

Magazine editor promotes small business

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tional Trade Administration, the winner is, again, featured in a summer issue's cover story. This year the award will be presented during the Great Lakes Export Convention May 22-23 in Southfield.

"We're bullish on state economy," he said. "As we diversify, we're going to grow. Not just one area, and not just one section of the state."

And, indeed, small business does its share of the work to make Michigan fiscally sound.

As of 1986, there were 176,649 businesses in Michigan — 99 percent of which were classified as small businesses, defined by the SBA as employing fewer than 500 people. And those "small" businesses employ 49 percent of the state's workforce.

According to Richard Temkin, deputy district director for the SBA, there were 4,037 new small businesses

established between January and June of 1987.

"And these small businesses generated all of the state's 65,300 new jobs between 1980-84," he said.

"The large corporations had a net decrease in employment."

At Southfield-based Michigan Business Magazine, Garbinski recognizes, and promotes, those numbers.

"The magazine is really an advocate for small business," he said, "but that doesn't mean we're pro-business."

"Encouraging a platform of business, labor and government encouragement is our editorial mission."

THIS MISSION is narrowly directed to those in control of the state's business "Davids," and not from the local newstand. The magazine has what Garbinski calls a controlled circulation of approximately 22,000 issues each month. More than 80 percent of the subscribers are chairmen

of the board, owners or chief executive officers for state businesses.

And this select group of readers do take notice to what Garbinski and the magazine have to say. Pick a month's issue and one can find letters to the editor that express concerns ranging from the lack of grant money for the small high tech company to worker's compensation.

But this avenue of communication isn't the primary means for Garbinski staying in touch with the small business community.

Garbinski said that he spends one-third of his time talking with business and government leaders "to get the how and why of Michigan business."

"I travel a lot and served at the governor's conference on small business in February (one of a series of statewide meetings with delegates from throughout Michigan). I sit on boards of directors of Society of American Business Editors, so most

of my participation comes in presentations to various groups as spokesperson for small business."

It was one of his presentations that got him nominated for the media advocate award. Nancy Grose, assistant director for program development at Wayne State University's Small Business Development Center, heard Garbinski talk on several occasions.

"I'm impressed by the quality of his presentations; he participates in the (small business) programs," Grose said. "He gets involved beyond what most business reporters do."

"There aren't many small business advocates."

EDITOR SINCE 1984, Garbinski came into the publication's fold about six months after the magazine began. Prior to the position, he held the complex title of partner/general manager/executive editor of Hunt-

ington Publications in Detroit, which published the Renaissance Scene and Fairlane Scene magazines. He was also an editor for eight years at Observer & Eccentric Newspapers.

"Business reporting is not a foreign area for me," Garbinski said. "I participated in a lot of graduate business programs."

The credentials he cites include the Davenport Program at the University of Missouri, the Herbert V. Prochow Fellowship in Banking at the University of Wisconsin and a course at the University of Pennsylvania's Wharton Business School. "I know what's going on in the business world."

And Garbinski is happy to let the world in on his business savvy, such as his long-held belief that the state had to diversify its businesses away from reliance on Ford, Chrysler and GM.

"When asked about the proposed supercollider, for which the city of

Stockbridge is a finalist for the federal contract, Garbinski said "It's a good example in long-range planning opportunity."

Because of the now-recognized goal for more diversity in Michigan's commerce, Garbinski said the magazine focuses on different business personalities across the state.

"In the central portion of the state, there's high tech. Grand Rapids, a different mix of companies. There's a different pace of living. In the north, Traverse City, there's more focus on the environment with no connection to autos," he said.

Garbinski said that in the Upper Peninsula, where the magazine surveyed 300 major businesses, he found that most of their business comes from selling to other states in the Midwest.

"That's what's happening," he said. "You're going to see a lot of different things happening in the Michigan market place."

Dime stores

They've changed to meet times

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"You know, people are so pleased to find a dime store in town, they come here from Birmingham, Bloomfield Hills, Oxford, Royal Oak — places where they don't have dime stores."

TERRY KING was proof of that. She had driven in from Lake Orion to pick up a few things. "I'm here because I know all the girls," she said, referring to the sales clerks. "Basically, this is a neighborhood store, isn't it, Al?"

Alpha Robertson, the head clerk and a 17-year employee, was stocking a rack two aisles away. "That's right, Terry. The regulars, we call 'em by their first name. And the regulars, they get lonely and come in to shop when they're lonely."

Pat Michrino of Rochester was browsing across from the paint-by-number display. "This is my favorite store in all of Rochester," she said. "Every time I come in here, I find what I'm looking for."

You can get purple zippers for 85 cents, or a quarter pound of candy corns for 40. A bag of just popped

popcorn, its smell reaching out across the store and grabbing you by your taste buds, goes for 39 cents. Hula hoops are 99 cents. First Little Golden Books, the 1-1/2 inch ones you read when you were a kid, are 79. There are even glass jars filled with Breyers gum (5 cents a chew), Tootsie Rolls (15 cents) and Super Square Suckers (10 cents). From bathroom tissue to folding chairs to baby's T-shirts to charcoal to the great big bag of 64 Crayolas sitting in a neat row that you always coveted but never had — it's there at D&C.

The one thing you won't see in the store that you might have seen a few years ago is the green carpet they thought would spiffy the place up a bit. The help hated it, the customers hated it, and the wood floors are back in view, talking to you loudly and cheerfully as you move around.

CHUCK BUMPUS is the grandson of Herb Dancer, who founded the stores with his brother, Paul, and Cap Collins. He started working in the company during summers and is now the comptroller and vice chairman.

He said the Rochester store, which

is 6,700 square feet, is one of the top 15 revenue producers in the chain. A smaller store (4,100 square feet) on Yonge St. in Southfield has shown slow, steady growth the last two years.

Slow, cautious growth is his plan for the future, away from the malls and strip centers, and in towns with viable downtowns. "It's tough today for the individual. We've gotten stuck in the last couple of years with a lot of malls and pop operations. They can't keep up with having in the quantity the way we're large enough we can get purchasing power."

"We can compete with Meljors and K mart in pricing, but we don't compete with them in advertising," said Bumpus, whose stores are owned by 80 investors, mostly family and employees.

"We sell to the low-to-middle-income consumers who want a neighborhood store and the friendly, courteous service you don't get in big stores. Business has been up the last couple of years, but this year it's been kind of flat. I don't think it's a trend. I think there will always be a place for us."

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For example, when K mart closed its Kresge store at Westland last year, the space was carved up for five new stores.

"To compete, now, they had to get the size down," said Hobar. K mart folded some Kresge stores, particularly those close to K mart outlets, including the outlet at Livonia Mall. The Woolworth Express going in at Livonia Mall will occupy some of the space of the old Kresge's.

Seventy-two Kresges in 21 states were bought by McCrory Five and Ten, which renamed the stores and continues to operate former Kresges at Northland in Southfield and in Wayne on Michigan and in Redford on Grand River.

"There's still a need at the centers for stores that sell sundry items," said Hobar.

McCRORY SHARES a similar background with Woolworth. Both started in Pennsylvania more than 100 years ago. McCrory, headquartered in York, Pa., was founded in 1883. "They may be older than us but we're bigger than them, now," said Alan Barrington, manager of communications.

McCrory is a blend of the old and the new. They have kept the old concept of the variety store and aim to

serve the traditional customer in traditional ways, but they have done it in the modern corporate setting.

McCrory is a wholly owned subsidiary of the privately held Rapid American Corp., which also owns Faberge and McGregor Sporting Goods. McCrory has more outlets than U.S. Woolworth, with about 1,300 in 38 states and the District of Columbia, but sales were a bit less last year, at about \$1.8 billion, according to Barrington.

"A lot of the chains have moved away from the dime store concept, so the market is wide open for us," said Barrington. The firm has recently opened six stores in New York as well as a store in Oklahoma, one in Ohio and one in Houston. Barrington said lease negotiations are under way for a major expansion in the next year.

"We fill a need that is not being met by most other chains," he said. He said that business had been flat for a couple of years, but sales are up this year. "We have not been real excited until recently. Since the beginning of this calendar year, we have been very happy."

He would not divulge profit figures.

SPOKESMEN FOR the dime store companies admit that the recent rapid expansion of chains has

hurt, but they say that any dramatic damage is limited. Such an influx of competition has been particularly heavy in the Detroit area in the last year.

"The Detroit market has been very positive for a number of years, but we're adversely affected by the Targets and Paces," said Charles Murray, director of U.S. Woolworth's midwest operations in Des Plaines, Ill.

"However, many of our stores are insulated in malls and have not been dramatically affected. . . . The old customers come back after an immediate dropoff. We get back our niche."

Chuck Bumpus, vice chairman and controller of the Michigan-based D&C variety stores (see accompanying story) agrees with Murray.

When new chain stores open and send out their flyers, "our customers go once or twice and come back to us," said Bumpus. "It affects us the first year, but our people come back. They (the chains) are new and nice and a novelty, but I think there will always be a place for us."

Said one variety store executive, who asked not to be named, "Let's face it, you go into a Target or you go into a K mart, and what's the difference? What's to make you choose one over the other? We offer people a choice."

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Charlie claims shopping is excitement...the last free entertainment in the country. "Selling is a love affair — people don't buy for a price...they buy because it makes them feel good. The goal is to create excitement, and make the shopper feel good — o-o-d!" But, in order to accomplish this good feeling, businesses must be willing to change. Businesses must form master plans and commit to them.

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