

SUBURBAN BUSINESS LEADERS

Tiela Mahler has joined the multi-products account group of Southfield-based GME-KHBB Advertising as a vice president, management supervisor on the Hush Puppies Company account.



Mahler

Alev F. Ivanikiv, AIA, Argus vice president, was promoted to general manager-chief operating officer and also appointed to serve on the Argus Group Board of directors.



Ivanikiv

Bridgett Knox has been named Guest Services Manager at the Radisson Plaza Hotel at Town Center in Southfield. Knox has more than 10 years of hotel/hospitality service experience to her credit.



Knox

Jeffrey Lipshaw has been appointed vice president and general counsel for AlliedSignal Automotive. Lipshaw will plan and direct legal affairs for AlliedSignal Automotive's worldwide operations and will serve on the Automotive Leadership Committee.



Lipshaw

To submit materials to this column, please send a brief biographical summary along with a black-and-white photo, if possible, to: Business Editor, Observer & Eccentric Newspapers, 36251 Schoolcraft, Livonia 48150. There is no charge.

Barges simplify hazardous transport

Barge Transport has solved a very expensive problem for many companies that have to transport hazardous materials and oversized loads across the Detroit River to Windsor.

BY DOUG FUNKE  
STAFF WRITER



Distance and time cost money in the trucking industry. So here's the dilemma.

Owners of the Ambassador Bridge won't allow potentially flammable or dangerous material access its span. Federal law prohibits those kinds of loads in tunnels.

Truckers hauling products classified as hazardous in the manufacturing process can either go between Detroit and Windsor via the Blue Water Bridge at Port Huron, a distance of more than 150 miles.

Or they can take a 15 minute ride on a barge across the Detroit River.

Companies like Atlas Oil Co. in Southfield, Ziebart Products Group in Redford and Pillsbury Food Co. in Farmington Hills utilize the services of Barge Transport owned by the father-and-son team of John and Gregg Ward.

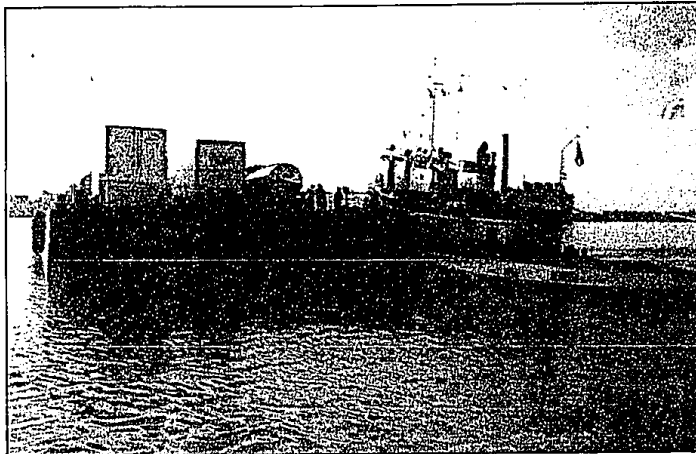
"Once we get them out here and they can use it, there's no question in their mind what's simpler and cheaper," Gregg said.

Slashing the red tape

John, with a background in chemical engineering, first thought of establishing a barge service in July of 1986.

"Fellows were complaining it took five or six hours to drive from Detroit to Windsor," he said. "That basically substantiated the need for a ferry to get across the river."

"We had to deal with 27 governmental agencies in the U.S. and Canada," said Gregg, who has degrees in



The barge: The quickest, least expensive route for a truck carrying hazardous material or an oversized load to cross between Detroit and Windsor is by barge.

international relations and business. "That's local, county, provincial, federal, state and city. We had to deal with everybody."

The service was launched in May, 1990.

"We've had 10,000 trips and not even a hint of an accident," Gregg said. "This is nothing very high tech that we're doing. It's known. We're on an inland river. It's less than a mile wide. We're doing something very basic, very safe."

Profits to come

The barge, 155 feet long, 50 feet wide, purchased used from a Cleve-

land dredging company, makes five trips to Windsor and five trips back to Detroit weekdays all year around.

It can accommodate up to six tractor trailers. The fare is \$50-\$100 each way for hazardous loads, \$1,000 for oversized or overweight loads. Appointments are recommended, but special arrangements can be made.

John recalled the time that a Chrysler shipment of airbag modules from an out-of-state supplier made it to Windsor by barge by 9:30 p.m. only a half hour before the plant would have shut down due to lack of parts.

The Wards own the barge, rent dock space in Detroit and Windsor

and contract for a tug that pushes the barge.

"Capital costs are the biggest expenses," Gregg said. "The barge cost a few hundred thousand, then we spent a lot of money on ramps, containing systems, railings."

Private investors provided most of the start-up costs, he added.

Personnel is the next biggest expense. Barge Transport employs seven, Canadians and Americans, alike. Insurance is third largest item on the expense list.

The business hasn't yet turned a

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Better get plans in order now to meet rising education costs

BY DANIEL BOYCE  
AND ALAN FERRARA  
SPECIAL WRITERS

Local financial planning experts reviewed the data of the people profiled here and made general recommendations based on the participant's resources and goals. The information is intended to be educational; references are not intended as discrimination or endorsement by the Observer & Eccentric Newspapers or the advisors.

Most of us want our children to be better prepared to face the future than we were. A good education can certainly help.

The couple featured this month, John and Karyn Shawmut of Livonia, have similar aspirations for their children. But in these uncertain economic times with rising educational costs, accomplishing that goal becomes much more difficult and requires much more planning.

John, 46, manages an office supply store and brings in \$62,000 per year. Karyn, 36, is currently at home with their sons, ages 3 and 1. John and Karyn have centered their goals around their children's education and their eventual retirement.

Education savings

The Shawmuts have begun a modest college savings program for their children in the form of Uniform Gifts to Minors Accounts. They would like to send their boys to a modestly priced private school when they reach elementary school age.

"The Shawmuts' reasonable debt situation is a strength. They only have one car loan and a home mortgage and there are no outstanding credit card debts. With John's income and no extraordinary expenses, they should have income to be able to make some choices.

But they are not saving much of their income. This tells us that they are perhaps not watching their other expenditures as closely as they might. This inhibits them

POSITION	BOTTOM LINE
<b>ASSETS</b>	
INVESTED ASSETS:	
Checking	\$1,400
Savings	3,500
IRAs (Bank)	21,200
401(k)	15,600
TOTAL INVESTED	\$41,700
PERSONAL USE ASSETS:	
Home	\$165,000
Auto	15,000
Other	10,000
TOTAL NON-INVESTMENT	\$190,000
TOTAL ASSETS	\$231,700
<b>LIABILITIES</b>	
LIABILITIES:	
Home mortgage	\$102,800
Auto loan	6,400
TOTAL LIABILITIES	\$109,200
NET WORTH	\$122,500

STRENGTHS

- Own their home
- Income can support current debt
- Retirement and college savings begun
- Good medical, auto and home-owners insurances

WEAKNESSES

- Inadequate savings for goals
- Prioritizing of expenditures needed.
- No estate plan in place
- Need more life and disability insurance
- No company pension plan



from reaching more important long-term goals.

"Where do we start in getting control of our finances," they ask.

We suggest they track their actual expenditures for the next six months. Then they will have a good idea where they spend their money. This will also show them what might be cut out to afford the education costs.

A \$62,000 income should allow them to meet both their long-term and their most important short-term goals. They should set up an automatic investment plan and then try to live on the remainder of the take-home pay.

Another option would be for Karyn to return to work when the kids enter school. The additional income could be earmarked for education or retirement. Of course, there is a trade-off between the additional money and the time spent with the kids.

If they have tracked their ex-

penditures well and prioritized them, this trade-off will be easier to assess. If they begin to save while the kids are young, the required monthly savings will be far less than if they wait.

Retirement planning

Because John is not eligible for a company pension, and because the future of Social Security benefits is uncertain, the Shawmuts will have to depend primarily on their own savings for retirement security.

As we have said in past articles, their single best retirement savings plan is the 401(k) plan through John's employer. It is simple to use, tax deductible and can be rolled over into an IRA account if John ever leaves his employer. If they kept good tabs on their expenses, John will find that he may be able to put away more

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Blue Care Network Tour de Michigan

BIRMINGHAM

SUNDAY, AUGUST 29

Maple Road & Woodward Avenue

The world's best are coming.

Get into the wheel-to-wheel excitement of world-class professional bicycle racing when the Blue Care Network Tour de Michigan comes to downtown Birmingham. Amateur races begin at 10:30 am, professionals take off at 3:00 pm.

Amateurs wishing to compete can register at most bike shops or one-half hour before races begin.

Spectator admission is free.

Bring the family and catch the fun!

Grand finale broadcast live from Birmingham, Michigan on WDIV-TV4, Sunday, August 29, 3:00 pm.

