

Methanol 'gasoline' is the merest trifle

By Dan McCosh
Special writer

The U.S. government is talking to a lot of people about using methanol as an alternative fuel for automobiles these days, including GM, the California Air Resources Board and the U.S. Environmental Agency.

But not to Baby Huey. Baby Huey could tell them about methanol.

Baby Huey was a kid in my old high school in Royal Oak who worked hard at becoming the kind of social reject that just came naturally to most of the rest of the student body.

HIS EFFORT to build an image always was a little strained, since he was an average student who more or less blended in with the rest of us. But he tried hard.

First he bought a black leather jacket. Then tried growing his hair into the kind of slicked-down, patent-leather look made popular by a couple of rock groups from New Jersey. Unfortunately, Baby Huey's hair was naturally curly, so the result was something like a greasy lump of black broccoli top on his head.

UNDAUNTED, HE bought a motorcycle. Well, not exactly a motorcycle. Actually it was a motor scooter powered by a one-cylinder engine that looked sort of like a Harley if you squinted and it was about a block away.

It ran with a "pocketa-pocketa"



auto talk
Dan
McCosh

sound, and Huey would approach with one hand on his left leg, just like a real Harley, which gave him the beginnings of a high school tough guy image until some guy who was a real social reject pointed out that Huey looked a little like a pear sitting on a roller skate (Huey was a little overweight) and started calling him Baby Huey. And that was the end of that.

I GAVE him credit. I figured anyone with a real motorized vehicle of any sort was one up on me, since there were only three guys in the whole school who managed to buy wheels without parental assistance and without dropping out to earn the money. Baby Huey was one of them.

So when Baby Huey pulled up, pocketa-pocketa, in front of the model airplane store where I worked after school and came inside, I took notice.

"Gimme some of that," he said, leaning over the counter and pointing to a gallon can of model airplane fuel. "I'm going to win something," he pronounced with the finality of a guy about to jump over a fountain at

Caesar's Palace.

SOMEHOW HUEY had figured out that model airplane fuel, about 60 percent methanol and 40 percent nitromethane, was going to be his secret weapon for an all-out assault on the record for Cushman Eagle — top scooter at Detroit Dragway, thus ensuring him a permanent place in the social reject hall of fame.

Unfortunately, I missed the trial itself, and in fact had nearly forgotten about the attempt until he came back a couple of days later, walking, but holding a trophy for elapsed time that no doubt stands to this day.

JUST HOW this figures into the current interest in methanol as a way of preserving the environment is something I leave to an investigation by Congress. That may be necessary anyway, since just before he left the store, Baby Huey leaned over the counter and confided where his next technological leap was headed.

"Nuclear," he whispered. Then he walked out of the store, and I never saw him again.

A leader is a manager who learned to listen

By Mary DiPaolo
Special writer

Managers talk. Leaders have learned to listen.

Listening is the glue that holds every business together and represents the sixth aspect of leadership that is important but seldom urgent.

According to William A. Martisteller, author of "Creative Management," "the occupational disease of poor management is the inability to listen and to ask the right kinds of questions." As such, listening and observing are the basics behind both the learning and leadership development processes.

AS MANAGERS "manage," leaders do what they do well. A leader has the ability to know what he does particularly well and where his or her weaknesses lie.

If you're a top-notch salesman, share your sales secrets with your sales force. If you are not a "numbers cruncher," develop someone within the business who is.

A good leader realizes that he cannot be all things to all people, so he develops key people to cover the weak areas.

ALTHOUGH MANAGERS are honest most of the time, leaders make a point to always tell the truth. When you find it necessary to tell "white lies" to the people you work with, you might as well pack it in.

When they find out, you will have ruined your credibility with them. Leaders realize that people can accept and respect the honest truth, no matter how difficult it may be to swallow at the time.

Praise may be used by managers to manipulate people; leaders use praise to develop a person's self-esteem.

LEADERS KNOW that the most effective method of encouraging people is self-motivation. Leaders praise people for a job well done — immediately and sincerely.

Unlike managers, who sometimes lavish their people with cheap praise in an effort to push them harder, leaders help foster self-worth, value and importance among their employee staff.

Managers work their required schedule. Leaders work whenever their leadership support is needed. How many times have you asked

your employees to work an extra hour or stay late to fill an important order?

AN IMPORTANT rule of great leadership is to never require anyone to do something you wouldn't be willing to do yourself. This doesn't mean that every time you ask someone to work late, you have to work late, too.

It means that you must have the sensitivity to know when it is important for you to be there reinforcing and supporting the efforts of your employees.

Last, a manager evaluates his employee's performance; a leader evaluates his or her own performance as well.

Managerial ego is a lot like the steam that fogs your bathroom mirror — it distorts reality. To avoid self-analysis is a symptom of personal weakness, mediocrity or both.

Mary DiPaolo is the owner of *MarketTrends*, a Farmington Hills-based business consulting firm. She is also producer and host of the cable television series, "Chamber Perspectives."

Factors used by technical analysts

Activity factors	Description	Claim by technical analysts
High-low index	Average number of NYSE stocks making new highs (surpassing their previous highest price levels for preceding 52 weeks) minus the number making new lows.	During a rising market an increasing number of stocks reach new highs and a decreasing number reach new lows (market technically strong). The reverse is true in declining market (market is technically weak).
Advances-declines index	Ratio of the number of issues that advanced to the number that declined, relative to the total of stocks that changed in price.	Changes in the ratio predict short-term market trends.
Most active stocks	Wall Street Journal listing of most actively traded stocks, their high, low, and closing prices on the New York and American stock exchanges.	Because of degree of risk involved in holding low-quality stocks, market is generally more vulnerable when low quality stocks become popular.
Lo/price activity ratio	Compares activity in speculative stocks to that in quality issues. Represents the weekly ratio of volumes in Barron's Lo/Price Stock Index to volume in DJIA.	High speculative activity usually occurs at the top of the market; whereas low speculative activity occurs at the bottom.
Dow Jones momentum ratio	Measures spread between the DJIA and its 30-day moving average.	Assumed to pinpoint turning points in the market. In a bull market, difference of 30 to 40 points indicates the market has reached the top. 30 to 50 suggests the market has reached the bottom. In a bear market, a spread of 20 to 30 signals a market top, whereas -50 to -70 signals a market bottom.
Market Strength Factors		
Breadth index	Computed by subtracting the number of advances from the number of declines every week and dividing the result by the number of stocks that remain unchanged during that week. Index for the week is added to the previous week's figure.	When plotted on a graph, the trend in the market is determined from the direction of movement in the breadth index.
Relative strength index	Ratio of the price of a stock to the DJIA.	As long as the ratio continues to rise, that stock price is rising at a faster rate than the market and vice versa.
Volume of trading	The number of issues changing hands daily.	Rise or decline in stock prices on high volume signals a continuation of the existing price trend; whereas a low volume points to an impending reversal of price trend.
Large block transactions	Financial journals regularly publish data concerning large transactions (25,000 shares or more) in specified stocks and prices at which these transactions were made.	Large blocks of shares traded on a downstock indicate a weak market. Conversely, large transactions on upstocks suggest a strong bull market.
Directional factors		
Daily trading barometer	A weighted composite of three oscillating factors: 1) Last seven days of advances and declines on the NYSE. 2) Algebraic sum of the last 20 days of plus and minus volumes on the NYSE. 3) Ratio of the closing value of the DJIA to the average closing price for the last 20 days.	Proponents argue that it is a reliable indicator of overbought and undersold market conditions.
Directional moves	Directional moves of the various Dow Jones indicators. While divergence is not unusual, it is assumed that this divergence is not likely to persist for long.	Movements in weaker segment of the market (transportation) precede movements in the stronger counterparts (industrials and utilities).
Contrary opinion factors		
Short interest	Measure of short sales. An investor is selling short when, without first owning stock, he sells it at a certain price in the hope of later being able to buy it at a lower price and realizing a profit.	Two interpretations: 1) Large short interest indicates widespread expectation of a price decline and is bearish. 2) Also indicates a strong potential demand for stock and is, therefore, bullish.
Odd lot index and odd lot sales index	Ratio of odd-lot sales to odd-lot purchases (less than 100 share units).	Small investors are ill-informed and can be counted on to make the wrong moves at critical moments. Odd-lot sales are net-buyers, "smart money" will get out of the market.
NYSE specialists short sales ratio	Ratio of specialists short sales to total NYSE short sales.	Measures extremes of sentiment of NYSE specialists who sell short most heavily at market tops when non-member enthusiasm for buying is greatest and less heavily at bottoms when public selling is accelerated.
Advisory service sentiment	Weekly index of the percentage of leading bearish advisory services.	When the advisory service becomes overly one-sided, technical analysts view it as a contrary indicator because service follow trends rather than anticipate changes.
Confidence factor	Barron's confidence index (CI).	In a rising market, the CI rises. When the CI slides, the market is believed to be getting ready for a downturn because investors are reluctant to place confidence in lower-quality bonds.

Technical factors, not value, guide some market decisions

By Sid Mittra
Special writer

In this column I have repeatedly emphasized that the best long-term investment strategy is buy value. This strategy centers around what is known as fundamental analysis.

In a two-part article, I will contrast this strategy with what is known as technical analysis.

The techniques of technical analysis are at odds with fundamental analysis. Proponents of technical analysis argue that, because the market price of stock reflects all factors affecting it, a study involving

only stock price movement is necessary.

TECHNICAL ANALYSTS believe that the future expected price of stock — the only variable that matters — can be predicted by carefully analyzing its past price behavior because movements in past prices create discernible patterns that tend to repeat themselves in predictable ways.

Consequently, technicians concern themselves with predictions of short-term price movements in an effort to determine the best timing for purchases and sales of common stocks.

For these reasons, it is sometimes claimed that the fundamental technique is generally best for selecting what to buy or sell, whereas technical analysis primarily helps one decide when to trade in stocks.

THE FACTORS used by technical analysts in making their buy and sell decisions are presented in the attached table.

Sid Mittra is a professor of finance, School of Business at Oakland University and owner of Coordinated Financial Planning.

marketplace

Coopers & Lybrand has conducted a study that showed base salaries for investment professionals increased an average of 7.7 percent from 1988 to 1989.

Canadian Spring Premium Sparkling Water, Canada's new entry in the bottledwater market, will be distributed in Oakland County by Powers Distributing Co. Inc. in Oakland County.

Prime Design Systems Inc., a Birmingham-based architecture/interiors firm, added an advertising/graphics department. The telephone number for both departments is 940-7711.

The Cadillac Division of Cadillac Rubber & Plastics, Inc. has received a Q1 Award from Ford New Holland, the automaker's farm and construction equipment subsidiary.

Cisgraph Corp., an international supplier of CAD/CAM solutions, will demonstrate the complex design and machining capabilities of its Strim 100 Cad/Cam system at Autofact '89.

Associated Underground Contractors, a statewide organization based in Bloomfield Hills, introduced its

new corporate logo. The logo is a graphic representation of Michigan.

RE/MAX Professionals II Inc. real estate office in Troy moved to the new Billmore Office Center at 2025 W. Long Lake Road at Coolidge. Their new telephone number is 641-1414.

Intraco Corp. of Troy, has been named exclusive manufacturer's representative for Dlubak Corp. to the Middle East.

WLTI-Radio was recently honored with three "Best in Category" awards at the annual Michigan Association of Broadcasters' "Award for Creative Excellence" Competition.

Michigan National Bank opened its 200th full service branch at 275 S. Woodward at Brown in downtown Birmingham. The branch will service customers 9:30 a.m. to 7 p.m. Monday and Friday, and 9:30 a.m. to 4 p.m. Tuesday-Thursday.

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