

# Tangle

from NEXT PAGE

For Little People and Earthbeat, a wholesale distribution network and a division that develops educational materials for schools and libraries.

The Music For Little People label produces musical and audio recordings for children and Earthbeat features world music for adults and children.

Kathy Jo Lucky-Proctor, the Music For Little People family entertainment consultant coordinator, said the company began using independent consultants in September after a year-long pilot program involving 10 independent consultants.

"The feeling was that we had pretty much saturated the catalog market — we'd gotten as far as we could with it," Lucky-Proctor said. At the same time, it seemed obvious to her that there was still a market for the life-affirming product that Music For Little People has to offer, she said.

(But some people just aren't

catalog people."

It was thought a more personal marketing approach might be successful.

Since September, Lucky-Proctor said Music For Little People has gained more than 90 consultants and expects to add another 300 by the end of this year.

## Customer base tapped

"Most of them are loyal customers who have been purchasing our products for years," she said. She added it makes a lot of sense that these people would be a likely conduit for getting the materials into the hands of people with similar interests.

"We do screen our people," she said. "It's not give us \$20 and you can sell our stuff."

Most have music backgrounds or have experience working with children.

The family entertainment consultant program is still evolving.

"They (the consultants) are really

creating the program."

Abrams said she offers the products through home listening parties in the evenings as well as at fairs and educational events.

"It allows people to see what we have to offer and listen to the selection."

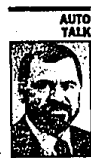
Products are still offered as mail order items, but many people prefer to test products first.

"Some of these things can be bought (through other channels)," she said. Some toy stores and bookstores, for example, may carry selected items, but none carries such an extensive collection.

"I think what we offer is very special — particularly the music instruments," she said.

That's the niche of Music For Little People — bringing children everything from traditional recorders and pan pipes to the more unconventional Taos hoop drums, Pueblo tom-toms, Kalitit Marimba, Bedarra drums, folk harps and others, Abrams said.

# 'Expected' \$20 billion write off bodes ill for future of industry



DAN MCCOSH

I had just finished attempting to balance my checkbook when I read in the Wall Street Journal that GM had taken a one-time write off of some \$20 billion "as expected," which is the kind of language most other papers reserve for the obituary page.

What was expected is that a new federal accounting rule would make GM and the rest of the Big Three come up with a figure approximating what it was going to have to pay for health care for future retirees. I don't know how many people expected it would be \$20 billion.

That's more than twice what GM earned in the past decade, which was supposed to be the most profitable decade in history,

according to Roger Smith, who was running the company at the time. It's also adds up to about \$50,000 for every current employee.

I suppose I shouldn't have been too surprised, since the last time I brought up the subject of GM health care benefits for retirees, I got a call from a guy in Livonia who was late that GM was considering cutting some of his benefits. He had worked for more than 10 years at GM, he said, and had taken early retirement with the understanding he would be taken care of for the rest of his life — which ought to be at least another 20 years or so.

This conversation got me to thinking that if health insurance keeps rising at the rate it has in the past 10 years, by the next decade, a GM retiree's insurance is going to cost more than his salary when he was working.

To pay for this, GM has to become profitable, and GM's new management is feverishly cutting

costs to pursue this end by retiring more people earlier, which of course means that there are more retirees, retired longer, which will then cost more in benefits.

Pretty soon I was starting to think like Ross Perot, picturing the last guy still working at GM opening the mail and looking at this bill for \$20 billion.

Or, for that matter, thinking like President Clinton, who quite accurately specified the cost of health care as sufficient to bury us all in the not-so-distant future is something isn't done to control costs.

It's pretty easy these days to get buried in apocalyptic numbers. Everything from the national debt to the projected rise in property assessments ends in disaster if it is projected far enough. Still, the \$20 billion write off taken by GM, "as expected," ought to be a big enough shock to make anyone understand that this isn't going to go on like this for very much longer.

# Labor

from NEXT PAGE

"Previously, people could graduate from school and stay with one company until retirement. Today, a new employee will have 10 different jobs. Skills will constantly need to change."

On the state level, Schall called Michigan a leader in recognizing and dealing with the issue.

"In Gov. Engler's state of the state message, he announced the creation of a Michigan jobs team. There are 60 different jobs programs at the federal level. They need to be streamlined. Governor Engler is making this a priority."

Schall says General Motors' layoff of 74,000 workers will have a ripple effect — taking in auto suppliers and other businesses like restaurants located near plants — which will translate to 200,000 jobs lost in the state.

Schall claims it's easier than

most people think to get funds for job training for dislocated workers. When Livonia's GM plant closes, dislocating 2,000 workers, application could be made for federal dollars from the Department of Labor to retrain those workers, he said.

"In the year 2020 in Michigan, there will continue to be a viable auto industry, but it won't be big enough to employ all the workers in Michigan."

Many area suburbs receive federal training funds through the Job Training Partnership Act, created by Congress in 1981.

"One plan we were hoping to accomplish was giving \$3,000 training vouchers to middle-aged workers. We were purposely going to break with history and define it very broadly," said Schall. "There are so many more potentially

dislocated workers. The economy does change that much."

Schall, the son of Thomas and Rita Schall of Livonia, attended St. Michael's elementary school and Bishop Bergan High before obtaining a degree with honors from the University of Michigan in political science. He also received a master of public policy degree from Harvard University's John F. Kennedy School of Government in 1984. He was selected as the Harry Truman Scholar for the state of Michigan in 1980.

Schall was selected as a presidential management intern in 1984. Other political assignments include budget examine in the White House Office of Management and Budget from 1984 to 1987. From 1987 to January 1989, he was legislative director to then U.S. Rep. Connie Mack, R-Florida.

## DATEBOOK

■ **OSHA BLOODBORNE PATHOGEN**  
The American Society of Engineers is presenting a seminar on "OSHA bloodborne pathogen standard compliance training" on Monday, Feb. 8 at 9 a.m. at 23851 Northwestern Highway. Speaker: Don Hinkson, Electric Safety, Cost Containment and Occupational Health Services. Call 353-4500 for more information.

■ **COMPUTER INTRODUCTION**  
The American Society of Engineers is presenting a seminar on "Introduction to Computers," Monday, Feb. 8 at 9 a.m. at 23851 Northwestern Highway. Speaker: Robert Battaglia, We Teach. Call

353-4500 for more information.

■ **WOMEN'S NETWORK**  
"How to Improve Your Organization skills," practical information and techniques that apply to all areas of life will be the topic at the Michigan Professional Women's Network dinner meeting on Monday, Feb. 8 at 6 p.m. Call 377-1900, ext. 219 for reservations by Wednesday, Feb. 3. Tickets available at door for additional cost.

■ **SELF-FUNDED HEALTH PLANS**  
A seminar designed to provide chief financial officers, human resource managers and benefits managers with proven management tools that produce docu-

mented savings without changing coverage or administrators is being presented by Plymouth-based Health Decisions, Inc. at the Radisson Plaza Hotel in Southfield on Tuesday, Feb. 9. Speaker: Si Nahara, Ph.D. Call 451-2230 for reservations.

■ **PROFESSIONAL WOMEN**  
Judith Trepeck, CPA, and Deborah Falluccia, CPA, will discuss how Professional Women in Sales members can make the best of the 1992 tax situation and how we can be proactive in 1993 in a seminar entitled "Where Has All The Money gone?" at the Fox & Hounds in Bloomfield Hills on Tuesday, Feb. 9. Call 441-5053.

## MARKETPLACE

To place your business in the marketplace calendar, mail the information, including the business telephone number and address, to: Business Editor, 36251 Schoolcraft, Livonia #180. Or drop the information off at your local Observer or Eccentric newspaper office.

The Southfield Downtown Development Authority is launching "See It Work," a new incentive leasing program designed to boost

downtown occupancy rates. The program, to be unveiled Friday, Feb. 5, at a luncheon in the Plaza Hotel in Southfield, rewards the commercial real estate broker or in-house leasing specialist who leases or acquires the greatest number of signed leases by the end of the year. Two grand prize winners will win either a trip to Cancun for two or a luxury stay at historic Mackinac Island complements of the Southfield DDA.

Sanford Mandell, P.C., Inc., a public accounting firm specializing in forecasting and business planning by using color graphics in Farmington Hills has chosen Lapides Publicity Group Inc. as its agency of record.

Franklin Bank, N.A. (NASDAQ:FSVB) has announced the move of its administrative offices and the Bank's two subsidiaries, Franklin Commercial Lending Group and Franklin Home Lend-

ing Group. The new offices, located at 24725 West Twelve Mile Road.

As a result of its conversion to a commercial bank, Franklin has aggressively expanded many new areas, particularly relative to commercial services. The new offices increase Franklin's administrative and lending facilities by 33%. If needed, additional space remains available in the building for future use.

Steven Monaghan, president/

c.e.o. of Capital Mortgage Funding Inc., is proud to announce the appointment of G & G Associates Inc. as its advertising agency. G & G Associates Inc. will be handling all aspects of Capital Mortgage Funding Inc.'s advertising, marketing and public relations.

Rockwell Automotive's Fumagalli Division in Troy, which produces a broad range of automotive wheels, has earned Chrysler Corporation's Pentastar

Award for the 1992 model year, the seventh consecutive year Fumagalli has won the auto maker's top supplier recognition.

According to Chrysler, Fumagalli received the award for its overall achievement in the 1992 model year. As measured by Chrysler's Procurement and Supply annual rating process, Fumagalli provided outstanding quality, delivery, price, technology and customer support over the past year.

## Why should your hard work pay off for your clients, your company, but not yourself?

You've already accomplished more than most of your peers. You're at the top in your field, whether as a sales professional, accountant, attorney or entrepreneur. In fact, your accomplishments are starting to outpace your rewards. You should consider the limitless career of a Prudential Securities Financial Advisor.

Our Financial Advisor Training Program builds on your professional strengths and experience. You'll work with a senior financial advisor from day one, and continue that personal relationship as part of your two years of intensive training. In that time, you'll build a solid client base and thoroughly learn the securities business. You'll also be well-paid in the process.

When you finish the program, your compensation will be based solely on your performance, opening the door to unlimited earnings—maybe double or triple what you're making now.

We invest a lot in our Financial Advisors, and we get a big return. Let us show you how hard work really can pay off. Call and reserve your seat at one of our upcoming career seminars in the Detroit area.

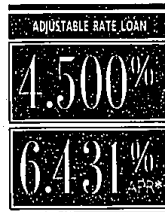
|                                           |                                                  |                                                 |
|-------------------------------------------|--------------------------------------------------|-------------------------------------------------|
| 313-769-8700<br>Bernie Cohen<br>Ann Arbor | 313-645-6450<br>Rick Magliacane<br>Birmingham    | 313-647-0900<br>Dave Cooper<br>Bloomfield Hills |
| 313-259-5000<br>Bob Pandolfi<br>Detroit   | 313-626-5600<br>George White<br>Farmington Hills | 313-737-8868<br>Mike Carroll<br>West Bloomfield |

FINANCIAL ADVISOR TRAINING PROGRAM

Prudential Securities

Equal opportunity employer M/F, Member SIPC

## Buy Or Refinance Now And We'll Give You A Great Reason To Save.



Opportunities like this don't last long. If you're shopping for a new home or want to refinance the one you own, now is the time to save hundreds of dollars with these great low rates.

Lower your monthly payments on your home. Or shorten your mortgage term. We offer all kinds of loan options to fit your needs

and we'll show you ways to save both time and money.

But you better hurry — because these rates won't last much longer. To learn more

about this limited time offer call:

|                  |
|------------------|
| 645-7050         |
| BLOOMFIELD HILLS |
| 489-9400         |
| FARMINGTON HILLS |
| 459-7800         |
| PLYMOUTH         |
| 264-5222         |
| STERLING HEIGHTS |



REPUBLIC BANCORP INC., A REGISTERED BANK HOLDING COMPANY, MEMBER F.D.I.C.

\*Rates subject to change and available on conventional, owner-occupied mortgages only. Adjustable rates based on one year LIBOR Treasury Note rates with a 2.75% margin and subject to adjustment annually for the life of the loan with a 2% annual cap. Fixed mortgage rates are based on 30-year fixed rate with a 2.75% margin. This offer is not valid with other offers.

## INVESTMENT & FINANCIAL SERVICES

Michael H. DeLap, C.P.A.  
Stockbroker  
Registered Investment Advisor  
(25 years financial & investment experience)  
Family Financial/Tax Planning - IRA's  
Retirement Plans, College Funds, Discount Brokerage Services  
Securities thru  
Quest Capital Strategies  
(313) 363-2548  
FREE INVESTMENT NEWSLETTER

## KNOWING YOU HAVE DIABETES ISN'T THE END OF THE WORLD. NOT KNOWING COULD BE.

Are you experiencing blurred vision? Are you over forty and overweight? Is there a history of diabetes in your family? See your doctor. Because what you don't know can hurt you.

A message from the American Diabetes Association.



This advertisement donated by the publisher.