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Farmington Hills company creates 'smart' streetlights

Businesses see land mines lurking in health bills

Battle expected over taxes, reforms in 2011 state budget

Inside

Hospitals watch case that could expand treatment responsibilities, Page 13



Q&A with Fred Leeb, Pontiac's emergency financial manager, Page 18

This Just In

Dickinson Wright partners elect Burgess new CEO

Detroit-based **Dickinson Wright P.L.L.C.** has a new CEO, **Bill Burgess**, and will appoint a new chairman shortly to succeed former Detroit Mayor **Dennis Archer**.

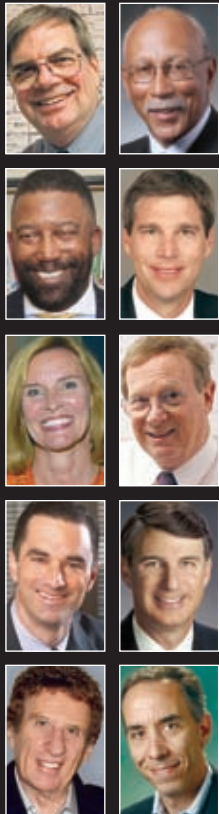
James Samborn, 62, managing partner and CEO of the firm for 10 years, stepped down from the post effective Jan. 1 to focus on his practice as a partner in construction law and commercial litigation and to aid the firm on special projects, said Burgess.

Burgess, 50, a partner with

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2009

News-makers of the Year



The 2009 News-makers began to overhaul Detroit Public Schools, celebrated an anniversary, invested in the region's future and won elections, among other actions.

INSIDE

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The Newsmaker of the Year will be announced **Jan. 11**

\$3M in repairs prep Cobo for auto show

Fixes seen as essential to future of NAIAS

BY NANCY KAFFER
 CRAIN'S DETROIT BUSINESS

Pre-North American International Auto Show repairs at Detroit's Cobo Center are complete, and auto show organizers couldn't be more pleased.

"There had been the discussion about keeping the show at its rightful home, which is of course at Cobo in Detroit, and we've been able to do that because of being able to initiate and complete the first steps of upgrading the facility to be on par with some of the folks on the circuit," said Sam Locricchio, managing director and head of the global automotive practice for **John Bailey & Associates Inc. Public Relations** in Troy. Locricchio handles public relations for the auto show.

Six projects priced at roughly \$3 million were targeted for completion before the show, said Gary Brown, chief construction officer for the **Detroit Regional Convention Facility Authority** and owner of Dearborn-based **Diversity in Design GMB L.L.C.**

"Some were more the notorious items like the roof leaks and the electrical distribution, which needed to accommodate some of the differing voltages, and there were some things that were not so

REPAIR LIST

From roof leaks to electrical distribution, renovations big and small have been under way for weeks at Cobo Center in Detroit, home of the North American International Auto Show this month. Other project areas include:



- Fire system repairs and inspection.
- Air compressor system repairs.
- Fixing water leaks in the cooling system.
- Fixing emergency lights and closed-circuit television monitors.
- Restroom repairs.

ON WITH THE SHOW

The auto show begins **Jan. 11** with the Press Preview. The Industry preview is **Jan. 13-14**, the Charity Preview is **Jan. 15** and the show is open to the public **Jan. 16-24**. Details are online at naias.com.

obvious," Brown said.

Cobo, which is owned by the city of Detroit, was transferred to a regional authority last summer. Members are appointed by the governor, the mayor of Detroit and leaders of Wayne, Oakland and Macomb counties. The authority will oversee a long-term renovation and expansion funded through the extension of an existing tri-county liquor and hotel tax.

The work, auto show organizers said, was necessary to keep the show in Detroit.

Major preshow repairs have been complete since mid-November, when exhibitors began setting up, Brown said.

The less-obvious work Brown described include things such as fixing a glitch in Cobo's fire system, repairs to the compressor system and fixing leaking floor boxes that provide water for the center's cooling system.

"We had to repair the compressors in the air dryers in the mechanical systems — when you use

See *Cobo*, Page 21

'Biggest Loser' adds bit of muscle to local economy

BY CHAD HALCOM
 CRAIN'S DETROIT BUSINESS

Pounds lost translated to local dollars gained from "The Biggest Loser," an NBC weight-loss reality TV series that may have generated up to \$1 million in economic impact for Southeast Michigan in 2009.

The long-running program, which returns to start its ninth season Tuesday night, has generated a new crop of local startup businesses, advertising campaign media buys, product endorsement deals and motivational speaking engagements tied to past Detroit-area contestants on the show.

Training a handful of the local contestants was enough to generate a career change and new business for William "Buddy" Butcher, a former die worker laid off from Roseville-based **DieTech North America L.L.C.** working part time as a wrestling coach at Warren Mott High School.

That was before he co-trained Helen Phillips of Sterling Heights, who became the seventh-season winner on the show in May by dropping from 257 to 117 pounds. Now president and owner of Roseville-based **Buddy May's Fitness L.L.C.**, he averages 25 clients a week as a fitness trainer and about \$800 in weekly revenue.

He also handled some training for seventh-season contestant Carla Triplett of Detroit and



NATHAN SKID/CRAIN'S DETROIT BUSINESS

William "Buddy" Butcher, owner of Roseville-based Buddy May's Fitness L.L.C., saw his business bulk up after training a winning contestant in NBC's "Biggest Loser" competition.

sixth-season contestants Amy and Shellay Cremen, and expects to finish 2009 with revenue around \$30,000, after seven months in business. Eventually he hopes to build up Buddy May's into a commercial fitness studio.

"That show has pretty much done all the work for me in growing business. I've done a little self-promotional work, and some appearances to help," he said. "But mostly it's been (that) one person says that they're training with a guy who trained Helen on 'Biggest Loser,' and then nine more people come knocking on my door."

Owner and CEO Joe Vicari of Warren-based

See *'Biggest Loser'*, Page 19

Deal makes male fertility clinic a department of Beaumont

BY JAY GREENE

CRAIN'S DETROIT BUSINESS

William Beaumont Hospitals in Royal Oak has signed an agreement to take over management of St. Clair Shores-based Michigan Institute of Urology's male fertility clinic in Troy.

Under the agreement, Beaumont has leased MIU's 4,000-square-foot fertility clinic, which opened in 2008, and is operating it as a hospital department, said Eric Hunt, Beaumont's vice president of ambulatory services.

Alphonse Santino, M.D., MIU's president, said no cash was exchanged in the transaction. However, Beaumont agreed to spend several hundred thousand dollars in advanced outpatient medical surgical technology and use its brand name to market the clinic in Michigan, Ohio and Indiana, he said.

The Beaumont Male Urology and Fertility Center, 130 Town Center Drive, is the first fertility clinic in Michigan to be located adjacent to a female infertility center, the two-physician Reproductive Medicine As-



Hunt

Santino

sociates of Michigan, Santino said.

"We wanted to have a state-of-the-art center and work with reproductive endocrinologists (obstetrician-gynecologists) who are involved with infertility," Santino said. "It is much more convenient for patients and doctors to have everything so close together."

Most male and female infertility clinics are located some distance apart. Couples who are undergoing in vitro fertilization procedures with fertility complications are generally responsible for transporting the sperm to the IVF center.

"In a typical procedure, on the day of IVF the ob-gyn would extract the eggs from the wife and we

would obtain the sperm from the husband," said Richard Bennett, M.D., one of MIU's four urologists at the Troy clinic. "Before, we would need family members to pick up and deliver it. Now this makes it much more convenient."

Bennett said there is a two-hour window after the sperm is extracted to have the IVF procedure completed.

Bradley Miller, one of the two obstetrician-gynecologists with Reproductive Medicine, said the arrangement with MIU and Beaumont will help grow the specialty practice.

"We have been slowly increasing (in vitro fertilization procedures) since we opened in 2007," Miller said. "We are up over 250 IVF cycles."

To further increase fertility and urological services at the Troy clinic, however, Santino needed a hospital partner to provide necessary capital equipment and specialty nurses. A hospital partner also could increase the number of referring physicians to the center, he said.

Beaumont's startup costs for the clinic totaled about \$400,000, including a \$120,000 operative microscope and a \$65,000 anesthesia machine, said Earl Doucet, Beaumont's administrative director who is overseeing the project.

"It helps having Beaumont bring in equipment because it would be very expensive for doctors to buy it," Santino said.

In addition to MIU's four urologists who specialize in male fertility services, Beaumont has about 15 urologists trained in fertility services who could practice at the clinic. MIU has a total of 36 urologists, and Beaumont has about 60 urologists on staff.

Beaumont also will employ a 12-member staff at the clinic, including six specialty nurses. MIU's employees have been reassigned to its other offices, Santino said.

Over the next several weeks, Beaumont and MIU will develop a marketing and advertising campaign to patients and physicians to increase the 15 to 30 patients per week who currently use the clinic.

"We want to reach out to (physi-

cians in) northern Michigan, Ohio and Indiana," Hunt said.

Bennett said Beaumont's equipment, nurses and other specialists also allow the clinic to conduct additional fertility and urological procedures.

For example, Bennett said urologists can now perform microsurgical testicular sperm extraction procedures using the microscope. This procedure is conducted for men with very low sperm counts who are going through IVF.

Other procedures available at the clinic include microscopic bilateral varicocelectomy, a common fertility outpatient procedure that works to increase sperm count, and a vasovasostomy, or a vasectomy reversal.

Beaumont also has leased 5,500 square feet of the second floor of MIU's 40,000-square-foot medical office building in Troy to centralize its physician credentialing services for its three hospitals. The credentialing center is expected to open Feb. 15.

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'Biggest Loser': Show adds a bit of muscle to local economy

From Page 1

Andiamo Restaurant Group reported an even bigger bump of "Loser"-related business. The company in February launched its Andiamo Lean selection of seasonally updated, gluten-free meals with 600 calories or fewer and used Helen Phillips in several public appearances to promote the menu starting in June.

He estimates half of all the Andiamo Lean orders during the year, or more than 60 a day across all 10 local Andiamo restaurant locations, were tied to its promotion efforts, including the Phillips appearances. At menu prices of \$19-\$29 per meal, that could mean up to \$400,000 in 2009 revenue.

"If we continue to do promotions, we'd probably continue it with Helen," he said. "She's close by in Sterling Heights, she's been a great cheerleader for the program, and some energy for it."

Vicari also said the restaurants saw a bump in business the week after a contestant "reunion" program in November that featured the contestants dining with trainer Jillian Michaels at Andiamo Dearborn.

"It was great visibility, but it was on almost immediately before Thanksgiving, so people were going to dine at home for the holiday, and we didn't expect much of an effect," he said. "But, the week following the show we still saw a spike in business from diners who had seen us. People still remembered (watching)."

Austin, Minn.-based Hormel Foods Corp. made local media buys as part of an 11-city, four-week advertising campaign in September

and October.

Some of those ads featured seventh-season finalists Ron and Mike Morrelli, father and son, of South Lyon endorsing Hormel's Jennie-O Turkey Store product line. Jennie-O is a "Biggest Loser" program sponsor, and hired BBDO Minneapolis to create and produce the ads.

A Hormel spokesman at the Chicago office of PR firm Burson Marsteller would not give specific figures for the value of Hormel's campaign, but said local media buys often run in a six-figure range.

Phillips, who claimed the \$250,000 grand prize at the May 12 finale of the show's seventh season, said her success led to several motivational speaking events for businesses, nonprofits and churches. In addition to Andiamo, she also has traveled to make public appearances about healthy living at the Boston Health and Fitness Expo and the 2009 Toronto Can Fit Pro convention.

She said she plans to add some of the fees she collects as a motivational speaker toward her prize money to use as seed money to start a local spin and wellness center. Corporate events generally net her \$7,000-\$8,000, while nonprofits and community center appearances are done for a smaller fee or for free.

"At my corporate functions I try for the message that getting people in the workforce healthier together gives them hope. And there is a sense of camaraderie that builds when people are training and get-

ting healthier together that is tough to do in any other environment within business," she said. "And when you get healthy together, you can't help but see business improve."

"A few gyms and health club businesses still haven't fully understood the 'Biggest Loser' brand."

Pete Thomas, WinningMan.com L.L.C.

Jill Carmen, senior press manager for NBC in Universal City, Calif., and publicist for the show, said contestants frequently land new careers or start new businesses out of the life-changing effects of major weight loss.

"Certainly that's part of the effect of the show. It's not uncommon for the people who were past contestants to go on to become motivational speakers, or get certified as personal fitness trainers, or go into business for themselves in (a health-related) profession," she said.

Also starting a new business after his appearance was Pete Thomas, winner in 2005 of the second-season "at home" weight loss competition among contestants who are eliminated during production but continue their weight loss before returning to the season finale.

Thomas launched Ann Arbor-based WinningMan.com L.L.C. about two years ago, after dropping from 401 to 216 pounds on the show and maintaining an average weight of about 240 ever since.

The exposure caused Thomas to develop and market a 10-12 week series of weight loss classes called "Lose It Fast Lose It Forever" for the Ann Arbor Public Schools Community Education and Recre-

ation Department, and a related "Winning at Wellness" class hosted by CitiMortgage at its Ann Arbor offices. He also is completing his certification to become a personal trainer.

Thomas estimates 2009 revenue for WinningMan.com is above \$25,000 between the classes and a series of public speaking events he has taken both in Michigan and elsewhere. But he notes that some businesses see "Biggest Loser's" potential more than others.

"A few gyms and health club businesses still haven't fully understood the 'Biggest Loser' brand," he said. "This is a program with a regular viewership of 10 million and \$100 million in annual branding revenue, seen in 90 countries, but when I speak to health club trainers or staff, some haven't really watched the show. The recognition is still coming along."

Catherine Munaco, managing partner at the West Bloomfield franchise of Coach Me Fit L.L.C., said her five employees are billing for far more training hours today than when she opened the business in June 2008, and business accelerated after her company trained eliminated seventh-season contestant Joelle Gwynn. The Cremins of season six also did some training at a Coach Me Fit franchise in Birmingham.

"We definitely saw business grow a lot in the spring, when that season of the show was airing," she said. "But it's hard to quantify that, or say how much of that was tied to training Joelle, because we were also coming off a hard winter when people weren't spending after the markets collapsed (in September 2008), and we were also doing some other cross-promotions."

Ron Morrelli, a South Lyon City Council member and finalist in the seventh season, said he and son

Mike Morelli went on to make the Jennie-O ads and some local appearances for Novi-based Better Health Market Inc.

Better Health Market marketing and purchasing director Ted Jervis confirmed that product sales generally tripled on the days of the Morellis' appearances, leading to a sales bump of more than \$20,000. More than 100 people turned out to attend those speaking appearances, he said.

Morelli also has served as a spokesman for Pittsburgh-based sleep aid products vendor Phillips Respironics, another "Biggest Loser" sponsor, while Mike went on to pursue certification as a fitness trainer and is a student at Michigan State University.

The father-son team lost a combined 399 pounds during the seventh season.

A former food distributor business owner, he estimates that the income from all the Morrellis' "Biggest Loser"-related endeavors might be \$40,000-\$50,000 so far, but he expects local economic impact for Detroit to escalate in 2010.

"Looking ahead, where I think the show really pays off is the number of us who have come home now and want to pay it forward," he said. "The people who kept the weight off and changed their lives are going to continue to do more, and I expect in terms of business there will be more to talk about by this time next year."

"Biggest Loser" viewership generally averages around 10 million per week but climbed much higher during the finales of seasons seven and eight, on May 12 and Dec. 8, Carmen said. Season seven had six local contestants, and while season eight had none, the new season includes two cast members from Ann Arbor.

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