

# Business

Marilyn Fitchett editor / 591-2300

Thursday, June 4, 1987 O&amp;E

(F1C)



John Anhut sees the way to property tax relief through the removal of tax abatements.

## Anhut: Business unity is needed

By Mary Rodrique  
staff writer

When John Anhut, chairman of the board of the Michigan Chamber of Commerce, finishes his second term of office July 1, he will have reached more than 1,000 chamber members and executive officers across Michigan.

"We have to work together to reach our goals," said Anhut, owner of the Boisford Inn in Farmington Hills.

"We have over 8,000 members in Michigan; it's the largest chamber in the country. If we could just get the local chambers to work with the state chamber — God what a force we would be."

Problems facing Michigan business are many, according to Anhut. He cited unfair competition by non-profit organizations as one thorn in his side.

As an inn owner who sells wedding reception packages, he competes with tax-exempt institutions, like colleges, offering the same service at greatly reduced prices.

"Everybody is getting into everyone else's pockets," he said.

FROM HIS jaunts across Michigan, meeting with chamber groups from Jackson to Marquette, the leading issue on the minds of business people everywhere is property tax relief.

"The school system looks at property taxes as a source of revenue, but this can't go on forever," Anhut said.

"Property tax relief can be offset by removing tax abatements. For example, the Mazda plant in Flat Rock got \$3 million in tax abatements. Why not spread that money through Michigan?"

"We have proven if you take away tax abatements, given eight or 10 years, there is enough (revenue) to offset the losses. We'd all like to expand policy we can benefit from. The governor and everyone has to work together."

Anhut is quick to spew out figures. Michigan depends on property taxes for 42 percent of its revenue while other states depend on it only 31 percent, he said, adding that Michigan ranks third in property tax load.

"States that are the most prosperous have much less property tax burden," he said.

THE STATE chamber of commerce has published a booklet of legislative priorities for 1987-88. In addition to tax relief and government spending, other issues concern further improvements to workers' compensation, cutting the cost of unemployment insurance and diversifying the economy.

**'The big problem is that we don't work well together. The deeper you get into this, the more you realize what can be done.'**

— John Anhut

"We need to do more to keep business here," Anhut said. "You've got to keep and expand what you've got. If you do a good job, that is the only incentive needed to attract new business."

Anhut dismisses the notion that the chamber is a Republican group espousing conservative ideals.

"The governor has some good people on staff. We have a Democratic regime and we must have open dialogue," he said. "I don't believe in issuing statements. We have to talk together — face to face."

In the past two years, Anhut has practiced what he preaches. He has met with chambers in every region of the state and with the governor's staff in Lansing.

**"THE BIG PROBLEM** is that we don't work well together. The deeper you get into this, the more you realize what can be done."

Anhut, who is also a member of the Farmington Hills Economic Development Corporation, believes there are no big business/small business issues.

"United we stand, divided we fall," he said. The Anhut family bought the historic Boisford Inn in 1951. It has been expanded 14 times and is "pretty well built out now."

"We just have to do a better job, put out a better product," said Anhut, who lives in an executive apartment on the grounds.

He does see some progress in Michigan's business climate over the past five years. "We're not where we were during the recession, but business improved all over the country," he said. "Michigan is a rebound state. We're on the upswing now. We've got to stay there."

"I want to go out having bridged some gaps and leaving the impression that if we all work together, we can do the job."

## Corporate philanthropy

Donations to local charities run contrary to national trend

By Tom Henderson  
staff writer

Are corporations tighter with a buck these days when it comes to charities?

Absolutely not, says a vice president of the United Foundation. Yes, they are, says a story by the Associated Press out of New York, quoting a report by a business information group.

According to the AP story, an organization called the Conference Board said that corporate giving peaked with a 15-year high of \$4.4 billion in 1985, but dropped about 2.5 percent in 1986 and will continue to decline this year.

"A generation of corporate chiefs committed to social goals is passing from the scene," said Anne Klepper, director of the board's Contribution Management Institute. "Born and bred in depression and war, their views were influenced by the harsh realities that they recalled; many developed a pronounced social interest."

Klepper said that a new generation of corporate chiefs is more concerned with stiffer domestic and foreign competition than with social welfare.

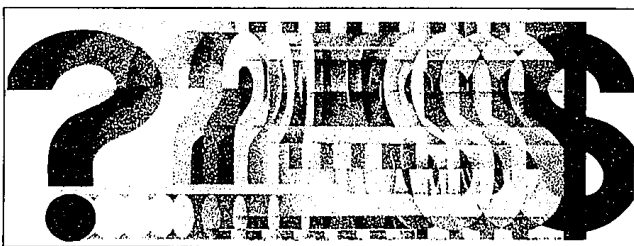
"Often there is less time or interest for social concerns," she said.

**LOCAL OFFICIALS** active in charity fund-raising say that it may be harder to put the touch on corporations nationally, but it isn't in the Detroit area.

"I would disagree with that completely," said Jim Ridge, a vice president of operations for the United Foundation, of the theory that the new generation of executives is less socially responsible than its predecessors.

"As corporate officials move up the ladder, they get involved in outside organization," he said. "I don't think they're lost that feeling of being involved in the community. Corporations are changing from being more of family organizations to being run by professional managers, but they're just as involved in the community."

Ridge said that last fall, the Torch Drive raised a record of \$58.4 million in southeast Michigan. He said more than \$11 million of that was from corporate donations, or 18.9 percent of the total. He said that in 1977, corporate donations were \$7.2 million, or 16.9 percent of the total raised.



**Is the new generation of corporate chiefs more concerned with stiffer domestic and foreign competition than with social welfare, resulting in less time or interest for social concerns?**

MAXINE ASHCRAFT, vice president of development and community relations for the Michigan Cancer Foundation, also disagreed that corporate executives were less socially aware or responsible.

"Philanthropy has been on the rise since 1980 and will continue to rise no matter the economic conditions," she said.

Ashcraft of Birmingham said that private giving is up for MCF and corporate giving down, but she said that is a function not of social awareness but of ever-increasing demands on business by charities.

"Corporations are zapped all over the place," she said. "In the past they have tried to support everything. Now, they're just taking on a project or two."

Ashcraft said individual donations have more than made up for any slackening in the business sector.

"I think this is going to be a very good year," she said. "Since 1982, there have been more than \$2 billion raised (for charities nationally) that just wasn't expected. So, things have been wonderful."

She said MCF raised \$1.8 million in cash donations last year and another \$1 million in endowment money.

"I'm looking to increase that by 25 percent this year," she said. "I've been told that that's not realistic, but that's my goal."

**THE MULTIPLE SCLEROSIS Society** of Michigan is a Torch Drive

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— Jim Ridge  
United Foundation

## Business activity worsens

During April, business conditions in the metro Detroit area fell to their lowest point since August of last year, according to the latest survey of the Purchasing Management Association of Detroit.

According to April's survey results, the composite index of business conditions slipped to 44.5 from 46.2 in March.

"A composite index number below 50 generally indicates a degree of deterioration in the economy," said David L. Littmann, vice president and senior economist with Manufacturers National Bank of Detroit. But Littmann said that the local economy had successfully weathered a similar

period of weakness stretching from April to August, 1986.

"Despite sub-par readings from PMAD surveys during that five-month interval," he said, "the local economy managed to maintain a level of business activity comparable to 1985."

Littmann added that it may be more difficult to maintain local economic momentum in 1987 because auto industry incentive programs have not been as vigorous thus far and because price pressure generally appears more intense. Survey respondents generally noted rising commodity prices, and, for the second month in a row, no purchasing managers reported lower prices.

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