

# Business & Finance

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## MORE THAN MONEY



SID MITTRA, PH.D.

## AWAIT can make you more savvy

Editor's note: This is the second article in a three-part series on the new AWAIT annuity.

Last week an annuity product called AWAIT was presented. Part II of AWAIT is presented today.

Let us see how AWAIT might work in a real-world environment.

Assume that at the beginning of 1997, you invested \$100,000 in AWAIT. Further assume that, during the next seven years, returns on the S&P 500 fluctuate in a manner shown in Table 1 (column 2).

If you stayed in this program for seven years and the company offered the currently allowable participation rate of 80 percent, the value of your AWAIT contract (Table 2, col. 4) will rise to \$137,321, which represents a compounded annual return of 4.63 percent.

By contrast, if you could have invested \$100,000 directly in S&P 500, which you cannot do except through an index fund, at the end of seven years the value of your S&P 500 portfolio would have been \$126,483 (Table 2, col. 3) — a compounded annual return of 3.41 percent.

Even more important, during this seven-year period, your S&P 500 portfolio would have been subjected to wild swings (Table 2, col. 2), which could have created the kind of mental anguish you wished to avoid.

Of course, you realize that the figures used here are hypothetical in nature and do not represent any effort to predict the future of the S&P 500.

### 20/20 vision

Although AWAIT is a relatively new product, it does have some type of history, since the returns are tied to the S&P 500. Let us assume that you put \$100,000 in AWAIT on April 1, 1985

Year	Annual Rate	Value of S&P 500	Value of AWAIT
1985	10.0%	\$100,000	\$100,000
1986	10.0%	\$110,000	\$110,000
1987	10.0%	\$121,000	\$121,000
1988	10.0%	\$133,100	\$133,100
1989	10.0%	\$146,421	\$146,421
1990	10.0%	\$161,063	\$161,063
1991	10.0%	\$177,169	\$177,169
1992	10.0%	\$194,886	\$194,886
1993	10.0%	\$214,374	\$214,374
1994	10.0%	\$236,811	\$236,811
1995	10.0%	\$262,291	\$262,291
1996	10.0%	\$290,920	\$290,920
1997	10.0%	\$322,813	\$322,813

Note: 1. Assume all investments are made on April 1 of each year.  
2. The annual rate of return is assumed to be 10%, which is the average rate of return for the S&P 500 from 1985 to 1996.

See MITTRA, C3

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## Credit can be as scary as Halloween



The Credit Counseling Centers, Inc., a not-for-profit consumer credit counseling service, in Farmington Hills said rising delinquency rates shows that pretty scary things can happen when people let credit get out of control.

Halloween brings lots of scary things for children, but it can also bring a reminder to adults that if you're not careful, some pretty scary things can happen with consumer credit.

The best way to avoid trouble is to stay informed and take action, says Carol Kurth, education coordinator for

Credit Counseling Centers, Inc., a not-for-profit Consumer Credit Counseling Service agency in Farmington Hills.

For some background, recently the American Bankers Association released second quarter figures on the credit card delinquency rate (late payments over 30 days due) showing a jump to

3.69 percent of accounts, despite a booming economy and a low 4.9 percent jobless rate.

This over-extension of credit card debt comes when consumers pay only the minimum payment due month after month, take cash advances to pay daily living expenses, make late payments on important payments such as mortgages and utilities, and borrow from one lender to pay another.

This latter warning sign holds true when consumers consolidate several credit cards into a new one offered at a lower rate for usually a short period of

time.

Here are some points to keep in mind when looking over offers so as not to get into trouble and end up with tricks instead of treats:

- Check those candy-coated offers. Some credit cards are offering lower minimum monthly payments but there may be a trick with this treat. Remember, the smaller your monthly payment, the longer it takes to pay off the debt and the more interest you pay in the long run. By paying a few dollars less

Please see CREDIT, C2



Easy techniques: By using a blend of natural movements and simple physics, Crossover, LLC representatives say students can develop the ability to deliver a powerful destabilizing shock wave to any part of the attacker's physiology instantly ending any violence. Here Marlye Grimaldi demonstrates a technique on Frank Vogel of Birmingham.

## New business teaches people self-defense

BY BARRI PERT TEMPLETON  
SPECIAL WRITER

Personal protection doesn't have to mean hiring a body guard or purchasing a weapon anymore.

The art of defending oneself against an attacker can be as easy as utilizing your own natural kinetic energy to ward off an assault, according to Frank Vogel, owner of the new Bloomfield Hills based firm, Crossover LLC.

Vogel, of Birmingham, is a consultant in strategy and planning for career empowerment. He and two partners, civil engineer Bob Weingarden, and defense expert Lee Crull opened Crossover LLC several months ago.

Crull, whose title is DOK (Defender of Kings) is a Master of Masters and a teacher of teachers of the science of Kung Fu.

He has held those designations for nearly 40 years and has designed personal protection programs for many individuals and groups.

"DOK is a former professional soldier and is highly trained in personal protection and self-defense," Vogel said.

Crossover's unique program is touted as an intelligent form of personal protection where the use of force and other aggressive devices are unnecessary. By using a blend of natural movement and simple physics students develop the ability to deliver a

See PROTECTION, C3

## Troy's Meritor Automotive now independent

Troy-based Meritor Automotive, Inc., the new \$3.1 billion company that now owns Rockwell International Corporation's automotive business, began operations as an independent, separately-traded, publicly-held company on Oct. 1.

This event marks the completion of the spinoff of Meritor from Rockwell, its former parent company. In the spinoff, all Rockwell share owners received one share of Meritor common stock for

every three shares of Rockwell common stock owned on Sept. 17.

Meritor today begins its first day of regular way trading on the New York Stock Exchange under the trading symbol "MRA." The stock has been trading on a "when issued" basis since Sept. 16.

"This is a very important milestone for our company and for the industry," said Larry D. Yost, chairman and chief executive officer of Meritor Automotive,

Inc. "We are in an excellent position to grow Meritor's leading market positions in our core businesses worldwide."

Meritor joins the Fortune 500 list of companies and has also been named to the Standard & Poor's MidCap 400 Index.

"Our mission is clear. We are committed to be the best provider of automotive systems and technology solutions

Please see MERITOR, C2

## OU Center for Business Excellence hosts seminars

### YOUR CAREER

those who stay current with innovative business trends," Schiro said.

"These seminars are designed to give business people more adaptability and versatility in every business environment."

Seminars planned include:

- Directing Change in the Workplace, Oct. 22-23
- Elements of Organizational Change, Oct. 28-29
- Bringing Employees Through Change, Nov. 5

- Staying Anchored in Rough Waters, Nov. 13-14
- Coaching, Guiding and Mentoring, Nov. 18-19
- Situational Leadership, Dec. 10-11

"Each seminar will be led by renowned business experts using the latest experiential methods," Schiro said.

Each seminar will be held at the Holiday Inn-Select at 1500 Opykko, near University Drive in Auburn Hills.

To register or for more information, call the center at 370-3128.

## ITT Automotive honors Oakland employees, ideas at award banquet

Auburn Hills-based ITT Automotive recently honored 40 employees for their creative and imaginative contributions to further the company's role as a global automotive supplier.

Fred Macher, president and CEO, gave the awards at the third annual North American Inventors Recognition Program held at the Henry Ford Museum.

The awards were based on technical innovation and the issuance of patents by the U.S. Patent Office.

Winners from Oakland County were: Paul Anglin of Troy, Ralph Iorio of Bloomfield Hills, Werner Gottschalk of Auburn Hills, Jeffrey Ineich of Waterford, Bernhard Kullman of Rochester Hills, Frank

Please see ITT, C3

This column highlights promotions, transfers, hirings and other key personnel moves within the Oakland County business community. Send a brief biographical summary — including the towns of residency and employment and a photo, if desired, to: Business Milestones, c/o Business Editor, Observer & Eccentric Newspapers, 805 E. Maple, Birmingham, MI 48009. Our fax number is (810) 644-1314.

**Bryan Clark** of Troy has joined the Cranbrook Insurance agency in Bloomfield Hills as manager of group insurance and employee benefits. He was previously with SelectCare. He is a former Michigan State quarterback and son of former

Detroit Lions coach Monte Clark.



Donald DeVaux

**Donald DeVaux** of Farmington Hills has been named director of North American market analysis for General Motors with responsibilities that include short-term forecasting, assessing the market and overseeing market data collection. He was formerly an assistant brand manager for the Oldsmobile Intrigue.

**Kirk Flagg** of Bloomfield Township has been appointed vice president of government relations at Simplified Employment Services in Auburn Hills. Flagg will be responsible for building relations with government agencies and legislative bodies for



Grant Griffin

**SES**, which involves advocacy for more than 1,000 clients and approximately 20,000 employees nationwide. He was previously a senior trial attorney in the civil rights division of the U.S. Department of Justice.

**Grant Griffin** of West Bloomfield has been promoted to senior planner in the strategic services division of the BBDO agency in Southfield. Previously a planner, he will now be involved in strategic research, market analysis and communication planning for Dodge Cars and trucks.



Dave Kerr

**Dave Kerr** has been promoted to general manager of WKQJ, 95.5-FM, in Oak Park. He was previously the general sales manager — the position to which he hired in October of 1996.



David Mazur

**David Mazur** of Farmington Hills has been named general director of GM's Product Development Support Center, with responsibilities that include all GM-North American Operations product

research and long-term vehicle forecasting. He was previously the director of export and new business development at General Motors in Brazil.

**Lynn Mros** of Rochester Hills has been hired as a vice president and associate media director of planning on Chrysler-Plymouth brands at Troy-based Pentacore, a division of BBDO. She was previously a vice president at Young and Rubicam, Inc. in Detroit.



William Rauwerda

**William Rauwerda** of Orchard Lake was honored as a Distinguished Accounting Alumnus by the University of Wisconsin-Madison where he graduated from the business school in 1972. He is the execu-

tive vice president, chief financial officer, treasurer and secretary of Lason, Inc. in Troy. The firm specializes in information management trading on NASDAQ.



Kelly Schmidt

**Kelly Schmidt** of Rochester Hills was recently promoted to finance manager for TeleCheck Michigan, headquartered in Southfield. She will be responsible for all aspects of accounting and financial reporting. She was previously a financial analyst with the company.

**Kristen Whisenant** of Ferndale has been named assistant account executive at Marx Layne & Company, a marketing and public relations firm with offices in Farmington Hills.