

**MORE THAN MONEY**



**SID MITTRA, Ph.D.**

## Year gave good reasons for thanks

On this joyous occasion, I would like to express my sincere thanks to all those people who have made the writing of this column a valuable experience for me.

First, I express my gratitude to you. This year, the number of people who critically read this column has increased dramatically, as is evidenced by the large number of e-mail messages, letters, telephone calls and suggestions I have received. This not only supplies me with ideas for topics to cover, but also provides the impetus I need to produce a column of high quality.

Second, I would like to thank Margaret O'Brien, the editor of this column. Always remaining behind the scenes, she critically reads every column. Even more important, she makes changes whenever she believes that by doing so the clarity of the topic would be improved, and never fails to challenge a point of view if it appears weak or contradictory.

Third, thanks are also due to Dr. Jerrold Grossman of Oakland University who critically reviews every column and makes many useful suggestions for enhancement of the text.

Fourth, I would like to thank the following members of our Board of Advisors for their counsel, guidance, and encouragement: Dr. Joseph Champagne, former President of Oakland University; Mr. Jack DiFranco, Managing Director, Stout Risius Ross; Mr. Julius Giarmarco, J.D., Partner Cox, Hodgman & Giarmarco; Mr. George Seifert, retired President and CEO, Ameritech Corp.

I would like to end this column with my best wishes to you, and your family by sharing with you this poem written by Amanda Bradley:

PEACE will come when people live  
In friendship, side by side  
And cherish understanding  
More than hatred, greed, and pride.

PEACE will come when people see  
All people as the same,  
And no one has to live in fear,  
In ignorance, or shame.

PEACE will come when people  
Who are needy can reach out  
For shelter, food, or love  
And no one has to do without.

See MITTRA, E6

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**Tree toppers**



**Winners:** Kolon, Bitter & Desmond account executives Heather Shimkos, left, and Angela Michalski were recognized for the trees they designed for the 14th Annual Festival of Trees fund-raiser for Children's Hospital. Shimkos won first place for her Cookie Monster tree and Michalski was runner up. Employees at the Troy-based marketing and communications firm designed and donated 20 2-foot-tall Christmas Trees for the fund-raiser. "We enjoy giving back to the community," said president John Kolon, especially when it brings the agency together for some friendly competition. KM&B specializes in consumer, retail, business-to-business advertising and marketing communications programs.

## Tax cuts

### Tax changes save employers \$150 million

Michigan businesses will find a little something under the tree from the State of Michigan this year: a \$150-million reduction in their 1998 unemployment taxes.

"The reduction is due to the balance in the state's \$2-billion-plus Unemployment Trust Fund," said Jack Wheatley, acting director of the state Unemployment Agency (UA).

"The UA soon will be giving employers notice of the reduction along with their Tax Rate Determination forms."

The Michigan Employment Security Act calls for a cut in the unemployment tax rate when the Trust Fund balance reaches a level - now \$2.077 billion - determined by formula. Employers pay unemployment taxes on the first \$9,600 of each employee's earnings.

The tax cut will be either 10 percent of the employer's tax rate or one-tenth of one percent, depending on which reduction results in the lowest rate.

The amount paid is based on employers' tax rates, which in 1998 will range from 0.1 percent to 8.1 percent.

With the 1998 reduction, the actual dollar amount

paid by employers will range from \$5.60 to \$769.50 per employee, a savings of up to \$180.50 per worker over regular rates.

About 160,000 employers will qualify for the 10-percent across-the-board tax cut and 99,000 of those employers also will qualify for a reduction in the Account Building Component (ABC) of their unemployment tax rates.

The maximum ABC rate of three percent has been reduced to two percent, and the multiplier in the ABC will be sliced in half from 0.6 to 0.25.

In all, the UA - formerly the Michigan Employment Security Agency - estimates that Michigan employers will save \$150 million in 1998 because of the cuts.

The cuts apply to "fully experience-rated" employers, which are those in operation for more than four years.

"This gives Michigan one of the lowest minimum unemployment tax rates in the nation," Wheatley said, "and gives business more opportunity to expand employment."

UA news releases soon will be available on the agency's Website (<http://www.miaa.com>).

## Lear/Bing venture in Empowerment Zone

Southfield-based Lear Corporation announced today that its joint venture with Bing Manufacturing, Detroit Automotive Interiors (DAI), has been selected by Ford Motor Company to build rear seat assemblies for the Ford Explorer compact sport utility vehicle.

DAI will manufacture the seats for Explorers built at Ford's St. Louis Assembly Plant, ship them to Lear St. Louis where the front seats are built, and sequence them into Ford's St.

Louis assembly plant. Start-up for the DAI Explorer rear seats is scheduled for April 1998.

The Bing Group is Detroit's largest minority-owned supplier, with over 600 employees. The DAI joint venture, founded in 1995, is located in Detroit's Empowerment Zone. The 40,000 square foot facility has 113 employees. The additional business is expected to add approximately 30 employees to the work force.

"I am extremely pleased for the support of Ford and Lear relative to minority development," said Dave Bing, President of Bing Manufacturing. He added, "As DAI moves forward, I'm sure that I can continue to get their support and, hopefully, spread that support to other OEM's and Tier 1 customers."

"The contract from Ford to build Explorer rear seats is a great boost for

Please see LEAR, E6

## Retailers association says shoppers charged ahead

High levels of consumer debt did not cut into holiday sales for the overwhelming majority of Michigan retailers, the Michigan Retailers Association reported last week.

Seventy-five percent of retailers said high consumer credit card debt is not hurting their sales through Dec. 22, according to a survey conducted by the MRA and the Federal Reserve Bank of Chicago.

The monthly survey is used to compile the monthly Michigan Retail Index. For November the index confirmed a good start to the holiday shopping season with 66 percent of

the state's retailers reporting higher sales than the same month last year.

Another 17 percent said sales were the same as last year, meaning 73 percent recorded sales as good or better than the previous year.

"November was the fifth consecutive month that a majority of the state's retailers recorded higher year-to-year sales," said Larry Meyer, CEO of the Michigan Retailers Association and former director of the Michigan Department of Com-

merce. "The momentum of late summer and fall continued into the holiday season."

"Record consumer debt does not appear to be hurting sales," he added. "Consumers continue to use plastic because they are confident about the economy and their ability to increase their income in the coming year."

According to the Federal Reserve, total consumer debt stood at a record \$1.23 trillion in October, with revolving credit rising to an estimated \$330 billion.

Please see SALES, E6

## Kmart gives \$25,000 in aid to Guam

Troy-based Kmart Corporation donated \$25,000 in cash to the American Red Cross Dec. 22 to help with relief efforts in Guam as a result of Super Typhoon Paka.

"On behalf of our Kmart store in Guam, Kmart presents this donation to the American Red Cross," said Jim Sain, Kmart's Division Vice President, Pacific Operations.

"Just as we are proud to be a part of the communities we serve on a daily basis, we strongly believe it is our responsibility to lend a helping hand during times of need."

Kmart operates one store in Guam.

Kmart Corporation operates 2,135 Kmart, Big Kmart and Super Kmart stores in the 50 states. Kmart operations extend to Puerto Rico, Guam and the U.S. Virgin Islands.

## BUSINESS MILESTONES

This column highlights promotions, transfers, hirings and other key personnel moves within the Oakland County business community. Send a brief biographical summary - including the towns of residency and employment and a photo. If desired, to: Business Milestones, Observer & Eccentric Newspapers, 805 E. Maple, Birmingham, MI 48009. Our fax number is (248) 644-1314.

**Dominic Asta** of West Bloomfield has been promoted to vice president of material planning at Maxitrol Company in Southfield. He had spent three years as director of purchasing after joining the company in 1989 as credit manager. He

will be responsible for the acquisition and management of all inventory.

**Michael Blewitt** of Birmingham has joined Comerica Incorporated in Detroit as a senior vice president and chief learning officer.

He will be responsible for developing the traditional training functions at Comerica into strategic performance development effort for employees. He previously worked at US Robotics in Skokie, Ill. where he was vice president of corporate training and development.

**Fritz** has his way up to general sales manager, and WXON-TV.

**Derrick George** of Farmington Hills has joined the Farban Group real estate firm in Southfield as a senior associate in the company's brokerage division.

**Charlie Fritz** of Bloomfield Hills has been promoted to general sales manager at WKQI-

He will handle real estate brokerage throughout metropolitan Detroit.

**Andrew Gutman** of Southfield was promoted to senior financial analyst at the Farmington group real estate firm in Southfield. In addition to financial responsibilities, Gutman has supervised recovery reconciliations and has performed numerous accounting functions for the firm's property management division.

**Diane Juco** of Bloomfield Hills has become the new assistant

director of career services at Walsh College in Troy. In her new position, Juco will be responsible for managing on-campus recruiting, bringing more companies to campus to recruit and advising students. She has been with Walsh since 1983. Before that, she was a co-owner of Birmingham Camera for 12 years and taught third and fourth grade.

**Larry Koskela** has been promoted to executive vice president of Maxitrol Company in Southfield. He will remain president of Mertik Maxitrol, an

affiliated company of Maxitrol in Quedlinburg, Germany. He is overseeing a soon to be completed account project for a new Mertik Maxitrol headquarters in Germany.

**Thomas Morris** of Farmington Hills has become a shareholder in the West Bloomfield law firm formerly known as Shefferly & Silverman. The firm's practice will continue to concentrate on Chapter 11 reorganizations, bankruptcy and creditors' rights. The firm's name will become Shefferly, Silverman & Morris.

**Dorek Werner** has been appointed an account executive at French & Roger, a Troy-based marketing communications agency. He joined the firm in 1996. He had previously worked at Ross Roy Communications in Bloomfield Hills.

**Blawitt**

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**Koskela**

**Morit**