



CAMILLE MCCOY/staff photographer

Rick Inatome: Reports of his poor health were greatly exaggerated — causing Inacomp's stock to slip.

## Inacomp's remodeling showcases its services

By Tom Henderson  
staff writer

The reality in business is that perceptions of fact can be more influential than fact itself, which is why Inacomp Computer Centers' flagship store in Troy recently had what was billed as a "grand reopening."

Rick Inatome, the company's founder, president and chief executive officer, admits that the "grand reopening" and a corresponding remodeling of the showroom are more surface than substance.

Solid walls in the showroom have been replaced by glass, so that customers can see the support group of mechanics, repairmen, classrooms and technicians that have always been part of the 30,000-square-foot complex.

"Before you wouldn't see the support. You'd think, 'Oh, there's only a couple of salesmen on the floor,'" said Inatome. "A lot of retail stores looked like us, and we couldn't get our message across."

THE MESSAGE, Inatome hopes, is that Inacomp is a beehive of activity, from classroom to repair to special marketing and support services. The perception of a prospective customer will be, say Inatome's market studies, that here is a company that will offer support and service, not just price tags.

"The changes are subtle, but they get the communication across," said Inatome.

They weren't cheap. The approach — the cost of studying the change of rearranging the showroom, of promoting it — may run as high as \$200,000. If it is successful, it will expand to other stores in the 74-store chain. Success will be determined by how close the Troy store comes to

expectations of a 20 percent increase in sales.

"If we're satisfying the customer 20 percent more, then we should see 20 percent more sales," said Inatome. "But we're not just doing this to sell 20 percent more. It's not just a move to sell more computers. We want a more satisfied customer."

THE CHANGE in store atmospheres is part of a long-range plan by Inacomp, headquartered in Troy, to boost consulting and support services to 20 percent of gross business in the next 4½ years. According to Inatome, such services, which include classroom teaching of corporate and individual customers, amounted to 3 percent of business three years ago and 10 percent of sales now.

CAD (computer-aided design) classes, for example, are \$3,000. It can cost as much for training as it does for the computer.

Inacomp was founded by Inatome in 1976 with \$45,000 borrowed from family members and grew out of his success selling kits by day that he'd built in the basement by night.

That was in the beginning of the PC boom. Companies have come and gone but Inacomp has survived the shakeout that has been marked by other companies' bankruptcies and mergers.

The new emphasis on satisfying the customers' psychological and educational needs as well as the needs of his pocketbook will, hopes Inatome, help keep the company profitable and avoid the problems faced by other merchandisers. (Gears recently closed 42 business computer centers and IBM has sold 80 of its computer stores.)

Inatome, 33, is a graduate of Warren Cousine High School and a 1976

graduate of Michigan State with a degree in economics.

He has been called "one of the few superdealers who help shape the industry" by Newsweek Magazine and was named as one of the more influential executives in 1983, 1984, 1985 and 1986 by Computer Retail News, a trade publication.

Inatome has been named Entrepreneur of the Year by the Harvard University Business Club, the outstanding young man of the year by the Michigan Jaycees, and he received the Michigan State University Business School's Financial Leadership Award.

Inacomp's sales were \$158 million in 1986, up 22 percent from 1985, and Inatome predicts sales of \$229 million for fiscal 1987. Not bad for a guy who did just \$400 in sales his first month in business. Not bad for a guy who was told after an aptitude test in college that his greatest chance of success would be in mortuary science.

THOUGH INACOMP is publicly traded, Inatome is as contented to Inacomp as if it were still a family business.

In fact, in 1984 rumors of his illness sent the stock down two points in two days, a total paper loss of \$10 million.

A Wall Street insider called to ask him about his health and when Inatome said he was fine, the insider told him the word on the street was that he had cancer. As it turned out, it was the chief executive of another firm who was sick; Inacomp's price quickly rebounded.

He's fine, and Inatome hopes the expensive foray into remodeling his flagship store will help keep Inacomp line for years to come.

## Sweet success

Small business advocate makes her mark locally and nationally

"It's been a long road from Livonia housewife to Zimbabwe." — Jeanne Paluzzi, owner of JGP Marketing Group International of Livonia.

By Tom Henderson  
staff writer

Jeanne Paluzzi left Sunday for Zimbabwe to explore business opportunities for her clients in that African country. It has, indeed, been a long road, and an interesting one.

For a while, it seemed as if nothing but frustration and failure would come her way. Now, it seems to be success after success.

Paluzzi has owned her own public relations and marketing firm since 1979.

She was appointed in March to the Advisory Council on Small Business of the Federal Reserve Bank in Chicago. She is vice president of the Small Business Association of Michigan and finishing her second year chairing its Political Action Committee; in 1986 she was an elected delegate to the White House Conference on Small Business; she has been a member of the board of directors of the Livonia Chamber of Commerce, president of the Michigan chapter of the National Association of Women Business Owners, on the Industrial Development Commission in Livonia and on the city's cable TV advisory committee.

On and on reads her resume — appointments, elected positions, commissions and memberships to a wide range of professional associations.

THE RESUME wasn't always so full. The long road had a potholed, twisting start; it seemed Paluzzi would never get where she wanted to go.

In the early '70s, Paluzzi had been a longtime volunteer for civic and religious groups in Livonia. She found herself in need of money and a job.

"I thought it would be awfully nice to get paid for something I enjoyed doing," she said of her decision to get into public relations.

She landed her first job in the PR department of the Detroit engineering firm, Smith, Hinchman and Grylls Associates, but was laid off within a year. She went to work for Albert Kahn Associates and again was laid off within a year. She was hired at Young & Rubicam and was fired a few weeks before Christmas when a new department head came in with a stiff broom.

"I got a lot of leads and refer-



STEVE FECHT/staff photographer

Jeanne Paluzzi weathered the storms that preceded a sunny career.

**'I didn't agree with Reagan on the demise of the SBA. The SBA should be responsive to the job-creating sector of our society. Now, for the first time . . . communication barriers can be overcome.'**

— Jeanne Paluzzi

PRESIDENT REAGAN at one time planned on dismantling the Small Business Administration. He has cut back enormously on its lending policies. Yet, Paluzzi remains hopeful that the creation of an advisory council to the Federal Reserve isn't window dressing, that it will lead to substantive change and a meaningful dialogue.

"I didn't agree with Reagan on the demise of the SBA," she said. "The SBA should be responsive to the job-creating sector of our society. Now, for the first time . . . communication barriers can be overcome (because of the Federal Reserve advisory council)."

"You have to take small bites at a time to change things. I don't think this is just cosmetic. You need to maintain a pressure on them to make an impact, but you don't want to make a nuisance of yourself. You have to learn how to take advantage of an opportunity to effect change."

"Small businessmen are getting more credibility, people are more aware of us. We have created more jobs in the economy than big business has lost."

A couple of years ago, Paluzzi nearly rejoined the ranks of big business. "I got some calls from headhunters, and I thought about moving on. But I decided to stay in business," she said. "I enjoy all the freedom and frustrations of small business."

als from friends, and I saw the potential of starting my own firm," said Paluzzi. "In mid-January (of 1979) I sat up all night playing solitaire, drinking Scotch and thinking about starting my own firm."

Start it she did, operating it out of her house. Her first year was boom, her second bust after she lost a major client. But more booms followed and by 1984 she was able to move into her spacious, stylish offices on Schoolcraft.

And she's successful enough now as a small business person to be appointed to give advice to the Federal Reserve Bank on the needs of small business.

## Let the jobseeker beware

Recent graduates or people interested in employment as traveling (or door-to-door) sales representatives should proceed with caution, warns the Better Business Bureau.

Ads offering good pay, glamor, travel, training and advancement are often used to recruit the young and unemployed. These ads usually don't indicate the company's name — only the name and local phone number of the recruiter.

Those who answer the ads are usually interviewed at a local hotel or motel. Those interviewed generally must quickly decide whether to accept the job. What they find out — often once they're on the road and away from home — is that the job involves door-to-door sales for magazines, books, chemical cleaners or other products, and conditions are not at all as expected.

Crew members work long hours under close supervision. There is a pressure to meet sales quotas, and pay is by commission only. Some salespeople have been left stranded far from home when they haven't made enough sales or have challenged the rules of the company.

Some state laws require door-to-door salespeople to immediately show customers identification indicating who they are, the name of the company they represent, and the purpose of the visit. In many cities and counties the sales crews must register with local authorities. Often sales supervisors ignore such regulations and do not tell their salespeople they are violating the law.

Those considering this type of job should check out the company with the BBB office nearest its headquarters. Get all details in writing about the job, such as food and lodging programs, who is to pay for or provide transportation, etc. If possible, try to speak to several

### practically speaking

people who have worked in sales for the company you are considering.

Never be pressured into taking a job before checking out the company to your satisfaction.

While laws protect consumers from misrepresented or defective goods, there are no laws that require merchants to offer refunds, exchanges or credits on merchandise they sell, the BBB warns.

These voluntary practices have become widespread among retailers wishing to make shopping in their stores as attractive as possible to customers. But consumers should never assume that merchandise can be returned unless this policy is specifically stated by the store. Return and exchange practices vary from store to store, so customers should understand the store's policy when making a purchase.

Virtually all stores with exchange or refund policies require that the product be returned within a specified time period, in new condition, with all packaging in place, and with the original sales slip.

Because of health laws, these return policies seldom apply to underwear, bathing suits or bras.

The BBB emphasizes that customers should not confuse return and exchange policies with product warranties. Products often come with stated or implied warranties from their manufacturers. Read the warranty before returning a defective product to the retailer.

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