marketplace

FACING REDUCTIONS of more than 50 percent in single-family housing production, Michigan's home building industry has requested President Jimmy Carter and various regulatory agencies to repeal money market certificates. Traditional 25-30 year mortgages, used to finance the majority of America's homes, have been virtually eliminated as interest rates have skyrocketed. At the 10 percent interest rates that existed a year ago, a family making $50,000 could qualify for a $100,000 home. At 14 percent, they can qualify for a $75,000 home. But at 17 percent, they can afford only a $62,000 home. "Unless steps are taken to lower home mortgage interest rates very soon, severe housing shortages may be expected to result," says Andris Ronis, president of the Michigan Association of Home Builders. "Money market certificates have directly contributed to the present rampant and unconscionable rates of inflation in the United States. Unprecedented high interest rates on savings have not only brought housing to a standstill, but will cause severe financial difficulties for some lending institutions unless immediate relief is provided."

WHO'S THE TOP corporate lawyer employer in the United States? AT&T, according to the National Law Journal. The firm has 863 lawyers. That's more than the combined total of the country's two largest private firms. Well behind AT&T are General Electric with 318 and E.I.DuPont de Nemours with 164. Michigan's firms in the top 50 include Ford Motor Co. in sixth with 150, General Motors in eighth with 152, Dow Chemical Corp. with 73 in 26th place, Bendix Corp. in 39th with 58 and Chrysler Corp. in 48th with 50 lawyers.

GOVERNMENT-REQUIRED paperwork is creating such a burden on small businesses that the Donald Upward, head of the Detroit office of Main Hurdman & Cranstoun, the nation's ninth largest CPA firm, is calling for a national "war on paperwork." "We have wars on inflation, energy and poverty. It's time we had a war on the burdensome, confusing and unpredictable paperwork required of small businesses by government," he says. He suggests that Congress and the president should consider legislation that will reduce the required paperwork on small businesses by requiring each federal agency to submit annually, as part of the budgetary review process, an audit of the paperwork burdens it imposes on business. Forms should be in simplified English, too.

TOUGH FINANCING conditions and escalating interest rates dealt hammer blows to housing in February to slow the turnover of homes on new mortgages to the lowest level of activity since the 1974-75 recession, long remembers as the worst since the 1930s depression. Home mortgage recordings assembled from county files in Wayne, Oakland, Macomb and Washtenaw counties, fell to 4,049 loans totaling $148,595,530. Those totals were the lowest since 1976 when 3,484 home mortgages worth $81,993,070 were recorded, according to the Lawyers Title Insurance Corp.

CORE INDUSTRIES Inc. of Birmingham attained record sales and earnings for both the quarter and the six-month period ended Feb. 29. Comparative earnings per share from continuing operations increased 35 percent in the second quarter and 41 percent during the six-month period. In January, the company announced a 24 percent increase in its cash dividend and a 50 percent stock distribution, both payable on March 31. Net sales for the three-month period were $38,282,000, up from $32,281,000 last year. For the six-month period, net sales were $79,607,000 compared with the same period ending Feb. 28, 1979. Net earnings for the six month period were $6,308,000 compared to $4,183,000 for 1979.

ERB LUMBER of Birmingham reported revenues for 1979 were $129,894,000, a 12 percent increase over 1978's $116,210,000, while earnings decreased 7 percent to $4,084,000 from $4,409,000 the year before. Earnings per share were $3.23, a slight increase over 1978 due to the fewer number of shares outstandig, a result of previously reported transactions. Four new locations around the state contributed to the increased revenues. Sales to the residential building industry fell in the last half of the year under pressure of rising mortgage interest rates and a tightening mortgage market.

THE VILLAS of Ramblewood in Farmington Hills, 14 Mile at Halstead roads, is a new custom designed condominium community. Models are available for immediate occupancy. Other spacious 1,900-2,638-square-foot, one and two-story units will be ready for occupancy in the summer or fall. Units start at $135,000 with 72 units planned for the development. The area is fully landscaped, there's 24-hour gatehouse protection, an extra-large 18-foot garage door and each kitchen comes complete with a built-in self-cleaning Hotpoint double oven, disposal, dishwasher and trash compactor. Options include a variety of fireplaces, kitchen extras and designer lighting. Models are open daily 12-7 p.m. For more information, call Jack Belkin at 358-5566.

THE FUTURE of the U.S. automobile industry is one of unparalleled opportunities, according to Gerald Meyers, chairman of American Motors Corp. "We see the current situation as a prelude to the renaissance of our industry, a revolution in car size and demand which will result in the early replacement of every car and truck on the road today. The faster gas prices rise, the faster and stronger the small car revolution will proceed." As U.S. cars get lighter and smaller, the industry is turning more and more to European ideas and design, he says. These changes are dramatic and expensive, with the industry spending $80 billion to get itself into the '80s. He does not anticipate a "world car," but believes there will be "world car companies." "We calculate that the 30 or so independent auto manufacturers in the world today will narrow to about a dozen by the end of the century."

PERRY DRUG Stores expect to reach $128 million in sales during 1980 from what the company forecasts to be a total of at least 72 stores by Oct. 31, ending the firm's fiscal year. The 67th Perry Drug store opened recently in Ypsilanti. Jack Robinson, chairman and president, expects sales and earnings for 1980 to be at record high levels for the fifth consecutive year. He said earnings this year could exceed the $2.5 million earned last year on sales of $109.3 million. The company's 1979 sales upturn of 23 percent took Perry into 1980 as Michigan's leading drug store chain. The firm recorded its best ever quarter results in the period ended Jan 31 with net profit up four percent to $1,107,000 or 72 cents per share from a restated $1,067,000 or 69 cents per share last year during the same period. Robinson expects Perry to become at least a 100-store chain doing sales in excess of $200 million anually by 1983.

ALLIED SUPERMARKETS, Inc., operator of the 35-store Great Scott Supermarket chain, froze prices on all fresh meats, fish, poultry and luncheon meats in its meat department effective through April 19. Prior to that, Great Scott froze prices on all private label items sold until April 8.

A REVIEW OF current industry technology applied to fuel economy will be presented April 1 at a dinner meeting of the Society of Automotive Engineers Detroit Section. Speakers include Mark Gleason, principal design engineer, Product Development staff at Ford Motor Co., Merrill Haviland, department research engineer, fuels and lubricants department at General Motors Research Labs, Haig Tarpinian, manager of advanced tire engineering at Uniroyal, and William Elliott, executive engineer, General Motors Engineering staff. The meeting starts with social hour at 5:45 p.m. and dinner at 6:30 p.m. in the Rackham Building, 100 Farnsworth Ave. in Detroit.

AUTOMAKERS predict that manufacturing capacity could be increased by as much as 15 percent through the use of improved management systems, including a greater reliance on computers during the next decade and beyond. That viewpoint, taken from a recent industry survey conducted by the Detroit office of Arthur Andersen & Co., has prompted a follow-up study underwritten by automotive suppliers and auto manufacturers. The study targets management systems which could help increase productivity. "Automakers will invest more than $12 billion each year through 1991 in new plants and updated equipment, much of which is designed specifically to increase productivity," says study leader Peter Van Hull. "Holding down costs while maintaining or improving profit levels is the key. A significant increase in productivity of older manufacturing units could mean the difference between profit and loss in those facilities."

BUSINESSES wishing to submit items for Marketplace should send them to Ron Garbinski, Observer & Eccentric Newspapers, 1225 Bowers, Birmingham 48012. Notices of meetings must be received by the Monday preceding our Thursday publication date. Please include a contact person and telephone number.

Businessmen travel world to improve market incentives

By MARY DOERR

Thomas O'Hara is out to increase incentives in stock market investments with a little help from the French.

The Bloomfield Hills resident and chairman of the board of the National Association of Investment Clubs is attending the World Congress of Investments Clubs in France.

In Paris, he and George Nicholson of Grosse Pointe, a financial advisor for NAIC, will study a 1978 French law which increased investments in the French market by 44 percent in one year.

An American version of the French law, the Investors Incentive Act of 1980, is before the House Ways and Means Committee. It would provide an income tax deduction of 10 percent on the price of stock purchases held for one year up to a maximum of $1,000 for an individual and $2,000 for a couple.

The legislation was written by the Royal Oak-based NAIC through its involvement with the World Federation of Investment Clubs.

Nicholson is one of the founders of the World Federation.

"We hope to get the 1979 figures from the French officials about how their law has affected the French market," explains O'Hara. "We know that since the passage of this French law, the prices on the French exchange have risen 66 percent."

WHILE IN PARIS, O'Hara and Nicholson will meet with French Minister of Finance Rene Monory and the wife of the prime minister, Madame Valery Giscard D'Estang, who was a member of the first investment club in France.

O'HARA: 'While this is good for the 150 companies, the small businesses don't have the trading volume. It is in the growth of these smaller industries that many of our nation's new jobs are created.'

When O'Hara, a former director of the New York Stock Exchange, first learned of this law in early 1979, he began formulating plans to introduce legislation into Congress.

On Jan. 24, the bill was introduced by U.S. Rep. Richard Schulze, R-Philadelphia.

The bill has support from the Committee of Publically Owned Companies, Investment Company Institute, Stockholders of America, the brokerage Paine, Webber, Mitchell, Hutchins, and 26 members of Congress who are sponsors of the bill.

Shortly after it was introduced, O'Hara was called to Washington to testify before the House Ways and Means Committee concerning the bill.

He and other members of the NAIC support this legislation because they believe it would increase the number of investments in the U.S. market as it has in France. Finland and Sweden have also benefited from implementing a similar law.

SINCE THE U.S. government forced a reorganization of the New York Stock Exchange in 1969 and eliminated the fixing of minimum commission charges, the number of individual investors in the market has declined by 10 million, O'Hara says. During the past 10 years the average age of the individual investor has risen from 45 to 54.

The market today is dominated by large companies representing pension funds, bank trusts and mutual funds. Those companies now are approaching 50 percent ownership of all stock, O'Hara adds.

Since those companies tend to trade only the 150 largest corporations, capital is not readily available to the small businesses.

"While this is good for the 150 companies, the small businesses don't have the trading volume. It is in the growth of these smaller industries that many of our nation's new jobs are created," O'Hara says.

Approximately 80 percent of the business of the exchange is done by the large companies. Sometimes buyers have to wait two or three days to buy or sell a lesser known stock.

O'Hara believes the proposed legislation will increase the number of investors in the U.S. market as it has in France. Because individuals do not hesitate to trade the smaller companies, the legislation would in turn stimulate industrial expansion, increasing the number of jobs and productivity in America.

"If America is going to keep pace with countries like German and Japan, our own production must increase and our industry must create more jobs," adds O'Hara.

THE NATIONAL Association of Investment Clubs was founded in 1951 and consists of 4,000 clubs throughout the U.S. During the past 30 years, the organization says it has educated two to three million people in stock market investing.

Its 50,000-copy monthly magazine, "Better Investing," recommends stocks to the membership.

The NAIC Manual is the largest selling investment book in the country. Since the first edition came out in 1958, 400,000 copies have been sold.

Information about investment clubs, the manual or magazine may be obtained through the NAIC at 1515 E. 11 Mile Road in Royal Oak, or by calling 543-0612.

business people

Avon Township's **ERIC MALLOY** was appointed manager of the Harold Paper Division of Copco Papers, Inc. Malloy has been with the company for six years as controller.

Lash & Company, located in Southfield, announced that **SPENCER SILK** has joined the firm.

MEISEL MC CLOUD

GEORGE MEISEL and **JAMES MCCLOUD** were elected directors of White Motor Corp. in Farmington Hills. Meisel is chairman of the administrative committee of the law firm of Squire, Sanders & Dempsey. McCloud is president of Kaiser Engineers, Inc.

PAUL CONWAY, senior vice president and chief lending officer of American Federal Savings and Loan Association in Southfield, was appointed to the 1980 Secondary Market Committee of the United States League of Savings Associations.

The Michigan Apparel Club in Southfield elected **LOUISE LEVIN** president for 1980. Ms. Levin, Michigan sales representative for Bruxton-Essley Shirt Co., becomes the first woman in the country to achieve the presidency of an apparel club.

FRANK SOAVE, president of Cavanaugh & Soave, Inc. in Troy was re-elected president of the Masonry Institute of Michigan. Other members elected were **ROY SEELBINDER,** president of Roy A. Seelbinder Construction Co. in Troy, secretary; **FRANCIS COSTELLA,** president of Monte Costella & Co. in Southfield, treasurer; and as assistant treasurer, **DWIGHT LEWIS,** president of Rohn Fireproofing Co. in Oak Park.

National Bank of Detroit Dearborn Bank appointed **ROBERT ASHLIN** president and chief executive officer. He is a resident of Birmingham.

ROMULO PIETRANGELI was named administrative manager of Cadillac Plastic and Chemical Co.'s international business. Pietrangeli will coordinate the administration of the company's international business. His new office is in the company's world headquarters in Birmingham.

JACK WEST joined WCZY-AM/FM radio in Southfield as general sales manager. In addition, **BOB GASKINS,** WCZY's operations manager, has been appointed a station vice president. Prior to joining the station, West was vice president for media and account services at Sohigian & Partners, a Southfield-based office. Gaskins joined WCZY as operations manager for WCZY-FM in 1978 and extended his responsibilities to the AM station a year later.

Ranco Controls Division appointed **BURTON HOLLANDER** director of management information services. His responsibility is supervising the data processing system for the division. He is a Birmingham resident.

WINSTON HASLER of West Bloomfield was re-elected treasurer of Lutheran Social Services of Michigan. Hasler, of the corporate accounting staff of General Motors in Warren, has been treasurer of the agency for nine years.

American Motors in Southfield appointed **JACK HILL** director of supply planning and transportation. Hill had been manager of supply for American Motors since 1976. He joined the company in 1972 as manager of material control and scheduling for Jeep vehicles.

KOOI BRENNAN

RAY KOOI retired as executive director of the Ford Motor Co. Fund. He has been with the Ford Fund for the last 23 years, and his retirement ends a 33-year Ford career. **LEO J. BRENNAN JR.** replaced Kooi. Brennan had been associate director of the fund since 1977 and prior to that served as corporate contributions administrator. He is a Birmingham resident.

KEITH DICKINSON joined the staff of Desmond & Associates as a copywriter. He is a Rochester resident.

Simons Michelson Zieve Inc. Advertising, announced that **DENNUS GREEN,** president of RPM Advertising, Inc. of Southfield, joined SMZ as senior vice president — account development. RPM's staff will move into the SMZ's headquarters in Troy.

ANTHONY CRAIGHEAD joined the Southfield-based company of Barkley & Evergreen of Detroit, Inc., as print production coordinator. He comes from Kenyon & Eckhardt where he worked on automotive accounts.

NANCY WALSH was named manager of operating services for D'Arcy-MacManus & Masius Advertising's Bloomfield Hills office. Ms. Walsh joined the agency in 1954. In her new position, she will be responsible for much of the administration of the DM&M.

WALSH HEIDEL

The Bloomfield Hills office of D'Arcy-MacManus & Masius appointed two senior officers. **W.D. MOORE** moves up from president of the office to the title of chairman of the local office. **HAROLD BAY JR.** replaced him as president. Bay prior to this appointment had been senior vice president.

Prevost/Treacy/Schreier/Pudists/Ernst, Associated Architects Inc., opened its new offices in Troy. **ALVIN PREVOST,** a resident of Troy, is president and director of architecture and construction of the firm. **DANIEL TREACY** of Bloomfield Hills will serve as vice president and general manager. **AARON SCHREIER** will serve as vice president and director of projects. He is a Beverly Hills resident. **MODRIS PUDISTS** will serve as vice president and director of design. **THOMAS EARNST** will serve as vice president and director of interior design. Earnst is a resident of Birmingham.

FRANK BUTLER, a former public relations executive with American Motors Corp., established a public relations firm in Troy.

EDWARD HOLZRICHTER, director of resin research at Whittaker Corp.'s Colton Coatings & Chemicals Research Center in California, has been named director of research and development at the company's Coatings & Chemicals Research Center in Southfield.

CHARLES HEIDEL was elected to the board of directors of First Federal Savings of Detroit. Heidel is executive vice president for operations of the Detroit Edison Co., which he joined in 1947. Heidel is a Birmingham resident.

KAREN WILLIAMS was appointed executive director of the YWCA of metropolitan Detroit. Since 1975, Dr. Williams served as associate metropolitan executive.

The West Bloomfield Liberty State Bank and Trust made several appointments: **LEONARD LIPPERT** was appointed compliance officer. He was a bank officer in the commercial loan department. **CAROLYN DEZENSKI** was promoted to branch manger of the Waterford branch. She joined the bank in 1973 and has been assistant manager of branch. **JANICE GARDNER** was named director of training for bank personnel. She was branch manager of the Chesterfield office. **EUGENE SKURDA** is branch manager of the Chesterfield office. He was in the banking and insurance field.

Detroitbank Corp., parent company of Detroit Bank and Trust, has announced that **ALAN AINSLEY** of Troy was appointed assistant vice president, sales development. Ainsley joined the corporation in 1969 as a management trainee. He became an assistant cashier in 1975.

JAMES PRYOR of Avon Township was named field advertising coordinator for the Stroh Brewery Co.

PRYOR SABOL

WILLIAM SABOL was appointed general manager of the Detroit plant of Copper and Brass Sales, Inc. Sabol joined the company in 1970 as an outside salesman. He was named Detroit's operation superivsor and then promoted to sales manager in 1974. He is a resident of Birmingham.

JOHN SMITH was appointed chief engineer-vehicle emissions and fuel economy planning for Chrysler Corp. Smith previously was manager-power plant program control and planning for chassis engineering. He is a Troy resident.