



Glass artisans find diversity fuels business

By Doug Funk
staff writer

Laurel Clark and Susan Gossman know all about desk accessories, bookends, picture frames and candlesticks made of pieces of glass. The business partners know about bending large pieces of glass for prototype automobiles.

But perhaps best of all, Clark and Gossman, owners of Lumen-Essence in Troy, know about surviving in the business world.

Income statements look good now as the two prepare to launch a line of glass furniture. But it wasn't that long ago, about 4½ years, that their commissioned art studio was going nowhere fast.

So Gossman, the brains behind the business operation, jumped at the opportunity when she received a call from a General Motors executive about making a windshield prototype. Keep in mind that Lumen-Essence had never done it before.

"Hock yeah. We thought we could subcontract it," Gossman said. They couldn't.

"THERE ARE other companies that do prototype automotive glass, but for them, it's a real pain in the butt," Gossman said. "It costs too much or takes too long."

But because the cash advance had been spent on back bills, the partners had to do it.

"We mixed our own cement in forms on the floor and built a furnace around the forms," Gossman

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— Laurel Clark
business owner

said. "We felt it was kind of a do-or-die situation."

Necessity literally was the mother of their invention. The two learned by doing and by contacting experts in the field, experiencing much failure along the way.

GM liked the job — much to the partners' surprise — and ordered more work, prompting Clark and Gossman to move to larger quarters in Troy. Other automotive clients soon jumped on board.

Now the two are expanding again, buying a large furnace to manufacture glass furniture.

"EVERYTHING HAS taken off like crazy," said Clark, 34, the creative genius behind the operation. "We've been fortunate. It's been like trying to keep our hands on bouncing balls."

About 25 percent of the business is auto related, 35 percent gift line and the balance divided between commission work and the new furniture line, Gossman said.

The gift line, including candlesticks, plates, bookends and desk accessories, are sold wholesale to gift shops. Commission pieces, like



JERRY ZOLYNSKY/staff photographer

A flat, round piece of glass like that held by Laurel Clark, founder of Lumen-Essence, can be transformed into a serving dish through heating and manipulation.

works of art, are referred by interior designers.

All of the pieces are handmade and one of a kind.

Clark's interest in the art was fueled by a class in stained glass. Even now, she constantly experiments with new ideas.

"I like the physical end of it — producing, designing, making it and teaching others to do it," she said. "I don't draw at all. I think of them (products), then come out and try to make them. It's pretty much a hands-on kind of thing."

Gossman, 41, educated as a social worker, gravitated into medical administration and hooked up with Clark after taking a stained glass class herself.

EACH COMPLEMENTS the other's strengths and neither is afraid to get her hands dirty.

"Susan made the big difference," Clark said. "She brought money with her and business expertise."

"I like immortality," Gossman said. "I'm not an artist. I can come in (the studio) and watch Laurel cre-

ate immortality.

"Laurel and I do most of the automotive bending ourselves," Gossman added. "We're training two guys. They do a lot of it, but they're not experienced enough yet to do it all." Both also attribute their company's success to the efforts of all 10 employees.

"We give them room to create," Gossman said.

Neither are content to rest on past successes. Going into a furniture line will reduce dependence on the auto industry.

Lumen-Essence also has exclusive distribution rights to a glass adhesive that Clark helped develop.

"We focus on different things for different reasons at different times," Clark said. "When there's nothing new going on, I'm bored. I want to go out start a bakery or start another business."

"I like the big deal," Gossman said.

If things work out as now planned, the partners will consolidate Lumen-Essence operations in larger quarters in five years.

Taxpayers: It's that time

Deadline gets closer for last-minute filers

If you're scrambling to file your 1989 tax return by midnight, April 16, stop and take a deep breath.

Keep in mind that in the frantic rush to beat the clock, you may make some careless errors. Before you mail your return, the Michigan Association of CPAs advises taxpayers to review the following list of common last minute mistakes that can result in penalties.

Failing to file for an extension

Of all last-minute mistakes, perhaps the costliest is failing to file for an extension. If you are simply unprepared to file a carefully prepared and documented tax return, don't blindly rush ahead.

You can request a filing extension by submitting form 4846 by April 16. The one-page form requires you to estimate your tax liability for 1989 and pay any tax due.

By submitting the form, you push the filing deadline to Aug. 15, thus gaining an additional four months to prepare and file your tax return.

Failing to pay when filing for an extension

While the IRS allows an extension for filing completed tax forms at a later date, any tax due must be paid at the time you request an extension or you will face interest and possible penalty fees, including an 0.5 percent per month penalty on the net amount of taxes not paid by the due date.

However, the overall penalty cannot exceed 25 percent of the tax due. In addition, the IRS will charge interest on back taxes.

Failing to report a nondeductible IRA contribution

If you made a nondeductible Individual Retirement Account (IRA) contribution for 1989, be sure to also fill out form 8606 and attach it to your return. If you fail to do so, you become liable for a \$50 fine. Forgetting to supply Social Security numbers

On your tax return, you must supply your own Social Security number and the numbers of each dependent who reached age two by Dec. 31, 1989.

Some taxpayers mistakenly assume that this rule refers only to dependent children. In actuality, you must supply a Social Security number for any dependent children or adult you claim, including a spouse or parent.

If you fail to do so, you will have to pay a \$50 penalty. Miscalculating totals

Simple mathematical errors may seem relatively insignificant to you but to the IRS they are red flags pointing the way to a carelessly prepared return.

Miscalculating totals or transposing figures can draw more attention to your return than you desire. Always double-check your math before signing and mailing your tax return.

Failing to deduct state and local income tax

A good number of taxpayers have the mistaken im-

pression that state and local income taxes are no longer deductible. In states with high tax rates, the misconception may mean losing a legitimate deduction worth thousands.

You can find out how much state and local income tax was withheld from your 1989 salary by checking your W-2 form. In addition, see if you made any payments last April for the balance of your 1988 state and local tax bill. You should also take into consideration any state estimated tax payments made during the year. Those taxes also are deductible on your 1989 return.

Deducting reimbursed expenses

If you don't want to get into trouble with the IRS, avoid deducting reimbursed expenses.

For example, Jim's annual medical expenses totaled \$3,700. As he understood the tax law, these expenses were deductible to the extent that they exceeded 7.5 percent of his adjusted gross income (AGI), which was \$36,000. So, on his tax return, he deducted \$1,000.

What Jim failed to take into account was that his insurance company had reimbursed \$3,000 of his medical costs. As a result, Jim could not deduct a single penny of his unreimbursed medical expenses.

Before you drop your tax return in the mailbox, be sure to carefully review the miscellaneous, medical and casualty-loss deductions to account for any expenses reimbursed by your employer or an insurance company.

Not taking credit when it's due

Ignorance is not bliss when it comes to tax law. If you don't know what a tax credit is, it's time to find out.

A tax credit is far better than a deduction, since it allows you to subtract a specified amount directly from the income tax you would otherwise owe.

Credits are available for qualified dependent-care expenses, for the elderly or permanently and totally disabled and for low-income workers who claim one or more dependents.

If you suspect that you may be eligible for one of these credits, a quick phone call to a CPA may ultimately result in significant tax savings.

Failing to attach proper documentation

Failing to attach the necessary documents to your tax return may very well invite an IRS inquiry. Enclosed with your return should be a W-2 form, which lists your annual wages as well as the amount of taxes paid during the year.

In addition, you may have to attach to your tax return one or more forms, such as Form 8283 for deducting noncash charitable contributions of more than \$500.

Mailing an unpaid tax return

Even the smallest mistakes, such as forgetting to sign your tax return, can have serious consequences.

CPAs warn taxpayers that the IRS may treat unsigned returns as if they had never been filed. As a result, you could be penalized 5 percent of the net tax due for each month the return is late, with a maximum penalty of 25 percent.



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