000 customers in Oakland County. The division's 700 employees are located in the headquarters building in Bingham Farms, in eight customer offices and four lines service centers. He has served as director of service planning for the company, manager of a construction management implementation project and director of the generation construction department. In April 1975, when Edison's Division Organization was initiated, Lobbia was named manager of the Ann Arbor Division; he had been assistant manager of the Detroit Division since November 1976.



**ROBERT V. WAGNER** of Birmingham has been appointed vice president-finance of the American Sunroof Corp. Wagner joins American Sunroof after spending 15 years in the automobile industry. During this period, he held various positions within Ford Motor Co. and most recently served as assistant treasurer for American Motors Corp.

**Bloomfield Hills resident JOSEPH A. MAZUR** has been promoted to first vice president and controller of Manufacturers National Bank of Detroit. Mazur joined the bank as vice president and deputy controller in 1976 and was promoted to vice president and controller in 1977. He was previously affiliated with Ernst & Ernst. A graduate of the University of Michigan, Mazur has a BBA and MBA from the university. He is a certified public accountant and has a certificate in management accounting.

**JACK W. FINLEY JR.** of Birmingham has been named manager of main office and assistant vice president of the National Bank of Royal Oak. Finley had been most recently affiliated with the City National Bank and Peoples State Bank of Hazel Park. In addition to being a member of American Banking, he is also a member of the board of directors of Birmingham Hi-12 Club and has been actively involved with the Trenton Lions, Rotary International and local chambers of commerce.

National Bank of Detroit has announced the appointment of **THOMAS J. MOORE** of Birmingham as Data Security and Privacy Manager in its General Services Division. Moore is responsible for the establishment of data security and privacy guidelines and policies that will help prevent unauthorized disclosure of customer data held by the bank.

## IRS attempts to unjumble with new instructions

By JOSEPH SULLIVAN

Most people are familiar with the adage that nothing in life is certain except for death and taxes. It's not a very cheerful statement, but who wants to argue with a W-2 form?

Still, there are those who would argue that another certainty in life is the confusion one feels every year upon receiving the tax schedules, interest statements and W-2 forms in the mail.

The Internal Revenue Service (IRS), in an attempt to lessen the taxpayer's confusion, has announced that it will be issuing new instructions this year, due to the rewriting of their instruction booklet. The book, they claim, avoids the usage of legalese and tax jargon by substituting clear intelligible English that the ordinary taxpayer can understand. Nevertheless, tax forms remain intimidating, and a survey of some Oakland County tax preparers indicates their business is growing.

"EVERY YEAR you hear the same thing that the taxes will be easier to do, but they're not," said David Blaney of the Rex Income Tax Record Co. in Southfield.

"A number of laws have changed and that's what makes it harder, keeping up with the laws," he said. "This year's return is almost identical to last year's," echoed Nelson Manare, a district manager for H&R Block. "The return isn't really simpler, but the instruction book is supposed to be easier to understand because it's written in layman's language."

Manare said it is too early to tell if the simpler instruction booklet hurts the tax preparer's business, but Della Stallings predicts it won't.

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—David Blaney, tax consultant

"We always pick up additional customers over the previous year," said Mrs. Stallings, of the Troy firm of Stallings and Barr.

"It seems to be a trend over the past several years because people are earning more money and more and more of them are itemizing."

The result has been an increase in the number of forms that are used by the taxpayer, causing him or her to seek a tax preparer, Mrs. Stallings said.

"There are forms like the Average Income for four years or Individual Retirement account that add to the work of preparing taxes, so people get help with them," she said.

But not all the work is for itemized tax returns, Mrs. Stallings added.

"WE STILL get a lot of the short 1040 A forms, but don't charge as much for them. It's \$15 for the short federal and state taxes, and \$23 for the itemized federal and state forms."

The \$23 charge is less for low-income people, but may be more if additional forms are needed for itemizing, she said.

Nora Heft, who prepares taxes year-round at Birmingham's Heft Associates Inc., uses an hourly base for charging fees.

"I feel I'm a professional and should charge hour-

ly, not according to each form like H&R Block," Mrs. Heft said.

She would not say what the hourly charge is, but tells the customer before preparing the taxes.

Major changes in this year's tax laws feature federal energy conservation credits and tax breaks for home heating repairs on the state form, according to the tax preparers.

Another is the one-time allowance for anyone 55 or older who can exclude the profit from selling his house with gross sales up to \$100,000. Larger sales will be taxed on a percentage of the excess, Manare said.

**OTHER RULES** changes enact stricter rules for errors by tax preparers.

"We're supposed to be convinced that people have proof for their expenses (for deductions)," Mrs. Stallings said. "Before was the taxpayer's responsibility, now it lies with the tax preparer."

Another rule involving faulty returns penalizes the preparer \$25 for not signing the return, \$100 for not listing on a form all the preparer's working in a company, and a fine up to \$25,000 for fraudulent returns, Mrs. Heft said.

And if you have a brother-in-law or neighbor who claims to be a tax whiz, Mrs. Heft warns against paying for their help with the taxes.

"I wouldn't advise having anyone work on your taxes unless they have taken classes on new tax laws," Mrs. Heft said.

"You need a good background, and if the return is any way complicated, it's not wise to take a chance. You'll have more complications."

## But still leads pack

# Oakland suffers housing slump

New residential construction slumped last year in Oakland County.

At least that's what figures for the first six months of 1978 reveal, according to a recent report by the Southeastern Michigan Council of Governments.

Although Oakland County recorded the most number of permits issued for new dwelling units from January to June, 1978 (in the seven-county southeastern Michigan region), that total is down more than 600 permits over the first six months of 1977.

The chart at the right shows how Oakland County lead the region in new housing construction with 4,456 permits issued. Macomb County was next with 3,525 permits and Wayne County with 2,613.

But while Oakland slumped, Macomb (632), Livingston (178) and Washtenaw (511) recorded gains in new housing.

Overall, the 13,560 residential building permits issued the first six months of 1978 represented a small increase of 90 permits from totals one year ago.

The number of permits recorded in the January to June 1978 period was the largest seven-count total since 1973, when 19,560 permits were issued.

Sterling Heights again led all communities in the number of total permits issued, but that total is down from 1977 figures.

Farmington Hills, Troy and West Bloomfield placed in the region's top ten communities for new permits issued.

Community	1-Family	2-Family	Multiple	Gross
Avon Twp. 520	5	0	0	56
Beverly Hills	4	0	0	5
Bingham Farms	4	0	0	4
Birmingham	7	0	0	7
Bloomfield Hills	17	0	0	17
Bloomfield Twp.	135	0	0	135
Commerce Twp.	111	0	0	111
Farmington	23	0	16	39
Farm Hills	359	0	117	476
Franklin	2	0	0	2
Keego Harbor	7	0	0	7
Lathrup Village	7	0	0	7
Oakland Twp.	40	0	0	40
Orchard Lake	14	0	0	14
Rochester	8	0	0	8
Southfield	9	0	379	388
Sylvan Lake	5	0	0	5
Troy	450	0	0	450
Walled Lake	5	0	0	5
West Bloomfield	332	0	63	395

Based on Total (Gross) Residential Units Authorized 1978, 1977, 1976—First Six Months					
1978		1977		1976	
Sterling Heights	993	Sterling Heights	1,108	Sterling Heights	883
Canton Twp.	842	Canton Twp.	773	Troy	609
Clinton Twp.	633	Troy	723	Canton Twp.	588
Ann Arbor	613	Farmington Hills	718	Detroit	433
Avon Twp.	576	Southfield	644	Shelby Twp.	393
Waterford Twp.	524	Livonia	499	Farmington Hills	356
Farmington Hills	476	Clinton Twp.	445	Clinton Twp.	323
Troy	450	W. Bloomfield Twp.	368	Southfield	269
W. Bloomfield Twp.	395	Westland	361	W. Bloomfield Twp.	257
Detroit	392	Avon Twp.	347	Avon	223
Total	5,894		5,986		4,334
Percent of Region		Percent of Region		Percent of Region	
43.5%		44.4%		47%	

The chart above shows the top ten communities in terms of new building permits issued in the seven-county southeastern Michigan region for the first six months of 1978. The chart below compares the number of authorized new dwelling units by county and structure for January-June, 1978.

County	Detached Single Family Units	Two-Family Units	Multi-Family Units	Gross Total	Less Demolitions	Net Total
Livingston	892	4	16	912	2	910
Macomb	2,775	10	740	3,525	107	3,418
Monroe	319	0	0	319	22	297
Oakland	3,296	0	1,170	4,466	268	4,198
St. Clair	356	0	8	364	47	317
Washtenaw	676	0	685	1,361	16	1,345
Wayne	1,965	16	632	2,613	3,266	-653
(Detroit)	(2)	(0)	(390)	(392)	(3,042)	(-2,650)
(Balance)	(1,963)	(16)	(242)	(2,221)	(224)	(1,997)
...TOTAL SEMCOG REGION	10,279	30	3,251	13,560	3,728	9,832

## Accounting firm integrates practice

This country's third largest certified public accountant firm has announced it will integrate its international practice into one firm.

Ernst & Ernst, and its Detroit office, will operate under the name Ernst & Whinney as of July 1, according to Jack Otto, partner in charge of the Detroit office.

The newly combined international firm consists of more than 14,000 personnel, with 304 offices in 71 countries. The Detroit office, which opened in 1916, is represented by two Metropolitan area offices, including one in the Renaissance Center and one in Southfield. Those offices serve more than 800 clients in the metropolitan area.

Michigan operations include 450 personnel, with 2,000 clients. "The combination offers important advantages in improving our ability to provide clients with uniform, high qual-

ity services throughout the world," according to Ray Groves, managing partner of the international.

"It is also expected to be a positive force in achieving the firm's goal to increase its share of the growing international accounting market," he said.

THE NEW organization combines practices of Ernst & Ernst in the United States, its long time partner Whinney Murray & Co. in the United Kingdom, and other partnerships in Europe, Canada, Australia, Africa and Asia.

Although July has been chosen as the date for worldwide implementation of the name change, Ernst Whinney International became a reality this month.

All of its member firms and their personnel are now part of a single worldwide organization.

The U.S. firm, with a staff of more than 6,000, is the biggest member of

Ernst & Whinney, accounting for about 70 per cent of its revenue.

The firm's management, personnel and organization will be unchanged by the new international organization, according to Groves. Headquarters will continue to be in Cleveland.

Chairman of Ernst & Whinney International is Hugh Patterson of the United Kingdom. Upon his retirement later this year, he will be succeeded by Groves.

**BENEFITS** of the integration to clients are as follows, according to the firm's spokesman:

- Uniform quality standards—the principal reason for forming Ernst & Whinney International was the partners' desire for a more direct means of continuing to establish and maintain uniform quality standards. To maintain standards, the firm will monitor the

performance of its worldwide offices through annual reviews conducted by teams of partners selected from outside the offices being studied.

- Improved coordination—better coordination and productivity will be achieved in research activities, training, and production of technical communications.

- Improved management of human resources—more active and better personnel interchange around the world will be possible, providing professional personnel for each engagement and, in turn, offering personnel the benefits of broader experience and more varied opportunities.

Among some of the better-known clients handled by Ernst & Whinney are: The Detroit Free Press, J.I. Hudson Co., Hughes & Hatcher, Crowley, Milner and Co., Federal-Mogul and Panax Corp.