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MORE THAN MONEY



SID MITTRA, PH.D.

Law creates educational opportunities

Editor's note: This is the second article in a five-part series on retirement planning.

The 1997 Tax Law provides for a child tax credit for families with children under the age of 17. A tax credit is a direct offset against tax, as opposed to a deduction, which reduces the amount of income subject to tax.

The credit equals \$400 per qualifying child in 1998 and \$500 per qualifying child in 1999 and thereafter. A qualifying child is an individual for whom you claim a dependency exemption and who is your son or daughter. The child tax credit will be phased out for taxpayers with modified adjusted gross income (AGI) in excess of certain thresholds. The phase-out occurs at a rate of \$50 for each \$1,000 of modified AGI over an applicable threshold: \$110,000 for married taxpayers filing joint returns, \$75,000 for unmarried taxpayers, and \$55,000 for married taxpayers filing separately. Note that, for certain lower income taxpayers, the credit will be partially refundable at tax time.

Tax Incentives

Hope, Lifetime Learning Credits
The new law provides families with a tax credit of up to \$1,500 a year for the first two years of post-secondary education (the Hope Scholarship) and up to \$1,000 for every additional year of post-secondary education (the Lifetime Learning Credit).

For the first two taxable years, the Hope Scholarship Credit is equal to 100 percent of the first \$1,000 of qualified tuition expenses and 60 percent of the second \$1,000.

In subsequent years, the Lifetime Learning Tax Credit is allowed for 20 percent of the first \$5,000 of qualifying expenses.

You may claim the Hope Scholarship and Lifetime Learning Tax Credits for qualified tuition and related expenses (not including activities fees, books, or room and board) of yourself, your spouse, or a person claimed as your dependent in the year a credit is claimed. For the Lifetime Learning Tax Credit, eligible expenses are expanded to include expenses with respect to any course of instruction at an eligible educational institution to acquire or improve job skills.

For a taxable year, you may elect with respect to an eligible student the

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Sid Mittra, Ph.D., CFP, is professor emeritus of finance, at Oakland University, and owner of Mittra, Finnegan & Associates, a Rochester Hills financial consulting firm. This column was critically reviewed by Professor Jerold Grossman of OU. You can e-mail questions or comments to Sid Mittra at smittra@oonline.com.

Florist welcomes Valentine's rush

By BARD PERT TEMPLETON
SPECIAL WRITER

If next Saturday's Valentine's Day crowds are anything like what they were last year, Debbie and Ken Prohm can plan on lots of work and not too much romance.

That prospect may sound bleak to some, but it doesn't dampen the couples' excitement about the annual hearts and flowers fest since they own Bouquets & Baskets Florist in Troy. "Last year we had people running through the parking lot yelling, 'No, no, don't close!'" Debbie Prohm laughed. "We stayed until 10 at night because every time we went to close, another person came banging on the door."

Eager shoppers are always welcome at the Prohms' cozy shop which is located at 19 Mile and John R in Troy. They purchased the store last year and, so far, it's nearly a one-woman operation with Ken Prohm continuing to work his full-time job in another field.

"I always did floral work, silks and dried, on the side out of my home for family and friends and really enjoyed it," Debbie Prohm said. "I decided I loved it so much, I wanted to do it full time. So, we bought this store."

Owning her own business has Prohm on the run. Beyond running things inside the shop six days a week, she also serves as her own sales representative, dropping off flowers, coupons and business cards to area businesses.

"The corporate accounts are going well," Prohm said. "I'm finding out that many like to set up house accounts and be billed monthly for the flower service. And that's fine with me."

Back at the store, Prohm's day usually begins when the local wholesaler delivers her flower order. Keeping the buds in good shape requires a lot of care. She has to process each flower individually, cutting them under water, de-thorning some and cleaning the petals if necessary.

"My wholesaler delivers flowers four times a week and, for example, this morning it took me almost three hours



STAFF PHOTO BY LAWRENCE R. MCKEE

Valentines: Debbie Prohm and husband Ken won't have much time to romance on Valentine's Day as owners of the Bouquets & Baskets in Troy.

to get all of them through the process and that included answering the phone and handling walk in customers," Prohm said. "If I happen to get a lot of hospital orders or a funeral comes up, I can just call the wholesaler and he'll deliver some more that day."

The shop's own delivery system is handled a number of ways. If Prohm can get away, she will deliver them herself during the week. On weekends, her husband steps up and mans

the flower van. In a pinch, the shop also calls on a local delivery service to take their posies to customers across the county.

"We can also send flowers anywhere across the U.S. and really just about anywhere in the world," Prohm added.

For the flower arrangements that need to be planned at a more personal level, such as a wedding, Prohm sets appointments to sit down with brides-to-be. She gives them as much time as they need to discuss what they would

like for their big day and the consultation is free.

"They are not treated like a number here because I feel planning a wedding is stressful enough," Prohm said. She backs up the service by limiting her wedding bookings to a maximum of two in one weekend. "That's what I feel is fair to the bride and to me so things can be handled properly."

Beyond floral arrangements, Prohm's shop boasts balloons, baskets,

Please see VALENTINE, B6

Knollenberg gets U.S. chamber award

The U.S. Chamber of Commerce, the world's largest business federation, presented U.S. Rep. Joe Knollenberg, R-Bloomfield Township, with the "Spirit of Enterprise" award Feb. 5.

"As a former small business man who understands what it takes to make a payroll, I am honored to receive the 'Spirit of Enterprise' award," Knollenberg said.

"The U.S. Chamber has been instrumental in our efforts to reduce wasteful spending, cut exorbitant taxes, promote



Knollenberg

free trade and reduce the burdens of excessive regulation and frivolous litigation. These efforts have significantly contributed to the strong economy the American people are enjoying today."

The award is based on 10 key votes important to business cast in the first session of the 105th Congress. The list of votes includes the Balanced Budget Amend-

ment, the Taxpayer Relief Act, Fast Track trade authority, China MFN status and Compensatory Time for American workers.

"Progress has been made, but there is still much to be done," Knollenberg said about the votes. "Taxes are still too high. The federal government still wastes too much money and an intrusive federal bureaucracy is still hindering the ability of entrepreneurs to create and sustain high paying jobs for the American people."

In addition to Lou Kasischke, who also was recently in the spotlight for helping motivate the University of Michigan football team to a perfect season, the following companies will share their experiences:

• 1997 Michigan Quality Leadership Award (MQLA) recipient Aeroquip Corporation's Engineered Systems Group,

Please see QUALITY, B6

Quality Council features Mt. Everest survivor

Keynote speaker Lou Kasischke, a Michigan native who survived the worst disaster in Mt. Everest's history, will share his Mt. Everest experience and the lessons he learned from conquering personal and professional challenges at the 1998 Michigan Quality Council (MQC) Spring Sharing Conference.

The conference will take place March 24 from 7:15 a.m. to 5 p.m. at the Michigan Athletic Club, Lansing, Mich. The MQC Spring Sharing Conference will offer a clear path to businesses and organizations of all sizes on their climb

to quality. Quality-oriented professionals from the manufacturing, service, education, health care and government sectors from throughout the state will share and discuss practical applications to everyday challenges.

According to Michigan Quality Council Director Bill Kalmr, the one-day program format, which contains break-out sessions for different types of business, has a diverse list of speakers and opportunities Michigan organizations will not want to miss.

"This conference is specifically designed with the Michigan profession-

al in mind," said Kalmr. "Our goal is to provide a quality resource for Michigan businesses and organizations that simply can't be compared to any other in the state."

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'98 recession chances low, Comerica says

The Recession Watch Index compiled by Comerica Bank, which forecasts the likelihood of a national recession occurring within the next 12 months, registered a 28 percent probability in January, a five-point increase from December.

The index is predicting the seven-year-old economic expansion will continue through 1998.

"The national economy continues to show unprecedented stability, with no end in sight," said Comerica economist William T. Wilson, Ph.D.

The index last predicted a recession in July 1989, and a recession followed in 1990-91.

Comerica's Recession Watch index is designed to forecast an economic slowdown or recession well in advance, using a weighted average of three leading indicators: spread in the yield curve, adjusted bank reserve growth, and the Commerce Department's Index of Leading Indicators.

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**, 605 E. Maple, Birmingham, MI 48009. Our fax number is (248) 644-1314.

Jerry Adams was named executive vice president and COO of Harmony House, based in Troy. He previously worked with the Handiman Company, but is returning to Harmony House where he worked for 15 years in the 1970s and 80s.



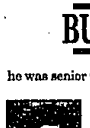
Bennett

Theodore Bennett of West Bloomfield has joined Comerica, Inc. in Detroit as senior vice president in charge of Human Resources. He previously worked for Coca-Cola Bottling in Connecticut as vice president of human resources and vice president of external affairs.



Brann

William Brann III of West Bloomfield has been named president and CEO of StaffPro, Inc., a temporary staffing service in Bloomfield Hills. He has worked 20 years in the employment and staffing industries, including 17 years with Frick Company where



Conner

Kurt Conner of Clawson has been promoted to senior vice president and creative director at W.B. Doner & Company in Southfield. He will supervise creative for the agency's Canadian tire Account and other accounts. He joined Doner in 1995 as a vice president.



Curtis

Mike Curtis of Farmington Hills has been named managing director of Pinnacle research Consulting in Troy.



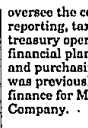
Herman off & Associates

Herman off & Associates as an assistant account executive. She will assist in media and community relations and special event coordination. She was previously an intern at the Oakland County Executive's Office and Ford Motor Company.



Emmet

Jon Emmet of Farmington Hills has been named a senior project director at Pinnacle Research Consulting in Troy.



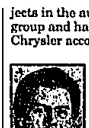
Mayer-Fladung

Jeannette Mayer-Fladung has been promoted to vice president at the Detroit office of Shandwick in Southfield. She will supervise major automotive accounts with an emphasis on internal communications strategies. She joined Shandwick in 1994.



Mundorf

Todd Mundorf has joined J.D. Powers and Associates in Troy as manager of business development. He conducts research pro-



Miller

Dale Miller, who is relocating to the area, has been named an account executive at Marx Loyne & Company in Farmington Hills. He will design and implement public relations programs for several of the agency's clients. He was previously a freelance writer and editor.



Rankin

Todd Rankin of Birmingham has been hired as senior vice president and director of media planning at BBDO Detroit in Southfield. He will oversee local and national media for Chrysler Dodge advertising. He joins BBDO after 10 years with Darcy Masius Benton & Bowles in Troy.