MARILYN FITCHETT, EDITOR
953-2102

Farmington Observer

INSIDE:
Datebook, Page 3C

BUSINESS

THURSDAY, OCTOBER 8, 1992

C

SUBURBAN BUSINESS LEADERS

Chrysler Financial Corporation hasn amed **Eugene G. Nelson** of West Bloomfield corporate finance and securitization manager. In his new positions, Nelson is responsible for CFC's capital market activities, including term debt and asset-backed securities. He also manages bank relations and all funding programs of Chrysler Credit Canada Ltd.


Nelson

Charles H. Schroeder of Birmingham has been appointed manager of technology and business planning for General Motors Technical Staffs. In his new position Schroeder will manage overall development of the technical developments business plan and related projects, and will coordinate the interaction between the technical staffs and the North American Operations operating units.


Schroeder

Michigan Metro Girl Scout Council is proud to announce the election of **Gloria Lara** of Bloomfield Hills as president (chief elected corporate officer). Lara, director, product planning for TRW, Transportation Electronic Division, has served on teh Michigan Metro Girl Scout Council board of directors since 1990.


Lara

Acquest Realty Advisors, Inc., a Bloomfield Hills-based SEC registered real estate investment advisor, has announced the addition of Ms. **Brinda Devine** and Ms. **Therese Reggio** as financial analysts. Additionally, Ms. **Kristi Williams** has been promoted to financial analyst.


Reggio

Talking Coupons come to market

■ **Advances in technology have permitted electronic couponing. An entrepreneur is betting that shoppers will prefer a more direct approach than waiting for coupons to come to them.**

BY DOUG FUNKE
STAFF WRITER

Coupons by telephone?

How? Why?

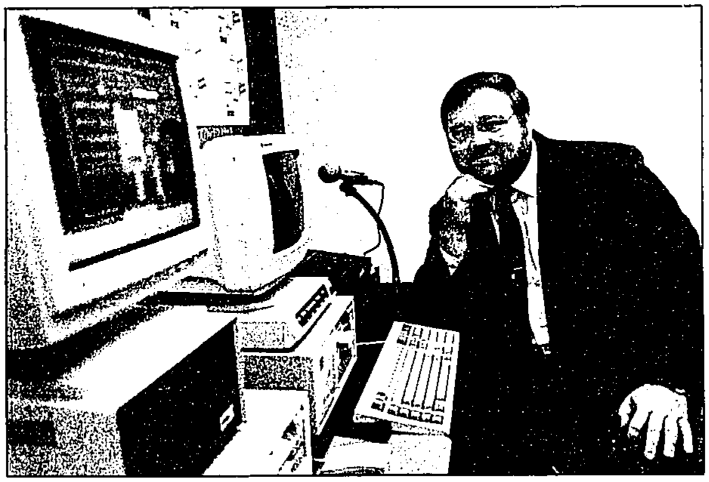
It's a new, relatively simple advertising concept with excellent potential, maintains Thomas A. Webb, who recently introduced Talking Coupons in Farmington and Farmington Hills.

For a monthly fee, business people record specials or discounts into a computerized telephone answering system. A four-color glossy pamphlet listing all the advertisers is mailed to targeted households.

Consumers telephone a central local number to get into the directory, then dial the code of the specific business they need. They hear a recording, jot down the information on blank detachable coupons in the pamphlet, then go to the business for the transaction.

For an extra fee, businesses can add an automatic call forwarding option so that a consumer can be transferred directly after getting coupon information.

"The concept grew and evolved as I became familiar with phone equipment," Webb said. "Over time in talking with other people and listening to ideas, we put it together. Five years ago, this was impossible. The technology wasn't there."



SHARON LEMIEUX/STAFF PHOTOGRAPHER

Talking Coupons: *Thomas A. Webb has developed a business advertising alternative that combines a computerized telephone system with direct mail.*

Variation on a theme

Webb figures that advertising messages get lost when dozens of coupons arrive in a single direct mailing.

"Consumers like coupons," he said. "Eighty percent nationally use them. Usually what comes into the home is one envelope with loose sheets. You sort through them and throw some away. Ninety-three percent of paper coupons are thrown away.

"People don't like clutter. They don't like the fact that coupons expire. They don't like having to wait for mailers to come each month," Webb said.

"Here, they save one pamphlet and save them all. It's designed to fit into a lady's purse. It's designed to be put on a visor in a car with a car phone. I see them magnetized on a refrigerator door, on a bulletin board near a telephone," he said.

Merchants would like the Talking Coupons because messages could be changed at a moment's notice to reflect changing business conditions. Also, Webb figures that his pamphlet could be distributed cheaper than other direct mailings and would more likely remain in the house.

Webb's rate card shows a one-time computer set-up fee of $125 and a monthly fee of $75, discounted to $70 per month for a six-month buy and $65 monthly for 12 months for businesses.

He promises delivery of the pamphlet/directories to at least 15,000 houses every other month.

Wait-and-see attitude

Fifty-five merchants in Farmington and Farmington Hills signed up for the initial mailing last month. But many who got discounts as Webb launches the system are taking a wait-and-see attitude.

Harry Qashat, owner of Major Video, figured he had little to lose with the deal Webb offered to give it a shot for a month. But that's about as long as he'll go without results.

"I have to get at least 50 (coupons)

See COUPONS, 2C

There's more than one way to fish for good investments

BY DOUG FUNKE
STAFF WRITER

■ **'Everyone is interested in earning a good return on their money.'**

Joel M. Diskin

K mart and Kelly Services, both headquartered in Troy, rate highly as corporate citizens. And because financial performance doesn't occur in a vacuum, good corporate citizens usually turn out to be good investments, too.

That's the analysis, anyway, of Covenant Investment Management, a fledgling firm based in Chicago.

Covenant periodically evaluates 1,000 large publicly owned companies as to community, competitive practices, customers, employees, environment, shareholders, social issues and suppliers.

The top 200 scorers make Covenant's honor roll and are so publicized in the investment community.

"Companies who meet criteria will benefit from better labor relations, better supplier relations, community support, less regulatory influence, less litigation, few environmental problems, all of which will lead to superior financial performance," said Anthony Carfang, Covenant's president.

Link to profitability?

"We did research to determine if there was a linkage between corporate action and financial return . . . and to identify companies for our mutual funds and individual accounts," he said. "Our research has shown that the marketplace doesn't penalize social responsibility.

"We believe that the decade of the '90s is becoming an age of accountability," Carfang said. "Society is really holding companies responsible for their actions. We believe that accountability will translate directly to financial performance down the road."

Influencers from around the country — civic leaders, clergy, foundation directors, academics, unionists — were asked by Carfang to define corporate responsibility. Eight broad categories with 38 variables were established for computer analysis.

K mart and Kelly were among eight Michigan companies to make the honor roll at the end of the June quarter.

K mart ranked among the top 6 percent of the 1,000 largest companies in six categories — community, competitive practices, customers, environment, social issues and suppliers.

"We're certainly appreciative for being on any responsibility listing," said Orren Knauer, director of investor relations for K mart. "Any public corporation has an obvious responsibility to shareholders, but that doesn't preclude responsibility to other constituencies."

K mart reported profits of $284 million on sales of $17.4 billion through the first six months of this year, Knauer said. The retailer paid a dividend of 23 cents per share last quarter.

Last year, the retailer reported net income of $859 million on sales of $34.6 billion.

Kelly, a staffing support company, was among the top 6 percent in three categories — customers, employees and social issues — according to Covenant's survey.

"We are proud to receive this recognition," said Terence E. Adderley, president and CEO. "At Kelly, we establish strong employee relations, community relations and customer loyalty by developing innovative programs to meet workplace issues."

Those include an optical imaging laser invoice billing system on standard-sized paper and training temporaries free of charge on leading software packages.

Through the first half of the current budget year, Kelly reported a profit of $17.7 million on sales of $793 million. Its most recent dividend was 18 cents per share.

Last year, Kelly reported a profit of $38.6 million on sales of $1.4 billion.

Social screens more popular

Joel M. Diskin, a Birmingham certified financial planner who specializes in socially responsible investing, believes that more analysts, more investors and more corporate managers now look beyond the financial bottom line.

"Close to $700 billion this year will have some social screen on it," he said. "It was $40 billion in 1984-85.

"I think what we're beginning to see is companies which take care of their people, their people will take care of them.

"What management investment services are doing with this approach is looking at investments a little more closely before it goes into the portfolio. They always were looking at financials.

"Everyone is interested in earning a good return on their money. What people are beginning to look at more and more is that companies which take care of the environment, take care of employees, take care of the community, tend to be all-weather companies for good return on investment," Diskin said.

Several mutual funds including Working Assets (1-800-223-7010), Calvert (1-800-368-2750) and Pax World (1-800-767-1729) deserve a look by investors interested in corporate/social responsibility, Diskin said.

Covenant (1-800-833-4909) also merits attention from investors interested in larger capitalized companies, he said.