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# Big Boy in talks to sell company

Elias Bros. Restaurants Inc., which owns the Big Boy chain, is negotiating with a group of investors interested in buying the company.

CEO Anthony Michaels confirmed the Warren-based company has whittled down a list of potential buyers to one group, but he wouldn't identify any of the players.

"What's going on is that we were talking to some groups, and we're talking to one now," he said. "There are things happening that are confidential. Beyond that, there's no comment from me."

Elias Bros. Restaurants has cut list of suitors to one, CEO says

by **TERRY KOSDROSKY**  
*CRAIN'S DETROIT BUSINESS*

A source familiar with the negotiations said the two sides have an agreement in principle, but the deal has not closed. The sale talks involve the rights to franchise Big Boy, company restaurants and a food manufacturing center in Warren, said the source, who also would not identify the potential buyer.

"This sale will be the entire company, lock, stock and barrel," said the source, who didn't want to be identified.

An industry source, who also didn't want to be named, said one of the investor groups interested in buying the company included an Elias Bros. executive.

Michaels declined to comment on the identity of any buyer and wouldn't indicate whether an insider was involved.

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## Developers plan offices in Plymouth, Northville

by **LESLIE GREEN**  
*CRAIN'S DETROIT BUSINESS*



Two developers are seeking site-plan approval to build nearly 900,000 square feet of office space near Haggerty and Five Mile roads in Plymouth and Northville townships. Project costs could reach \$170 million.

Bloomfield Hills-based **MAV Development Co.** has proposed the 650,000-square-foot Plymouth Lakes Corporate Park for 60 acres on the southeast corner of Haggerty and Five Mile roads in Plymouth Township. The project cost is an estimated \$150 million, said Neal Warling, a senior vice president at brokerage Grubb & Ellis Co. in Southfield.

MAV's president is Michael Vlastic, president of Vlastic Investments. Bingham Farms-based **Burton-Katzman Development Co.** wants to build a \$20 million, 235,000-square-foot office park on 21 acres on Haggerty north of Five Mile in Northville Township.

Warling said Plymouth Township's planning commission approved MAV's 11-building project as a planned unit development in May. The zoning allows tenants to use some space for research and development and commercial purposes as well as for offices. The plan goes to the township board for preliminary site-plan approval next month.

The buildings would range from 16,000 square feet to 125,000 square feet, according to the site plan. If the plan is approved, space would be leased for \$17 a square foot, Warling said. The developer is looking for build-to-suit opportunities. There would be three parking structures totaling 449,610 square feet.

Warling said MAV hopes to begin the infrastructure this fall and complete the project in five to seven years.

## Tersigni to quit St. John to focus on Ascension duties

by **DAVID BARKHOLZ**  
*CRAIN'S DETROIT BUSINESS*

Anthony Tersigni intends to resign as president and CEO of **St. John Health System** in Detroit in the coming months to handle additional responsibilities with St. John Health's parent company, **Ascension Health**.

Tersigni was promoted in June to head the \$2.3 billion Great Lakes Division of St. Louis-based Ascension Health.

St. John Health is a \$1.4 billion unit of the Great Lakes Division. Its flagship operations are St. John Hospital and Medical Center in Detroit and Providence Hospital and Medical Centers in Southfield. Ascension Health is the nation's largest Catholic hospital company, with \$6.5 billion in revenue.

In a statement to *Crain's* last week, St. John Health said it intends to conduct a national search to replace Tersigni. Tersigni plans to stay involved at St. John Health to ensure a smooth transition.

He also is expected to continue to live in the Detroit area because the Great Lakes division comprises the Michigan operations of Ascension Health, including Genesys Health System in Flint, Borgess Health Alliance in Kalamazoo and St. Mary's Medical Center in Saginaw.

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# Schostaks buy Burger Kings, drop takeover

by **TERRY KOSDROSKY**  
*CRAIN'S DETROIT BUSINESS*

A partnership run by the principals of **Schostak Bros. & Co. Inc.** and an Indiana restaurant company it tried to acquire through a hostile takeover have reached a tentative deal to end their war.

**Quality Dining Inc.** of Mishawaka, Ind., will sell **NBO L.L.C.** 18 Detroit-area **Burger King** restaurants in return for \$9.8 million in cash, 800,000 shares of Quality Dining stock and a promise from NBO to drop a shareholder lawsuit. The 18 Burger King stores are run by Quality Dining, which also is a franchisee of Chili's, Papa Vino's, and Grady's American Grill.

Southfield-based NBO, also a Burger King franchisee, attempted two hostile takeovers of Quality Dining (Nasdaq: QDIN) this year. NBO owns 9.8 percent of Quality Dining's stock and twice offered to buy the rest of the 11.08 million outstanding shares for \$5 a share or \$55.4 million.

Each offer was rejected. NBO also couldn't persuade Quality Dining management to drop a poison-pill provision that allows the company to issue free shares to dilute a hostile

takeover bid. NBO management owns nearly 30 percent of the stock.

Quality Dining CFO John Firth said the company wanted to end a costly fight with NBO.

"This will be a huge win, because we will be through wasting money," Firth said. "We were required to spend about \$1 million over the past seven or eight months through their hostile tenders and litigation. That was wasted money."

He said Quality Dining also was interested in the deal to pare down its debt.

Firth said that in a separate deal, Quality Dining CEO Daniel Fitzpatrick will sell NBO the real estate to three of the 18 Burger Kings in return for 300,000 shares.

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# Ann Arbor firms win \$40M in VC

**by MATT ROUSH**  
***CRAIN'S DETROIT***  
***BUSINESS***

Two AnnArbor software companies are in the midst of raising more than \$40 million in venture capital to help them grow. Both **HarmonyCom Inc.** and **SolidSpeed Networks Inc.** say their next rounds of funding should meet their financial needs to the end of next year.

HarmonyCom, established in Israel in 1998, sells software to help telecommunications companies fill orders more quickly and efficiently.

SolidSpeed, meanwhile, had its start in Ann Arbor last November and plans a nationwide network of computers near key junctions in the Internet to help its clients' Web sites load faster, making for happier Web surfers and customers.

"SolidSpeed enables us to have our Web page load up twice as fast as it used to on just about any browser," said Michael O'Leary, director of operations and Internet activities at **Little Professor Book Centers L.L.C.** in Ann Arbor.

"I'm very happy with it. Our page is very graphically intense because it has a lot of book jackets on it, and that can take quite awhile to

load up. It was taking about 11-12 seconds previously, at least on my system here at work, and it's under 5 right now."

In the SolidSpeed system, frequently used portions of a Web page are stored in multiple locations around the Internet. When a Web page is called up, SolidSpeed automatically searches for the least busy location and loads the content from there.

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## Tire sellers hope recall turns rubber into gold

by **BRENT SNAVELY**  
**CRAIN'S DETROIT BUSINESS**

The massive recall of **Bridgestone/Firestone Inc.** tires accelerated sales and stress last week at metro Detroit's wholesale tire distributors and retail stores.

"We are going to sell thousands of tires as a result of this ... tires that we wouldn't have sold had this not happened," said Greg Burt, general manager of Troy-based **Tire Wholesalers Co.**, a tire distributor.

Burt said it is too early to tell whether the sales boost from the recall will have a tangible impact on the company's anticipated \$20 million in year-end sales.

Bridgestone/Firestone announced on Aug. 9 the recall of 6.5 million P235/75R15 ATX and ATX tires as well as 15-inch Wilderness AT tires made at a plant in Decatur, Ill.

The action came 100 years and six days after the founding of Akron-based Firestone Tire & Rubber Co. It is the second-largest tire recall in the industry's history, following the recall of 14 million Firestone 500 tires in 1978, according to *Tire Business*, a sister publication to *Crain's Detroit Business*. The recent recall could become larger, depending on the outcome of an investigation by the **National Highway Traffic Safety Administration**.

Though independent tire stores say many customers are accepting Bridgestone/Firestone brands as replacements, the brands in highest demand are Goodyear, Michelin, Uniroyal, BFGoodrich, Cooper, Pirelli and General.

"I haven't had a single soul ask for Firestones," said Dan Somers, sales manager for **OTR Tire Co.**, a tire distributor and retail store in Livonia.

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