

POINTS OF VIEW

Merger a shocker to Santa and his once-merry workforce

News release: North Pole, December 1998 - Gigantico Toys Inc. and Santa's Workshop confirmed their merger plans in a press conference yesterday. The proposal calls for the closing of three toy factories (including the North Pole Plant) and the elimination of 9,000 jobs. Most of the affected employees are elves. Grog D. Excek, spokesman for Gigantico, said the job cuts are a small price to pay in exchange for long-term profitability.

"The streamlining effort combined with the capital buying power of the new, larger corporation will go a long way toward restoring unit holder confidence," Mr. Excek went on to express the company's sincerest regrets for the timing of the cuts, with Christmas just a week away. Santa's Workshop President in Charge of Operations, Santa Claus, was present, but had no comment.

Gigantico's Vice President in

Charge of Eliminating Human Resources fielded questions.

Q. "Why is it necessary to cut so many jobs?"

A. "The overall lack of inflation has made it difficult for us to raise prices to generate better revenues, thus leaving us very little choice but to cut overhead through streamlining operations."

Q. "Oh ... Doesn't that just raise the price of everything in the world for those people who will no longer get a paycheck?"

A. "Ummmm ... Are there any more questions? Yes, in the back there."

Q. "Thank you, yes. Why are elves so darn small anyways?"

A. "Well, you see, the very nature of the elf experience and its relation to our perception of proportional reality must first be juxtaposed with the delegating factors of the ..."

Q. "ARGHHH!! OK, OK, never

GUEST COLUMNIST



FRANK COTE

mind. Won't closing these plants devastate these communities? It seems like you're pulling the rug out from under these people's lives."

A. "These communities will go on ... why, the increase in alcohol sales alone will support local merchants, and our figures project a definite demand for family counseling centers, bankruptcy attorneys and pawn shops. When we closed our East Pittsburgh Heights plant last Christmas,

local mortuaries posted record profits as suicide levels skyrocketed."

Q. "Gigantico posted record earnings last year, and paid stockholders a healthy dividend. Why the desperate need to raise profits?"

A. "What do you mean, WHY?!! Because it's out there to be made! Because we CAN!! What are you, some kinda socialist?"

Q. "No, no, I just thought it might be enough to make a healthy profit while maintaining economic structure in the communities that helped you build the Gigantico empire. Don't you owe it to these people? Are they just lifeless liabilities to the faceless, heartless corporate entity that Gigantico has become?"

A. "Goodness, no. These people have been a critical component of the company machine for many years now. This is why each and every laid-off person will receive this 'I labored most of my life helping my employer

build a first-class worldwide corporation and all I got was fired, and this lousy T-shirt' T-shirt! I have time for just one more question."

Q. "What will become of our marvelous economy once every company in the world has unemployed as many people as possible?"

A. "Hmmm ... maybe I can expand on that off question from earlier. You see, their small size makes them well-suited for work in hollow trees, baking cookies, perhaps, which is where many of the displaced workers may indeed find work, unless of course the cookie company has its state of the art automated cookie-making system online, in which case it will only take one elf to do what it once took 20 to do ..."

He yelled from his limo as it drove out of sight, "Merry profits to all, and to all a good night!"

Frank Cote, a Westland resident, is married and has two children.

Revenue sharing is one idea whose time has now expired

On no issue are Michigan lawmakers at each other's throats more ferociously than the annual local looting of the state treasury called "revenue sharing."

They can't agree on what spending out \$1 billion of state taxes is supposed to accomplish. Hence, the looting is willy-nilly.

One side argues: Detroit and the older cities have been abandoned by the wealthy and middle classes and are stuck with the poor folks who need more social services. Detroit et al. already have taxed themselves heavily and deserve state consideration for their "relative tax effort." Detroit et al. have major costs of replacing infrastructure, but it's socially more economical to help them with repairs than to sink water, sewers and streets into "greenfields."

It goes on: Sending more to rural townships will encourage "urban sprawl," the paving over of farmland

with no population increase. Besides, rural townships levy only a mill or two, often have volunteer fire departments, and find their wells and septic systems adequate. If they want to expand services, they should either vote more taxes or as cities have done or incorporate as cities with charter authority to tax 20 mills — no need to share state revenue.

The other side argues: Detroit is losing population but continues to have its aid protected; Detroit has 10 percent of the state's people but soaks up 25 percent of the shared revenue. Every service in the state gets cut in a recession except Detroit's revenue sharing.

It goes on: People vote with their feet. Rural townships are experiencing normal, market-driven growth. The money should follow the people. Township residents shouldn't have to shoulder the full cost of new infrastructure while we perversely reward



TIM RICHARD

Detroit for levying sky-high taxes.

There's no way to reconcile the opposing views.

How did we get into this mess? In the early 1970s, the Legislature replaced eight business taxes with a "single business tax." Wiped out were the corporate income tax, franchise fee ... and the local property tax on business inventory and equipment.

So the rationale became: Since the

state wiped out a local tax, it should replace that money by sharing some of its own revenue. Thus, 14.5 percent of the SBT is allocated to counties, cities, townships and villages.

Who deserved to get the lion's share? Obviously, units that lost the most business property taxes — for example, the "golden mile" industrial corridor emanating from the west side of Detroit, through Redford Township, Livonia and Plymouth Township. Rural townships lost little and therefore got little shared revenue.

Times change. Detroit has lost much of its industry, which has sentered across the state.

The 1998 eight-year renewal of revenue sharing is a boon for rural townships, despite some compromise on the part of the Grand Rapids crowd. Detroit is held flat at \$334 million a year.

But Clinton County's Eagle Town-

ship will see its share rise 34 percent over eight years; Eaton County's Cummington Township, 47 percent and Kalamazoo Township, 55 percent; Ionia's village of Portland, 39 percent; Livingston's Unadilla Township, 41 percent, while the city of Brighton creeps up just 6 percent.

In Wayne County, Sumpter Township will soar 69 percent over eight years while the charming cities of Northville and Plymouth rise just 6 percent apiece.

Revenue sharing today is a bad idea. Get rid of it. Phase out the statutory part of it and save the state \$1 billion. Then give the people a \$1 billion tax cut, and let their local governing boards decide whether it's necessary to ask a local millage to facilitate "growth."

Tim Richard reports on the local implications of state and regional events. His Touch-Tone voice mail number is (734) 953-2047, Ext. 1881.

INTERNET ADDRESS DIRECTORY

Find these sites on the World Wide Web - Brought to you by the services of O&E On-Line!

To get your business On-Line! call 734-953-2038

<p>ACCOUNTING Kessler & Associates PC.....www.kesslerpc.com Saxon, Saxon, Rittman, Lister & Kingston, PC.....www.saxons.com</p> <p>ADVERTISING AGENCIES King of the Jungle.....www.kingofthejungle.com Victor & Associates.....www.victorassociates.com</p> <p>ADVERTISING PROMOTIONAL PRODUCTS Monograms Plus.....www.monogramsplus.com</p> <p>ADD HELP ADDV (Attention Deficit).....www.addvutreach.com</p> <p>AERIAL PHOTOGRAPHY JRR Enterprises, Inc.....http://www.jrrenterprises.com</p> <p>ANNOUNCEMENTS Legal Notice.....http://www.legalnotice.com</p> <p>ANTIQUES & INTERIORS Watch Hat Antiques & Interiors.....www.watchhatantiques.com</p> <p>APPEAL Hold Up Suspender Co.....www.suspenders.com</p> <p>ARCHITECTS Tisao Architects, Inc.....www.tisao.com</p> <p>ART AND ANTIQUES Haggy's Antiques.....http://www.haggyantiques.com</p> <p>ART GALLERIES Manny's Gallery.....http://www.mannysgallery.com The Print Gallery.....www.printgallery.com</p> <p>ART MUSEUMS The Detroit Institute of Arts.....www.dia.org</p> <p>ASPHALT/CONCRETE PAVING Ajax Paving Industries.....www.ajaxpaving.com</p> <p>ASPHALT PAVING CONTRACTOR S&J Asphalt Paving.....http://www.sjaspaving.com</p> <p>ASSOCIATIONS ASM - Detroit.....www.asm-detroit.org Asphalt Pavers Association of Southeastern Michigan.....http://www.asphaltmichigan.com Building Industry Association of Southeastern Michigan.....http://www.bia.org Naval Airship Association.....http://www.naa.org Oakland Youth Orchestra.....www.oaklandyouthorchestra.com Society of Automotive Engineers West.....www.sae-detroit.org Suburban Newspapers.....www.suburban-news.org Suspenders Wearers of America.....www.suspenders.com</p> <p>ATTORNEYS Thompson & Thompson PC.....www.thompsonlaw.com Thurwell, Chayot & Wiener.....www.thurwell-law.com</p> <p>AUDIO VISUAL SERVICES AVS Audio.....www.avsaudio.com</p> <p>AUTOMOTIVE Huntington Ford.....www.huntingtonford.com John Flynn Buck-Huzy-Suzuki.....www.johnflynn.com Ramchargers Performance Centers.....www.ramchargers.com</p> <p>AUTOMOTIVE MANUFACTURERS Mark's Mgmt. Services.....www.marksmgmt.com</p> <p>AUTO RACING Milan Dragway.....www.milandragway.com</p> <p>BAKING/COOKING Jiffy Mix - Chelsea Mfg. Company.....www.jiffymix.com</p> <p>BICYCLES Wahne Bicycle Company.....http://www.wahnebicycle.com</p> <p>BOOKKEEPING PRODUCTS BID E-Z Bookkeeping Co.....www.bidez.com</p> <p>BOOKS Apostrophe Communications.....www.apostrophe.com</p>	<p>CHAMBERS OF COMMERCE Livonia Chamber of Commerce.....www.livonia.org Birmingham-Bloomfield Chamber of Commerce.....www.bbbcc.com Redford Chamber of Commerce.....redfordchamber.org</p> <p>CHILDREN'S SERVICES St. Vincent & Sarah Fisher Center.....http://www.stvincent.org</p> <p>CLASSIFIED ADS Advantage.....http://www.advantage.com Observer & Eccentric Newspapers.....http://www.observer-eccentric.com</p> <p>COMMERCIAL PRINTING ColorTech Graphics.....http://www.colortechgraphics.com</p> <p>COMMUNITIES City of Birmingham.....http://www.cityofbirmingham.mi.us</p> <p>COMMUNITY NEWS Observer & Eccentric Newspapers.....http://www.observer-eccentric.com</p> <p>COMMUNITY SERVICES Hearty Hills Police.....www.heartyhills.org Detroit Regional Chamber.....www.detroitchamber.com Hearts of Livonia.....http://www.hearts.org Sanctuary.....http://www.sanctuary.com Wayne Community Living Services.....www.wcls.org</p> <p>COMPUTER GRAPHICS Logix Inc.....www.logix-usa.com</p> <p>COMPUTER HARDWARE/PROGRAMMING/SOFTWARE SUPPORT Applied Automation Technologies.....www.caaps-edg.com BNB Software.....www.bnbsystems.com Mighty Systems Inc.....www.mightysystems.com</p> <p>COMPUTER PRODUCT REVIEWS CyberNews and Reviews.....http://www.cybernews.com</p> <p>CONSTRUCTION Frank Revold Construction.....http://www.frankrevold.com</p> <p>DEVELOPERS Mechanical Development.....www.mechdev.com</p> <p>DUCT CLEANING Duct Cleaning.....http://www.ductcleaning.com</p> <p>EMPLOYEE LEASING COMPANY Genesys Group.....www.genesysgroup.com</p> <p>EMPLOYMENT SERVICES Employment Presentation Services.....www.epsweb.com HR ONE, INC.....www.hrone.com</p> <p>ENVIRONMENT Resource Recovery and Recycling.....http://www.rrec.com Authority of SW Oakland Co.....www.swoakland.com</p> <p>EYE CARE/LASER SURGERY Greenberg Laser Eye Center.....www.greenbergeye.com</p> <p>FINANCIAL Faulstich Investment Advisors, Inc.....www.fai.com Savino Sorbet.....www.sorbet.com</p>	<p>HAIR SALONS Heads You Win.....www.headsyouwin.com</p> <p>HEALTH CARE Family Health Care Center.....http://www.familyhealthcare.com</p> <p>HERBAL PRODUCTS Nature's Better Way.....http://www.naturebetterway.com</p> <p>HOME ACCESSORIES Laurie Home Accessories & Gifts.....http://www.lauriehome.com</p> <p>HOSPITALS Betsford Health Care Continuum.....www.betsfordsystem.org St. Mary Hospital.....www.stmaryhospital.org</p> <p>HYDRAULIC AND PNEUMATIC CYLINDERS Hydraulic Cylinders.....www.hcnet.com</p> <p>HYPNOSIS Full Potential Hypnosis Center.....www.fullpotentialhypnosis.com</p> <p>INDUSTRIAL FILTERS Elizaire Corporation.....www.elizaire.com</p> <p>INSURANCE Catholic Underwriters.....www.catholicunderwriters.com J. J. O'Connell & Assoc., Inc.....www.jjoconnell.com Insurance.....www.oconnellinsurance.com Northwestern Mutual Life-Stem Agency.....www.northwesternmutual.com</p> <p>INTERACTIVE CD ROM PUBLISHING Envision.....www.interactive-inc.com</p> <p>INTERNET CONSULTANTS Borlase Internet Consulting.....www.borlase.com Chamberlain Consultants.....www.myfreespace.com</p> <p>JEWELRY Haggy Jewelry.....http://www.haggyjewelry.com</p> <p>LANDSCAPE DESIGN AND CONSTRUCTION Rollin Landscaping.....www.rollinlandscaping.com</p> <p>LEGAL RESEARCH LexisNexis.....http://www.lexisnexis.com</p> <p>METROLOGY SERVICES GKS Inspection.....www.gks3d.com</p> <p>MORTGAGE COMPANIES Enterprise Mortgage.....www.getmoneyfast.com</p> <p>NOTARY SERVICES Notary Services & Bonding.....www.notaryservice.com</p> <p>NURSING EDUCATION Michigan League for Nursing.....http://www.michiganleaguefornursing.com</p> <p>ORIENTAL RUGS Azar's Oriental Rugs.....www.azar.com</p> <p>PARKS & RECREATION Huron-Clinton Metro Parks.....www.metro-parks.com</p> <p>PERSONAL GROWTH Overcome's Maximized Living System.....www.overcome.com</p> <p>PLANNING AND TRAFFIC CONSULTANT Biercher Arroyo Associates, Inc.....www.biercherarroyo.com</p> <p>POWER TRANSMISSION Beating Service, Inc.....www.beating-service.com</p> <p>PRIVATE INVESTIGATOR Protek Inc.....www.protek-usa.com</p> <p>PUBLIC AND INVESTOR RELATIONS Ren Norm & Associates, Inc.....www.rennorm.com</p> <p>REAL ESTATE REALNET.....http://www.realnet.com American Classic Realty.....www.americanclassicrealty.com Birmingham-Bloomfield Rochester South Oakland Association of Realtors.....www.justlisted.com Bowers & Associates.....www.bowers-realty.com Chamberlain REALTORS.....www.chamberlainrealtors.com Comet & Bush Real Estate.....www.michiganhome.com Hall & Butler Realtors.....http://www.hallbutler.com</p>	<p>Langard Realtors.....www.langard.com Max Brook, Inc.....www.maxbrook.com Northern Michigan Realty.....www.northernmichiganrealty.com Real Estate One.....www.realestateone.com RE/MAX in the Village.....www.1stvirginiarealestate.com Sellers First Choice.....www.sellerschoice.com Western Wayne Oakland County Association of REALTORS.....www.michiganhome.com</p> <p>REAL ESTATE AGENTS Dan Hay.....http://www.danhay.com Manda Gies.....http://www.mandagies.com Claudia Murawski.....http://www.claudiaturawski.com Dennis Sester.....www.dennisesster.com Bob Taylor.....www.bobtaylor.com</p> <p>REAL ESTATE APPRAISAL BBSOAR Appraisers Committee.....http://www.bbsoar.com</p> <p>REAL ESTATE - COMMERCIAL/INVESTMENT Property Services Group, Inc.....www.property.com</p> <p>REAL ESTATE EDUCATION Real Estate Alumni of Michigan.....www.reamichigan.org</p> <p>REAL ESTATE - HOME INSPECTION AmerSpec Property & Environmental Inspections.....http://www.amerspec.com</p> <p>REAL ESTATE SOFTWARE Envision Real Estate Software.....www.envisionres.com Conquest Corporation.....www.conquest-corp.com</p> <p>REPRODUCTIVE HEALTH Ashgar Afshar, M.D.....www.gyndoc.com Midwest Fertility and Sex Selection Center.....www.miss.com</p> <p>RETIREMENT COMMUNITIES American House.....www.americanhouse.com Presbyterian Villages of Michigan.....www.pvm.org</p> <p>SCALE MODELS Fine Art Models.....http://www.fineartmodels.com</p> <p>SHOPPING Birmingham Principal Shopping District.....http://www.birminghamprincipal.com</p> <p>SURPLUS FOAM McCulloch Corporation.....www.mcculloch.com</p> <p>SURPLUS PRODUCTS McCulloch Corporation.....www.mcculloch.com</p> <p>TELEPHONE SERVICES 8 9 Cents Per Minute Long Distance.....www.89cents.com</p> <p>TOYS Toy Wonders of the World.....www.toywonders.com</p> <p>TRAINING Everest Training & Consulting.....www.everesttraining.com High Performance Group.....www.hpg.com</p> <p>TRAINING AND CONFERENCE CENTER bbs Corporate Training & Conference Center.....www.bbs.com</p> <p>TRAVEL AGENCY Cruis Selections, Inc.....www.cruiseselections.com Royal International Travel Service.....www.royalintl.com</p> <p>UTILITIES DTE Energy.....http://www.dteenergy.com</p> <p>VIDEO/WEB SITE DEVELOPMENT NetWorth Internet Marketing.....http://www.networth.com</p> <p>WHOLISTIC WELLNESS Roots and Branches.....www.replace.com</p> <p>WOMEN'S HEALTH PMS Institute.....www.pmsinst.com</p> <p>WORSHIP First Presbyterian Church Birmingham.....http://www.fpcbirmingham.org St. Michael Lutheran Church.....www.stmichaellutheran.org Unity of Livonia.....http://www.unityoflivonia.org</p> <p>YOUTH ATHLETICS Westland Youth Athletic Association.....www.wyaa.org</p>
--	---	--	--