

## BUSINESS PEOPLE

**ROBERT A. HAMEISTER** of Franklin was named production manager at the Fisher Body Division of General Motors Fleetwood plant in Detroit. He succeeds Leslie D. Richards, who was promoted to plant manager at that location.

**MARVIN W. STUCKY** was appointed to the new position of vice president of governmental affairs and corporate planning for American Motors Corp. Stucky had been vice president of the product group.

**THOMAS A. STAUBT** was appointed to vice president of the marketing group for AMC. Staubt had been director of marketing for General Motors Chevrolet Division.

**DALE E. DAWKINS** was appointed to vice president of the product group for AMC and engineering. Dawkins had been vice president of the marketing group.

National Bank of Detroit has announced the appointment of **CHARLES G. RAPHAEL** of Birmingham as vice president in its Comptroller's Division. In his 10 years with NBD, he has worked as a manager in the bank's Method Analysis Department and a manager in NBD's Cost and Standards Department.

**JAMES E. GARROW** of Southfield has joined LOF Plastics Inc. of Detroit as corporate controller. Garrow formerly was manager of corporate accounting for the Federal-Mogul Corp. of Southfield.

**ELEANOR LUEDTKE** of Birmingham has been appointed vice president for University Relations for the University of Detroit. She replaces Bill Pickett, who has become vice president for University Relations at the University of San Diego. Luedtke, who was the university's public relations director, is the first woman to hold the position of vice president at the U of D.

**JOHN W. JICKLING** of Birmingham and **KENNETH S. NEUMANN** of Southfield were elected members to the American Institute of Architects prestigious College of Fellows. To qualify as a Fellow, the individual must have been an AIA corporate member for 10 years and made notable contributions to the advancement of architecture. Fellows are allowed to use the initials "FAIA" after their names to indicate their status within the profession.

**WILLIAM J. FIELD II** of Bloomfield Hills has been named vice president of Charles F. Kiebler & Co., a firm providing consulting and management services. Field was vice president-personnel, Bendix International, and before that held human resource management positions with Allied Chemical Corp.

**LARRY KERR** of West Bloomfield has been appointed president of Trans-Tech Inc., a Troy-located manufacturer of machine parts. Kerr started at Trans-Tech as vice president of operations in January 1978. Prior to that he was with Rockwell International Automotive Operations.

**ED PAVORIS**, formerly of Southfield, has been named National Field Sales Manager of No Nonsense Fashions Inc.

**STEVEN E. GIFFORD** has been appointed director of implementation planning for American Motors Corp. Gifford will be responsible for the implementation and planning of all short term passenger car and Jeep vehicle programs.

**LOUIS J. LAWRENCE** has been named vice president-production operations for The Bendix Corp. Lawrence will be in charge of manufacturing, material and quality and reliability programs.

**WILLIAM R. PARK** formerly of Southfield, has been named director of original equipment sales for the Prestolite Electronics Division of Eltra Corp.

**KEN E. NEITZKE** has joined the Southfield agency of The Life Insurance Company of Virginia as a representative.

**CANDY BARSUMAN** has been named director of marketing at Stouffer's Northland Inn here. Barsuman assumes the Northland Inn marketing director's post after a year-and-a-half as general sales manager there.

**NEIL C. MacTAVISH** of Birmingham has been promoted to vice president and credit manager for City National Bank of Detroit. He joined the bank in 1972 and has held various positions in the Loan Review Department and in the Credit Department. In 1975 he was promoted to assistant vice president and credit manager.

Commercial Contracting Corp., a Detroit-based industrial equipment installation firm, has realigned its corporate management structure. **WILLIAM H. PETTIBONE JR.** of Birmingham is the new corporate president and chief executive officer. He has been manager of nuclear construction and executive vice president since joining the firm in 1967. He succeeds **CASS J. DUKE** of Rochester who was elected to chairman of the board of directors. Duke remains chief operating officer for the concern. He has held positions as supervisor of operations, vice president, and executive vice president. Duke served as corporation president since 1973. W. H. PETTIBONE of Bloomfield Hills, one of the firms founders, has relinquished the position of the chairmanship and assumed new responsibilities as chairman of the executive committee of the board.

**MICHAEL L. PETTIBONE** of Troy was named executive vice president of the firm and appointed to the board. He had been both sales manager and vice president for sales since joining the company in 1972.

**WILLIAM B. HOFFMAN**, executive vice president of the Cement Division of National Gypsum Co. of Southfield, was elected to the board of directors of the Portland Cement Association.

**JULIE ANN BABA**, president of the Michigan Chapter of American Society of Interior Designers, has joined the staff of Hank Gluckman Associates Inc., an interior design firm in Farmington Hills.

Stone & Simons Advertising Inc. of Southfield has announced that **SARAH MARTIN**, treasurer, and **ROBERT SOROCK**, vice president of account services, have become participating partners and members of the board of directors. Martin joined the company in 1963. She is now treasurer and a director. Sorock has been with Stone & Simon for eight-and-a-half years. His new title is executive vice president, secretary, and a director.

**MICHAEL J. KARAGOZIAN** has joined the corporate public relations and advertising department of Ex-Cell-O Corp. as a staff writer. Before joining Ex-Cell-O, Karagozian was an advertising representative for the Observer & Eccentric newspapers.

**WILLIAM T. KELLEY** was appointed general manager of the Detroit Operations of Ex-Cell-O Corp. Kelley joined Ex-Cell-O in 1976 as general manager of the Manufacturing Services Division in Indiana.

# Business

## Competition forces Oakland Mall to expand

By KATIE KERWIN

Space-age white fiberglass, chrome and glass modeled to clean, almost sterile lines attract the shopper's eye as he enters Oakland Mall's new two-level wing.

Mall owners hope the addition also will attract former customers who had strayed to the newer, larger malls which have sprung up in metropolitan Detroit in recent years.

"Competition forced us to expand," said Jay Kogan, general partner in Oakland Mall Limited, which developed and owns the shopping area.

"The newer malls, like Lakeside and Twelve Oaks, are larger and more varied," Kogan said. "If we wanted to stay viable, we had to expand."

"We want to keep our customers, rather than letting them slip away to someplace else."

ESCALATORS, STAIRS, elevators and bridges link the stores in the area. About 100 shops are open now in the wing, which opened Nov. 1.

Forty-seven more merchants and a J.C. Penney department store are scheduled to open next spring.

Parking was increased by 9,000 spaces. The new wing will provide 2,400 new jobs, mall management estimates.

"We'll have five movie theaters and more restaurants — which we really need," said Jay Powell, marketing director. One of the restaurants, Jonathan B Pub, will serve liquor, she said.

Ms. Powell said she thinks the addition will give the mall a shot in the arm. Oakland Mall's previous inability to add trendier new stores may have hurt business, she said.

"We did lose some customers when Lakeside opened," she said. "I think now some of them will come back."

"Now we have some of the more upbeat stores that drew them away before," she said.

KEEPING A MALL current attracts customers, said Douglas Mossman, Kogan's associate.

"When you have 65 stores in a mall on long-term leases, you don't have a chance to add anything new," he said. But lack of variety turns away shoppers.

"If you can find someplace else with a better selection, you will shop there," Mossman said. He added that he's hopeful the new wing will boost mall business.

"Now we're on a competitive plane with the other malls in the metropolitan area," he said. "You always have to upgrade things to keep in step."

Mossman and Kogan both refused to discuss the cost of the mall addition.

OAKLAND MALL's site was a sod farm, until Kogan bought it in 1962.

Sear's and J.L. Hudson Co. agreed to be anchor stores for the enclosed regional mall.

Sears opened there in August, 1965. Hudson's and the rest of the mall were opened by July, 1968.

Construction on the new wing began in November, 1977. Some of the new stores opened Nov. 1. The ribbon-cutting ceremony was held Nov. 8.

Location near the I-75-Fourteen Mile interchange has been one of the mall's prime advantages, Mossman said.

"Location is essential in the retail business," he said. "Oakland Mall is the most successful shopping center, per square foot, in the United States."

In its early days, Oakland Mall drew shoppers from great distances, Kogan said.

As more large malls were built, some customers started shopping closer to home. People living at the midpoint between two malls will choose the one with better selection, Kogan said.

"We want to draw that midpoint back to us," he said.

KOGAN ACKNOWLEDGED that despite the continuing growth of suburban malls, the supply of shoppers is not endless.

"There is a ceiling," he said. "But everyone hopes that he will be better than the next one."

"The only hope is that you are good enough, have enough to offer, that you will get not only your fair share (of shoppers), but more than your share."

Renovation of the original mall area is planned, Kogan added.

"We will repaint and change the decor, plantings and lighting — everything to dress it up to the quality of the new mall," he said.

To avoid the Christmas shopping season, the facelift of the old mall will not begin until after the New Year holiday, Kogan said.

There will be no further major expansion to the mall, Mossman said. But a high-rise office building, an apartment-office complex and another retail center on the east side of John R are planned.



Danny and Randy Stevenson were among the throngs of shoppers when Oakland Mall in Troy opened 15 new shops Nov. 1. There's 9,000 more parking spaces, 2,400 new jobs, five theaters and more restaurants, too. (Photo by Santa Fabio)

## From real estate to whiskey

### Book explores tax shelters

By RON GARBINSKI

Looking for a tax shelter?

Well, William Drollinger has an answer. Matter of fact, he has a book full of them.

Drollinger is the author of "Tax Shelters and Tax-Free Income for Everyone."

The book is designed for the person who wants to explore tax shelters, those potential business ventures which receive favorable tax treatment under existing tax laws.

Drollinger, an attorney dealing in financial planning for Connecticut Mutual Life Insurance in Southfield's Town Center, started writing the book back in 1972.

Now in its fourth edition, the book examines scores of tax shelters for investors, employees and corporations.

New in the latest edition is a section on tax shelters in commodities, which doubled the book to its present size of 1,354 pages.

Other sections deal with depletion rates, depreciation guidelines and the Tax Reduction Act concerning oil and gas.

THE WEST Bloomfield author also explains in detail the ramifications of the Tax Reform Acts of 1976 and 1978.

"Those were important changes in tax law. Prior to 1976, an investor could write off more than he had risked. There were gross abuses in tax shelters. People were writing off losses and making money on them," Drollinger says.

"So the government stepped in and made the corrections. The IRS is now training agents to cope with tax shelters."

"The 1978 Act covers a multitude of things. The major thing it corrected was allowing for only the amount risked to be written off," Drollinger adds.

"Someone can't enter a deal that has little chance of success and write it off anymore and make money. The investment must have some economic life in it."

What's Drollinger's advice on tax shelters?

"I'd take a conservative approach and purchase improved real estate that's well located, has good tenants who pay their rent and is well managed. I feel safest in making that recommendation. Most other tax shelters are foreign to investors. Most people can relate to real estate."

CABLE TELEVISION also will be another good tax shelter.

"That'll probably be a lot bigger in the future with the energy problem the way it is and with more people staying

at home. An investor can put his money into a limited partnership and get substantial write offs comparable to his money invested."

Drollinger believes there is no such thing as a good or bad tax shelter, only good or bad investments.

So that's why he cautions against jumping into "headline ventures." Before investing in an business venture, a person should compare the investment with tax exempt bonds to see if the investment is really worth the risk.

Tax-exempt bonds are the second most secure investment around next to U.S. Treasury Notes, Drollinger maintains.

Another word of advice is to diversify one's investments over a period of years.

"That way you won't end up with a loser. If you spread your investments out over a number of years, one might be a winner and have some success with investments."

THERE ARE SCORES of common tax shelters. One is a life insurance policy. Since 80 percent of Americans own one, it's a likely tax shelter.

Drollinger says if it's handled properly, there could be no tax on the death proceeds and the state and federal taxes can be avoided.

Home ownership is another "ideal" tax shelter with the present rate of appreciation in real estate. The 1978 reform act allows a \$100,000 free gain on the sale of real estate after age 55.

"Another big area is pension and profit sharing plans. Both are excellent examples of tax shelters. The employee contribution is deductible. There's no employee tax. The plans grow tax free and death benefits can be arranged to escape taxes," he says.

"One of the first thing most of us should do if we have such a plan is make voluntary contributions. Most employees don't take advantage of the opportunity to put their money in these funds. Instead, they put their money in the bank where it's losing money, especially with a 14 percent inflation rate."

"Looking into the future, I see the day when employees can put more of their money into these type of accounts. Right now the employee is limited as to how much he can invest."

Drollinger's book is published by Epic Publications of Orchard Lake. It's featured as both Macmillan and McGraw Hill book club selections.

## Market Place

**DETROIT CHAPTER** of the National Association of Accountants will conduct its monthly meeting tonight at 6:30 p.m. at Carl's Chop House. David Delluro, an attorney in the enforcement division of the Securities and Exchange Commission, will talk on the Foreign Corrupt Practices Act. Members and guests are invited. For more details, call 354-4600.

**BARKLEY AND** Evergreen, Inc. of Southfield has won an award from the trade publication Advertising Age in that magazine's 4th annual competition. Honored was a multi-media campaign announcing that Dick Purtan was joining CKLW as morning radio host. The were only seven winners nationwide from among 150 entries.

**PERRY DRUG** Stores opened its 65th and 66th Michigan stores. That makes seven new stores opened this year for the Pontiac-based chain.

**ERB LUMBER** Co. of Birmingham recorded a 13 percent increase in revenues for the third quarter of 1979. Revenues were \$35,770,641 compared to \$35,165,654 for the same period in 1978. Net income was \$1,550,710, a decrease of 1 percent from \$1,568,339 reported last year. Earnings per share were \$1.23.

**THE NORTH** Oakland Chamber of Commerce will offer the remaining tickets for "Getting More Productivity and Profit from Your People," a two-evening business course set for Dec. 5, 6 and 7 at Roma's of Bloomfield 7-10 p.m., will be sold on a first come, first serve basis. For more information, call the Chamber office at 335-6148.

**KELLY SERVICES** of Troy, a supplier of temporary help and business services, announced record sales and earnings for the third quarter of 1979. Net earnings were \$4,897,000, an increase of 39 percent from the \$3,516,000 earned in the same period of 1978. Earnings per share were \$1.67 in 1979 compared to \$1.21 in 1978, adjusted for a four-for-three stock split in November 1978. Sales for the three-month period were \$39,756,000, an increase of 32 percent over the \$75,681,000 of 1978.

**THE MIDWEST** Insulation Contractors Association has published "Commercial & Industrial Insulation Standards," a 195-page book to serve as an energy conservation guide for the industry. A first for the insulation industry, the book is a year-long project of the MICA. It may be purchased through the MICA for \$18 per copy. Mail a check or money order to MICA, 2208 Hanscom Blvd., Omaha, Neb. 68105.

**TROY'S MULTI** Construction Holdings, Inc. has acquired two Oregon based companies specializing in design and construction of railroad track systems — Railco, Inc. and Railway Track and Structures, Inc. They will now become Railco Multi Construction, Inc. and Railway Multi Engineering, Inc., both wholly owned subsidiaries of Multi Construction Holdings. Multi Construction Holdings is the North American subsidiary of Multi Construction and Engineering Limited, an international construction company out of the United Kingdom.

**THE GREATER** Detroit Chamber of Commerce will establish a non-profit corporation to operate a southeastern Michigan foreign-trade zone (FTZ). An FTZ is an area within the U.S. which for custom purposes is considered to be outside the country. Companies can import parts for assembly in the zone and export them without paying any duties. They can also assemble, manufacture or store goods in the zone for domestic distribution and pay duties only when the product leaves the zone. For more details, contact the Chamber at 964-4000.