

Dennis Doyle, president of Club Cars Inc., and his daughter, Suzanne Doyle Kiple, vice president for operations, oversee a

network of car sale referral booths in PACE Warehouse clubs around the country.

Warehouse offers car 'deals'

By Doug Funke
staff writer

Dennis Doyle, who's worked in the auto industry most of his life, knew a good idea when he heard it, even though it initially was expressed by a stranger in jest.

"That idea, launched two years ago, was to offer a discount car shopping experience through a retail warehouse facility."

"The basic reason we instituted this is people have a fear of going into a dealership," said Doyle, president of Club Cars Inc. of Plymouth. "Our basic premise was it's like having an uncle in the car business."

Doyle has an informational booth in each of the 47 PACE warehouses around the country, two in the Observer & Eccentric circulation area (Westland and Farmington Hills).

PACE members interested in buying a car are asked to designate that information on a form that is turned in to a dealer. The customer, in return, gets a referral card to the dealer and usually is directed to the fleet sales manager.

THE THEORY is that individual PACE members collectively should be considered a fleet buyer and receive a discount on cars like traditional fleet purchasers.

No cars are sold on the PACE premises, although one or two usually are displayed. Customers aren't steered to specific models.

"We tell them, 'If you're not sure, go out, take a look and narrow it down. When you narrow it down, we'll send you down to one of our dealers,'" Doyle said.

'Across the board, customers tell us they save about \$1,500 over the best deal they could get by themselves.'

— Dennis Doyle
Club Cars Inc.

Dealers are selected based on their willingness to participate and favorable ratings on manufacturer customer service indexes. Doyle receives advertising and display fees from most participating dealers for referrals. PACE, which receives a fee from Doyle, offers the additional service to attract members.

AUTO DEALERS sell cars they might otherwise not. The buyer gets a better deal than he or she may have otherwise negotiated as a non-fleet buyer.

"All dealers pay the same for cars," Doyle said. "We never claim we got the absolute lowest price. Across the board, customers tell us they save about \$1,500 over the best deal they could get by themselves." Doyle, 50, knows the auto industry. He's worked in marketing for Ford, owned a Porsche/Audi dealership and run his own promotion companies.

His expertise makes the program work, Doyle said.

"The dealers know I know the business," he said. "You might stick it to one of our customers, but you'll never get a chance at another."

DOYLE SAID he's dropped a handful of dealerships due to customer complaints, while some dealers have withdrawn from the program on their own. The Detroit Better Business Bureau and the state attorney general's office confirmed Doyle's assertion that no complaints have been filed against his business.

But a spokesman for the secretary of state said that department intends to investigate whether Doyle or PACE is acting as a broker and should be licensed.

Doyle maintains no "We're an advertising company," he said. "We do not get paid on the sale of a car. We don't sell cars," Doyle emphasized. "We're not a buying service. We're a buyer's service."

Most people buying a new car are no match for professional sales people, Doyle said.

"A LOT of people are apprehensive, afraid," he said. "We're saying, we're sending an amateur to them, but he has a pro in his corner so don't mess with him. The system really, really works."

Doyle estimates that the PACE discount program generates about 4,000 car sales per month nationally. Participating dealers generally give the plan good reviews.

"We're quite pleased," said Frank Buban, sales manager at Dean Sellers Ford.

"We thought it would be a good way to get some prospects," said Myles Kearney, sales manager at Autobahn Motors.

But Chuck Martin, sales manager at Hammond Chevrolet, said his dealership quit the program because

"we weren't getting a lot of response from leads."

Some dealers say a sophisticated non-PACE car buyer might get as good a deal as a PACE member. Others said not likely.

PACE memberships are free. A premium or business membership at \$25 annually results in a 5 percent savings on general merchandise over what other members get.

Private banks attract clients with services

By Gerald Frawley
staff writer

Private banks have been called the fastest growing trend in the banking industry and southeastern Michigan is a likely candidate for more — especially in light of three recent openings in the past year.

But how many more is a matter of speculation.

"They're springing up all around the country, and they're doing quite well," according to Ann Arbor banking analyst Justin Moran. But while the private bank market is growing, the overall impact on Michigan's multi-billion dollar banking industry is small.

"I call it 'nichemanship,' but it can be a profitable niche," Moran said, estimating a well-run private bank can build up between \$25 million and \$50 million in assets. "But we're probably only talking about capturing 1 percent of the market at best," he said.

The degree of personal service promised by the banks and the targeting of affluent customers limits a private bank's customer base, he said. "You're not going to build a National Bank of Detroit from private banks."

"We're going to see more private banks, but I'm reluctant to say we'll see a lot more," Moran said. "A hundred more? No, but we'll see 10 or 12 more in the seven counties in southeast Michigan."

Ann Arbor, Birmingham, Bloomfield Hills, wealthy areas around Flint, Grosse Pointe and



Lansing are good bets for private bank startups, he said.

REPUBLIC BANK S.E. president Jeffrey Jones said he doubts there will be many more. "I think we've seen all the new (private banks) that will enter the arena for a while — the competition is pretty tough."

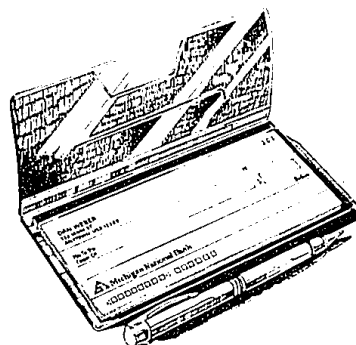
Jones said he suspects private banks could eventually capture up to 30 percent of the market, but that's far in the future. "It's a matter of taking dissatisfied customers away from the big banks."

Private banks can offer everything the large banks can offer, including checking accounts, charge cards, loans, certificate of deposit (CD) accounts. "Some rates are better than competitive, but private banks generally have neither the highest or lowest rates and fees in town," Jones said.

Private banking is not as exclusive as people think — it depends more on relationships than account balances, Jones said. "We're looking for someone who wants to establish a relationship — a high balance depositor, yes, but he doesn't need to have \$100,000."

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Wellness benefits popular

By Loraine McCallish
staff writer

Blue Cross and Blue Shield of Michigan is the first large non-governmental employer to provide a child care facility in downtown Detroit for its workers and the first to provide two child care centers in the state.

"With child care issues becoming a national priority, we see this as an appropriate time to make a child care center for our employees downtown as well as for our employees in Southfield," said BCBSM president Richard Whitmer. "But we are offering more than just custodial care."

BCBSM worked with outside consultants with an eye toward designing programs that would enrich children of all ages mentally, physically and emotionally.

A 1986 study of two major eastern corporations found that the more frequently child care arrangements broke down, the more likely workers were to be stressed and in bad health.

"These problems have a ripple effect on all employees," Whitmer said. "Whenever employees are tardy or absent, other employees have to take up the slack. So employees without children also benefit from the child care centers."

OPENING OF THE child care centers is one of a long string of BCBSM employee wellness programs.

Objective of the programs is to encourage and educate employees to make lifestyle changes that will improve their physical, emotional and mental health.

The payoff is increased productivity, which Whitmer says continues to prove itself with every program that's been initiated.

In the downtown offices there are lectures for employees who attend low-impact aerobic sessions, a weight loss program, classes on smoking cessation, dental health, stress management, caregiving, a

walking club, and a seminar on domestic violence.

The domestic violence seminar was the first wellness education program offered because of the heavy toll domestic violence takes in emotional and social problems. And the BCBSM Employee Wellness philosophy includes emotional health as well as physical health.

All of the programs got under way because of in-house surveys that revealed the number of employees who were bringing at-home problems to work. And all of the results fell pretty much in line with national statistics on individual problems.

One of the biggest surprises in any of the surveys was the large number of employees providing some type of care to a dependent, mainly an older family member or friend.

Those BCBSM employees were spending roughly 17.5 hours a week in that role. Almost a third were lending financial assistance, and 81 percent were suffering stress directly related to caregiving.

Nationwide nearly seven million Americans are giving uncompensated care to an ill relative or friend.

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