

# Business & Finance

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**MORE THAN MONEY**



Sid Mittra, Ph.D.

**Life insurance: Replacements require thought**

People's financial situations do change, requiring the replacement or cancellation of old life insurance policies. However, both actions require a careful analysis of all the relevant facts and hence should be handled with care.

**Policy replacement**

Comparing old life insurance policies with new ones can be a difficult chore. The decision to replace or switch - an old policy must be made after a careful examination of all relevant facts.

Here are some steps you should take to compare, and possibly to replace, old policies:

You need professional help, so talk to a financial planner, or a new insurance agent. But be careful - the company that issues new policies must not only provide better premium rates but also should be a good solid company.

The basic information on any policy is the "ledger statement" showing present and future premiums, cash and surrender values. Your financial planner should get a statement from each company and make sure it is explained to you.

Figures from the ledger statement form the basis for calculating comparative rates of return - a complicated process. Dr. Joseph M. Belth, professor of insurance at Indiana University, has processed a do-it-yourself formula. To obtain it, with instructions, send \$2 to the Insurance Forum, P.O. Box 246-S, Ellettsville, IN 47429. Ask for the June 1982 issue.

Don't switch to a new policy unless you are in excellent health.

Before cashing in an old policy, ask the company how much, if any, of the cash-surrender value will be taxable - a very important consideration, especially if you are in a high tax bracket.

If the old policy and the new one appear to be comparable, in most instances it would be advisable to keep the old policy. The new policy must offer substantial improvements before you consider buying it.

Make sure your financial planner or agent clearly demonstrates to you - in the form of comparative data - the value of switching before you make your move.

Finally, ask your financial planner the implications of replacing your old policies with new ones on your total financial plan. This may affect your decision.

**Policy cancellations**

Cancellation of a life insurance policy is a serious matter because, after

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Sid Mittra, Ph.D., CFP, is professor emeritus of finance at Oakland University, and owner of Mittra, Fungam & Associates, a Rochester Hills financial consulting firm. Professor Jerold Grossman of OU critically reviewed this column. You can email questions or comments to Sid Mittra at [smittro@oeonline.com](mailto:smittro@oeonline.com).

## Local labor force growth will be limited

By TIM RICHARD  
STAFF WRITER

It will become harder to raise future wages in a Michigan economy that is already short of workers, several experts agree.

There will be fewer new workers, and the hard-core welfare cases will be more difficult to bring into the workforce.

"The demographic reality is that baby boomers have fewer kids. There

will be no growth in the labor force," said Lou Glazer, executive director of Michigan Future, an Ann Arbor-based think tank.

Growth of the labor force had been 2 percent a year in the 1970s; now it's one percent, he said, and in the near future it will be zero.

"Today there are 20 percent fewer 16-24-year-olds than in 1980. That has a lot to do with why employers can't find workers. Employers who expect people will show up at the door - it's not going to work," Glazer said during a Sept. 2 panel in Oakland County.

John Almadat, who heads the county's employment and training division, agreed. He cited a University of Michigan forecast that "economic development can only be arrested if enough skilled workers aren't available."

**Bias alive**

And it's going to be tougher to pull workers from the shrinking welfare rolls, several agreed.

Jennifer Phillips, a project manager for the C.S. Mott Foundation in Flint, said racial minorities are still discriminated against in retail hiring.

Added Glazer: Welfare reform is working among whites, but "welfare is increasingly concentrated among blacks and inner-city areas." He cited a Detroit high school where 80 percent of kids live in a household where no adult works. Thus, no one at home can show them good work habits.

"That's an inner-city issue. This thing's going to go on for a substantial period of time," Glazer warned.

Almadat of Oakland County was more optimistic. He cited an Oakland

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### Walsh College CEO head to give Future 50 keynote

Ameritech, BDO Seidman, Detroit Regional Chamber, Roney & Co., and WVO Newsradio 95.9 are sponsoring the 1998 Future 50 of Greater Detroit Awards Luncheon, a program which provides recognition to the top performers and future leaders of the Southeastern Michigan business community.

The luncheon will be held on Tuesday, Oct. 6 from 11 a.m. to 1:30 p.m. at the Troy Marriott. This year's keynote speaker will be David Spencer, president and CEO of Walsh College of Accountancy and Business Administration and president-elect of Michigan Virtual University.

Spencer has held the post of president and CEO of Walsh College since 1991. Prior to that, he held the position of vice president and COO.

Spencer has recently accepted the position as president of Michigan Virtual University, a new private, not-for-profit corporation founded by the governor and the Michigan Jobs Commission.

MVU's mission is to meet the education and training needs of Michigan's primary business sectors by matching those needs with programs from Michigan's institutions of higher education and other public and private partners.

As keynote speaker, Spencer will be sharing his insights on tools which can be used to successfully navigate your company through the giant leap from

Please see FUTURE 50, B5

### LTU Board names two trustees

Douglas D. DelGrosso, president of Lear Corporation's GM Division, and Michael J. Evans, director of sport utility programs for Ford's Light Truck Vehicle Center, have been named to the board of trustees of Lawrence Technological University.

Lloyd E. Reuss, chairman of the board, announced the appointments. "We welcome the counsel and involvement of these two talented executives on our board," said Reuss. "Their strong business leadership in industries which attract so many Lawrence Tech graduates, and their special perspectives as alumni of the university, prepare them to offer particularly helpful insights to the group."

Trustees at the independent university set policy, adopt plans, approve budgets, and make major personnel appointments.

DelGrosso has held his present



DelGrosso

post at Lear since May, 1997. He received the Automotive Hall of Fame's 1995 Young Leadership and Excellence Award, and in 1997 was a recipient of Crain's Detroit Business "40 Under 40" award which recognizes the region's most successful young business people.

DelGrosso holds a B.S.M.E. degree from Lawrence Tech and an MBA from Michigan State University. He resides in Troy.

Evans was appointed to his current post in March, 1996. He also has extensive engineering and executive experience in powertrain develop-



Evans

ment and led Ford's effort to redefine its product system.

Evans earned his B.S.M.E. from Lawrence Tech and also holds a master's in engineering management from the University of Detroit Mercy. He resides in Bloomfield Twp.

Lawrence Technological University, founded in 1892, offers over 40 undergraduate and graduate programs through Colleges of Architecture and Design, Arts and Sciences, Engineering, and Management.

It has a 110-acre full service campus in Southfield and a recently opened branch campus in Clarkston.

### Southfield's Lear buys Delphi seat business

**ACQUISITION**

Lear Corporation has completed the acquisition of Delphi Automotive Systems' seating (Delphi Seating) business for approximately \$250 million.

"The acquisition of Delphi Seating strengthens our position in the \$48 billion global automotive interiors industry," said Kenneth L. Way, Lear Corporation's Chairman and Chief Executive Officer.

Delphi Seating has 6,200 employees operating from 16 locations in 10 countries, and provides approximately 19% of General Motors' seat systems. Sales in 1997 were approximately \$1.4 billion.

"This is a very important acquisition for Lear as it strengthens our existing relationship with General Motors, expands our product lines, technical capabilities and market share," said Way. "Equally important, we can now offer Delphi Seating's product lineup to other manufacturers who may have been reluctant to do business with a General Motors subsidiary in the past."

A Fortune 500 Company, Lear Corp. is one of the world's largest automotive suppliers, with 1997 sales of \$7.3 billion.

The company's world-class products are designed, engineered and manufactured by more than 60,000 employees in over 200 facilities located in 28 countries.

Lear's 15-year compounded annual growth rate for sales and operating income is over 30 percent. Information about Lear and its products is available on the Internet at <http://www.lear.com>.

### Mid-career job seekers can find help at ABLE

Operation ABLE of Michigan will help adult learners and mid-career job seekers acquire the skills that are needed in today's world of work and fine-tune their career development plans with its series of fall classes.

If you need help using the Internet as a job search aid, a career transition tool, Operation ABLE is offering a hands-on course that introduces the basic terminology and start-up procedures for the Internet.

Students examine web sites that can be helpful for finding job leads,

researching companies, and gaining career-related information. They also learn how to prepare resumes for e-mailing via the Internet.

This all-day session will take place in ABLE's computer learning center in Southfield on Sept. 11, 18, 25 and on Oct. 3 and 30, Nov. 7 and Dec. 5 and 18.

Other Internet classes include "Internet for Human Resource Professional" on Nov. 13 and "How to Research Funders on the Web" on Dec. 4.

Want to jump start your job search and career plans?

ABLE's series of career development workshop include "Resumes for Mid-Career Transition" (Sept. 12, Oct. 1, Nov. 14, and Dec. 10), "Self-Assessment for the New World of Work" (Sept. 15 and 22, Oct. 24, and Dec. 8 and 15), and "Interviewing for Success at Mid-Career" (Sept. 26, Oct. 22, Nov. 17 and Dec. 12).

For information and a schedule of classes, contact Operation ABLE (Department C) on weekdays between 9 a.m. and 6 p.m. at 1-800-922-HIRE.

### FANUC to be featured on the History Channel

FANUC Robotics North America, Inc., headquartered in Rochester Hills, Michigan, will be featured in a two-hour special airing on cable TV's The History Channel, premiering Saturday, Sept. 6, at 8 p.m. (ET).

Produced by Digital Ranch, Inc., "Robots" is a documentary that traces the evolution of the field of robotics.

Archival footage, interviews and computer-animated graphics will be used to reveal the fact, fiction and fantasy of these most fascinating machines.

FANUC Robotics' North American headquarters in Rochester Hills was used as the filming site for interviews with Eric Mittelstadt, chairman and chief executive officer of the company, as well as Donald Vincent, president of the Robotics Industry Association, headquartered in Ann Arbor, Michigan.

**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, Observer & Eccentric Newspapers, 805 E. Maple, Birmingham, MI 48002. Our fax number is (248) 644-1334.**

**Phyllis Baran** of White Lake has been appointed director of customer service for information technology at Henry Ford Health System in Detroit. She will be responsible for the help desk, technology deployment, training and support.

**Michael Birk** of Farmington Hills has joined Sterling Bank and Trust in Southfield as an account manager in the credit card division. He will be respon-

sible for outside sales activities.

**Dolynn D'Angelo** of Madison Heights has joined Triad Performance Technologies in Farmington Hills as a performance technologist. She brings expertise in developing computer and technology-based instruction.

**Donna Drew** of Birmingham was recently promoted to manager of new business development from account executive on the multi-products accounts. She will develop and manage all business development initiatives relating to advertising and marketing needs of prospective clients.

**Kim Foster** of Berkley was recently named broadcast producer from senior art director at the Detroit office of Pozzoli Worldwide in Southfield. She will play an integral role in TV and radio production for all the

### BUSINESS MILESTONES

firm's clients.

**Allan Gelfond** of Farmington Hills has been named to receive the William Avrunin Fellowship in Continuing Professional Education. He is currently the senior financial resource development officer of the Jewish Federation of Metropolitan Detroit.

**Robert Guy** of Rochester has been appointed president of the flooring and acoustics division at Lear Corporation in Southfield. He will be responsible for the business, product and manufacturing direction of soft rim and acoustic systems.

**Gerald Norton** of Rochester has been named president of

**T.M. Smith Tool International** in Mt. Clemens. He was previously president of the tooling systems division of DeVlieg-Bullard, Inc. where he was active in the acquisition and subsequent turnaround of universal engineering.

**Mary Ellen O'Rourke** of Berkley has been promoted from assistant account executive to account executive at Eisbrenner Public Relations in Troy. She assists with media relations, writing, special events planning and research.

**Hugo Ritzenthaler** of Rochester Hills has been named vice president of fuel systems at VDO North America in Rochester Hills. He is respon-

sible for all aspects of sales, marketing, strategic planning, engineering and product development for the fuel systems business unit.

**Jo Anne Rodriguez** of Dearborn Heights has been named database manager at Southfield-based health maintenance organization Great Lakes Health Plan in Southfield. She will be responsible for the organization, maintenance and functionality of patient and managed care information system.

**Dianna Russell** has been appointed the marketing director of The Heritage, a new senior and assisted living apartment community in Southfield. She will be responsible for all marketing and day to day operations.

**Beverly Sklar** has been named assistant manager of the Bloom-

field retail office of Midwest Guaranty bank. She previously worked at Comerica Bank.

**David Smith** of Rochester has been named manager of operations for T.M. Smith Tool International Corporation in Mt. Clemens. He was previously special project manager for pricing at tooling manufacturer Valente.

**Thomas Welbourn** of Clarkston has been named vice president and sales manager of Boquette & Co. Insurance in Detroit. He will oversee the production activities of the sales staff.

**Kregg Wiggins** has been named director of powertrain electronics in North America at Siemens Automotive in Auburn Hills. He will be responsible for all aspects of the company's powertrain production.