

Building Scene

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Japanese culture influences office design

By R.J. King
staff writer

Entering the new technical center of Akebono BSEC, Inc. in Farmington Hills might be confusing — unless the visitor is Japanese.

"Konichiwa," the clerk says, greeting guests. Then reaching for a ringing phone, he answers, "Moshi, moshi."

Modern-style desks, arranged in rows, are found just behind the reception desk, green tea is available upon request and the company's annual report is printed in bold black Japanese characters, with an English translation.

This is one of the latest technical centers opened by Japanese companies in metropolitan Detroit. But, despite the subtle nuances of life in the Far East, coming to America can be a daunting — if not bewildering — task for many Japanese-based companies.

"WHEN WE came here two years ago with plans to open a research and development center to support our (brake) products, I was an engineer who had never experienced opening a new facility," said Hiro (Yoshihiro) Ishigaki, executive vice president and general manager.

"I didn't know where to build, what was a good location, what expressway was the best. It was very confusing because you had the yellow book (pages), newspapers, magazines. It was very difficult."

Through a mutual friend, Ishigaki was introduced to the Byron W. Terlice Co. in Birmingham, a commercial and industrial real estate broker, which has geared itself over the last six years to serving the Far Eastern marketplace.

By all accounts, bridging the Pacific for Akebono had become old hat. XY0456 for Terlice, which has seen its share of Japanese clients rise from a "trickle" in 1984 to represent 20 percent of the firm's annual business last year.

"WE NOTICED several years ago a small increase in the number of Japanese companies coming here and we felt the market was growing, so we set out early to master exactly what the market's needs were," said Tom Lasky, co-manager of Terlice's office leasing division, and an attorney.

A vast amount of the companies coming here (from Japan) were

auto-related and most of them required high-tech facilities, which meant a mix of office and light-industrial space. The facilities, for the most part, were single story, with high ceilings and no formal offices.

Adjusting its portfolio to account for these trends was perhaps the most simple of Terlice's tasks.

More difficult was overcoming cultural differences and business imbalances.

"The Japanese tend to think a lot before they speak and they almost never say no directly," Lasky said. "Instead they suggest alternative ways of accomplishing something and it can make things very time-consuming."

"WE LEARNED after the first few exchanges that we had to tell them how we operate and allow them to tell us how they operate and then find some common ground and go from there. It really helped to speed things up."

Ishigaki agreed. "We also learned through Byron Terlice that if you have something to say, say it directly and tell everything in Japan, we don't say everything directly. If we don't like something, we offer a series of alternatives and then wait for the other party to negotiate."

While Akebono opened its first U.S. facility in Chicago 10 years ago and recently entered into a joint venture with General Motors to produce precision brakes in Kentucky, Ishigaki said opening the Farmington Hills office was his first assignment in America.

Officially opened last October, Akebono has six engineers and one clerk at its 12,000-square-foot facility off Haggerty Road, just south of 12 Mile Road. The center plans to add seven more engineers by the end of the year.

Worldwide, the 61-year-old company employs 10,000 and has its headquarters in Tokyo.

In the last six years, Lasky said Terlice has helped 275 companies with Japanese ties find office or industrial space in Metropolitan Detroit. He expects that trend to continue, although more Japanese companies will begin to invest in real estate as opposed to leasing as they become more familiar with the market.

LASKY SAID the Japanese influx also has helped boost revenues.

In 1988, Terlice negotiated 440 sales and lease transactions representing \$175 million worth of business. The figures were up roughly 10

percent from 1987, he said.

With Pacific ties in place, Lasky said Terlice's future growth will come from creating new passages

across the Atlantic.

Already a number of American companies have opened offices in Europe, as they seek to take advantage

of the lifting of restrictive trade barriers in 1992. But the number of European companies coming to America has been small, Lasky said.



BILL DRESLER/staff photographer

American offices have been adapted to suit Japanese firms that have moved into the area. Some of the changes include

more open space and desks placed in a row with partitions but not the typical contained offices found in American offices.

Condo special assessments unpopular

Can you fill me in on what requirements there are in the state with respect to reserves. There is obviously some question on the part of the board of my condominium as to what is appropriate.

The condominium statute as modified by the regulations provide that, at a minimum, the association at the time of turnover should be afforded 10 percent of the budget noncumulative by the developer of the condominium project.

Of course, the question becomes whether the budget was adequate in order to reasonably meet the needs of the association.

In a more mature condominium after turnover, the condominium bylaws normally prescribe the amount of reserve that must be maintained.

On the other hand, there is case authority, particularly in California, that adequate reserves must be established in order to meet the reasonably expected needs of the association and that in the absence of such adequate reserves, the board of directors of the association and, for that matter, the developer who controlled the board prior to turnover, will be liable.

Moreover, special assessments are not popular and to the extent that the association believes that special assessments are desirable because it would keep the regular assessments

lower for marketing purposes, it is acquiescing to the potential argument against it that it is in fact hoarding its own assessments against its own members.

We have a director on the board of five directors who is always undermining and bad-mouthing the management company, the attorney and the CPA.

Nothing ever seems to be done the way that suits him and he claims to be the all knowing expert when in fact he did it in his life was supervise a group of seventh graders in a gymnasium.

What do we do about this recalcitrant that is causing problems for our association?

There always is a divergence of personalities and consequently a difference of opinion on boards. Sometimes dissent which leads to constructive discussion is good.

On the other hand, there is frequently a type of board member which you are describing who, because of an egotistical drive to assert his position, whether it be in good faith or otherwise, tends to undermine the successful operation of the association.

What your director doesn't appreciate is that he may be incurring potential liability to the extent that he is undermining the ability of the per-

sonnel retained by the association to assist in the operation of the association.

A meeting between him and the other members of the board to see whether or not his attitude can be tempered should be held.

Failing same, I would consider a censure or reprimand of the director and if that is not successful, I would threaten, subtly or not so subtly, to bring the matter to a vote of the members of the association to have him removed.

Perhaps he will see that his apparently messianic zeal to usurp control of the association and to undermine the service personnel retained by the association, presumably in good faith, will not be successful and he will temper his comments and attitudes. Good luck.

I have read recently about site condominium projects and I may wish to develop the acreage which I own now as a condominium, if I can avoid the Plat Act. What has been your experience in this regard?

Site condominiums are being developed, particularly in Oakland County, without very much opposition from the local municipalities.

There is, of course, the question of whether a site condominium is an attempt to circumvent the Plat Act, but there is some authority in the



condo queries
Robert M. Meisner

Condominium Statute which would support the basis for a site condominium.

However, there are numerous problems which can attach to the development of a site condominium which in not normally the case in a regular condominium and it is extraordinarily important that you insure that the condominium documents provide the developer and, thereafter, the association, with adequate architectural control over the nature of the condominium units constructed.

More on this in future columns.

Robert M. Meisner is a Birmingham attorney specializing in condominiums, real estate and corporate law. You are invited to submit topics which you would like to see discussed in this column, including questions about condominiums, by writing Robert M. Meisner, 30200 Telegraph Road, Suite 467, Birmingham 48010.



Hiro Ishigaki has settled in to the Akebono offices in Farmington Hills. Two years ago, he was charged with finding appropriate space that would provide for the Japanese cultural differences for employees who would be working in the U.S.

Pint-size room accents

(AP) — In these days of grandiose Victorian-style interiors, small is also fashionable. Pint-sized furnishings, from half-sized chairs and chests to fine miniatures are turning up in rooms by top decorators.

Children's chairs look good in a grown-up room in front of table legs, said Martha Beal of Chelsea House, a Gastonia, N.C., maker of furniture accessories. They fill in the empty spaces without adding bulk when you want a cluttered, English country feeling.

Chelsea House makes a Queen Anne style chair and a handpainted and lacquered 1700 Sheraton reproduction.

These carefully crafted pint-sized pieces, including tables and diminutive chests which are good next to easy chairs, are sometimes called second size. They have been sold in antique shops for years, but reproductions are filling in now that the old pieces have become more expensive and harder to find.

Because of the \$485 price tag for a child's French chair known as a bergere, Judy George, chairwoman of the 10 Domain home furnishings stores on the East Coast, was surprised when it quickly sold out.

"I brought it in to have some fun, but the customers took it seriously," she said.

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