

SUBURBAN
BUSINESS
LEADERS

Contract Interiors, the Southfield-based full-service furniture dealer, has promoted Tom Wornak from vice president of finance to senior vice president; Garland Snyder to senior vice president responsible for sales, design and construction; Ethyl Madden from Director of human resources to vice president of human resources.



Wornak

Mindy Fink of Birmingham has been appointed account executive for McMillan Bros. Inc., a creative service company in Detroit, where she will be in charge of outside sales for the Oakland County area.



Fink

Birmingham BanCorp Mortgage Corp. of West Bloomfield has announced the appointment of Kevin Geoghegan to serve as its loan representative for Plymouth and Farmington Hills area.



Geoghegan

Gregory J. Gamalski has joined the Southfield law firm of Madden, Hauser, Wertell, Roth, Heller & Pessas, P.C. as an associate. He will concentrate on real estate law, specializing on condominium work.



Gamalski

Lee Moraitis has been appointed vice president and corporate director of operations of Southfield-based Shield's Restaurant Bar & Pizzeria. He will oversee daily operations of Shield's restaurants in Southfield and Sterling Heights as well as co-managing the Novi and Troy locations.



Moraitis

To submit materials to this column please send a brief biographical summary along with a black and white photo, if possible, to: Business Editor, 36251 Schoolcraft, Livonia 48150.

R&D investment begins to pay off



Nothing helps a struggling business more than an infusion of cash and a large work order.

Optical Imaging Systems of Troy has benefited from both since auditors last September raised concerns about the company's ability to survive financially.

First, Guardian Industries, a highly-regarded global manufacturer of glass products based in Northville, poured \$10.5 million cash into OIS coffers to become its largest single shareholder.

A few months later, OIS won a \$10.3 million subcontract — its largest single sales order — for a U.S. Air Force project.

"When I came here last May, we had only one production contract," said David J. Morvin, vice president for sales and marketing. "Now, we're under contract to develop 14 new display types."

"Over the last four years, we've been heavily in research and development. We're not profitable yet. The market is responding well."

OIS, founded in 1984 as a subsidiary of Energy Conversion Devices, went public in 1987.

Financial statements filed with the Securities and Exchange Commission indicate that OIS lost \$8.5 million on sales of \$5 million last year. OIS has lost an aggregate \$31.6 million during the last five years.

OIS, using research applications developed by Energy Conversion Devices, is the only manufacturer of active matrix liquid crystal displays in the U.S., Morvin said.

"We're trying to create a display equivalent to a TV tube in a much smaller package in a more reliable form with less size and weight," he said.

Applications now are mainly for aircraft instrument panels, especially high-performance jet fighters.

To oversimplify, OIS takes two small pieces of glass, develops a matrix of



JIM FIDOR/STAFF PHOTOGRAPHER

Clean room: An assembler in a dust-free work environment at Optical Imaging Systems takes care producing a flat panel display using active matrix liquid crystal technology.

wires and transistors between the glass, adds a drop of liquid crystal chemical then attaches computer electronics provided by a customer to power the instrument.

Administrative, research and production facilities are located in two buildings in Troy. OIS currently employs about 85.

"Our job is to build a piece of glass," Morvin said. "It's a fairly high-tech thing. It's not an easy task."

"Our short-term goal is to develop our manufacturing facility, add more production contracts," he said. "Long

term, we're going to aggressively pursue the market in flat panel displays — TVs, computers."

"A big piece of the business is laptop electronics. It will be a \$5 billion a year market this century. We'd like to take a fifth of it," he said.

Morvin also sees future applications in the auto industry.

"It's a technology a lot in demand now. We go to trade shows, do a little advertising in aviation magazines. Three of us can contact all the aerospace companies directly. So far, they kind of shy away from us because of our

size," he said.

If it weren't for OIS, Morvin said, clients would have to look to Japan or Europe for the active matrix liquid crystal displays.

Charles C. Wilson, executive vice president and chief financial officer, was part of the Guardian management team which came over to revitalize OIS. He declined to speculate on when OIS might turn a profit.

"We're a public company. We want to be careful about what we say," Wilson

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4 score lucky for company, its chairman

It all started in 1912 when a relative described as a crook persuaded Nathan Doner to relocate from Pittsburgh to Detroit and establish an electrical supply and lighting company.

The relative wanted to turn the place down, collect the insurance money and move on with their lives, recalled Milton Doner, whose father founded Michigan Chandelier.

Nathan agreed to the move but would have none of the chicanery. This year, the family-owned stores and Milton celebrate their 80th birthdays.

Business at Michigan Chandelier has nearly doubled during the past seven years, said Ed Berne, company president and Milton's nephew by marriage. He declined to provide figures.

"We think we're the largest decorative lighting seller in the area in volume," Berne said.

And that's good news for the 63 employees who work at the headquarters/supply center in Southfield, a retail showroom in Bloomfield Township, a supply office in Ann Arbor and showroom/supply outlets in Rochester and Novi.

Still active

Milton Doner is still active as chairman today, even though he's experienced health problems in recent years.

"He comes in every day," Berne said. "He's a val-



JOHN STEINWASS

Lighting progeny: Milton Doner, chairman of Michigan Chandelier, and his family-owned company both celebrate 80th birthdays this year.

ued administrator and helps with the planning."

"This was my life," Doner said. "It's much more interesting than sitting home and looking out the window. It really is."

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Foland's: a final farewell

Some 250 Foland's employees will lose their jobs when the show room catalog retailer closes down following a final bankruptcy clearance sale beginning today.

The stores, located in Livonia, Rochester, Southfield, Dearborn, Warren and Clinton will feature drastic markdowns in all product categories, including jewelry, table top, gifts and electronics, said David Castlegiant, director of stores operations and human resources.

The chain was founded in 1973. Foland's filed a Chapter 11 bankruptcy petition in February to reorganize and develop a survival plan after creditors tried to force a liquidation to satisfy their claims.

Foland's reorganization never worked out.

"An agreement was reached last

cally between creditors and owners to liquidate the business to make recovery for creditors," Castlegiant said.

Other published accounts indicated that Foland's had liabilities of \$8.1 million and assets of \$6.3 million.

Foland's, a privately-owned company, employed about 450 before closing for nearly two weeks in early January for inventory at the request of creditors.

Business through the first several months of this year was down at least two-thirds from the comparable period in 1991, Castlegiant said.

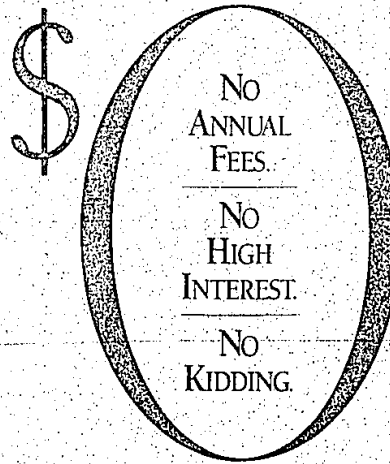
"We really are a victim of a couple of things — the economy, number one. Competition is another and the tremendous investment necessary. It's an expensive proposition," he said.

"If you don't have the traffic flow like we once did... it makes it virtually impossible to survive. We never fully recovered from when we closed down in January. People thought we were still closed."

Castlegiant used the word "disastrous" to describe the business in recent months. "We were simply making enough money to pay immediate bills — payroll, rent, telephone. As far as profit, there was nothing at all."

"Basically, we ran out of time and resources needed to turn our operation around despite our efforts to redirect the business as a fine jewelry and gift superstore," he said.

The liquidation sale will last until all merchandise has been sold, Castlegiant added.

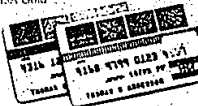


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