Pearl Holforty: "We are catalysts for action."

## Local women back BIDCO

The Liberty BIDCO Investment Corp., founded by seven Michigan businesswomen, said it has received a contingent commitment of $2.4 million from the Michigan Strategic Fund (MSF). Liberty's goal is to raise $6 million in equity to fund the new financial institution.

With that base, Liberty BIDCO estimates it will have invested more than $100 million over the next 10 years in small businesses, focusing upon the service industry and businesses owned by women.

"Our business plan is solid," said Pearl M. Holforty, CPA, chair of the board of directors and chief executive officer of the BIDCO, which stands for "business and industrial development corporation." Plans were announced last week in a Southfield news conference.

Holforty, a partner of Plante & Moran, a Michigan-based public accounting and management consulting firm, and a Southfield resident, also owns several small businesses and is president of the Women's Economic Club.

FOUNDERS CHOSE the name Liberty to convey the traits of independence, expansion, freedom, patriotism, hard work and dedication.

"Besides, liberty, in French, is a feminine noun — and that's what we are: catalysts for action who are women," said Holforty.

Liberty plans to open its first office in the Detroit area next month. It plans to have regional offices in Grand Rapids, Lansing, and the upper Lower Peninsula and Upper Peninsula by 1992.

"We deliberated for more than two years, researching the numbers, discussing the potential and determining the viability of such a venture," she said.

"Our market niche of service and women-owned businesses was carefully chosen. The number of these businesses is growing spectacularly in Michigan, and the potential of this market is extremely attractive to us and other investors."

LIBERTY BIDCO proposes to provide financing from $50,000 to $300,000, along with management assistance, to fill the gap between low risk, low return bank lenders and high risk, high return venture capital investors.

"We'll help Michigan entrepreneurs who traditionally have been ineligible for bank financing," said Holforty.

"We'll help the companies who haven't been of interest to venture capitalists because they may not be in glamorous fast-growing industries.

"These firms have the independence, foresight, stamina and dedication to grow a business. We'll be there to provide that additional assistance to make their companies really work while providing a good return for our investors."

HOLFORTY IS joined by Shirley A. Kyle as senior vice president and chief investment officer, and Patrick R. Crosson as senior vice president and chief operations officer.

Kyle joins Liberty from The Neighborhood Fund, Inc., a minority enterprise small business investment corporation (MESBIC), a subsidiary of the Shorebank Corp., Chicago, a $170 million bank holding company. She is the vice president and manager of The Neighborhood Fund, which has invested in 23 companies.

Crosson of Livonia is the founder and president of Crosson & Co., a financial consulting firm, and a former senior vice president and director of operations of Michigan National Corp., a bank holding company.

Created by the Michigan Legislature in 1986, BIDCOs are "to promote economic development . . . to meet the financing assistance and management assistance needs of business firms in this state." They are regulated by Michigan's Financial Institutions Bureau.

OTHER FOUNDING officers and directors are:

- Mildred Green, secretary; president and CEO of Millie Green Industries, Caro, a computer distributor and manufacturer.
- Andrea Harris of Southfield, treasurer, a principal in Comprehensive Planning Group, Southfield, a financial planning consultancy.
- Charlotte Brannstrom, president and owner of Greater Flint Temporaries.
- Mari D'Alto of Southfield, co-owner of D'Alto Somberman, Detroit, New York and Los Angeles, designer and manufacturer of fashion accessories.
- Mary Jane Hilker, vice president — finance for Cambrian Capital Corp., Farmington Hills, an investment management firm.
- Joyce Van Ochten, vice president — commercial loans and public funds for Second National Bank, Saginaw.

## Jacobson's to open Troy clearance store

By Marilyn Fitchott
staff writer

> 'We have no intention of operating a discount store. We're going to sell good, quality merchandise. We're not buying cheap merchandise and trying to suggest that it's being sold at less than market value.
> — Jacobson's Mark Rosenfeld

Bargain hunters will be attracted to a large clearance sign tagged on a former supermarket in Troy as Jacobson Stores enters the marked-down merchandise market.

The company will open Jacobson's Clearance Center at Rochester Road and Big Beaver in November, selling clothing, accessories, linens and home decorating merchandise. Furniture will not be carried.

The 30,000-square-foot clearance center is in a strip mall of stores with evening and weekend hours, which is in contrast to Jacobson's never-on-Sunday policy. Company president Mark Rosenfeld said hours have not been decided, but clearance center hours "probably will be different" than regular store hours.

Rosenfeld stressed that the clearance center will sell marked-down merchandise that previously had been found at its full-line stores:

"We have no intention of operating a discount store," Rosenfeld said. "We're going to sell good, quality merchandise that for some reason did not sell. We're not buying cheap merchandise and trying to suggest that it's being sold at less than market value.

"Our specialty stores will continue to have end-of-season clearances for a limited time. After that, the merchandise will be shipped to the clearance center. You can never anticipate the exact quantity of merchandise that will be sold in a store. This is a natural retail business procedure."

Retail consultant Frederick Marx, who heads Marx Management Co. of Birmingham, explained the difference between discount and clearance stores.

"A clearance store sweeps up goods that are carryovers — third and fourth markdowns. Discount stores carry current, in-season merchandise sold at reduced prices. These are stores such as TJ Maxx or Hit Or Miss.

"Most stores liquidate merchandise through jobbers — broken sizes, odds and ends. Today some companies have their own clearance stores like Gantos Boutique. But in addition to clearance merchandise, they often offer opportunistic buys to the customers."

Marx sees the "opportunistic buys" as helping stores fill their clearance outlets with merchandise, something only marked-down items might not be able to do. He questions whether Jacobson's will be able to keep its clearance center stocked only with markdowns.

Jacobson's has two major end-of-season clearances in January and July and two minor clearances after Easter and in October.

Rosenfeld said moving the merchandise to a clearance center will "permit us to bring the new season merchandise into our fashion stores in greater depth and wider assortments."

Clearance merchandise will be processed in the company's Jackson distribution center before it is sent to Troy, offering a potential turnound time of a "couple of days."

Marx disagrees with the concept.

"The cost of transferring goods is not worth it. Those who do it effectively do it with separate divisions and with multiple stores. It's not just an extension of the regular business. The process takes time, and time is valuable at the end of the season."

He said the role of clearance sales is not solely to remove "day-old bread."

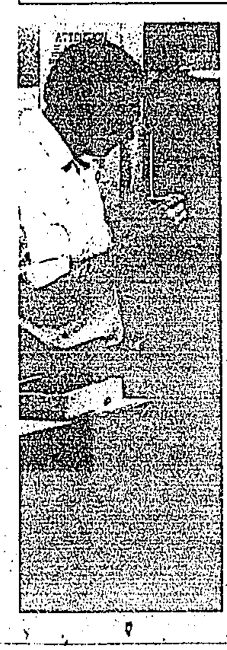
"Let's say you're going on vacation on Aug. 1 and you're looking for a bathing suit or an extra pair of shorts. You're not going to want to pay full price. But maybe there's one more thing you'd like and you find a leather coat. There's a synergy of one department to the next. The retailer is interested in the next season as well as selling clearance."

Marx questions what the clearance center concept will do to Jacobson's image.

"The company is revered — their whole presentation, their service. Suddenly they have this (clearance) store, and it takes away from their cache. Usually I'm very supportive of what Jacobson's does. People have a deep affection for them. But I don't think this helps."

Rosenfeld described the target customer as someone who is a Jacobson's customer now and those who are not but who would normally shop at clearance centers. He said Troy was chosen because of its proximity to Jacobson's metro Detroit stores.





## Manufacturing enters classroom at Oakland

By Helen Niemiec
staff writer

Oakland University will unveil a new manufacturing program this fall designed to blend practical knowledge and academic learning into a comprehensive program to benefit those in supervisory and lower-management positions.

The Production and Manufacturing Management certificate program is the first of its kind in Michigan and is a response to requests from manufacturing companies in the area.

Designed by an advisory board, the program is co-sponsored by the university's business education and continuing education divisions. Those considering the program should have hands-on experience in manufacturing and, preferably, two years of college because of the mathematics background required to understand the course materials.

Dr. Amir Hormozi, program consultant, said classes are designed for those who wish to receive the certificate or those in the field who wish to take a course or two to hone their skills.

All instructors have both academic and practical backgrounds in the area they will be teaching, one of the key benefits of the Oakland program, Hormozi said.

STUDENTS WHO take the program one course per semester will earn certification in three years. Those taking three courses per semester will complete the program in one year.

At the end of the seven classes required, each student will take an 80-hour internship, which applies knowledge gained in the classroom at the student's place of employment.

Carmen Thomas, program manager, said other schools offer seminars similar to some of the courses offered, but no other university puts the topics together in one unified program that awards certification.

"People who work in the field get used to their one particular area," Hormozi said. "We want these people to look at the total picture. The idea behind the internship is to come up with an idea to improve something at the workplace, whether it be by saving money or by increasing productivity."

Course work covers a basic introduction to manufacturing and production, quality control, inventory, computerized management and design aspects.

Those interested in the course can attend a free informational session at 6:30 p.m. Thursday, Sept. 7, at the Oakland University campus in Rochester. Reservations are required and can be made by calling the Continuing Education Division at 370-3120.