

Business

If you have a business idea or suggestion you would like to share with our readers, give Ron Garbinski a call at 644-1100, ext. 257. Our address is 1225 Bowers, Birmingham, 48012. The Business Page appears every Thursday in the Observer & Eccentric Newspapers.

Thursday, October 19, 1978

(S-6C, F-1D, R-4D) (10) (11)

BUSINESS PEOPLE

JAMES VERLOTTI of Troy has been appointed to the new position of commercial market support manager with Sperry Vickers. Verloitti, with Sperry Vickers for 16 years, attended Union College in Cranford, N.J.



Verloitti Dale

JAMES DALE of Birmingham has been elected to the board of directors of the W. B. Dyer Co. Dale, a graduate of U-M, is senior vice-president and executive creative director of the firm.

RUTH WHITMORE of Farmington Hills was appointed director of advertising sales promotion for WRIF radio. Ms. Whitmore, a graduate of U-M, was previously associated with "The Lou Gordon Program."

NEIL WARRINER of Birmingham has been appointed second vice-president of National Bank of Detroit's midwest corporate group, United States division. Warriner, who has previously worked in the bank's Canada group, has been with the National Bank of Detroit eight years.



Kane Rivard

STEPHEN KANE of Birmingham has been appointed project manager of National Bank of Detroit's data processing and systems department.

JEROME RIVARD of Birmingham has been appointed chief engineer of Ford Motor Co.'s electrical and electronics division. Rivard joined the company in 1976. He graduated from the University of Wisconsin in 1955.

FRED BARRY of Farmington Hills has been promoted to vice-president of Executive Search Inc. Barry is a graduate of Wayne State University and joined the company in 1974.

RICHARD FLINN of Birmingham has been promoted to vice-president and senior international banking officer of Manufacturers National Bank of Detroit. He has been with the bank since 1970.



McMahon Drewes

WILLIAM MCMAHON of Birmingham has been appointed secretary of the board of directors of Walker Wire & Steel Co. He has been associated with Walker Wire since 1968.

THOMAS DREWES of Avon Township has been appointed account manager for Parker Hannifin Corp.'s automotive connectors division in Cleveland. Drewes had been account manager for Midland-Ross Corp.'s power controls division in Owosso.

HAROLD STEPHENSON of Birmingham has retired after 15 years with D'Arcy-MacManus & Mastus, Inc. in Bloomfield Hills. Stephenson retired as executive vice-president of the advertising agency. He joined the company in 1963 as senior vice-president for finance.

DAVID HENDERSON of Orchard Lake has been named general manager of automotive glass sales in the automotive and aircraft glass division of PPG Industries. Henderson joined PPG in 1955 in the production planning department at the company's Pittsburgh headquarters.

Electronic 'Party Line' caters to discriminating phone users

By JACKIE KLEIN



Woman's best friend may well be her telephone. Southfield, which has more phones per capita than any other city, is a mecca for electronic conversationalists.

On these premises, Beverly Benderoff and Joyce Blum of Southfield last month started "Party Line," a business catering to the discriminating telephone user.

"Telephones aren't just for talking and listening anymore," observed Mrs. Blum. "Phones come in 200 different styles and they're an important part of home and office decor. If we don't have them in stock, we can order them."

The two women were looking for a unique business they could enjoy, said Mrs. Benderoff. They're both active in a number of volunteer organizations, she said, but they wanted a change of pace.

Mrs. Blum discovered a phone store in Colorado last spring. She and her partner investigated a number of companies which sell telephones, received dozens of brochures and they were in business.

"We first found out it's legal to buy a phone from other companies beside the large monopoly, Michigan Bell,"

Mrs. Benderoff said. "Michigan Bell and many Southfield department stores sell decorator phones. But we give a 20 per cent discount."

"BELL TELEPHONE charges for renting equipment. We tell our customers who buy our plug-in phones to call Michigan Bell, give the FCC and ringer number and they'll be charged a lower monthly rate by the phone company."

Party Line features phones and accessories from old fashioned to contemporary designs. Shelves are lined with plastic fold-a-phones, lucite rope pads, elaborate french phones which come in two sizes, old fashioned wall phones and more.

A \$500 only chest opens up to reveal a mini-phone inside. Another expensive item is the 32-number computer phone. The busy executive has only to press a commonly used number and the dial automatic.

Little ones can call daddy, grandma or the doctor on an instrument with just a few often used number. Small fingers press a button and the rest is automatic.

For the businessman, there's a phone with a built on clock and calculator and his secretary can type while using a hands-free instrument.

Telephones come in wood carved

Adam and Eve designs, gold five foot high, pay stations which really take coins, and wall. Some are billed as "Picassos of the telephone industry."

"YOU'VE SEEN the commercial about a box of tissues to match the decor of every room in your home," Mrs. Benderoff said. "The same thing goes for telephones. We have one interior decorator who buys our phones for most of his customers."

Party Line has phones with dials or touch tones without or without ringers. Mrs. Blum advises customers if they have rotary dial phones in their home, touch tones won't work.

New homes have modular plugs instead of the old fashion four-hole plug. Mrs. Blum said. carry adapters for both.

The women carry a line of contemporary, lucite phones and a speaker phone called the Alexander Graham Bell airplane model.

"The brochures refer to decorative phones as 'elegance in dignified communication,'" Mrs. Benderoff said. "We can't wait to see what's going to come next. It's surprising how many people are buying designer phones for wedding, confirmation and housewarming gifts."

Party Line phones will be Shaarey Zedek for the City of Hope show.



BENDEROFF: 'You've seen the commercial about the box of tissues to match the decor of every room in your home. The same thing goes for telephones. We have one interior decorator who buys our phones for most of the customers.'

Forget the cash

Firm coordinates service trade-offs

By SUZIE MARKS

If you need a new roof, don't pay for it. Trade for it.

Trading services instead of paying cash for goods is the theory behind the Metro Trading Association in Troy. Owned and operated by Michael L. Mercier, Metro Trading acts as a clearing house for businesspersons wishing to trade for their accounts.

The idea works similar to a credit card system. Mercier's 14 members sales force solicits all types of businesspeople to join the trading association. Doctors, dentists, lawyers, jewelers, even hot air balloonists can join.

Upon joining a member receives a starting purchasing limit under \$1,000. Mercier explains. Members can then buy what they want from fellow members without paying cash. Instead, charges are made to their accounts. They are paid off by retail sales from other members. Everything bought through the association is done with trade dollars acquired at the businesspersons own profit markup.

For example, consider the hypothetical customer Bill Brown who owns Brown's Carpeting Co. Mr. Brown buys his carpeting at a wholesale price which is 30 per cent lower than what he sells his carpeting for in his retail store. Because he is an association member, he can trade his carpeting for another members service. Another association member buys \$500 worth of carpeting from Brown at the full retail price. The transaction is logged as a \$500 credit in the Metro Trading account. However, even though Brown charged his customer \$500 for the carpeting, it actually only cost him \$250 in inventory.

Now Brown needs a service. He needs printing done for his advertising. So he buys \$500 worth of printing from another member and the \$500 credit that is on the Metro Trading account is transferred. In reality, it only cost him \$250.

"The benefit is that Brown can buy the printing at the most advantageous price that he bought the carpeting at," Mercier explains. "They can buy things at retail prices with the means of exchange that you acquire new goods at your price."

BY NOT WRITING a check for the carpeting, Brown acquired printing by utilizing \$250 inventory instead of the \$500 cash, he adds.

"The bottom line benefit is to the business owner who lowered his overhead and has a new cash profit," Mercier says.

Mercier has drawn up 700 categories in which he places potential members. In order to join, the future member must fit into an unfilled category.

"We also guarantee not to take any competing members," Mercier explains. "The association runs by its membership for the benefit of its membership."

So far, Mercier's members include Pipers Alley, jewelers, doctors, lawyers, accountants, a bicycle store, a hot air balloonist, bookstores, travel agencies, women's specialty shops, automotive services, art galleries, a sprinkler system company and a radio station.

In order to begin operating, there must be at least 200 participating members, which Mercier anticipates to reach by the end of the year.

It costs \$150 for a one-time membership, and \$100 annual dues. Mercier says. However, because the 200 charter members have not been organized, Mercier is asking for only \$100 to join now.

"This idea is a new area guarantee. We will acquire a membership list to function in their membership behalf to make sure that people will buy from each other," he explains. "When we acquire members we submit the charter list to the other members. If one member isn't happy with the list, he can withdraw his name and get his

\$100 deposit refunded."

In order for Metro Trading Association to be effective, Mercier says the freedom of choice must exist and proximity must be maintained.

"That's why we were operating exclusively in Oakland County," he adds.

THE ONLY RULE of the association is that members must deal at their regular full retail price. If a member were found guilty of defaulting a fellow member's service, he would be legally prosecuted, Mercier says.

When soliciting new members, Mercier says sometimes they are reluctant

to the idea because it is a new innovative concept that takes time to understand. He also has to convince people of his credibility which he is working hard to establish.

Mercier spent months of researching the trading association concept before launching his own venture. He is a believer in the idea as an inflationary fighter and says within the next two years he expects to have 2,000 members. Presently there are 30 members in the association.

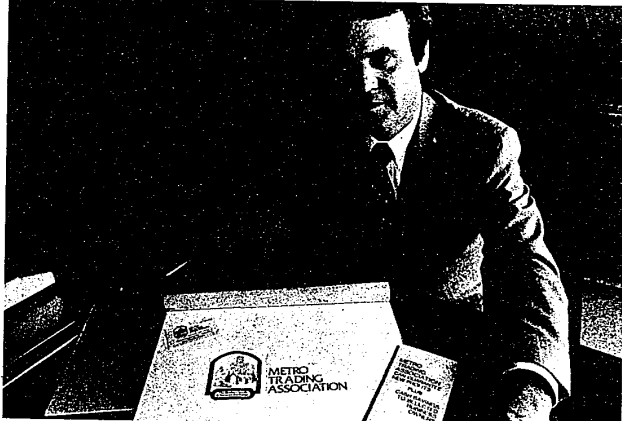
Before acting as the clearing house supervisor, the 33-year-old Grosse Pointe Park resident was a hospital

administrator for Bon Secours Hospital in Grosse Pointe.

"I started reading about these associations and thought it was one of the fastest growing businesses in the country," he says. "If the American system is to stay healthy we have to allow the middle American to participate in trading systems."

Mercier even pays his own salary with barter. When a transaction is completed, the seller pays Mercier five per cent of the sale in cash and five per cent in trade dollars.

"My offices and computers are all dealt with in trade dollars," he says.



Mike Mercier of Metro Trading Association in Troy acts as a clearing house for businesspersons desiring to exchange services. (Staff photo by Charlie Kidd)

Business Trends

Here's a wrap-up of the local business beat

EATON CORP. has donated \$4,500 to Lawrence Institute of Technology's new technical and business clubs program (TAB). The program is a cooperative effort of LIT, the Detroit Public Schools and Detroit industry and business to assist youths interested in higher education in scientific, engineering and business administration areas. It's a three-year experimental program and, if continued, would be expanded to place approximately 100 youths in related jobs.

Eaton is a manufacturer of truck and car components and controls, materials handling systems, industrial power transmission systems, appliance controls, and home and commercial safety products. Sales for the first six months of 1978 were \$122.8 billion. Net income was \$6.8 million or \$3.95 per share. Sales in the second quarter of 1978 were \$64.4 million, and net income was \$3.1 million or \$2.19 per share.

ELECTRONIQUE '79, the industrial electronics exposition and conference organized to update southeastern Michigan industry on new electronic product developments and applications, will be conducted a week earlier than previously announced. The new dates are Feb. 20-22, 1979 at the Detroit Light Guard Armory, 4400 E. Eight Mile. The regional event will be produced by Midwest Productions, Inc., under the sponsorship of the Michigan chapter, Electronic Representatives Association. It will be managed by the Society of Manufacturing Engineers (SME), Dearborn. More than 125 manufacturers of electronic components and systems will participate as exhibitors. For more information on the program, contact SME Expositions and Special Programs Department, One SME Drive, Box 580, Dearborn. The telephone number is 271-3200.

ENERGY CONVERSION DEVICES, INC. of

Troy reported a net loss of more than \$1 million or 48 cents per share for the three months ended June 30, 1978. The firm recorded a net loss of \$78,000 or 39 cents per share for the same quarter the year before. Revenues were \$147,000 for the fourth quarter compared to \$200,000 for the same period last year. For the year ended June 30, 1978, the net loss was \$5,238,000 or \$1.57 per share, compared with a net loss of \$2,709,000 or \$1.39 per share for the prior year. Revenues for the year were \$457,000 compared to \$610,000 in the same period a year ago. The increased loss for the current quarter as well as the year ended June 30 over the comparable periods in the prior year, according to the company, resulted substantially from pre-production costs and expenses of the company's MicroOvonic File System, for which 3M Co. placed a \$6,925,000 order with the company earlier this year.

THE INSTITUTE FOR CONSTRUCTION MANAGEMENT, the educational and research arm of the Builders Exchange of Detroit and Michigan, will offer a variety of construction education programs this fall. Included in the offerings are: financial management and control in construction; construction law; basic construction mathematics; basic construction metrication; personal skills for construction and design personnel; construction metals detailing; and construction project management. All classes are held during the evening.

For more details, contact the exchange at 962-5500. Business Trends highlights the happenings affecting local business and industry in the Observer & Eccentric circulation area. If you have any business tips, contact us at 644-1100, ext. 257. Our address is 1225 Bowers, Birmingham 48012.