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## Detroit: an office profile

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# The Renaissance of Motor City

# DETROIT

This is your Detroit and welcome to it  
You thought you knew it, how little  
did you know...  
Take another look around  
There's a whole new spirit happening  
in this town...  
This is your Detroit and welcome to it  
We're going to do it, we've only just begun...

From the lyrics for the program  
of the Young Detroiters, a  
group sponsored by the  
Greater Detroit Chamber of  
Commerce

The Renaissance Center — four  
39-story office buildings poised like  
sentries around the central 73-story  
pillar of the Detroit Plaza hotel —  
looms on the banks of the Detroit River  
like an artist's dream of the city of the  
future, an enormous modern sculpture  
designed for working, for living, for  
entertainment — a city within a city.

Few major cities are as closely  
identified with one industry — and  
dependent on that industry — as is  
Detroit with the automobile. On the

other hand, the economic health of  
few cities can have such a direct and  
striking effect on the national economy  
as can that of Motor City. "There's a  
saying that when Detroit catches cold,  
the rest of the country has the snif-  
fles," Ray Spinola, partner in charge  
of the DH&S office in Detroit, said,  
quoting an old adage.

But if the rest of the country is uneasy  
and apprehensive about the energy  
crunch of 1979, much of Detroit  
reflects the long-range optimism of

Detroit partner in charge Ray Spinola in  
his office in the 100 Tower of Renaissance  
Center. In the background, the Amba-  
sador Bridge spans the Detroit River,  
linking Detroit with the Canadian city  
of Windsor.







Taking advantage of a change of shift to inspect a new Buick Skylark at the Willow Run Assembly Plant of General Motors Corporation are (l. to r.) Donald E. Staples, assistant comptroller of GM; DH&S partner Frank Watson; DH&S senior Susan Dunleavy; John R. Edman, GM vice president for finance; DH&S audit manager Leo Kessel; and Eugene H. Flegm, director of corporate accounting and reporting for General Motors. The production line shown manufactures GM's new X-body cars with front-wheel drive, including the Chevrolet Citation, Oldsmobile Omega and Buick Skylark.



Kathy LoCricchio, of the Detroit office financial services staff, Tom Plichta (c.), financial services manager, and David Powers of the audit staff admire one of the old cars on display in the transportation section of the Henry Ford Museum in Dearborn. The priceless collection of antique and classic cars is only one attraction of the museum, which celebrates American history and industrial development.



executives of General Motors, which this spring introduced its highly successful fuel-efficient, innovative X-body cars.

Detroit speaks with pride of being selected as the host city for the Republican National Convention next year and of the Silverdome Stadium in nearby Pontiac being named as the site for the 1982 Superbowl, the first time that football classic will be played in the North.

**And tomorrow is going to be better  
And tomorrow is going to be fine  
We will gain in the end  
If we take it a day at a time.  
Young Detroiters**

Detroit doesn't seem to be taking it one day at a time, at least to a visitor: too much has been done, is being done at a pace and on a scale that are, to say the least, remarkable:

- The \$350-million Renaissance Center, completed in the spring of 1976, which includes the 1,400-room Detroit Plaza, four office towers with a total of 2.2 million square feet of office space, and a 340,000-square-foot retail mall area. Ren Cen, as it is familiarly known to Detroiters, was built by a partnership of fifty-one corporations that provided the equity investment of \$114 million. A consortium of twenty-eight banks had to be assembled to back the \$200-million construction loan, reportedly the largest on record.
- The new \$30-million Philip A. Hart Civic Center Plaza, with its striking ultramodern fountain designed by Isamu Noguchi, located along the waterfront between Renaissance Center and Cobo Hall.
- The \$23.5-million Joe Louis Sports Arena, currently under construction in the same area and scheduled for completion late this year.
- The plans announced for the construction of two new twenty-one-story office towers to be located adjacent to the Ren Cen at a cost of some \$70 million.

- The \$4.5-million pedestrian mall being built on Washington Boulevard, once Detroit's main fashion center.
- The \$10-million mall under construction on Woodward Avenue, the city's major downtown thoroughfare.
- The \$6-million renovation of the Radisson Cadillac, a grand 1920s-style hotel and long a Detroit landmark.
- The mass-transportation plan announced recently which includes a subway system for the city as well as a people-mover for part of the downtown shopping center.

The Renaissance Center, with its complex of hotel, office towers, shops and restaurants, was designed to bring people and businesses back from the suburbs to downtown Detroit. "It has worked," Ray Spinola said, as he sat in his office on the thirty-first floor. "In the beginning a lot of people and businesses were skeptical about how successful Ren Cen would be in keeping business and people in Detroit, let alone bringing others back to the city. But there has been a tremendous commitment to the city by the business and professional community. Ren Cen has been the focal point of that commitment, as well as providing the impetus for a lot of other positive things that are happening."

DH&S moved from its previous office in the downtown business section of Detroit to Renaissance Center, where it now occupies two full floors, in November 1977. From Ray Spinola's office you can watch the ore boats navigating the Detroit River, see the traffic on the Ambassador Bridge that links Detroit with the Canadian city of Windsor, and watch the shadows shift as the sun moves across the new riverfront cultural and recreational complex.

Detroit and its affiliated offices in Grand Rapids and Saginaw serve a broad range of clients throughout Michigan. "We have an outstanding clientele," Ray Spinola said. "Needless to say, we are tremendously proud of our long

association with Bendix, Dow and General Motors. That's a mighty impressive trio of clients — anywhere! But although heavy industry is the backbone of our practice, a significant part of it is highly diversified and includes industries such as health care, insurance, trucking, retailing, food service and real-estate development and management.

"What many people don't realize, however, is that we also serve a large number of small and growing businesses. Actually, our financial services group, which has grown to more than twenty people, is one of the largest in the firm. And our tax and management consulting staffs offer a wide range of special skills to complement our accounting and auditing services. Overall, some 200 people — including 165 professionals — participate in services to our Michigan clients. I think it's fair to say that they're quite a versatile group."

Anticipating and responding to the varied and unique needs of the Michigan clientele depend on one factor more than any other, according to Ray. "It's simply a matter of people. You can have the most comprehensive policies, procedures and programs, but they are totally ineffective without alert, competent and dedicated people who are responsive to the needs and expectations of their clients. Consequently, the recruitment, development, evaluation and deployment of people at all levels receive a great deal of our attention, including a substantial portion of mine. Our goal is to apply ourselves diligently to the task of providing each client service at a consistently high level of quality. In my view that means no less than the best available. We're not infallible, but we do work very hard at trying to achieve this goal and, overall, I feel our performance is consistently first-class. As I said to a prospective client recently: 'Maybe doctors no longer make house calls — but we do.'" The recruitment of professional staff is coordinated by manager Ray Howard.



Partner Art Wilkins (c.), head of the Detroit tax department, and tax accountants John Spath (seated) and Brian Bonell (r.) study printout from computer terminal at left. Records of the Detroit office's tax clients are stored on computer, giving the office rapid access to necessary information.



William G. Fredrick, Jr. (2nd r.), president and chairman of Photon Sources, Inc., and Charles De Geiso (l.), vice president and treasurer, tour production facilities with DH&S staff accountants Pat Daly (r.) and Ronald L. Kaiser (2nd. l.). Based in Livonia,

Michigan, Photon Sources is a major manufacturer of industrial lasers. Partially completed units shown in photo include granite bases weighing about one ton on which the laser assemblies are mounted.



RIGHT PHOTO

Ray Spinola (r), partner in charge of the DH&S Detroit office, makes a point in conversation with Bill Agee (2nd l.), chairman and chief executive officer of Bendix Corporation; Joe Svec (2nd r.), executive vice president and chief financial officer of Bendix and a DH&S alumnus; and DH&S tax partner Art Wilkins (l.). Photo was taken in the atrium of Bendix Corporation's headquarters in Southfield, Michigan.

Detroit's recruiting efforts concentrate on the University of Michigan in Ann Arbor, Michigan State University in East Lansing, the University of Detroit and Western Michigan University in Kalamazoo.

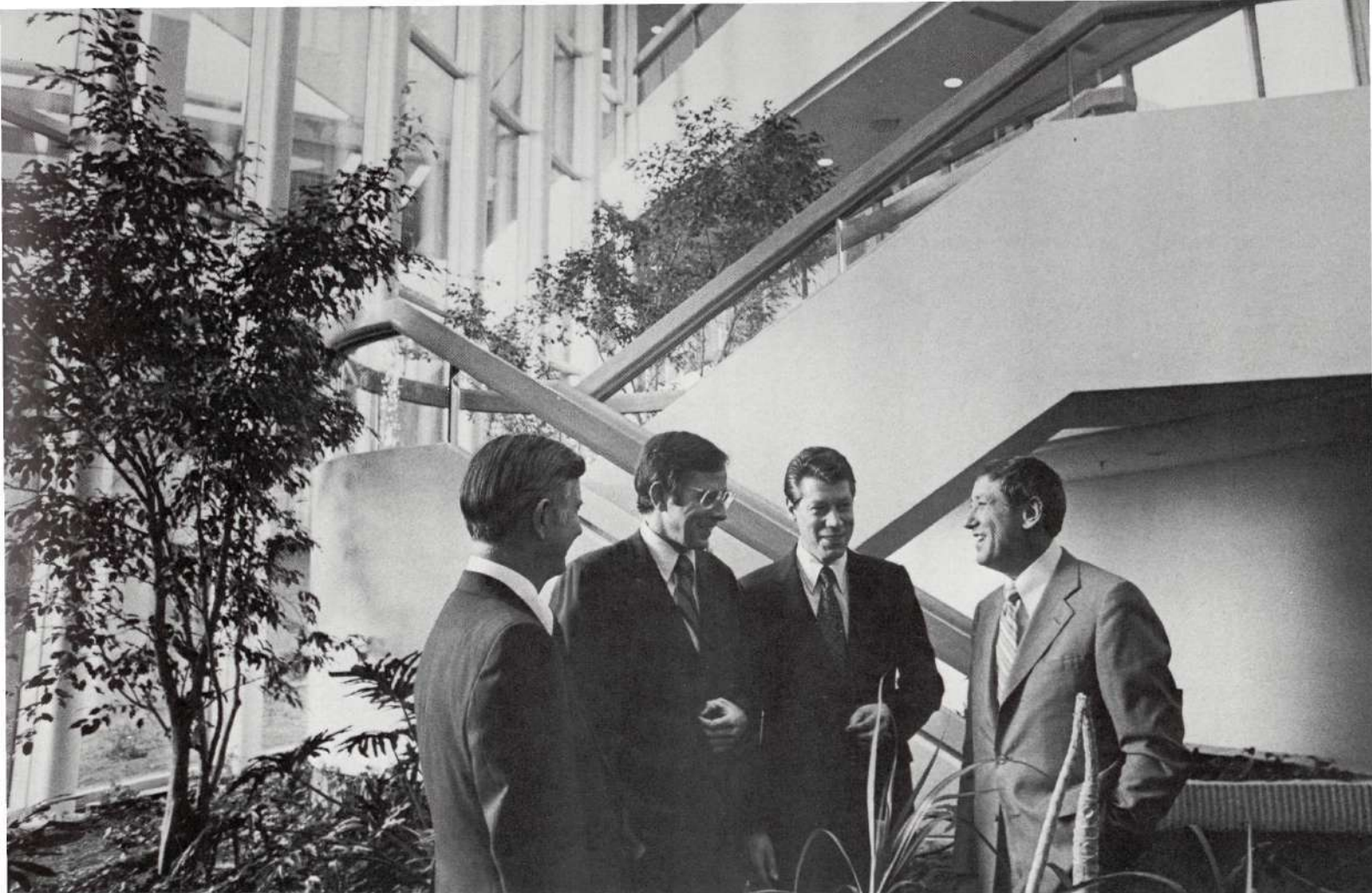
"We have a very competitive recruiting situation here in Detroit," Ray pointed out. "The other accounting firms also are trying to recruit the best people, and so are all the major industrial companies headquartered here. This competition is evident in the salaries for good accounting graduates, which are the highest in the country. We maintain close contact with the schools; our people talk there frequently, and we often have campus groups pay a visit to our office. We've been successful in attracting the better people because of our reputation, our interest in people as individuals, and because of the caliber of our clientele, which the discerning student is particularly alert to."

The Detroit office took advantage of the move to Renaissance Center to improve its training facilities and to make its training program, which is under the supervision of audit manager Earl Charles, more efficient.

"A good-size training room was designed to permit us to hold most of our training here," Earl pointed out. "For an office this size, it is the best answer in terms of both economic and time considerations. The training room can hold up to fifty people, and it has all the necessary audiovisual aids, including video camera and playback equipment. In fact, the room is so popular that it's frequently used for meetings by outside groups and organizations to which our people belong."

While proud of the substantial audit practice of the Detroit office, Ray Spinola said that everyone is particularly optimistic about the outlook for the tax, financial services and MAS practices. "We have a good, solid base in the audit area, of course, but Art Wilkins, Dick Gabrys and Frank Crouse are doing great jobs building the tax,





financial services and MAS practices. I think part of the reason for our success is that we all see these services in terms of their relationship to the audit practice. Over the years we've learned that related services can help us broaden our assistance to a client, provide the client with a larger range of services. In simple terms, we can help the client more if we have more help to offer, more services to provide. Our

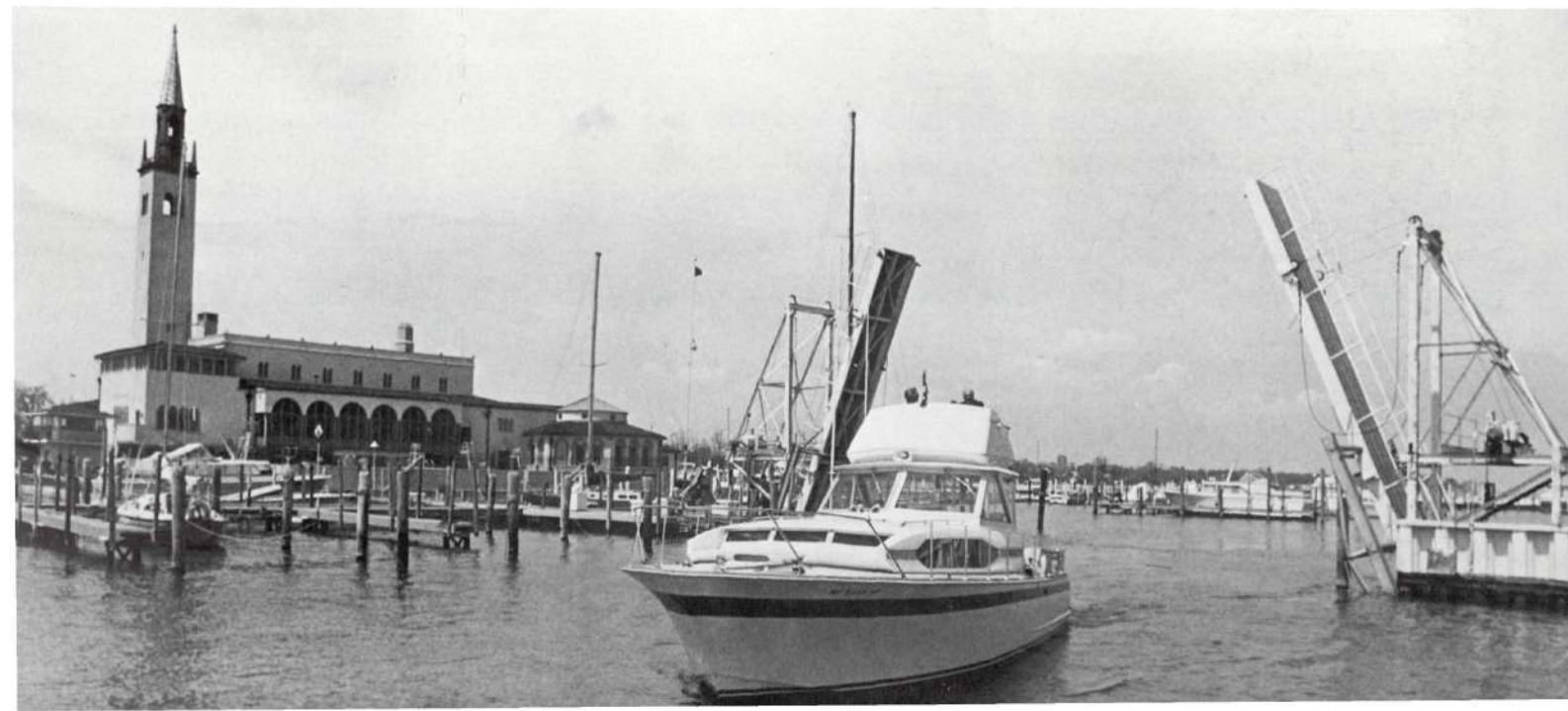
approach has been to look at it as a coordinated program, as one service supplementing another. And we plan each engagement with this in mind."

Another positive development in the Michigan practice has been the growth and expansion of the Saginaw office. "Dick Goff, the partner in charge, and partner Jon Whiteman and their staff

*continued on page 9*

**BOTTOM PHOTO**

Detroit partner Ralph Kliber (r., on flying bridge) eases the Balance Sheet, his 37-foot Chris-Craft Roamer, out of the boat basin at the Grosse Pointe Yacht Club. With Ralph is his friend Charlie Bachman. Ralph is a past commodore of the GPYC, located in Grosse Pointe Shores just to the north of Detroit. The location offers easy access to the Detroit River and Lake St. Clair, popular boating and fishing areas in themselves and gateways to the Great Lakes.







It was in July of 1701 that a group of fifty French soldiers, fifty artisans and about one hundred Indians led by the French colonial administrator Antoine de la Mothe Cadillac founded Detroit. In the weeks that followed, Cadillac and his men built Fort Pontchartrain, giving them control of the river traffic and the rich fur trade of the upper Great Lakes. In late 1760, during a series of wars with England, the fort and settlement were occupied by the English, who did not abandon the site until 1796, considerably after the 1783 Treaty of Paris officially ended the American Revolution.

Detroit was incorporated in 1802 and three years later became the capital of Michigan Territory. In June of that same year, 1805, a fire completely leveled the city. The new city was rebuilt with wide streets, squares and circles following plans derived from Pierre Charles L'Enfant's layout for Washington, D.C. After the stormy period of the War of 1812, during which Detroit changed hands twice, the Rush-Bagot Agreement of 1817 prohibited armed vessels on the Great Lakes and ushered in an era of harmony between the United States and Canada.



The opening of the Erie Canal in 1826 and favorable publicity about the state spurred the growth of population, with Michigan becoming a state in 1837. Detroit was its capital for the next ten years.

Detroit today is a city of ethnic groups that, every spring, celebrates this diversity with a series of ethnic festivals. In the nineteenth century large numbers of English, Irish, Canadian, German and French immigrants migrated to Detroit and other parts of Michigan. In the first decade of the twentieth century there was an influx of Italians, Russians, Austrians and Hungarians, followed by a large Polish group in the second decade of the period. The Poles today represent the largest ethnic group in the city of Detroit, while the city's Greektown, a cluster of Greek restaurants and shops, is considered one of the more popular attractions for visitors and residents alike.

Detroit was a major manufacturing center for machinery and heavy equipment by the mid-1860s and by 1904 had captured 20 percent of the auto manufacturing market, a position it continued to consolidate through the early decades of the twentieth century until Detroit became known as Motor City.

As of the 1970 census, Detroit had a population of slightly more than 1.5 million, with its metropolitan area boasting some 4.2 million people.

**Joe Dunlop (l.) and Gary Wood, of the Detroit tax staff, relax in The Main Event restaurant as they watch a game between the Detroit and San Diego soccer teams in the Silverdome Stadium. The domed stadium, located in Pontiac, will be the site of the 1982 Superbowl football classic. The Main Event restaurant is operated by Elias Brothers Restaurants, Inc., a Detroit client.**

In addition to the fishing and boating on the three Great Lakes — Michigan, Huron and Erie — that border parts of the state, Michigan's northern lake country offers some of the country's finest fishing, boating, camping, hiking and skiing in an uncounted complex of lakes and rivers, forests and mountains. Detroiters insist, in fact, that statistically there are more boats per capita in the Detroit area than in any other part of the country. Indeed, despite the heavy traffic on the Detroit River — U.S. Customs is said to list Detroit as the second largest port of entry in the country — great progress has been made in cleaning up the river. The state has stocked it with Coho salmon and now some of the best fishing in the state can be had off the public docks in the shadow of Renaissance Center or in small boats on the river.

**School children on outing enjoy attractions of Detroit's new Philip A. Hart Memorial Plaza, part of a ten-acre park complex on the banks of the Detroit River. Towers in the background are the Renaissance Center.**







Other attractions of Detroit and the surrounding area include:

- The Detroit Institute of Arts, with a permanent collection of French, Italian and African art.
- The Detroit Zoo, which has a fine collection of some 5,000 animals and the country's largest Penguinarium.
- The Cranbrook Institute of Science and Academy of Art Museum in nearby Bloomfield Hills. The sixteen-acre complex includes an Institute of Science and Planetarium with large rock, gem and mineral collections and an Academy of Art Museum.
- The Ford Auditorium, home of the Detroit Symphony under conductor Antal Dorati.
- The Fisher Theater, where Broadway shows are staged.
- The Music Hall Center, home of the Michigan Opera Theater (a Detroit office client) and several repertory theaters and frequently used by touring artists.
- The Detroit Science Center, the Detroit Historical Museum, the Children's Museum, and the International Institute.

- Belle Isle, America's largest urban island park and recreation center, with a Great Lakes museum, an aquarium and children's zoo, a conservatory and nature center.
- Tiger Stadium, home of the Detroit Tigers baseball team.
- The Silverdome Stadium in Pontiac, a covered stadium and home of the Detroit Lions football team, Pistons basketball team and Express soccer team.
- Olympia Stadium, present home of the Red Wings hockey team. The Red Wings will move to the new Joe Louis Stadium when it is completed.
- Horseracing at Detroit Race Course/Wolverine Harness Raceway, Hazel Park Race Track and Windsor Raceway.

**Chatting with Kostas Arabatsis (r.) of the Hellas Restaurant in Detroit's Greektown are (l. to r.) Reginald K. Pelzer, of the DH&S audit staff; John Craft of the financial services staff; MAS consultant Rosemary Ugorowski; and audit staff accountant Charles P. Kelly. The restaurants and shops in Greektown make it one of the more popular locations for both Detroiters and visitors.**







Scenes at the season's opener. Sporting brand new uniforms, members of the Detroit office slow-pitch softball team met and prevailed over the competition in the opening game of the 1979 season. DH&S took the hard-fought contest by a score of eight to seven. In addition to softball, the office has a basketball team, a bowling league and holds an annual tennis tournament. It also has a schedule of social activities, such as the yearly dinner-dance held at a country club late in the fall.





**Making a preinventory tour of the Michigan Division of The Dow Chemical Company are (l. to r.) Phil Hanmer, vice president and controller of Dow; Dick Goff, PIC of the DH&S Saginaw office; Gary Riedlinger, Saginaw office audit senior; Steve Whisner, Saginaw audit manager;**

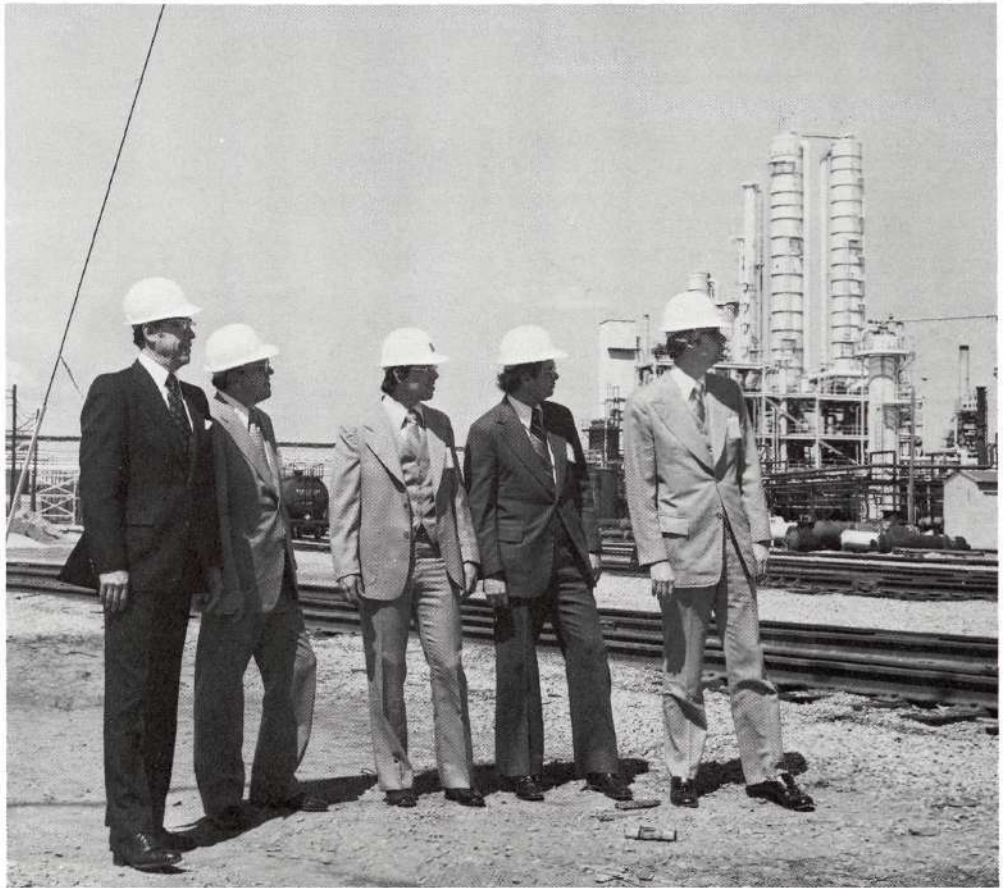
**and Jon Whiteman, Saginaw partner. The Michigan Division, located in Midland, which is also the site of Dow's world headquarters, manufactures a wide range of chemicals and plastics, including agricultural products. The DH&S Saginaw office is an affiliate of Detroit.**

Continued from page 5

have done a superb job in Saginaw," Ray said. "That office was opened for the purpose of better serving the year-round needs of Dow Chemical. Actually, we didn't really anticipate much growth at the time. However, under Dick's leadership, we have gradually developed and broadened our practice, and the office now has more than twenty professionals."

In Ray's view, Saginaw is a perfect illustration of the factors essential to the development of any practice: to develop and maintain a reputation for consistently high-quality service; to ensure that DH&S people have an appropriate degree of community visibility and involvement; to plan and work hard to make things happen.

"Our profession has become highly growth conscious," he said. "All the Big Eight firms are far more aggressive today in marketing their services than in the past. Obviously, growth is important to every organization, and ours here in Michigan has been quite respectable. On the other hand, we don't think we should pursue growth for growth's sake alone. We don't want to alter the character of our practice, nor do we want to overextend our ability to respond effectively to clients with whom we have had long and close relationships. We believe that the best marketing program begins with satisfied clients. Unquestionably, community visibility and other practice-development efforts are necessary and important, but the quality of service to our present clients is 'Priority One.'"



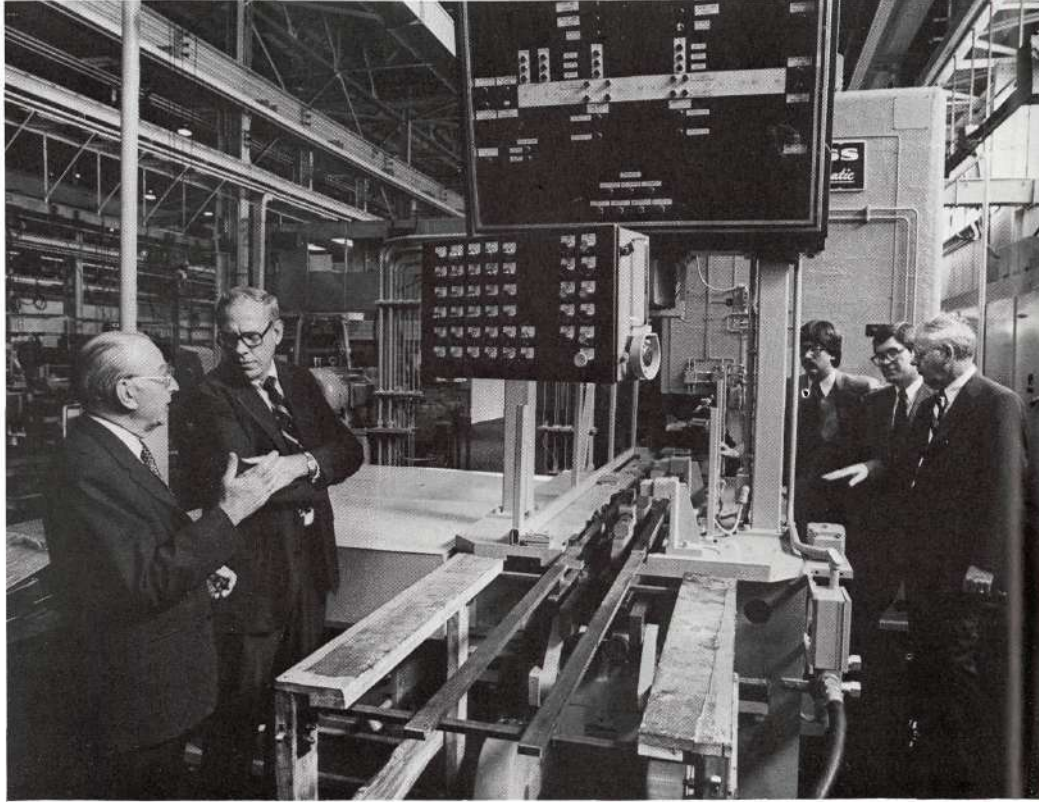
**Dick Headlee (2nd l.), president and chief executive officer of Alexander Hamilton Life Insurance Company of America, and Jim Ponder (r.), senior vice president and chief financial officer, review computer-room operations with DH&S audit manager Bill Noll (l.) and senior Rob Davison (2nd r.). Alexander Hamilton Life, headquartered in Farmington Hills, Michigan, is a subsidiary of Household Finance Corporation.**



**Ralph Cross Sr. (l.), chairman of Cross & Trecker, points out features of control end of Cross Transfer-matic cylinder-boring machine to Detroit partner Allan Swormstedt, while Cross Division president Kurt Tech (r.) explains operations of the unit to DH&S manager**

**Ray Howard (2nd r.) and senior Bill White. Cross & Trecker, located in Frasier, Michigan, is the second largest manufacturer of machine tools in the country and produces integrated manufacturing systems used extensively by the auto and other industries.**

In some respects, the closeness of Canada emphasizes the importance of international relations to the Detroit office. (Travel to and from Canada is essentially unrestricted and without the need for formal papers, passports or visas.) "Some of our clients have such extensive foreign operations," Ray said, "that we are very internationally oriented here. We've had our people on assignment in the Middle East, Europe, Latin America and other parts of the world. In February, John Cowell, a tax manager, transferred to São Paulo, and Leo Kessel, an audit manager, transferred to London this summer. We also participate regularly in the International Exchange Program. In recent years, accountants from the United Kingdom, South Africa and the Middle East have been on assignment to Detroit. We are very sensitive to the importance of having our partners regularly visit foreign offices that are responsible for major segments of our services to multinational clients. There's no substitute for seeing a key operating unit first hand and getting to meet and to know the people working with you as well as those in the client's organization. They're no longer just names signed to correspondence or voices on the telephone."



The Detroit office has observed the effects of increasing acquisitions of U.S. businesses by foreign companies. "The impact on our practice has been fairly modest," Ray observed, "but we have assisted in a number of preacquisition reviews and have been engaged to audit three or four businesses newly formed or acquired by clients of our international offices. These developments will make our international practice far more cohesive



**Concluding a meeting in the Detroit office training room are (l. to r.) manager Fred Calderone, Greg Nelson, John Spath, partner Dwight Brown, Alan C. Young and Mark Polance, all of the tax department. The training room, which can hold up to fifty people comfortably, is frequently used for meetings by outside organizations to which DH&S people belong.**



Pat Bradford (l.), Gary A. Wood (c.) and Richard L. Decan (r.), all of the tax staff, are shown in the Detroit office library. Glass wall reduces noise for those using the facility, while giving a feeling of spaciousness.

and should result in greater all-round appreciation of the respective problems of originating and participating offices in international engagements. I am very pleased to see more U.S. personnel going abroad to assist in services to subsidiaries of domestic clients. And, assuming the current investment trend by foreign companies continues, I foresee a need for greater involvement by our international offices in coordinating services to U.S. subsidiaries of their clients."

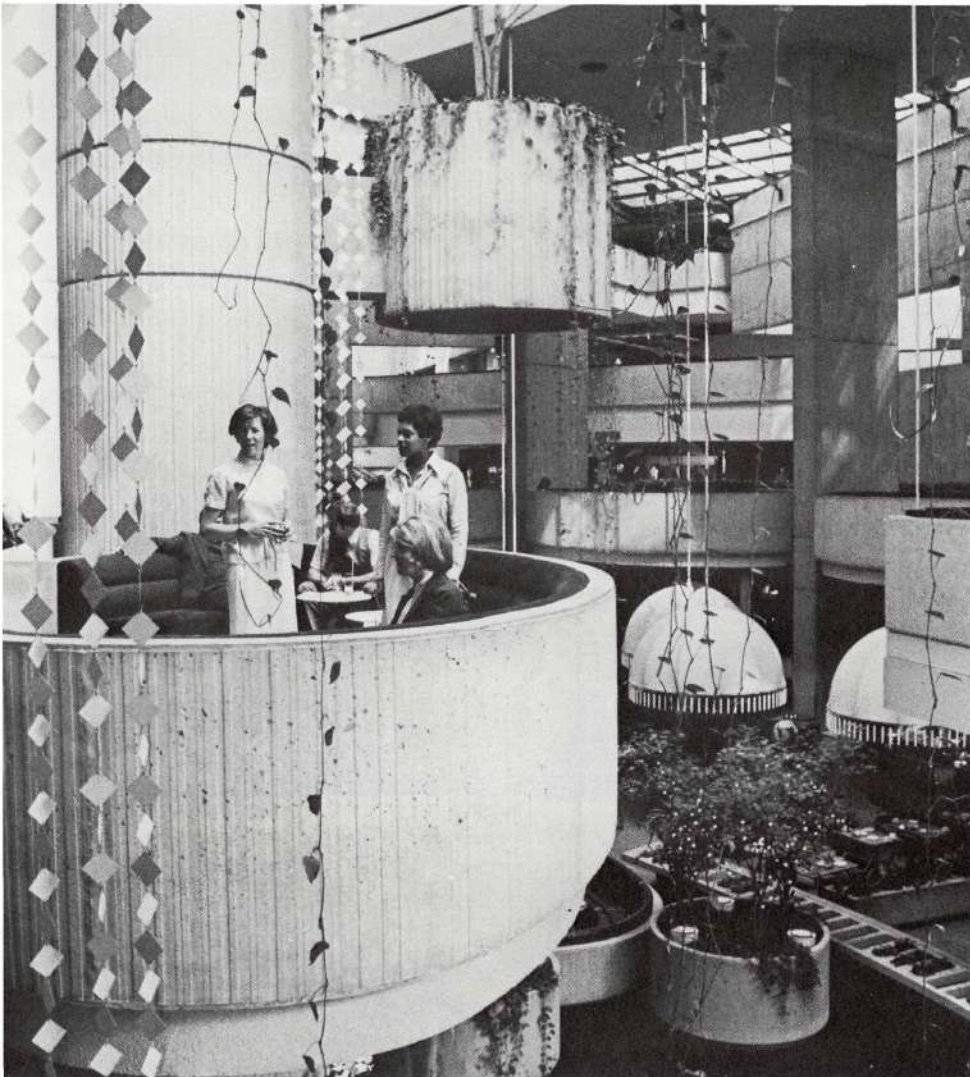
**BOTTOM PHOTO**

The cost-saving features of one-million-dollar body scanner at William Beaumont Hospital in Royal Oak, Michigan are outlined by Ray Haggerty (l.), director of corporate services, and Kenneth E. Myers (r.), executive vice president and director of Beaumont Hospital, to DH&S audit managers Brock Plumb (2nd l.) and Jim Harris (3rd l.) and staff accountant Robbie Sczesny. The scanner, more accurately called a computerized axial tomography unit, was installed early this year at Beaumont Hospital and produces detailed cross-section X-ray studies of both bones and soft-tissue organs of the body and the head.





Peggy Carlin (standing l.), secretary to PIC Ray Spinola, Bev Smith (standing r.) of the Detroit MAS department, and recruiting secretary Audrey Gaines (seated) are shown in "pod" of the Detroit Plaza hotel. In addition to the four office towers and the hotel, Renaissance Center includes a large number of shops, banks and restaurants.



**You know, some people say that big cities are in trouble. ...  
But trouble is anywhere good people don't get together to make things right... to make things happen.  
But that's not Detroit.  
There are too many good people already making this town happen....  
Tomorrow's going to be better.  
Young Detroiters**

One of the questions most frequently asked of first-time visitors to Detroit is: "Well, is it as bad as you thought it would be?" This may reflect a certain defensiveness on the part of Detroiters. On the other hand, there is the vision of the city of tomorrow here today in the Hart Plaza — Renaissance Center section of the waterfront; there is the fact that property values in many heretofore depressed areas of Detroit proper are now on the rise; and there is the fact that — political persuasion and party affiliation aside — most people say that Detroit's black mayor Coleman Young has done a remarkable job of turning Detroit around.

There is something uniquely American about Detroit and the DH&S office there: the willingness to face problems squarely, the refusal to admit defeat, the overwhelming optimism that insists we can overcome any difficulty and turn into reality man's brightest visions. It may well be that some day historians will point to Detroit as the place where the professionals, big business, local government and the people joined together to keep a city from dying, to prove that the big city can still be the best place to work, to live, to enjoy life and pursue a career.



**The Detroit office of DH&S and General Electric Company jointly sponsored a seminar on Financial Planning Models this spring. In photo, Ernest C. Birge (standing), manager of the Detroit branch of General Electric Information Services, confers with a panel made up of (l. to r.) director Frank Crouse, head of the Detroit MAS group; Dennis Weigel, national account manager for GEIS; Executive Office MAS manager Edgar M. Morrill, Jr.; and Dennis W. Hintz, Detroit MAS manager. Approximately one hundred people from the Detroit and Toledo areas attended the seminar, held at the Detroit Athletic Club.**