

SUBURBAN BUSINESS LEADERS

Paul Zimmerman of Southfield has been promoted to vice president/creative director at IMP, a wholly-owned subsidiary of D'Arcy Masius Benton & Bowles/Bloomfield Hills (DMB&B/BH).



Paul Zimmerman

In his new position, Zimmerman is responsible for all of IMP's events marketing, heading up creative for the Isuzu account as well as investigating additional client opportunities.



Charlene Hansen

Charlene Hansen of Southfield has been promoted to Zone H Manager, covering the northeast region of the Michigan Marketing Area of The Kroger Co. in Livonia.



Don DeFosset

In this position, Hansen will oversee the operation of 10 stores in the Port Huron, Utica and Mt. Clemens areas.



Mark Janssen

Her responsibilities include market analysis, training and development of new employees and supervising store management in her region.

Don DeFosset has been appointed vice president and group executive of Turbo-charging & Truck Brake Systems at Allied Signal in Troy.

DeFosset came to Allied Signal Automotive from Mack Trucks, Inc., where he served as executive vice president of operations, in charge of manufacturing, purchasing and aftermarket.

Source One Mortgage Services Corporation in Farmington Hills has named Mark Janssen as senior vice president of financial operations. He is responsible for the financial operations of the company.

Operation of wine business flourishes like a fine bouquet

Self-educated on the subject of wine, Jim Lutfy has seen his studiousness pay off in sales and faithful customers.

By JOE BAUMAN
STAFF WRITER

When Anthony "Tony" Lutfy moved his grocery business from Detroit to Southfield more than 30 years ago, little did he know his market would become known internationally for its wine business.

Cloverleaf Market, located at 12 Mile and Telegraph in Southfield since 1960, continues as a family operation, offering customers gourmet imported foods, choice meats and deli products, and fresh produce still selected by Tony Lutfy in daily pilgrimages to Detroit's Eastern Market.

But it is the wine business that has made the market, and Lutfy's 32-year-old son, Jim, famous.

Jim Lutfy's wine business might best be described as controlled chaos. Squirreled away in a corner office of a second-story storage area crammed from floor to ceiling with more than 2,000 cases of wine, Lutfy decides what some of the country's most influential people stock in their private wine cellars.

Lutfy's wine operation is attached to the back of the otherwise modest looking building, although he now keeps a 4,500-square-foot warehouse in Novi to handle his overflow stock.

'Just regular' customers

While he declines to name any of his 8,000 faithful customers — a full 35 percent from across the border in

Canada — who routinely spend \$10,000 and much more a year on the finest French Bordeaux and Burgundy wines, he says his client base varies from captains of industry to entertainers and "just regular people" with a lot of discretionary income.

"We concentrate on the high end of wines, but we sell a lot of everyday wines as well," Lutfy said during a recent interview in his cramped office. "We're known for being able to get the best wines available whether they be new vintages or special older wines."

Jim Lutfy and the market he now co-owns is recognized as one of the country's largest sellers of fine Burgundy wine and one of the top 10 Bordeaux merchants nationally. For his efforts, he was recognized in September by the Market Watch trade magazine as an industry leader in the wine market.

While Jim Lutfy watches over the multi-million dollar wine business, the rest of his family pitches in to run the rest of the family concern.

In addition to his father, brother Paul assists the seven-person wine staff and is in charge of the other beverages sold at the store; sister Nancy "handles the money" from the front end of the store as office manager; and sister Lisa is in charge of whipping up the market's famous deli sandwiches.



JERRY ZOLYNSKY/STAFF PHOTOGRAPHER

Holding court: Jim Lutfy (left) with help from his younger brother Paul operates his multi-million dollar wine business from the family-run Cloverleaf Market in Southfield.

Family business ethic

Paul Lutfy, 28, said Cloverleaf is probably similar to many other family businesses: lots of work and long hours, but with one huge difference.

"Jimmy and his knowledge of wine has made this store special," he said. "I know about wine because I'm learning from Jimmy. Ask anyone

and they'll tell you he's the master." Jim Lutfy's start in the wine business was anything but a planned event.

"In 1980, my father became seriously ill and I had to take over running the store," he said. "My dad al-

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Diversification, risk, liquidity determine investment course

First of three parts

By DANIEL BOYCE
and ALAN FERHARA
STAFF WRITERS

"Great estates may venture more; smaller ships should stay near shore."

Investments are governed by the size of one's portfolio, the goal for which the money will be used, and the time frame before the investment will be liquidated. Our article focuses on developing and maintaining the best mix of investments.

Most people purchase investments for the wrong reasons. In a typical scenario, money is sitting in their bank account; they know it should be working harder for them. They may hear a tip from a friend or a stockbroker, or they read a magazine article presenting an "outstanding investment opportunity." Deciding that the idea sounds a lot better than keeping the money in the bank at 3 percent, they make the investment. Over time, additional investments are made in this manner with purchases of a "little of this and a little of that."

Without clearly formulated guidelines, this well-intentioned attempt at diversification results in a hodgepodge of assets; some of which are successful while others are not. Burdened by an increase in paperwork or disappointed at the first significant setback, many people will become discouraged, sell their investment at the wrong time, and then run back to the bank.

How do we overcome this self-defeating cycle? Even if this hit-and-miss approach has been relatively successful, how can we improve the efficiency or reduce the risk level of an investment portfolio?

The answer is to develop a long-term strategy that will prosper in a wide variety of economic conditions. Specific percentage guidelines for different investment categories are developed and maintained over time. Targets periodically reviewed and minor alterations may be made to remain within the established guidelines. Professionals call

\$10,000 INVESTED			
Mrs. Conservative		Mrs. Aggressive	
+ 7%	YIELD YEAR 1	+ 15%	
+ 7%	YIELD YEAR 2	+ 15%	
+ 7%	YIELD YEAR 3	+ 15%	
+ 7%	YIELD YEAR 4	- 15%	
\$13,107	TOTAL	\$12,927	
7.0%	AVG. ANNUAL YIELD	6.6%	

FAMILY FINANCES

these targets and guidelines an "investment policy statement." The overall strategy is one that can be useful to all investors: asset allocation.

Myths: diversification

First, we need to explore a couple of investment myths. One myth relates to the term "diversification," which is a basic tenet of good financial planning. Many people think of diversification as simply having many different assets. If so, having a portfolio equally divided among GM, Ford, Chrysler, Volkswagen, Audi, Toyota, Nissan and other auto manufacturers would be a "diversified" portfolio. Less extreme, but still not truly diversified, would be an investment portfolio spread among quality stocks in many different industries; but in which all the investments are still in stocks.

To be truly diversified, a portfolio should contain assets in a number of different investment

categories, such as bonds, money markets, real estate, guaranteed assets, tangible assets and stocks. Within each of these categories, there should also be a broad range of individual assets. This type of diversification produces the desired effect: reducing the risk level (or volatility) of the investment portfolio by not having too many eggs in any one basket.

Speculating vs. Investing

A second myth is that placing money into assets that fluctuate in value is "speculative." For example, we frequently hear the phrase, "the stock market is always a gamble." This view is misleading at best and dead wrong at worst. We make clear distinction between investing and speculating.

The speculative approach to stocks (or any investment) typically seeks unusually high rates of return over a relatively short period of time — typically under

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