CRAIN'S DETROIT BUSINESS

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ON TAP AT THE BOOK TOWER



Clockwise from top: A rendering of Kamper's Rooftop Bar, Le Suprême, izakaya- and omakase-style restaurant Hiroki-San and European-style cafe and bar Bar Rotunda. I METHOD, JAY DAVIS, BEDROCK

Full slate of food & drink spots nears opening | By Jay Davis

he recently remade and reopened Book Tower building is getting closer to seeing the opening of its roster of dining and drinking venues, including a rooftop bar and event space and a European-style cafe to go along with its newly opened French-style brasserie.

The Book Tower — one of Detroit's oldest, more recognizable properties at 1265 Washington Blvd. in downtown Detroit — over the next 60 days will welcome a rooftop bar and lounge called Kamper's, sake bar Sakazuki and izakaya- and omakase-style restaurant Hiroki-San. All are to open later this year.

Bar Rotunda, the all-day European-style cafe and bar is slated for an opening yet this fall on the ground floor of the historic building.

In addition, a large-scale rooftop space with a view of downtown Detroit and room for up to 200 guests is available to book for events like conferences and weddings. The new entertainment spaces will join French-style brasserie Le Suprême, which opened in August.

Philadelphia-based hospitality group Method Co. operates the new Book Tower bars and restaurants. Method is behind award-winning hospitality concepts such as Philadelphia's Wm. Mulherin's Sons and Hiroki; The Pinch in Charleston, S.C.; and The Quoin in Wilmington, Del.

See BOOK TOWER on Page 17

UAW strike casts cloud over state

Uncertainty hits economic development plans

By Kurt Nagl

The United Auto Workers' intensifying strike against the Detroit 3 automakers and uncertainty clouding the industry transition to electric vehicles has put a damper on economic development as car companies and suppliers rein in spending and reevaluate projects.

Ford Motor Co.'s pause of a \$3.5 billion electric vehicle battery plant in Marshall stunned officials last month, but the Dearborn-based automaker isn't the only one pumping the brakes on business deals amid union negotiations.

Automotive companies at every level from OEMs to sub-tier parts makers have stopped or significantly curtailed non-necessary spending, according to several impacted companies and industry observers, as the financial toll of the union's growing work stoppage reverberates through the supply chain. Executives began shoring up their rainy day funds months in advance of the labor contract deadline Sept. 14, said Greg DeGrazia, principal at Detroit-based Miller Canfield, whose practice focuses on intellectual property in automotive and manufacturing.

"A couple of months ago, before the strike hit, some of my automotive clients were already pulling the plug or delaying spend," DeGrazia said. "Most definitely, spending is cut back until this gets resolved."

See STRIKE on Page 15

UM's new Al tools gain popularity

2 months after debut, program being adopted by students, professors

By Anna Fifelski

Two months after the debut of the U-M GPT AI, the program is already revolutionizing the way students at the University of Michigan learn and the way professors teach.

UM President Santa J. Ono announced the new program on Twitter on Aug. 21, days before the start of the fall semester. Upon its launch, UM became the first higher education institution in the world to develop a custom university-based generative AI tool. While opinions on artificial intelligence use on campus remain divided, many students and professors are embracing the new program. Professors are integrating U-M GPT into their lectures and students are using it for help on their assignments.

"When Open AI announced its product, I wanted to make sure that our community was ready for this," Ravi Pendse, vice president for information technology and chief information officer at UM said Thursday. "Michigan leads the world in things like that and we need to be really thoughtful about how we think about this new technology because it is going to disrupt every field that we are in.

See GPT AI on Page 16





Lavish estate in Oakland County headed to auction

By Nick Manes

An Oakland County mansion will seek new owners through an auction process starting this week.

The "Le Rêve" estate on 22 acres in Oakland Township northwest of downtown Rochester is set to head to auction Monday with bids starting at \$2.5 million, according to a news release from Interluxe, the luxury home auction platform handling the process. Built in 2005 by Rochester-based Vito Anthony Homes and designed by architect Dominick Tringal, the "country estate" has more than 16,000 square feet and was initially listed at an asking price of \$11.5 million, but will now instead head to auction at the direction of the estate's trustee, according to the release.

"The Michigan Le Rêve Estate offers a blend of luxurious amenities that are simply unparalleled," Scott Kirk, president of Interluxe Auctions, said in the release. "This auction presents a rare opportunity for judicious buyers to acquire an estate that defines sophistication and opulence."

Selling a home at auction, as opposed to putting it on the market, can provide several advantages, according to the National Association of Realtors. That includes providing more assurance that the home "will be sold at true market value" and creating more competition among the buyer pool as the "auction price can exceed the price of a negotiated sale."

French for "the dream," the gated Le Rêve estate offers myriad high-end amenities, according to the release. That includes:

Cathedral ceilings.An entertainment parlor complete with a full bar.

A Renaissance-style library.

A "lavish" home theater.

Hand-carved wooden archways, hand-painted ceiling frescos and gold-leafed accents.

The home also boasts a heated indoor pool, spa, steam room and sauna, while the exterior grounds include a tennis court, conservatory, gazebo and bowling lawn, as well as a "formal English boxwood garden."

The online auction at Interluxe's website is being offered in cooperation with Vito Pampalona of Vito Anthony Homes, the builder of the home. A listing also shows Pampalona, who did not respond to a message seeking comment, as the selling agent.

"Interluxe's unmatched expertise in luxury real estate and vast network of qualified buyers were decisive factors for why we chose the auction route," Pampalona said in the release. "Their platform makes them the ideal partner to



The exterior grounds of Le Rêve estate in Oakland Township include a tennis court, conservatory, gazebo, bowling lawn and formal English boxwood garden. | INTERLUXE AUCTIONS

showcase this unique property." Property records for the home show all taxes as being up to date.

The Oakland Township area has long been a hotbed for newer, large and often elaborate mansions in metro Detroit. Some significant listings, however, have been slow to sell.

That includes a large, custom-built Normandy-style French Tudor home on the market since June with an asking price of \$7 million, as well as a 6,100 square foot castle-style mansion, now seeking an asking price of \$2.35 million. **Corrections**

A story about El Car Wash in the Oct. 9, 2023, issue incorrectly referred to Justin Landau's title, which is co-CEO of El Car Wash alongside Geoff Karas. A story about Croptober cannabis harvesting in the Oct. 9, 2023, issue misspelled attorney Myles Baker's first name.

SPONSORED CONTENT

3 Ways to Tackle Supply Chain Cybersecurity Risks

By Mike Kosonog

In our increasingly digital global economy, companies across various industries face growing cybersecurity risks in their supply chain. Locally, we are acutely attuned to disruption with our supply chain-dependent industries. Cyber threats in supply chain may come from software that's brought into an organization, or software products that a company puts into the marketplace. It may be a matter of protecting physical goods from beginning to end in your supply chain, or the risks may stem from the many third-party suppliers that access a company's systems.

In a recent Deloitte survey of more than 1,000 executives, almost half (45%) of respondents say they expect an increase in the number and severity of cyber-attacks on their supply chain. Already, 34% of organizations report that they have experienced one or more supply chain cybersecurity events in the past year, according to the survey.

How can organizations be better prepared? A framework with these three specific features can help a company improve supply chain security:



1. Intelligent monitoring and orchestrated response You can't stop what you can't see —

which makes continuous monitoring of business-critical third parties for cybersecurity risk vitally important. Predictive risk analytics can help identify that the right threats are being examined. Then, there should be a defined response playbook to ensure that mitigation is quick and effective.

2. Zero Trust access for third parties and suppliers

Monitoring that third-party access to your systems doesn't create a security risk is important, and controls need to account for physical, electronic, and system-to-system access. The leading practices of a Zero Trust approach should be followed, including continuous monitoring of user and device behavior. Access provided to third parties should be temporary and fine-grained.

3. Product and software supply chain security

Appropriate cybersecurity controls need to be in place for both digital and physical assets along the supply chain. Software testing and analysis should include an assessment of its provenance and a software bill of materials. Risk-based product security testing and data analysis also play roles.

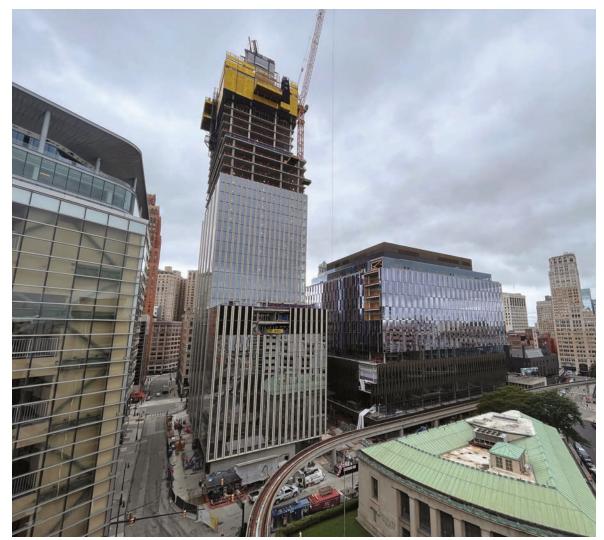
Taken together, these measures can help to provide an organization with the ability to visualize cybersecurity threats in real time along the supply chain and deploy appropriate controls. This can provide protection from third-party and supplier risks and boost resilience in the face of cybersecurity challenges.

The threats are real, and corporate leaders know they are growing. Leading organizations are working — right now — to develop proactive capabilities to detect and mitigate supply chain security risks.



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CRAIN'S CONTENT STUDIO



The Dan Gilbert-led development on the former J.L. Hudson's department store site downtown in early August 2023. I KIRK PINHO

Bedrock working with NYC luxury brokerage

Gilbert-owned company taps Douglas Elliman to lure condominium buyers to purchase at Hudson's site | By Nick Manes and Kirk Pinho

mid a soft Detroit condo market, Bedrock LLC has tapped a large New York City brokerage to market the units at its signature development, Crain's has learned.

Billionaire Dan Gilbert's Detroit-based real estate ownership, development, management and leasing company is staying mum on specifics on the nearly 100 condo units it plans to sell at the Hudson's site skyscraper project in the city's central business district. But Bedrock's CEO, Kofi Bon-

but Bedrock's CEO, Kon Bonner, did confirm to Crain's recently that the development company is working with luxury residential brokerage giant Douglas Elliman to sell the condo units.

Spokespeople for Bedrock and Douglas Elliman did not respond to Crain's requests for comment for this report.

See HUDSON'S on Page 16

"We are working on what I have always considered to be the exclamation mark of Woodward Avenue, Hudson's."

— Kofi Bonner, CEO, Bedrock

Sue Mosey retiring from Midtown Detroit

Area advocate to leave role at end of year

By Kirk Pinho

The head of Midtown Detroit Inc., and longtime area advocate Sue Mosey is stepping down from her role effective at the end of the year.

Now Midtown Detroit's board embarks on a search for

a new executive director to attempt to fill the forthcoming void that will be created when Mosey's last day arrives.

Mosey confirmed her pending Dec. 31 retirement in an email Wednesday morning, **Sue** saying she has "been planning this for a year or so."

She says she doesn't anticipate fully stepping away from work in the area.

"I will likely stay engaged in our Cultural Center Planning Initiative work in 2024 and plan to volunteer time next year to assist a number of our developers and small businesses as needed to keep their projects moving forward," Mosey wrote. "Midtown Detroit Inc. has been unwinding our real estate portfolio over the last couple of years in anticipation of my retirement. The organization will continue to focus on small business support, economic development advocacy and community programming and services."

Mosey said a succession plan by the 10-member executive committee of the Midtown Detroit board has been in discussions, although the plan has not been submitted for final board approval yet.

"I imagine this will happen over the next month or so," Mosey wrote.

Mosey has been one of the most influential people the last several decades in Detroit's commercial real estate industry, and challenges over the years. Building up Midtown Midtown Detroit is a nonprofit responsible for community development, marketing, real

nonprofit responsible for community development, marketing, real estate, small business development and arts programming north of Mack Avenue/Martin Luther King Jr. Boulevard spanning up to the New Center area and

championing and helping spearhead an area that includes sever-

al different enclaves, each with

their own character, triumphs

elsewhere.

What is now Midtown Detroit came in 2011 through the merger of what was then Mosey's University Cultural Center Association (founded in 1976) with the New Center Council Inc. (founded in 1980) to create the organization as it's known today. That effort made her one of Crain's Newsmakers of the Year at the time.

This past May, the Michigan chapter of the Urban Land Institute awarded Mosey its Lifetime Achievement Award during a reception at the Fisher Building. Others to receive that award in the past have been A. Alfred Taubman, Jerome Schostak, Sidney Forbes, Dan Gilbert, John Rakolta Jr. and other commercial real estate and business powerhouses.

Mosey has been talking openly about her future retirement for some time.

"I'm not gonna be here that much longer because I'm getting old, to be honest," Mosey told Crain's in a podcast interview that was posted in November 2022.

See MOSEY on Page 16

State lawmakers eye tax credits for student loan payments

By David Eggert

Lawmakers have an idea on how to grow Michigan's population: Give young people — and businesses — tax breaks for student loan payments.

Legislation introduced in August would let residents claim an income tax credit of 50% of the amount they paid on their student debt during a tax year if they have graduated from a Michigan high school or received a bachelor's, master's or other graduate degree from a public or private college in the state. People who have not graduated from a Michigan high school or college but have relocated to the state could claim a credit of 25%.

Businesses that make loan payments on behalf of their employees would get a 25% or 50% credit depending on from where the workers graduated. People and companies could claim credits within 10 years of graduation. The maximum credit for a tax year would be no more than 20% of the average yearly tuition to attend a Michigan public university.

It is not a new concept. One of the sponsors of House Bills 4933-34 and 4936-37, Democratic Rep. Phil Skaggs of Grand Rapids, said the plan is based on previous Democratic-sponsored legislation, including a measure that was co-sponsored by then-Sen. Gretchen Whitmer. The proposal would take effect starting in the 2024 tax year.

See LOANS on Page 16



Rep. Phil Skaggs, D-Grand Rapids, shown at a House session in March, is sponsoring legislation that would give tax credits to people and businesses that make student loan payments. | DALE G. YOUNG



REAL ESTATE INSIDER

Plans emerge for two office buildings sold by Comerica

In the year since Comerica Inc. said it would sell off its vacated suburban office buildings as part of a space consolidation, it is making good on that promise.

Comerica is leasing 340,000 square feet in Farmington Hills that it is build-

ban

owned

ing out, down-

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its large subur-

into one loca-

tion across two

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buildings

footprint

bv



Kirk **Pinho**

B l o o m f i e l d Hills-based Kojaian Management Corp. on Corporate Drive near 12 Mile and Halsted roads.

As a result, it put three buildings up for sale with the Southfield office of fellow Dallas-based company, CBRE Inc., marketing them to new ownership.

In the last several months, Comerica has unloaded two of those three buildings to new ownership. **) 39200 Six Mile Road in Livonia:** a 382,000-square-foot building at Haggerty Road. The building sold to Birmingham-based Markus Management Group for \$21.1 million last month, according to CoStar Group Inc., a Washington, D.C.-based real estate information service.

Markus Management wants to tear down the building and bring a host of new uses to the 22.3-acre site, including a new Whole Foods Inc. grocery store, a five-story, 170-unit apartment building and a four-story, 101-room extended-stay hotel, according to marketing materials for the proposed development, referred to as The Shoppes at College Park. Mid-America Real Estate Inc. has the listing on the development.

Several other smaller buildings, including a 35,300-square-foot fitness club, and retaining the existing 357-space parking deck are part of the broader vision for the property.

Doraid Markus, head of Markus Management, said Whole Foods is a signed tenant on the project.

Markus said he hopes to have city of Livonia approvals by the time Comerica vacates the building at the end of the first quarter 2024, with work to start immediately after, including on office building demolition.

The retail space, including the

new grocery store, would start as part of the project's first phase, with the hotel and multifamily space beginning later, Markus said.

▶ 3501 Hamlin Road in Auburn Hills: In July, Michigan United Credit Union paid \$3.9 million for Comerica's 31,000-square-foot building there.

Andy Staley, CEO and president of the Birmingham-based credit union, said what started out as Birmingham-Bloomfield Credit Union has grown as it has gone through three mergers with other credit unions the last three years.

"We needed more space," Staley said. "We went from basically having two branches, we have eight now and this (in Auburn Hills) will be our ninth."

The Auburn Hills branch is slated to open in April, following a non-compete period after the building sale, and the new headquarters, which will have 40 employees with office room to grow, is slated to open once a certificate of occupancy is issued.

▶ 3551 Hamlin Road in Auburn Hills: Next door to the MUCU building, the Canton Township office of warehouse/distribution center powerhouse Ashley Capital has been working on purchasing the 198,000-square-foot building.



A rendering of the proposed Shoppes at College Park in Livonia, a mixed-use development that would replace a Comerica Inc. office building at Six Mile and Haggerty roads with, among other things, a Whole Foods Inc. grocery store. I BOWERS + ASSOCIATES INC.

Susan Harvey, who leads Ashley Capital's local operations, said last week in an email that the property remains under contract. This summer, she said her company's efforts to buy it were driven by a lack of larger buildings in the Auburn Hills area that would suit larger tenants looking to move or relocate.

In addition to the Comerica building that would be vacated, Ashley Capital expects to build a r o u g h l y 100,000-square-foot R&D building on the surface parking lot. If additional parking is still needed, a deck could be supported on the site, Harvey said in the summer.

I reached out to Comerica seeking an update on its move.

Another Auburn Hills building, clocking in at 371,000 square feet

at 3701 Hamlin, is not on the market for sale.

Comerica also has a large downtown office building on West Lafayette. Last year, Mike Ritchie, executive vice president and head of national and specialty businesses for Comerica, told me that some employees could end up working out of that building as

Comerica building that would be vacated, Ashley Capital expects to build a r o h g b l v

part of its consolidation.

I hypothesized in April that the bank could be a serious contender for being a large office user in the District Detroit area developments planned by the Ilitch family's Olympia Development of Michigan and Stephen Ross' New York City-based Related Cos.



by both Barron's* and Forbes**

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Michigan offered \$280M to flying taxi plant that chose Dayton

By Kurt Nagl

The Michigan Economic Development Corp. offered Joby Aviation about \$280 million worth of incentives to bring a \$430 million manufacturing plant and 1,824 jobs to Detroit's city airport — but it wasn't enough.

The Santa Cruz, Calif.-based maker of eVTOL (electric vertical take-off and landing) aircraft ultimately chose a site in Dayton, Ohio, for the plant, some 200 miles south of the Coleman A. Young Municipal Airport in Detroit.

Michigan's offer included a \$150 million Critical Industry Program grant and \$92 million in Strategic Site Readiness Program grants, according to a copy of its offer letter obtained by Crain's through a Freedom of Information Act request. Each of the grant programs were to be made available through the state's Strategic Outreach and Attraction Reserve, or SOAR fund, created in 2021 to make Michigan more competitive for big business investments. Democratic lawmakers proposed an overhaul of the SOAR fund last week.

Additionally, the offer to Joby included \$8 million of New Market Tax Credits, \$23.5 million of tax abatements and \$6.2 million worth



Santa Cruz, Calif.-based Joby Aviation manufactures eVTOL (electric vertical take-off and landing) aircrafts. I JOBY AVIATION

of grants for workforce training.

Michigan went after the Toyota-backed aviation company aggressively as part of its mission to diversify the state's business portfolio, said Josh Hundt, executive vice president and chief business development officer for the MEDC. The reliance of Michigan's economy on the automotive industry is laid bare whenever there is a major disruption to it, such as the ongoing United Auto Workers strike against the Detroit 3 automakers.

"We need to build off of our strength and heritage of manufacturing and research and development in the automotive industry. We need to keep that first and foremost," Hundt said. "In order for us to continue to grow, we need to look beyond that to how do we become the home of all aspects of future mobility."

Joby (NYSE: JOBY) was founded in 2009 and went public in 2021 with a \$4.5 billion valuation. It makes a prototype five-seat (one pilot/four passenger) aircraft resembling a giant drone that moves faster and more quietly than a helicopter, with a range of about 150 miles and speeds up to 200 mph.

The state of Ohio, its economic development arm JobsOhio and other local groups offered an incentives package totaling \$325 million.

Hundt said he was unsure what made the company choose Dayton over Detroit. The company declined to comment.

"We recognize that this was a highly competitive project," Hundt said. "Michigan competed with many other states to make it into a finalist position for this project, which I think represents the strength that Michigan has in the advanced manufacturing mobility ecosystem."

Hundt said the Detroit site remains in play for potential future projects. Mayor Mike Duggan has pushed for years to redevelop the airport.

Detroit, Ann Arbor mayors tout partnership effort

By Anna Fifelski

The cities of Detroit and Ann Arbor are putting aside the competition of the past and joining forces to make Southeast Michigan a destination for investment dollars and technology.

Michigan Central and Ann Arbor are co-applicants in the U.S. Economic Development Administration's "Regional Technology and Innovation Hub Program," also known as "Tech Hubs." Five Michigan regions are among those competing for a share of \$10 billion in funds, which will be split between 20 tech hubs across the U.S.

The resulting Detroit-Ann Arbor Mobility Tech Hub would be a way to attract and retain startups to the region, and as a result, bring young people to the state of Michigan, said Ann Arbor Mayor Christopher Taylor.

"This partnership creates opportunities for the entire region," Taylor said last week in an appearance at Michigan Tech Week in Ann Arbor. "We tend to be a little more on the startup side rather than the long-term side here in the city of Ann Arbor, and that is the nature, I think, of a landmark university community. In order to help the community — to make a place where people want to stay we'll be working together."

Taylor and Detroit Mayor Mike Duggan on Tuesday discussed ways the two cities are attracting people to the state in a conversation moderated by Hilary Doe, the chief growth officer for the state of Michigan.

Michigan Central is a 30-acre mobility innovation district in Detroit's Corktown neighborhood" that has its own operations as an LLC, a subsidiary of Ford Motor Co., as well as its own not-for-profit philanthropic arm and business association. Ann Arbor is the home of the University of Michigan and Mcity, the world's first purpose-built proving ground for testing the performance and safety of connected and autonomous vehicles under real-world condi-

"We'll work off each other's strengths and win this thing."

— Detroit Mayor Mike Duggan

tions.

"We're going to be one of the 20," Duggan said. "We'll work off each other's strengths and win this thing."

The first round of applications were due Aug. 15.

Five regions in Michigan are competing for the federal designation:Detroit-Ann Arbor Mobility Tech Hub led by Michigan Central.

 Greater Grand Rapids Global Center for Battery Production Innovation led by Grand Valley State University.

• Materials Advancement and Research Hub based in Lansing and led by the Michigan State Univer-

sity Research Foundation. Discover Blue Consortium led by

Traverse Connect.Skylift led by Western Michigan University.

Attracting young people

The federal grant program comes amid a statewide push to grow Michigan's population. In June, Gov. Gretchen Whitmer established the Growing Michigan Together Council to recommend ways to grow Michigan's stagnant population and to set a target population goal for 2050. Voting members include lawmakers, the director of the state Department of Labor and Economic Growth and people representing business, labor, education, nonprofit and other sectors.

Developing Detroit and Ann Arbor as major points of innovation will help draw young people to the state of Michigan, Duggan and Taylor agreed, though there are other reasons people should choose to live in Southeast Michigan.

Taylor said Ann Arbor is a leader in the state for combating climate change. The actions the city is taking to make it more environmentally responsible also make it a better place to live.

"We are rolling out solar panels, we are supporting EV chargers, we are taking incredible advantage of the Inflation Reduction Act of the United States in order to support the purchase and furnishing of homes, the purchase of solar panels and batteries and (combating) heat loss in people's houses," Taylor said.

Taylor said the city of Ann Arbor is working with the Department of Energy as one of 13 recipients of a geothermal planning grant for a districtwide geothermal site in the Bryant neighborhood.

Duggan said that he has an issue with climate change politics because he believes that it can be performative.

"My thing is, I actually don't care about your speech. What are you doing?" Duggan said. "Here's

Other ways Duggan and Taylor

"In addition to housing and

discussed attracting people to

Southeast Michigan was through

child care and placemaking, trans-

portation is an incredibly import-

ant part of attracting people to a

location," Duggan said. "It's a fac-

tor when people think about

the biggest issue that Detroit has

to improve on, though he is work-

ing on building out transit corri-

dors, to ensure more ease of ac-

where they're going to work." Duggan said transportation is

transportation initiatives.

for the project.

"
what we're doing in the city of Detroit: I want to convert all of the city buildings to renewable energy, solar power fields." cess throughout the metro Detroit area, rather than just downtown.

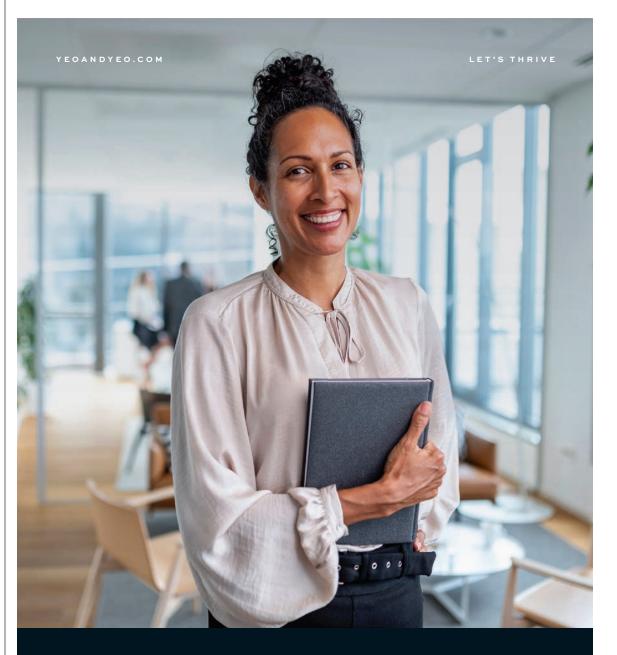
Taylor coupled his climate goals with his transportation goals, citing the city's goal to support nonmotorized transportation structure in the form of adding 25 miles of protected bike lanes in the next five years.

Duggan said he's proud of the progress the city has made during his time as mayor.

"My pitch to anyone thinking of coming to Michigan is: if you have something you want to add to the world or a business you want to start, Detroit is big enough to matter to the world, but it's small enough that you can matter to the city of Detroit," Duggan said.



Hilary Doe, the state's chief growth officer, moderates a panel with Detroit Mayor Mike Duggan and Ann Arbor Mayor Christopher Taylor at Michigan Tech Week. IANNA FIFELSKI



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OPINION

EDITORIAL

UAW putting Michigan at competitive disadvantage

Shawn Fain claimed the UAW won a major victory Oct. 6 when he said General Motors agreed to include battery plant workers in the union's national labor agreement.

The first-year UAW president made the announcement on his weekly live video update on social media, this time sporting a white T-shirt with the words "EAT THE RICH" on the front.

Somewhere, Elon Musk was laughing. One of the richest men in the world, Musk owns Tesla Motors, which has a nonunion workforce whose labor costs are much lower than those of the Detroit 3, a vital advantage the company carries as it leads the way in production of electric vehicles in the U.S.

Fain's excessively confrontational approach is also playing into the hands of foreign carmakers such as Toyota and Hyundai. Their U.S. workforces also are not represented by the UAW, giving those companies lower labor costs as they invest heavily in EVs and look to gain market share.

On Oct. 6, Fain kept referring to the "the Big 3." As we've noted here previously, this isn't the 1950s and the U.S. automakers don't enjoy the dominance they once had.

The Detroit 3 — GM, Ford and Stellantis — are pitched in an existential, global competition to transition their companies to electric vehicles. It is essential for the future of Detroit and Michigan that they



succeed.

As the strike drags on, the UAW's demands risk putting the Detroit 3 at such a competitive disadvantage that the future will be lost.

Fain seems to be enjoying his newfound spotlight a little too much. He looked smug in his T-shirt Oct. 6, using divisive language of class warfare as he claimed a major concession from GM. He gloated as he made note of President Joe Biden's recent visit to a picket line, a move that was incredibly unhelpful for resolving the ongoing contract talks.

Fain wraps himself in the nostalgia of Walter Reuther, the legendary UAW leader, and uses fiery populist language as he positions himself a champion of the American worker. While he may win this battle, his approach is sure to lose the war.

If the contracts the Detroit 3 ultimately agree to saddle them with enormous labor

costs, they will be forced to scale down investments for the future. Over time, that will mean fewer Michigan jobs and, yes, fewer UAW jobs. Already, Ford has pressed pause on its EV battery plant in Marshall as a result of the strike. The ripple effects of uncompetitive labor costs with the UAW will be significant going forward and felt not only in Michigan, but across the Midwest.

So while Fain's rhetoric may sound enticing to some workers today, make no mistake, he will ultimately leave the UAW, and Michigan, in a weaker position for the future if the strike doesn't end soon. Fain may like to think he is preventing a race to the bottom for workers' wages when in fact he is accelerating it by threatening to cripple the very companies that pay UAW members.

The strike is also harming Michigan's ability to attract businesses. Why would companies want to invest in Michigan if this is how they are going to be treated?

Musk moved Tesla's headquarters to Texas two years ago. Toyota and Hyundai are already making major EV investments in North Carolina and Georgia, while Ford and GM are building in Kentucky and Tennessee.

Michigan's future as the automotive capital is far from guaranteed. The strike makes the state less competitive every day it continues, harming both the companies and the workers.

COMMENTARY

Charitable giving incentives empower working families

haritable contributions from individuals and families of all income levels are essential to maintaining a healthy society and ensuring that nonprofit organizations can deliver on their missions. That's why we're encouraging the Michigan Legislature and members of Congress to act swiftly on several important bills — the Michigan Charitable Tax Credit at the state level and the Charitable Act at the federal level.

The Michigan Charitable Tax Credit (SB 127, SB 128, HB 4530, HB 4531) would incentivize families of all income levels to contribute to endowed funds across Michigan, strengthening our nonprofits that continue to face increased needs and high demand.

Nonprofits are tirelessly working on the ground to provide vital support to Michigan children and their families. They play a crucial role in ensuring access to essential resources such as food, shelter, health care, child care, transportation, educational opportunities and more. Throughout the pandemic, our Michigan nonprofits served as front-line responders, addressing unique and unprecedented needs in our communities. Their efforts continue today in urban, rural and suburban communities across our state.

Nonprofits are powered by charitable



Kyle Caldwell (from left) is president and CEO of the Council of Michigan Foundations. **Kelley Kuhn** is president and CEO of the Michigan Nonpro t Association and **Phil Knight** is executive director of the Food Bank Council of Michigan.

giving, and, unfortunately, data shows that giving is sharply decreasing, especially among individuals.

Recent national data from Giving USA shows charitable giving decreased by more than 10% after inflation in 2022, marking the fourth time since 1956.

In addition, the number of households giving charitable donations — particularly those in lower and middle-income levels — continues to shrink. In 2012, individuals gave 74% of all charitable contributions, which dropped to 64% last year. These trends are concerning for the health of nonprofits.

We know charitable giving incentives

can be powerful tools to spur giving. The Michigan Charitable Tax Credit unlocked opportunities for over 20 years by incentivizing families of all income levels to give charitable donations to endowed funds across the state, strengthening our nonprofits. Unfortunately, that credit was eliminated in 2012.

Immediately following the repeal of the tax credit, research by the Dorothy A. Johnson Center for Philanthropy found that from 2011 through 2013, there was a 50% decline in \$400 donations and a 27.5% decline in \$200 charitable donations. Tax credits have a proven track record of encouraging charitable giving in our state. During the pandemic, when Congress enacted a temporary \$300 deduction for cash gifts in response to the pandemic, the Fundraising Effectiveness Project found that 2020 donations under \$250 increased by 15.3%.

Fortunately, bills have been introduced that recognize the importance of tax policy in providing relief to working families who contribute to important causes in their communities.

These bills would allow Michigan taxpayers to claim an income tax credit for donations made to endowed funds at community foundations and donations to food banks and homeless shelters equal to half the value of their donation, up to \$100 for individuals and \$200 for joint filers. Resident estates and trusts could claim up to 10% of their tax liability, capped at \$5,000. Last spring, the Senate passed the two bills with overwhelmingly bipartisan support. Reinstating these credits incentivizes working families to invest directly in their communities.

In addition to the Michigan legislation, we are pleased that legislation (H.R. 3435/S.566) has been introduced in the U.S. House and Senate to restore and expand the charitable deduction for non-itemizing taxpayers. The Charitable Act would increase the cap of the universal charitable deduction to one-third of the standard deduction, roughly \$4,600 for individuals and \$9,200 for joint filers. It would make gifts to donor advised funds eligible for the universal charitable deduction.

Data shows that these tax policies encourage charitable giving and increase resources for nonprofits to better support our Michigan communities. We encourage the Michigan Legislature and members of Congress to act swiftly to reinstate these valuable tools that put money back into the pockets of working families while they invest in their communities.

CRAIN'S DETROIT BUSINESS Write us: Crain's welcomes responses from readers. Letters should be as brief as possible and may be edited for length or clarity. Send letters to Crain's Detroit Business, 1155 Gratiot Ave, Detroit, MI 48207, or email crainsdetroit@crain.com. Please include your complete name, city from which you are writing and a phone number for fact-checking purposes.

Sound off: Crain's considers longer opinion pieces from guest writers on issues of interest to business readers. Email ideas to Managing Editor Michael Lee at malee@crain.com.

Content creation has turned into big business

A Detroiter is working to cash in on trends

By Jay Davis

For Byrd DeLoach-Lucas, content creation is a big part of her life. The 37-year-old Detroit resident has self-published more than 20 books and hosts two podcasts.

DeLoach-Lucas for more than a decade has worked as a licensed practical nurse, making in-home visits to patients to educate them on their medications, diagnoses and more. The medical field has worked out well for DeLoach-Lucas, but she admits there's another road she would've taken earlier had she known it would blow up to the level it has.

"I love creating content. If I would've known marketing and content creation was going to be the way it is now, I would've gone into marketing instead of nursing," she said. "I love being theatrical. I love acting on camera."

Content is queen

DeLoach-Lucas is aware of the world around her. She knows content creation is big business. TikTok has made thousands of stars. You-Tube personalities have millions of followers.

She has used that knowledge to turn her passion into a business.

DeLoach-Lucas' Executive Studio is a space for photographers, podcasters and other content creators to use on the road to putting out their best work. The business, in a second-floor space at 30371 Woodward Ave. in Royal Oak, is also open to entrepreneurs and small business owners.

"Anybody who wants to come in and create content is welcome," said DeLoach-Lucas, who opened her studio on Feb. 4. "We get business owners in here shooting video for ads for their social media. There's podcasters who are here multiple days a week. We did all we could to make the space inviting and a place where people would have everything they need to do their thing."

The wide open, 5,000-squarefoot space previously housed a gym. Byrd DeLoach-Lucas has invested about \$150,000 of her own money in the business. Her husband, Maurice Lucas, has a background in architectural design and built out the space prior for the business. He also handles all of the business' financials.

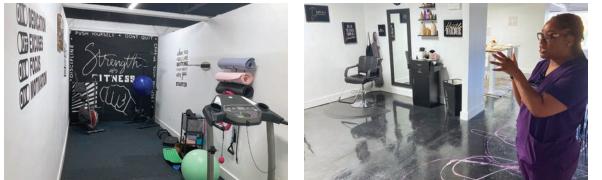
DeLoach-Lucas believes the business is in the perfect spot. It's a few miles north of I-696 and west of I-75 on one of the most visible stretches of roadway in Southeast Michigan.

"We get people from all over coming in," DeLoach-Lucas said. "We haven't had a lot of money for marketing, but when the (Woodward) Dream Cruise was going on, we had so many people right outside that we were able to hand out flyers to a lot of people."

Executive Studio photographer



Executive Studio owner Byrd DeLoach-Lucas (right) and her husband Maurice talk in one of the podcasting spaces in the Royal Oak business. Executive Studio offers nine different pods for content creators and business owners to use. LEXECUTIVE STUDIO



The studio includes nine "pods" available to business owners and content creators and a gym space for fitness influencers. I JAY DAVIS

Joseph "Flash" Parnell has been with the company from the start. The Detroit resident previously spent 11 years with automaker Stellantis.

Working with Executive Studio gives Parnell the ability to freelance and work on outside projects, he said. Parnell joined the Royal Oak business through a mutual friend of his and Maurice Lucas'.

"When I saw they only had one photographer at the time I just latched on," Parnell said. "Even as a freelancer, a lot of the stuff I do comes through the studio because the clients I bring in hear about the space.

"This is my happy place. To be able to come in and get free rein to create constantly is awesome for me."

User friendly

Users of Executive Studio's space have nine "pods" from which to choose, each with its own unique theme:

There are two podcasting spaces — one more laid back with two small cushioned purple couches and another with four seats, lights for video and multiple microphones. Podcast hosts receive engineering assistance and consultation services.

A space for hair stylists and skin care specialists with a styling chair

and all the equipment needed to give viewers the feel of being in a real salon.

• A faux kitchen setup includes a full counter with a white tile backsplash and an island. The stove and oven in the space are not functional.

A gym space includes a treadmill, dumbbells and a bike.

• The studio also includes multiple photography spaces with various available backdrops.

DeLoach-Lucas records her podcasts from the studio. Her shows are on hiatus until later this month.

"For me, setting up the rooms is like writing scenes in a book," De-Loach-Lucas said. "I just thought about the most popular businesses you see on social media, YouTube, and set the spaces up to accommodate that. There's a lot of people who do hair, skin care, so we needed a space for that. Cooking and baking is big, and so is fitness, so the spaces we created just seemed like a fit for who we were trying to attract."

Prices range from \$50 an hour for the podcast rooms and \$40 for 90 minutes for a content pod to \$25 an hour for a photography space. A monthly podcasting membership costs \$175 a month while photography and content creation memberships run \$250 a month. The monthly offerings give members expanded access to the spaces and a set number of bookings each month. Jordan "Preme" Williams launched his podcast, "The Preme Pod," earlier this year. He signed up at Executive Studio for a content creation membership and has recorded an additional nine episodes at the Royal Oak studio.

"The Preme Pod" focuses on discussions that help make listeners and guests "better than they were yesterday" in the context of relationships, business, marketing, music and religion. Williams, who owns and operates Preme Consulting, found out about Executive Studio through a news broadcast.

"That came at the perfect time because I was gonna buy a space somewhere," the Detroit resident said. "Finding that space saved me thousands of dollars.

"(DeLoach-Lucas) has been a saint since I got started. It was a struggle at first learning the ins and outs of podcasts. We went over our time quite a few times, but (De-Loach-Lucas) was always extremely understanding."

Williams is one of 10 Executive Studio members and DeLoach-Lucas said the studio has about 40 creators who drop in on a regular basis each month.

Along with the content creation spaces, Executive Studio also hosts events including movie nights and business workshops. DeLoach-Lucas said open mic nights will resume this fall. "There's really nothing like this around. I found something similar in L.A., Atlanta and Maryland, but nothing (in Michigan)," she said. "There's nothing to compare it to. There are event spaces and things like that, but nothing like what we have here. There's a need for it and we're trying to fill that need."

Grind mode

DeLoach-Lucas is a stickler for keeping an organized calendar. She has to maximize her time between running Executive Studio and working full time as a nurse. She's also mom to her 8-year-old daughter, whom she homeschools.

"I feel like I'm always working, because I have to at this point," De-Loach-Lucas said. "I'm up every day at 5:45 a.m. I start work around 6 a.m. I get the baby up at 7:30 a.m., get her ready. I'm making breakfast and helping her with school, and at the same time I might be making dinner, too, in the Crockpot to save myself some time on the back end.

"I put everything I have into this business. It has to work. So far it's been good. I'm still working in nursing to help pay for (Executive Studio)."

What she's learned from putting her heart into the venture is that things change all the time.

DeLoach-Lucas said the business plan she started with has been revamped more than once. She's changed revenue projections a handful of times, too, and already tweaked membership packages to make them more user friendly.

"I think we're doing well, but when you do something like this, you have to understand that figures, numbers, different things are going to change constantly," she said. "Being able to adapt is probably the most important things I've learned in my short time as a business owner"

Despite the changes, De-Loach-Lucas is still thinking long term.

DeLoach-Lucas says she's already plotting an expansion. She and her husband are looking at land on Grand River Avenue in Detroit for the site of a second Executive Studio. DeLoach-Lucas wants to build the second location from the ground up. A closed-down school could also make a good space for the business, with all the wide-open classrooms and gym, but the renovation work would be too much.

"I know we kind of just got started, but I think there's some momentum there for a second location," she said. "I could see it getting to a point where we franchise and have a host of locations."

DeLoach-Lucas is also working on helping the next wave of content creators.

The business owner in January will offer two programs for kids. An eight-week, \$175 program aimed at youths ages 7-12 will teach the children how to read from a teleprompter and create a script. A still-to-be priced course for teens will teach content creation, photography and cinematography.

For law firms, weed can be a gateway drug to bigger revenues, careers

By Dustin Walsh

Myles Baker is only six years out of law school. In a couple of months, it's likely the associate attorney for Detroit firm Dickinson Wright PLLC will make partner an often-elusive reward for a young lawyer. Baker is only 31 years old.

He has marijuana to thank. Most associates aren't even eligible for partnership, which means higher compensation and revenue sharing in law firms, until they are eight to 10 years into their careers.

But legalization of cannabis in Michigan created a boon for law firms across the state and has propelled lawyers, like Baker, ahead in their careers.

"Marijuana has given me a fast track to an expertise in a short period of time; much quicker than my classmates in other specialties that are up against 100 years of case law," Baker said. "There's just not a lot of new industries in America, so I've been able to market myself in this practice and be in the same space with lawyers 20 years my senior."

Since the start of legal marijuana sales in 2018, the lawyers have been absolutely critical in standing up the newly regulated industry. Operators require interpretation of the often-changing regulations, navigating the complex relations between state and federal laws, working within local municipality frameworks and the overarching web of compliance. For lawyers, it's all green.

"Our (cannabis) practice is a measurable percentage of our law firm revenue," said Lance Boldrey, partner and industry group leader for the cannabis practice at Detroit's Dykema Gossett LLP. "Every single practice area in our firm has had some involvement representing cannabis ... it's our fastest growing area of practice."

Fielding the future

Marijuana in Michigan is big business.

Through September, operators in the state have sold nearly \$2.3 billion worth of marijuana in 2023. Michigan is now the largest marijuana state based on per capita sales, overtaking Colorado and California.

It hasn't been all good times for operators, who witnessed a marijuana price collapse since legal sales began in December 2019. Prices have fallen from \$512.05 per ounce of marijuana flower in January 2020 to a low of \$80.16 per ounce in January this year. Prices have since recovered to \$100.14 per ounce of recreational marijuana in September.

But lawyers revel in legal conundrums on both sides of break even. The attorneys have been, and remain, paramount for securing licensing and setting up operations, but they are equally important to



Myles Baker | FRESHWATER



Connor LaChance of Midland cuts a stem during the harvesting process at the Lume Cannabis Co. production facility in Evart. I NIC ANTAYA

"Our (cannabis) practice is a measurable percentage of our law firm revenue."

-Lance Boldrey, partner and industry group leader, cannabis practice, Dykema Gossett LLP

helping businesses navigate consolidation and tax law to reduce overheard.

Dimondale-based Skymint, for instance, succumbed to poor management and large loans in March, owing more than \$127 million to one creditor alone. The ongoing receivership has likely been quite profitable for Detroit-based Honigman LLP, which represents the lender, and Grosse Pointe-based The Dragich Law Firm PLLC, which represents the receiver in the case.

Marshall-based Common Citizen, one of the largest operators in the state, has spent well over \$1 million in legal expenses since opening in 2018, CEO Mike Elias told Crain's. Elias notes the company has an in-house legal team that has saved the company from a larger bill.

But Boldrey said the law industry can't always avoid the financial troubles of the cannabis industry.

"We're not immune to the growing pains of the industry either," Boldrey said. "We have seen delayed payments and other issues. It's much like the Dot Com bust in some ways. There are a lot of startups and some of them are going to be very successful, but most of them are not and we have to account for that."

Accounting for change

Boldrey said Dykema is very selective about its cannabis clientele, ensuring they can make payments.

"When we're not sure on somebody, we insure against that with upfront retainers," Boldrey said. "We do a lot of due diligence up front to judge the client's suitability and reputation. We're looking for clients that have some level of business expertise and aren't coming in with a long criminal history."

But the criminal side of law was a way in for many lawyers in the industry.

Matthew Abel, partner and founder of Cannabis Counsel Law Firm, spent much of his career defending clients against misdemeanor and felony marijuana charges before expanding into corporate law.

"I think it was God's work," Abel said. "Back then, I only took cannabis cases. It wasn't lucrative, but I was able to make a living. I had to travel far and wide across the state. I felt the people I was representing were not criminals."

But when caregiver rules for medical marijuana were published in 2008, Abel switched to assisting clients with establishing their business models and abiding by state regulations.

Abel said he was in the right place at the right time to get ahead of competitors.

"When I started, other criminal defense lawyers said I was crazy, and when the medical marijuana law passed those same attorneys said I was crazy," Abel said. "But we got to enjoy the spoils of being early in. There are now over 1,000 members of the cannabis law section of the state bar. Now all those big law firms have cannabis practice groups."

But Abel's client base does differ, he said.

"Our market tends to be smaller operators, scrappy mom-and-pop operations," Abel said. "Our offices smell like cannabis. We're customers too. There are a lot of clients who are not going to hire a lawyer whose office smells like cannabis. They want a silk-stocking firm. But that's OK. We're comfortable where we are and there is still plenty of work to go around."

In-house attorneys

For many lawyers, particularly associate attorneys, getting into cannabis law provided a launching pad to more power and more responsibility at in-house positions.

John Abbo, now general counsel for one of the state's largest operators, Lume Cannabis Co., earned his law degree from University of Detroit Mercy Law School in 2015 and immediately became an associate attorney at Dykema. Pretty quickly after the industry began to set up, partners began handing him regulatory and tax work.

"There was a huge influx of cannabis clients that came into Dykema, so they needed the help and just sort of threw the work at me," Abbo said.

His work didn't go unnoticed and Lume, which has an investment interest from Crain Communications CEO KC Crain, hired Abbo to lead its legal office in 2019.

"The guys here really empowered me to take ownership," Abbo said. "They have given me full reign over legal and compliance matters. It's a bigger responsibility than I'd have had at a firm. It's been awesome."

And these young lawyers are staking their place in an industry that's consistently in flux due to cannabis being illegal at the federal level and under constant regulatory changes — they are effectively building the plane as they are flying it.

Baker, who also co-owns a clothing brand with Detroit record producer Apollo Brown called Freshwater, views his place in the intersection of law and weed as an opportunity to define how the industry moves going forward and establishes case law.

"The biggest thing that goes unrecognized is there is almost no such thing as cannabis law," Baker said. "It involves all aspects of what law firms do — employment contracts, real estate, licensing and all the other functions that are now being applied to cannabis. It's amazing to become a well-rounded lawyer and apply this knowledge to the advancements that are just now determining the case law that will be studied for years to come."

NOTABLE

LEADERS IN EMPLOYMENT AND LABOR LAW

Harassment, civil rights, collective bargaining and labor disputes: The 2023 Notable Leaders in Employment and Labor Law cover it all and much more. They are partners, members, and shareholders, general counsels and industry chairs, and they haven't yet reached their peaks.

The honorees featured in this report were nominated by their peers. companies, friends and family and selected by Crain's Detroit Business editors based on their career accomplishments, track record of success and contributions to their fields and communities as outlined in their nomination forms

For questions about Crain's Notable series, contact NotablesDetroit@crain.com or **Special Projects Editor** Leslie D. Green, Igreen@ crain.com.



Patrice Arend Partner Taft

Patrice Arend settled a \$10 million collective action suit for just over \$100,000 and won the dismissal of a separate claim of \$64 million.

"Patrice is an exemplary attorney, but it isn't just her legal acumen that makes her such a valuable member of the Taft team," said Mark Cooper, partner-in-charge of Taft Detroit. "She is a leader, a role model and a mentor for every associate on our team.'

Arend represents more than 150 Taft clients and has defended several accused of harassment, discrimination, retaliation and workplace violence. She routinely wins motions to dismiss the claims and counsels the clients on current laws and inclusivity practices.

She also speaks to small business owners about employment issues as part of Goldman Sachs' 10,000 Small Businesses Program.



James Boutrous Chair, Labor and Employment Practice Group McDonald Hopkins

When a top exec at a tier-one auto supplier recently left to join a competitor, James Boutrous fought successfully to enforce a restrictive covenant agreement and mitigate the threat to the supplier.

"I have had the pleasure of working with Jim for years, seeing firsthand his ability to counsel and guide clients in the most challenging situations," said James Giszczak, co-president of McDonald Hopkins. "With his deep experience in employment and restrictive covenant litigation, he is sought out by clients and recognized as a national leader."

Boutrous, who focuses on developing clients and the general practices of McDonald, became chair of the firm's labor and employment practice group last vear.

He is on the foundation board for Ascension St. John Hospital and active in the Notre Dame Alumni Club of Detroit.



Deborah Brouwer Managing Partner and Co-owner Nemeth Bonnette Brouwer

Deborah Brouwer preserved a summary judgment before the Sixth Circuit Court of Appeals and the U.S. Supreme Court for an employer involved in a race and hostile work environment case. The attorney argued the plaintiff was judicially estopped from proceeding with her claim because she failed to list it in her Chapter 13 bankruptcy.

"Brouwer consistently presents as well-prepared, objective, prompt, and is a great strategist, instilling confidence in those she represents whether in court, before administrative agencies, or the board room," said Sallie Smith-Brown, CEO of Assured Family Services.

Recently, Brouwer resolved a sexual harassment claim against a landscape company for a small settlement, allowing the company to avoid expensive litigation.

She also guided clients through the pandemic as employers sought legal counsel at record levels.



Michelle Carter Pierce General Counsel Centria Healthcare

Michelle Carter Pierce guided legal strategies of several rounds of corporate investment for Centria Healthcare and helped navigate stakeholder relationships.

She also helped Centria stay current with government guidelines during the pandemic, steered it through furloughs and remote-work policies and developed response strategies and workplace safety procedures.

"I've never been more inspired by or felt more supported by any general counsel I've worked with and cannot put into words the tremendous impact Michelle has made on Centria and on so many of her peer leaders on a personal and professional level," said Lisa Cunningham, vice president of human resources.

Pierce helped found the company's DEI committee and also served as the secretary of a charity foundation launched to help Centria employees during the pandemic.



Michael Chichester Jr. Shareholder

Littler Mendelson P.C.

"Michael Chichester truly is a leader in labor and employment law, and his commitment to his clients is unwavering," said Charis Lee, corporate counsel at Aisin Holdings of America. "Chichester has been an excellent help to our company as an outside counsel, prioritizing us as if we were his only client."

Chichester provides ongoing legal support to companies that include L&E Global and Aisin Holdings of America.

He successfully defended several cases in state, federal and appeals courts, and he is the go-to source for Littler Mendelson's labor and employment matters.

Chichester co-chairs the firm's robotics, artificial intelligence and automation practice group, and he manages a practice group for automotive, automation, artificial intelligence and robotics for L&E Global, a network of labor and employment law services.



J.J. Conway Founder and Managing Partner J.J. Conway Law

J.J. Conway has recovered more than \$70 million in benefits and won several class-action lawsuits for his clients.

His firm secured funding for military retirees and Michigan families with Medicaid to get treatment for children with autism.

Conway helped reform the Detroit General Retirement and Police and Fire Pension Systems, safeguarding retirement funds for nearly 30,000 retirees. He also won a multi-million dollar penalty for the trustee's malfeasance.

"J.J. Conway is extremely capable in his employee benefits practice area and a great advocate who cares about his clients," said Randall Wangen, a partner in Fildew Hinks PLLC.

Conway is also working on several cases involving the parents of teens who were denied residential treatment for health issues, such as eating disorders, depression and substance misuse.



Michelle Crockett Chief Diversity Officer and Deputy Executive Officer Miller, Canfield, Paddock and Stone PLC

Michelle Crockett advised the city of Farmington Hills the use of images of Black men during police firearms training, helped the city of Lansing develop a plan to eliminate discrimination, and saved a Michigan company millions of dollars in a class-action suit.

She led Miller Canfield's Mansfield Plus certification, which requires law firms to hire a proportionate amount of underrepresented attorneys into leadership roles. Crockett also serves on the Michigan Supreme Court's DEI commission and the Detroit Regional LGBT Chamber.

"Michelle's advice and counsel has been critical to our ongoing efforts to become a diverse, equitable, and inclusive organization," said Huron-Clinton Metroparks Director Amy McMillan. "Her impact on our organization and the people we serve will be felt for generations."



Sean F. Crotty Partner, Chair, Labor and **Employment Department** Honigman LLP

Billable hours in the labor and employment department increased by 26% and the number of women rose to 63%, under Sean Crotty's partnership and chairmanship.

"Sean is an exceptional attorney, a natural leader and an outstanding individual," said chairman and CEO David Foltyn. "His young appointment as chair of his department reflects his brilliance and dedication. A former Marine, he exemplifies the qualities of a leader: discipline, integrity and a commitment to excellence."

Crotty counsels over 300 clients on labor and employment issues and recently defended a company founder against claims by a former executive that he was verbally promised a large stake in the company. Crotty's defense saved the client millions of dollars with a dismissal at the initial motion stage.



NOTABLE LEADERS IN EMPLOYMENT AND LABOR LAW



David Deromedi Member Dickinson Wright PLLC

David Deromedi serves as Dickinson Wright's internal employment counsel and general counsel on employment for international clients. He is first chair in litigation matters ranging from wage and hour claims to cases to breaches of contract. He led investigations into harassment allegations against executives, which resulted in organizational or operational changes at companies, drafted employment policies for a state agency with 7,000 employees, and handled hundreds of employment discrimination claims in federal courts.

He recently obtained a summary judgment in a disability discrimination claim that upheld a manufacturer's use of employment assessment tests to screen applicants. In the process, Deromedi worked with industrial-organizational psychologists to defend the tests.

Taft/



Ryan Fantuzzi Lead Labor and Employment Law Attorney Kirk, Huth, Lange & Badalamenti

PLC

Ryan Fantuzzi defends his clients in arbitration, collective bargaining agreements and litigation cases and has racked up wins involving wage freezes, CBA negotiations and union grievance dismissals.

He helped his firm obtain new clients and maintain long-term clients, including the cities of Ann Arbor, Bloomfield Hills and Grosse Pointe.

Fantuzzi, who recently was appointed as a judge advocate for the Michigan Army National Guard, teaches labor law to fire and police professionals at the Eastern Michigan University Staff and Command School. He has also lectured on labor for the Michigan Public Employer Labor Relations Association and the Southeast Michigan Chamber of Commerce.



NOTEWORTHY

The top 10 employmentrelated classaction settlements came to more than **\$3.19 billion** in 2021 compared with \$1.32 in 2018, according to Seyfarth's 2022 Workplace Class Action report.



Brandon Fournier Labor Attorney Shifman Fournier

When a police officer challenged a local township's mandatory retirement age, Brandon Fournier successfully defended the policy before the Michigan Court of Appeals.

"Brandon creates outcomes for us that we wouldn't have achieved independently from him," said Andy McKinnon, deputy county executive for Macomb County. "His work has benefited the county as an organization, but also as important, it has benefited the county employees as well."

Fournier leads contract negotiations and provides labor and employment counsel to several dozen organizations and municipalities, including St. Clair Shores, West Bloomfield Township and Macomb County.

He leads institutions through workplace discrimination claims and routinely educates his clients on diversity inclusion.



Maria Fracassa Dwyer Member in Charge Clark Hill

"Maria Fracassa Dwyer is a natural leader. In addition to managing a large, rapidly growing national employment law practice, Maria has been the member-in-charge of our Detroit office since 2019 and successfully led the development and implementation of our hybrid work model as well as the post-Covid office reconfiguration," said Clark Hill CEO John Hensien.

She developed a self-audit program to help Clark Hill clients reduce their legal exposure, and she recently defended a company when an employee, fired for harassing female employees, sued.

She has also appeared before federal departments of labor in Colorado, Maine, Michigan and New York, where she reduced client liabilities. Dwyer serves as outside counsel in Title IX matters for several universities.

Congratulations

to Patrice Arend for being named a Notable Leader in Employment & Labor Law by *Crain's Detroit*.



Patrice Arend Partner

Taftlaw.com



Aaron Graves Member and Chair of the Workplace Law Group Bodman PLC

Aaron Graves served as lead counsel in dozens of labor contract negotiations involving outsourced work, force reductions, plant closures and wage reductions.

"With his guidance, we've navigated complex personnel issues with good outcomes and completed difficult contract negotiations within budget, without work interruptions, and improved our employee and union relations," said Jennifer Wilson, the chief impact officer of Great Lakes Energy.

Under Graves' chairmanship, Bodman added six new attorneys and expanded its client base. Graves also helped the firm achieve the newest Mansfield certification. Half of the firm's lateral hires in the past five years have been from underrepresented groups.



Gloria Hage Senior Associate General Counsel

University of Michigan

Gloria Hage gives legal advice to more than 10,000 University of Michigan faculty members and manages the day-to-day legal counseling, arbitration hearings and litigation oversight at the university.

She has been a key adviser regarding UM's graduate student strike and is a frequent presenter of labor and employment law at professional associations.

"Gloria Hage is a 'lawyer's lawyer,' an expert in labor and employment law who has extraordinarily nuanced judgment on the toughest legal issues," said Tim Lynch, vice president and general counsel at the University of Michigan.

"She strives for the best practical solutions, and she brings a rock-solid core of ethics and integrity and a great sense of humor to the most difficult challenges."



James Hermon Member Dykema Gossett PLLC

James Hermon recently defended a media company against a Worker Adjustment and Retraining Notification case filed after layoffs during the COVID pandemic. By defeating a class certification, he saved the company from a class-action lawsuit that would have included more than 200 employees, a potentially large settlement or complicated trial.

Hermon has also represented several clients before the U.S. Equal Employment Opportunity Commission, defended discrimination lawsuits involving race, age, sexual harassment, or disability, and prosecuted several violations of noncompete covenants.

He also serves as treasurer for the State Bar of Michigan's labor and employment law section.



Cathleen Jansen Vice President and Managing Counsel, Labor and Employment Trinity Health Corp.

When Trinity Health declared a commitment to ending racism, **Cathleen Jansen** was integral to the organization updating its human resources policies. Her team consolidated over 2,200 HR policies into a core set, which includes strategy, governance updates and a system-wide pay study, that is now used nationwide.

Jansen also helped Trinity shape its COVID-related policies and oversaw employee furloughs and transitions. Jansen continues to advise company leadership on labor initiatives.

"Cathleen Jansen is the ideal business partner, having the perfect blend of in-depth employment law knowledge, practical experience and outstanding creativity in designing credible solutions," said Ed Hodge, Trinity's executive vice president and chief human resources officer.



Carly Machasic Assistant General Counsel, Labor, Employment, Compliance Nexteer Automotive

Carly Machasic took over development of compliance programs at Nexteer Automotive when she joined the company this year.

Previously, Machasic prosecuted the breach of a noncompete agreement and the misappropriation of trade secrets for a large Michigan company that resulted in monetary and nonmonetary concessions.

Machasic has developed a reputation for guiding clients, co-workers and others on the impacts that emerging laws have on employment.

"She enjoys and excels at crafting pragmatic business-oriented prophylactic policies and procedures and is a trusted source of guidance for her internal clients and external connections," said Jordan Bolton, a partner at Taft Law.

Shifman fournier Congratulates Partner Brandon Fournier!

We are honored that Crain's Detroit Business recognized Shifman Fournier partner Brandon Fournier as a Notable Leader in Employment and Labor Law in 2023. Shifman Fournier looks forward to Brandon's guidance of the firm's future and his continued counsel of our clients.



31600 Telegraph Road, Suite 100 • Bingham Farms, MI 48025 (248) 594-8700 • shifmanfournier.com

McDonald Hopkins

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James J. Boutrous II, Member Chair, Labor and Employment Practice

Miriam L. Rosen, Member Labor and Employment Practice

Detroit Managing Member

We congratulate our colleagues James Boutrous and Miriam Rosen for being named among Crain's



m c d o n a l d h o p k i n s . c o m

NOTABLE LEADERS IN EMPLOYMENT AND LABOR LAW



Frank Mamat Partner of Counsel Dinsmore & Shohl LLP

Frank Mamat has decades of experience as a labor law attorney, community activist and volunteer in Detroit and Washington, D.C.

A three-time federal judge nominee by the president of the United States, he has been nominated as chairman of the National Labor Relations Board and the Federal Labor Relations Authority, too.

An Education Foundation chair for the American Society of Employers, Mamat was responsible for drafting Michigan's Right to Work Law in 2012. Currently, he advises a wide array of clients, ranging from associations and firms to Fortune 500 companies and governments and individuals and institutions.

"Frank is a highly respected labor and employment attorney, representing hundreds of employers for 45 years," said Mary Corrado, president and CEO at ASE. "His success is a testament to his exceptional leadership."



Aaron Markel Attorney Jones Day

Aaron Markel was involved in arguably one the most significant labor matters of 2022 — representing the freight rail industry on the Presidential Emergency Board.

Appointed by President Joe Biden, the board resolved a dispute between the nation's largest railroads, along with 100,000-plus employees. While overseeing the coordination of the board's team members, Markel was specifically responsible for the case concerning train crew size, as railroads strived to reduce total employee count.

Upon the conclusion of the board, Markel led a team that assisted carriers as they prepared for a possible national rail strike, which was ultimately avoided.

"We have come to rely on Aaron, and regularly depend on him to assist us with our most complex, sensitive matters," said Laura Overton, general counsel at Allegiant Air, a Jones Day client.



Co-leader, Labor and Employment Law Practice Group Plunkett Cooney

Courtney Nichols is primarily focused on claims such as civil rights, discrimination and retaliation brought under federal and state statutes.

In addition, Nichols offers counsel to employers of all sizes, with regards to various employment and labor issues that occur before litigation. As an example, she assists them with compliance concerning the Americans with Disabilities Act, Fair Labor Standards Act and Family and Medical Leave Act.

Nichols, who serves clients in a wide array of industries within and outside of Michigan, has provided assistance with COVID-19 compliance, while helping companies avoid citations and litigation.

"Courtney Nichols is a highly competent, fair, respectful, professional, experienced and committed lawyer," said Kelley Smith, co-founder and COO, Envision Health.



Phil Phillips Detroit Office Managing Partner, Management Committee Foley & Lardner LLP

Phil Phillips advises Foley & Lardner clients how to legally pursue diversity, equity and inclusion goals and trains their employees on the DE&I initia-tives.

"My job is to not just advise and defend companies accused of wrongdoing, but to proactively assist them in ensuring that employees are not subjected to unfair or unequal treatment at work," Phillips said. "This includes taking active steps to educate and train their workforces to ensure that diversity, equity and inclusion are ingrained in a company's culture and one of its core values."

He is also responsible for the day-to-day operations, and the attorney training and development at Foley & Lardner.

Phillips provides pro bono services to nonprofits, such as the Saginaw County Community Action Center, and he serves on the board of the McGregor Fund.



James Reid IV Partner Honigman I I P

James Reid manages more than \$4 million in accounts along with roughly 400 clients, including business owners, C-suite executives, entrepreneurs and HR directors, among other professionals. He helps them comply with laws — such as the Age Discrimination in Employment Act, Fair Labor Standards Act, Family and Medical Leave Act, National Labor Relations Act and Title VII — as they implement strategic business decisions.

A keynote and national speaker at various employment-associated conferences, Reid has previously served as a chair of the Employment Law Committee for the Oakland County Bar Association.

"[James'] legal acumen, expertise and experience make him a standout among his peers," said Jan Davies, CEO of Echo Enterprises LLC.



Miriam Rosen Managing Member, Detroit Office; Board of Directors; Executive Committee McDonald Hopkins

Miriam Rosen is highly involved with the development of the firm's culture. In particular, she has helped create a culture that adheres to its core values, while encouraging firmwide entrepreneurialism, growth and teamwork.

To do so, Rosen oversees seminars and training for managers and staff members, with regards to workplace compliance. Furthermore, she offers them information about legal developments, along with the ways they can be applied in the workplace.

A member of the firm's Women's Council, Rosen also strives to nurture its female leadership, while promoting female attorneys' achievements, experiences and skill sets. To further showcase her dedication to the firm's employees, she provides insights to its Culture, Inclusion and Diversity Committee.

"The true value of Miriam's leadership goes beyond the titles that come after her name," said James Giszczak, co-president at McDonald Hopkins.



Maureen Rouse-Ayoub Partner; Chair, Labor and Employment Practice Team Varnum LLP

Maureen Rouse-Ayoub advises clients on labor management relations ranging from collective bargaining to union election proceedings. At the same time, she also defends clients' employment-related claims, including discrimination, sexual harassment and wrongful discharge.

Away from the office, Rouse-Ayoub is actively committed to the employer community, particularly through her presentations to Michigan Chamber of Commerce members. Likewise, she is dedicated to the legal industry as she mentors young attorneys, offers continuing legal education programming and speaks to professional organizations.

"Not only is [Maureen] an accomplished employment law litigator, she is extremely wellversed in all the nuances of traditional labor law," said Rhonda Armstrong, senior corporate attorney for Labor & Employment Law at McLaren Health Care. "[She] is my 'go to' on labor and employment matters."



Jennifer Sabourin Principal, Labor Counsel, Employment and Labor Deputy Group Leader Miller, Canfield, Paddock and Stone PLC

Elected by nationwide peers as a fellow of the College of Labor and Employment Lawyers, **Jennifer Sabourin** is also serving as the conference chair of the American Employment Law Council.

In addition, she has served the American Bar Association Labor and Employment Law Council in various capacities, including her present roles as management budget chair and council, management member.

Outside of these opportunities, Sabourin is also employment labor counsel and deputy leader and principal attorney of Miller Canfield's Employment and Labor Group, which features 21 attorneys in four offices in either Illinois or Michigan. In those roles, she manages the firm's work for two of Michigan's largest utilities. She is responsible for internal investigations.



NOTEWORTHY

US Bureau of Labor Statistics predicts the number of jobs for lawyers will increase 8% between 2022 and 2032. Meanwhile, the number of lawyers increased **30%** from 1.02 million in 2000 to 1.33 million in 2022, according to the ABA National Lawyer Population Survey / U.S. Census Bureau.

The top 10 "private-plaintiff employment discrimination and government enforcement action settlements" dropped to \$323.45 million in 2021 compared to \$422.68 **millon** in 2020, according to Seyfarth's 2022 Workplace Class Action report.

CRAIN'S LIST INTELLECTUAL PROPERTY LAW FIRMS

Ranked by number of IP lawyers

	COMPANY ADDRESS		LOCAL INTELLECTUAL PROPERTY LAWYERS		TOTAL WORLDWIDE LAWYERS JUNE 2023/	
1	PHONE; WEBSITE BROOKS KUSHMAN PC 1000 Tawa Canton 2014 Floor 2020 Cantol Fold 40075	TOP LOCAL EXECUTIVE(S) Sangeeta Shah, CEO	JUNE 2023/2022	2022 62 59	2022	PRACTICE AREAS Patent prosecution, trademarks, intellectual property litigation, post-grant
	1000 Town Center, 22nd Floor 222, Southfield 48075 248-358-4400; BrooksKushman.com HARNESS IP (HARNESS, DICKEY & PIERCE PLC)	Frank Angileri, president David Suter, David Utykanski,	59 45	45	71 93	proceedings, open source compliance, cybersecuritý, IP due diligence, trade secrets, licensing, copyrights, compliance and technical design consulting Patents, trademarks, copyrights, litigation, transactions/due diligence, anti-
	5445 Corporate Drive, Suite 200, Troy 48098 248-641-1600; harnessip.com	Michael Wiggins, managing members	42	42	89	counterfeiting, foreign rights, appellate litigation
2	DICKINSON WRIGHT PLLC 500 Woodward Ave., Suite 4000, Detroit 48226 313-223-3500; dickinsonwright.com	Michael Hammer, CEO	45 42	165 162	485 477	Intellectual property, business technology, copyrights, patents, trademarks and trade secrets litigation
4	YOUNG BASILE HANLON & MACFARLANE PC 3001 W. Big Beaver Road, Suite 624, Troy 48084 248-649-3333; youngbasile.com	Andrew Basile, Jr., president	26 30	33 30	46 42	Patent and trademark litigation, prosecution and counseling; technology- related transactions, including licensing, acquisitions and divestitures; representation of emerging growth companies; and commercial, etc.
5	HOWARD & HOWARD ATTORNEYS PLLC 450 W. Fourth St., Royal Oak 48067 248-645-1483; howardandhoward.com	Jon Kreucher, president and CEO	22 25	56 56	130 127	IP litigation, patents, trademarks, copyrights, licensing of IP rights, EDI, technology acquisition or sale, technology law audit, advertising, gaming
5	HONIGMAN LLP 2290 First National Building, 660 Woodward Ave., Detroit 48226-3506 313-465-7000; honigman.com	David Foltyn, chairman and CEO	22 40	223 234	349 335	Trademark and copyright, patent and intellectual property litigation practice groups
7	MILLER, CANFIELD, PADDOCK AND STONE PLC 150 W. Jefferson, Suite 2500, Detroit 48226 313-963-6420; millercanfield.com	Megan Norris, CEO	21 20	119 124	197 210	Patents, trademark, copyright and trade secret prosecution, counseling and litigation
8	REISING ETHINGTON PC 755 W. Big Beaver Road, Suite 1850, Troy 48084 248-689-3500; reising.com	Rick Hoffmann, president	18 17	18 17	18 17	Patents, trademarks, copyrights, trade secrets, counseling, opinions, portfolio management, litigation
8	QUINN IP LAW (QUINN LAW GROUP PLLC) 21500 Haggerty Road, Suite 300, Northville 48167 248-380-9300; quinniplaw.com	Christopher Quinn, president and CEO	18 18 e	18 18	22 23	Patent, trademark, copyright, and trade secret procurement and enforcement; IP monetization; brand protection and anti-counterfeiting; domain name arbitration proceedings; licensing, IP due diligence, etc.
8	CARLSON, GASKEY & OLDS PC 400 W. Maple Road, Suite 350, Birmingham 48009 248-988-8360; cgolaw.com	Theodore Olds III, president and CEO	18 20	18 20	20 22	Patents, trademarks, copyrights and trade secrets worldwide; intellectual property and commercial litigation
8	BODMAN PLC 1901 St. Antoine St., Sixth Floor at Ford Field, Detroit 48226 313-393-7564; bodmanlaw.com	Carrie Leahy, chair	18 21	132 133	148 151	Technology transfer, IP litigation, digital publishing, trademark selection, registration and licensing, economic espionage, entertainment, IP brand protection, patent procurement, enforcement and licensing
12	DARROW MUSTAFA PC 41860 Six Mile Road, Northville 48168 248-864-5959; darrowmustafa.com	Christopher Darrow, president	17 17	17 17	18 17	Procurement and litigation of intellectual property rights; mediator; court special master/technical adviser
13	FISHMAN STEWART PLLC 800 Tower Drive, Suite 610, Troy 48098 248-594-0600; fishstewip.com	Michael Stewart, founding principal Michael Fishman, founding partner	13 18	13 18	13 18	Trademark, copyright, patent, patent prosecution, trade secrets, social media, due diligence, litigation and dispute resolution, IP consulting, transactional and e-commerce services
13	BEJIN BIENEMAN PLC 2000 Town Center, Suite 800, Southfield 48075 313-528-4882; b2iplaw.com	Thomas Bejin,, Christopher Francis, Charles Bieneman, members	13 12	13 12	13 12	Patent prosecution, IP litigation, trademarks, licensing, due diligence
15	VIVACQUA CRANE LAW 3101 E Eisenhower Parkway, Ann Arbor 48108 734-418-3142; vivacqualaw.com	Raymond Vivacqua, CEO	12 ^e 16	₁₂ e 16	NA 16	Patents, trademarks, copyrights and related contracts
16	THE DOBRUSIN LAW FIRM PC 29 W. Lawrence St., Pontiac 48342-2813 248-292-2920; patentco.com	Eric Dobrusin, president and shareholder	11 12	11 12	12 13	Patent practice, trademark practice, IP strategy and counseling, patent opinions, IP due diligence, technology transfer, government contracts, etc.
17	WARNER NORCROSS + JUDD LLP 2715 Woodward Ave. Suite 300, Detroit 48201-3030 313-546-6000; wnj.com	Nazli Sater, Matthew Casey, Michael Brady, executive partners	8 25	54 51	219 228	Copyright law, intellectual property, IP enforcement and litigation, patent prosecution and portfolio management, technology and IP licensing, purchase and sale, trademark portfolio and brand management
17	DINSMORE & SHOHL LLP 900 Wilshire Drive, Troy 48084 248-647-6000; dinsmore.com	Mark Schneider, office managing partner	8 10	16 19	767 725	Patent, trademark, copyrights, related litigation.
19	SECREST, WARDLE, LYNCH, HAMPTON, TRUEX AND MORLEY PC 2600 Troy Center Drive, P.O. Box 5025, Troy 48007-5025 248-851-9500; secrestwardle.com	Bruce Truex, president, senior partner and co-managing partner; Nathan Edmonds, senior partner and co-managing partner	7 6	58 56	68 63	Copyright and trademark, registration, trade secrets, trade dress
19	BUTZEL LONG PC 150 W. Jefferson Ave., Suite 100, Detroit 48226 313-225-7000; butzel.com	Paul Mersino, president and CEO	7 7	123 124	146 141	Copyright, IP litigation, licensing and technology, patent law, trade secret and noncompete, trademark law, emerging technology IP
21	RMCK LAW GROUP PLC 4141 North Atlantic Blvd., Suite 2, Auburn Hills 48326 248-270-2885; rmcklaw.com	Lukas Baldridge, Brian Hollis, Michael Schaldenbrand, Thomas Jurecko, Jason Benedict, members	5	5 5	5 5	Patent application preparation and prosecution (U.S. and abroad), trademark application preparation and prosecution, legal opinions, etc.
21	GARAN LUCOW MILLER PC 1155 Brewery Park Blvd., Suite 200, Detroit 48207 313-446-1530; garanlucow.com	Timothy Jordan, executive committee chairman	5 ¹ 5	48 1 55	₅₈ 1 60	Insurance defense and coverage analysis, appellate law, commercial banking and real estate, commercial transportation and logistics, municipal law, intellectual property, no-fault and auto negligence, etc.
23	VARNUM LLP 480 Pierce St., Birmingham 48009 248-567-7800; varnumlaw.com	Ronald DeWaard, chair, managing partner Matthew Bower, managing partner, Ann Arbor Richard Hewlett, managing partner, Novi Michael Romaya, managing partner, Birmingham	4 4	57 52	193 187	Patent prosecution, copyright, publishing, licensing
23	MILLER JOHNSON 500 Woodward Ave., Suite 2800, Detroit 48226 313-672-6950; millerjohnson.com	Jeff Muth, Detroit office administrative member	4 ₂ 1	16 8 1	129 131 1	Patents, trademarks, copyrights, noncompetes and nondisclosure agreements, licensing, litigation
23	FOLEY & LARDNER LLP 500 Woodward Ave., Suite 2700, Detroit 48226-3489 313-234-7100; foley.com	Philip Phillips, office managing partner	4 3	40 37	1004 1011	Patent prosecution, strategic IP management/portfolio development, IP clearance, freedom to operate, due diligence, etc.
23	DIERKER & KAVANAUGH PC 3331 W. Big Beaver Road, Suite 109, Troy 48084 248-649-9900; troypatent.com	Julia Dierker, president	де 4 е	4 e 4 e	4 e 4 e	Patents, trademarks and copyrights
23	CANTOR COLBURN LLP 201 W. Big Beaver Road, Suite 1101, Troy 48084 248-524-2300; cantorcolburn.com	Karl Barr, partner in charge, Detroit office	4 ² 3 e	4 3 e	NA NA	Practicing in all areas of IP, including IP portfolio management, patents, trademarks, copyrights, domain name, litigation, opinions, post grant, due diligence, trade secrets, anti-counterfeiting, etc.

Researched by Sonya D. Hill: shill@crain.com | This list is an approximate compilation of intellectual property firms in Wayne, Oakland, Macomb, Washtenaw and Livingston counties. It is not a complete listing but the most comprehensive available. Unless otherwise noted, information was provided by the firms. Firms with headquarters elsewhere are listed with the address and top executive of their main Detroit-area office. NA = not available. NOTES: **e.** Crain's estimate. **1.** As of January. **2.** Firm also has two patent agents.



Histosonics plans to open a new facility in Ann Arbor in the next year. I HISTOSONICS

UM spin-out gets FDA approval for ultrasound cancer therapy

By Nick Manes

A Michigan-founded health care startup with a focus on destroying cancer cells has crossed one of the golden thresholds of any medical device firm: federal clearance. HistoSonics Inc. — a

University of Michigan spin-out with a large and still expanding presence in Ann Arbor — last week announced it has received clearance from the U.S. Food and Drug Administration for its histotripsy therapy platforms, called the Edison System.

The clearance by the federal regulatory body paves the way for the company and its investors to achieve an exit, either by going public or an acquisition. And it makes for "the most significant milestone a health care company could have," CEO Mike Blue said, adding that it makes for the first time HistoSonics would generate revenue in its nearly 15-year history

The company's Edison technology is based on the science of histotripsy, first developed at UM, and involves a noninvasive ultrasound therapy that can treat cancerous tumors, particularly in the liver.

All told, the technology "has the potential to absolutely change the experience of patients who are dealing with significant diseases, like tumors in the liver, and provide a completely noninvasive treatment that avoids the common challenges of today's existing treatments, like invasiveness, toxicity, or damage to adjacent critical structures, that can be painful with

"Histotripsy is an exciting new technology that ... may provide a noninvasive treatment option for patients with liver cancer."

--- Mishal Mendiratta-Lala, professor of radiology, Michigan Medicine, and principal investigator on the trial at UM

long recovery times, as well as limit future treatments," Blue wrote in a follow-up email to Crain's.

Trials for the company's Edison technology have been shown "to safely and effectively destroy targeted tissue," Blue said. "Histotripsy is an exciting new technology that, although it is in early stages of clinical use, may provide a noninvasive treatment option for patients with liver cancer," Mishal Mendiratta-Lala, professor of radiology with Michigan Medicine and principal investigator on the trial at UM, said

in a statement from the Ann Arbor-based university. "Hopefully it can be combined with systemic therapies for a synergistic therapeutic effect."

As the company prepares to commercialize its product for the first time, executives at HistoSonics have been working for

years to ensure a business plan is in place that can offer a return on investment to hospitals.

Specifically, Blue said the company has worked to ensure that hospitals making the \$1 million capital investment in HistoSonics' platform can get reimbursed through Medicare and Medicaid.

"And so all of that was in preparation for when we went to market so that the ROI model for the hospitals made sense," Blue said. "If this was an economic loser, it'd be really difficult to sell a piece of capital equipment like we have. But with reimbursement in place — for at least Medicare and Medicaid patients — it provides for a very strong economic model for the hospital, which in turn allows us to be successful commercially."

With the FDA clearance allowing HistoSonics to move forward with commercialization of its platform, Blue said he expects about a dozen hospitals around the country to purchase the technology in the first

12 months, and that within a matter of years that would spread to 100 sites or more. Founded in

Ann Arbor, HistoSonics' headquarters

is now in Minneapolis, a hub for medical devices. The company still maintains a significant presence in its founding town, Blue said.

In addition to roughly one-third of the company's 100 employees being in Ann Arbor, Blue said construction is underway on a 30,000-square-foot facility in Ann Arbor into which HistoSonics plans to move within the next 12 months.

Beyond just making the leap toward commercialization, the FDA clearance is also likely to generate a win for the company's many investors, which include venture capitalists, institutional capital and large health care companies. More than \$220 million has been invested in the company over the last decade. Late last year, HistoSonics com-

pleted an \$85 million financing round, as Crain's reported at the time.

Ultimately, the FDA clearance gives Blue and the other HistoSonics stakeholders options as to how to steer the company going forward.

"The greatest thing that the clearance should provide us is optionality," Blue said. "Optionality to attract new investors who would allow us to accelerate additional applications and product development. (The option to) stay a private company for a longer period of time, but also give us the optionality at the right time to (go public) or run a dual process with (strategic buyers)."

Indeed, the clearance now gives the company control of its own destiny and much of the focus behind the scenes in recent months has been on ramping up HistoSonics' capabilities to operate as a publicly-traded company, said Jim Adox, executive managing director at Venture Investors, a longtime investor in the company and Histo-Sonics' board chair.

Like Blue, Adox said the goal is to keep options on the table, but an initial public offering would likely make for an ideal outcome.

Such an outcome, however, would be dependent on a return of the market for IPOs, which earlier this year was off more than 83% from its peak in 2021, according to data from Renaissance Capital, which tracks IPOs. The third quarter saw a rebound for IPOs, according to data from the firm.

"We're not reliant on somebody else deciding to act," Adox said, referring to an acquisition versus an IPO. "When the market comes back, we'll be ready to go public if we want. Who knows when the (IPO) window opens? It could be six months or 12 months. But we'll be ready."

Michigan Founders Fund executive director to depart

By Sherri Welch

The Michigan Founders Fund's co-founder and executive director, Trista Van Tine, is departing at the end of the year.

Van Tine is leaving to start a new generative artificial intelligence venture that is in "stealth mode" but will focus on using tech in a way that is human-centered and helps people strengthen their connections with one another, she said.

MFF has tapped Washington, D.C.-based Nonprofit Professionals Advisory Group LLC to lead a national search for her successor.

"My departure presents what I think is an incredible opportunity for the organization to gain a fresh perspective," Van Tine said.

The nascent nonprofit hopes to name a new leader by mid-De-cember, she said.

Van Tine has helped shape MFF, an effort launched four years ago by well-known local tech founders including Duo Security co-founder Dug Song and Bhushan Kulkarni, who co-founded InfoReady Corp. and in 2021 cybersecurity company SensCy with former Michigan Gov. Rick Snyder.

MFF launched as an initiative within the Ann Arbor Community Foundation before breaking away in December 2021 and securing its own nonprofit status last year. It provides a platform to support its high-growth company members and to serve as a philanthropic vehicle for them and other venture capitalist members.

Programs are aimed at helping founders build their companies through education and monthly, statewide gatherings that help build relationships and shared learnings among them, at bringing more underrepresented people into the high-growth company space and giving back to the community. MFF provides immersive annual retreats for its founder members and last year launched Michigan Tech Week, a multiday conference showcasing high-growth, Michigan entrepreneurship hosted in a different part of the state each year. Tech Week is returning this week at the University of Michigan in Ann Arbor.

Behind the fund

Under Van Tine's direction,

MFF has served more than 220 students through its internship skill-building workshops, startup and tech information sessions; 42 have gone on to paid internships.

It has been successful in engaging diverse people, both interns and founder entrepre-

neurs, Van Tine said. Of the paid interns, 81% identified as BIPOC and 67% as women or non-gender conforming (non-binary), Van Tine said; 32% were eligible for Pell grants given financial circumstances and all of them were matched with a mentor from the highgrowth ecosystem.

"Those numbers help illustrate the impact and scale (that) we talk about or think about when we say our mission is to create equity in Michigan, to help the startup community reflect the demographics (here) and to make sure underrepresented people in Michigan can find a way into the startup ecosystem," she said.

The more than 120 members it has signed on to date have pledged 1% of their company's equity, carry or profit to MFF for philanthropic grant-making.

As the pledges are realized in the coming years as companies mature and investment funds are spent down, the realized pledges from MFF members will feed into the collective giving fund supporting nonprofit areas agreed upon by members.



Michigan Founders Fund is providing its members, both high-growth company founders and venture capitalists, with educational and networking events that help them build relationships and learn from one another. I MFF VIA ANN ARBOR SPARK WOMEN IN TECH EVENT





Mike Blue

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Trinity Health returns to profitability thanks to investment portfolio

By Dustin Walsh

Livonia-based Trinity Health returned to profitability in its 2023 fiscal year despite huge labor costs.

The system, which operates 88 hospitals in the U.S. with nine in Michigan, reported a net income of \$959.7 million on revenue of \$21.6 billion during the fiscal year that ended on June 30.

However, Trinity only finished in the black thanks to a strong perfor-

mance of its investment portfolio and earnings from its affiliate companies. It reported a \$715.6 million gain on its investments, a massive improvement from its \$1 billion loss on investments in fiscal year 2022.

The health system reported substantial operating losses for its main mission of providing health care — an operating loss of \$288 million, compared to an operating loss \$148.5 million last fiscal year. The widening losses are driven by continued labor woes and shortages. Trinity spent \$451.3 million on salary and wages during the 2023 fiscal year over the year prior. Contract labor — temporary employees, particularly nurses, that fill gaps — also cost the system \$933 million, up from \$626.3 million.

During the fiscal year, Trinity acquired North Ottawa Community Health System in Grand Haven; MercyOne in Iowa; and Genesis Health System in Iowa and Illinois. The acquisitions added \$1.6 billion in revenue to the system during the fiscal year, but also added \$1.7 billion in operating expenses.

The system did save some expenses by selling St. Francis Medical Center in New Jersey to Capital Health in December last year.

Trinity's Michigan operations remain its largest and reported \$4.3 billion in operating revenue for the fiscal year, more than twice as large as its next largest region in Ohio. The Michigan region also reported positive total income of \$272 million, while its Ohio system reported a \$22 million loss.

In September, Trinity announced the promotion of Shannon Striebich to president and CEO of its Michigan market.

Striebich, formerly vice president of operations for the Michigan market, reports to Rob Casalou, president and CEO of the Michigan, Georgia and Florida markets.

Advertising Section -

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JOB FRONT

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STRIKE

As the UAW strike escalated last week with the sudden shutdown of Ford's Kentucky Truck Plant a massive blow to the automaker and its suppliers — cashflow will be further strained throughout the supply chain. Companies are seeking to protect liquidity by canceling expenses big and small, DeGrazia said.

"If you have a choice of saving up a rainy day fund or filing a new patent application, you hold off on filing the patent application," he said.

Several suppliers interviewed by Crain's have said their top priority during the labor dispute is remaining financially stable and avoiding layoffs to the extent possible, which means putting growth plans on hold. One major tier-one supplier told Crain's that it has shelved plans for a manufacturing plant in Michigan focused on zero emission technology until after the labor dispute is resolved.

All auto suppliers are taking similar measures, said Glenn Stevens, executive director of MICHauto. "They are taking pretty dramatic steps because they have business plans to meet without the revenue," he said. "There's so much uncertainty about what might happen next. The short-term right now for suppliers is really a freeze on all discretionary spending and certainly on big projects pending. It's a bit of a paralysis."

While Ford CEO Jim Farley accused the UAW of holding a bargaining agreement "hostage" over EV battery plants — including in Marshall — General Motors Co. appeared to make progress with the union by offering concessions related to its EV battery plants. Still, the Detroit-based automaker is weighing the impact of the strike on operations.

Asked if the strike is impacting expansion plans in Delta and Orion townships, as well as the planned supplier park at the former Palace of Auburn Hills site and the warehouse planned at the former AMC site in Detroit, GM spokeswoman Tara Kuhnen responded: "We continue to evaluate the potential impacts of the strike on all aspects of our business, including various construction projects."

Stellantis NV announced a new \$3.2 billion EV battery plant in Kokomo, Ind., on Wednesday. Details of the company's third North American battery plant were expected to have been announced by the spring. Spokes-



The supplier park on the former Palace of Auburn Hills site, shown in this rendering, set to supply General Motors' Orion Assembly plant, is one of many projects potentially impacted by the UAW strike. I FA STUDIO

woman Jodi Tinson said the labor dispute had no bearing on where the plant would be located or when it would be announced.

Projects on hold

Elsewhere throughout metro Detroit, uncertainty lingers around major automotive projects as many companies impacted by the labor dispute remain tight-lipped not only about strike impact but operations at large.

Southfield-based seating supplier Lear Corp. announced plans in December for an \$80 million EV parts plant in Independence Township, but the company has been mum on the project since. Brian Oppmann, planning and zoning director for the township, said work on the plant has not started yet. "We have not heard from Lear in quite some time," he said. "It has been at least six months since we have talked to them about their build-out."

Lear declined to comment.

In Detroit, a Stellantis supplier signed a 160,000-square-foot lease for a parts plant, but the company is reticent about providing details until the strike blows over, according to a person with knowledge of the deal. Meanwhile, GM's planned supplier park in Auburn Hills was initially planned to go in front of the Michigan Strategic Fund board last month for consideration for incentives, but the item never made it to the public agenda.

"The strike has taken all the oxygen in the room," Stevens said.

Officials with the Michigan Economic Development Corp. are watching the situation closely and hoping for a speedy resolution so deals can get back on track. As far as the pipeline of future projects, Josh Hundt, executive vice president and chief project officer, said there has not been impact yet. "We have not seen any impact yet on the pipeline," he said. "We continue to see a strong pipeline both in terms of automotive and mobility and other sectors as well."

Industrial market impact

Deal-making in the industrial sector has slowed substantially in the second half of the year, especially compared to the torrid pace of development in the years coming out of the COVID-19 pandemic, when multibillion-dollar EV battery plants became almost routine announcements. While several factors are likely to blame for the slowdown, including a less favorable economy and capital markets, the strike is also a drag on development, according to industry experts.

While still very active, the amount of industrial construction in metro Detroit in the third quarter of 2023 is just more than half its mid-2020 peak, when there was about 10 million square feet under construction, according to a market report from New York City-based Newmark Group Inc. Amazon Inc.'s warehouse expansions through 2022 somewhat skew the numbers.

On the leasing side, industrial vacancy increased by 3.2% in the third quarter. Thirteen developments totaling 2.9 million square feet of speculative construction is underway and scheduled to be completed by mid-2024. That is likely to be the end of the spec construction boom, said John DeGroot, research director for Newmark.

The hope is that once the labor dispute is resolved, projects will pick up where they left off, Stevens said, though the longer the strike goes, the more severe the fallout.

"Right now, the hope is that we're not too far away from agreements being made and the damage doesn't spread too far," Stevens said a day before Ford's surprise walkout in Kentucky.

The impact of that escalation and possible others remains to be seen.



rand marble staircase, formal dining room, living room, spacious kitchen, study/library, 1st floor laundry. Elegant decorative trim throughout. Three-story levels, sauna, indoor/outdoor pool,w/ gas stone fire-pit, built-in barbeque.. Ample storage space. Oversized 4 car garage,w/ additional garage/storage area. And so we need to prepare our students to handle this field as they go out."

Pendse discussed the development of the new program, which UM created in collaboration with Microsoft, during a Crain's Power Breakfast event.

U-M GPT is a GPT-4 model, which allows it to generate code, teach, or explain more complex topics than an older model like Open AI's GPT-3.5. U-M GPT was also designed to keep the users' information private, meaning that the questions or data that is uploaded stays within the UM framework and cannot be accessed by third parties.

Coupled with the new program, UM also announced U-M Maizey and U-M GPT Toolkit, which can allow users to upload their own data and create personalized bots and grant users control over AI models and environments, respectively. While U-M GPT is free, U-M Maizey and U-M GPT Toolkit will be available with a fee beginning Nov. 1.

When UM Associate Professor David Jurgens first heard about U-M GPT, he decided to design a course about different ways people can use AI. The course, called 'How to use AI effectively," addresses how students can use U-M GPT both to help them on assignments and in their everydav life.

In his other courses, Jurgens has a policy that prohibits students from using AI on homework assignments, though there's no completely foolproof way to enforce the rule or even check the assignment for signs of AI. In his experience, relying on stu-dents' integrity seems to be enough.

"I don't think students actually want to use Chat GPT to cheat." Jurgens said. "And that sounds controversial, but what they want to do is figure out how to do their work better."

Jackson Leb, a senior at UM studying computer science, said he's been using U-M Maizey to train U-M GPT to assign labels and evaluate essays and written work for his courses.

"We give it an essay or a written piece of personal work, and then it spits out labels like what kind of notes it would give, maybe even like points on a rubric that (a student) missed," Leb said. "So we train Maizey to actually learn how to attribute these labels ... basically for each essay, we say, 'OK, these are the points on the rubric, these are the notes the professor gave and this is the final letter graded received.' So in theory, if you give it enough data, it should be able to learn those trends between the inputs and outputs fairly comprehensively.

Leb founded a student organization at UM called Open MI in 2021 to introduce students to artificial intelligence and how they can design and use their own programs. Leb said student interest has increased in the wake of ChatGPT's popularity.



Ravi Pendse (right), vice president for information technology and chief information officer at the University of Michigan, appears alongside Crain's Executive Editor Mickey Ciokajlo during a Power Breakfast on Al. | BRETT MOUNTAIN

And Leb's work is feeding into the system, training it on new parameters and through that process, making the AI better and more accurate.

Other professors are harnessing the program differently, though with the intention of helping students learn.

Andrew DeOrio, a computer science professor in the College of Engineering, said he and his teaching assistants are currently using the U-M Maizey tool to train a bot to be able to answer student questions and give feedback on class projects.

"If we use this to help students learn, we also have to acknowledge that it has this limitation of sometimes saving things really confidently that are wrong," DeOrio said. "So what's the most responsible way to use this tech-nology for education?"

hallucinations, called It's something that AI suffers from when it doesn't have an answer so it make something up. Usually something that seems very knowledgeable but is actually completely false. Hallucinations, along with bias, is one of the biggest challenges getting in the way of widespread adoption of AI tools.

Despite the capabilities of AI, DeOrio said he's not worried about students using AI to cheat on projects and homework in his courses, but by using the programs irresponsibly, they could still end up doing poorly in the class because they don't have access to AI during their exams.

DeOrio regularly teaches two Electrical Engineering and Computer Science courses and, like many other professors at UM, the fall semester was the first time he introduced an AI policy to any of his courses. The policy allows generative AI to be used in a responsible way and offers an example of responsible and irresponsible use, he said.

The U-M GPT tools were trained by the service providers and are hosted by the university or controlled in a university cloud environment. U-M GPT allows users to access GPT 3.5, GPT 4, and Llama 2, with a 25 prompt per hour limit for free. Normally, a GPT 4 subscription costs \$20 per month.

Harish Jaisankar, a sophomore at UM, said he hasn't used U-M or ChatGPT for his homework assignments but regularly uses them outside of school. Between the two programs, Jaisankar said he didn't notice a difference in the way they operate, but he likes that the university is embracing the technology and offers an alternative to ChatGPT.

"It's nice to see UM kind of leaning into it and helping students to use generative AI in a positive way, rather than just try and be completely against it," Jaisankar said. "Because at the end of the day once you graduate, you go into the workforce (and) generative AI is going to be one of the tools that you use at your job. So, it just makes sense to spend some time as a student actually trying to learn how to use generative AI ethically and correctly."

Jaisankar said that while he uses both U-M GPT and ChatGPT, and his roommate uses the university-based program frequently, he's noticed that other students still tend to prefer ChatGPT.

"A large part of it is probably just name recognition," Jaisankar said. "Many people just heard of ChatGPT and know what ChatGPT is because it's very popular. So when someone needs some AI help, their instinct is to just go straight to ChatGPT. I think there can be a little more information from the university as to what U-M GPT actually does and what some of the differences are, that way students can kind of evaluate for themselves what they need."

HUDSON'S

From Page 3

Bonner said last month at the Detroit Homecoming event that there are 97 condos planned for the 685-foot skyscraper rising on Woodward Avenue. In addition, a five-star hotel he did not identify - Crain's and others have previously reported it is an Edition flag spearheaded by Ian Schrager, a co-founder of New York City nightclub Studio 54 is also part of the \$1.4 billion project more than a decade in the making.

It has gone through repeated design changes, with the ultimate height fluctuating over the years.

"We are working on what I have always considered to be the exclamation mark of Woodward Avenue, Hudson's," Bonner told an audience as part of a Detroit Homecoming panel. "Now we think it will be the foremost mixed-use development project in the country."

Local condo market experts say that by bringing in an outof-town brokerage to manage the sales, Bedrock appears to be eyeing a "new market" for condo units in Detroit, likely comprised of wealthy, nonlocal buyers who will pay — at least on a per-square-foot basis prices not seen here previously.

Local brokers, however, differ in their opinions on the degree of success Bedrock

may have with such a strategy.

Douglas Elliman is more than \$40 billion in sales and rental been slow. transactions annually.

according to figures on the company's website. In New York City, its base of operations. the brokerage has more than 600 active listings for condos priced at more than \$10 million each.

While specifics about the condos planned at Bedrock's Hudson's site project — such as price, size and amenities – remain under wraps, the units hitting the market come at a challenging point for Detroit's

MOSEY

From Page 3

"I do have some things on my bucket list that I want to try and get done before I leave. I'm working very hard on a number of things that I really think I probably am uniquely positioned to try to help get over the finish line. Then the rest will have to be left to our board to figure out how they move forward."

Before forming the University Cultural Center Association, Mosey got an urban planning degree from Wayne State University. She also spent four years as executive director of the Ypsilanti Downtown Development Authority and worked for the Michigan Avenue Community

condo sector.

With the exception of units in the Midtown area north of downtown — and what are largely resale units — Detroit's overall condo market remains mired with oversupply and sales have been slow, as Crain's reported in August based a recent report by local brokerage firm The Loft Warehouse.

In general, condos in Detroit sell in the range of \$600-\$700 per square foot. In July, a unit in the new The Exchange development near the Greektown area of downtown sold for \$915 per square foot, thought to be a record in the city.

Some condos near downtown Birmingham, to the north of Detroit, have fetched around \$1,000 per square foot.

Jerome Huez, a Detroit Realtor with a focus on condos and owner of The Loft Warehouse, said the Hudson's site units will likely need to meet or exceed such a figure to be successful, given the cost of construction.

"The market in Detroit is itself not really ready for those kinds of prices," Huez said. "But that's why it makes sense to bring in a New York broker, to try to cater to the market by attracting international buyers, New York buyers, where you can't get anything for \$1 million."

Detroit, however, makes for a "different market" than New York or Chicago, said Matt O'Laughlin, a Detroit-based

Detroit's overall condo market remains mired with among the largest in the U.S. and handles **Oversupply and sales have**

broker with Max Broock Realtors. When compared with those larger cities, he said he sees limited demand from outside buyers looking to park their money in high-end Detroit condos.

"For (Bedrock) to bring in an outside broker that doesn't know how this market works, I think they'll have challenges," O'Laughlin said. "If they just bring in a broker from New York who's sitting in a sales office, it's just not going to work."

Organization in southwest Detroit in the 1970s.

In addition, she has served on the M1 Rail board, which oversees the QLine streetcar running from downtown north to the New Center area, as well as the Invest Detroit advisory board.

Among the projects she and her Midtown Detroit team completed was reopening the Inn on Ferry Street, redeveloping the buildings at Woodward and Grand Boulevard, building 14 new eco homes on Fourth Street and redeveloping a stretch of buildings on Selden Street. Since 2000, the organization has raised over \$100 million for a variety of projects and initiatives, and it is responsible for events like Noel Night and Dlectricity, among others.



Method partnered with Dan Gilbert's Bedrock real estate development company on the more than \$300 million Book Tower redevelopment for the Roost apartment/hotel that opened in June, Anthology Events and all food and beverage aspects.

Book Tower includes 229 apartments and 118 hotel rooms. according to Bedrock Vice President of Hospitality Andrew Leb-

er. "This place is going to be a very special building once everything is up and running to its full totality," Leber told Crain's last week. The dining concepts are a part

of that feeling, he said.

The different restaurants and bars inside Book Tower were selected as a way to tap into what was then an untapped market.

"When we looked at this building and programming it, we wanted to figure out what was an opportunity in the market. Seven or eight years ago, there wasn't French. Now there is," Leber said. "And there's really not too many Japanese spots, either. We wanted to elevate this building by bringing in some food and beverage that doesn't exist, and that led us to programming the type of cuisine we're offering."

Method Director of Operations Scott Sadoff told Crain's that Le Suprême has been a great draw and that the soon-to-open concepts will follow suit.

We've been received very well. We've been extremely blessed to see how many people are coming in on an everyday basis." Sadoff said. "It's not just a Friday or Saturday night establishment. We've got a mountain of reservations for a Tuesday night.

'We're just going to continue on that path with the opening of the other concepts, and add some more meal periods and fun to Le Suprême."

Following is a look at each Book Tower food and drink property:



Kamper's bar, on the 14th floor of the Book Tower build town Detroit, opened Oct. 12. | BEDROCK

ACARONS

Le Suprême, the first dining concept to open inside the renovated Book Tower, is attracting nightly guests, according to Method Co. director of operations Scott Sadoff. I METHOD



Anthology Events on the 14th floor of the Book Tower building offers space for corporate events and weddings. | JAY DAVIS

credits and tax incentives, what this legislation does is tell the students, 'Hey, hope you enjoyed your time in Michigan. We'd like you to stay.' ... If those kids all end up in Chicago and Atlanta, it's not great for Michigan growth and population and economic achievement."

A Whitmer-created population council is due to give recommendations by Dec. 1. It started to consider options from workgroups at a meeting last week.

Democratic Rep. Will Snyder of Muskegon is sponsoring the bill that would cover out-of-state students who move to Michigan. Noting that the state is a "net exporter of talent," he said the measure is a "creative way to keep students in Michigan after graduation. ... This is a starting point. There's still plenty of negotiations to be had on what the exact number and timeline for those credits could be moving forward."

Republicans also support tax relief for borrowers. In September. Rep. Bill Schuette of Midland introduced a similar measure, House Bill 5045, but added a provision stating that the portion of the credit that exceeds the tax liability could not be refunded.

The Education Data Initiative. which collects and organizes education statistics, estimates that people in Michigan are more likely to have a higher college debt than their peers nationwide. The average debt is \$36,116. Roughly half of 1.4 million borrowers in the state, 52%, are under age 35. About 14% of residents have student loan debt.

In a report conducted for MI-CHAuto, an automotive and mobility cluster association, Richard Florida's Creative Class Group found that while Michigan does well on talent retention overall, too much of the most crucial talent it generates — tech talent - leaves. The state also lags badly in attracting young, college-educated tech talent from elsewhere.

Michigan has some existing

Le Suprême

What: Le Suprême, the first restaurant to debut within the recently restored Book Tower, is a Parisian-inspired brasserie paying homage to the rich history of 1920s Detroit. Guests can enjoy French-inspired specialties and a full-service bar, which showcases a traditional absinthe service, a curated cocktail program and a global selection of more 300 champagnes and wines.

Capacity: 6,200 square feet, 210 guests, 24-seat private dining room Staff: 70, and aiming to hire an additional 30

Hours: 4-10 p.m. Tuesday-Thursday, 4-11 p.m. Friday-Saturday and 4-9 p.m. Sunday **Opening date:** Aug. 23

Kamper's

What: 14th-floor rooftop bar with sweeping views of downtown Detroit. The indoor/outdoor Spanish-inspired cocktail lounge pays homage to its namesake and Book Tower's original architect, Louis

loan repayment or forgiveness

programs, including one target-

ed at health care providers who

work at nonprofit clinics for two

years in shortage areas. The new

budget has \$225 million for a pi-

lot to give repayment assistance

to school employees who work

Because the legislation would

allow credits for up to 10 years

from graduation, Skaggs said, it

eration of or action on the bills,

which were referred to two Dem-

idea because the commission is

looking through all these ideas,"

Skaggs said. "I am just putting it

on the table and saying, 'If you're

Whitmer's office did not say if

"I'm hoping it's a good enough

ocratic-led House committees.

directly with students.

bring

expect

interested, here it is.'

people back in

their late 20s

they leave ini-

tially. He does

quick consid-

could

not

Kamper.

Capacity: 4,350 square feet; 40 guests, plus 14 seats at a bar and 86 on an outdoor patio Staff: Currently 10, looking to hire

an additional 10 Hours: 6 p.m.-midnight Thurs-

day-Saturday Opening date: Oct. 12

Bar Rotunda

What: An all-day cafe and wine bar, with coffees, pastries, small plates, wine and cocktails offered at breakfast, lunch and dinner. Canopied by The Rotunda, Book Tower's marble arched atrium and 100-year-old Kamper-glass skylight, the design and service are inspired by the grand cafés and venerable hotel bars of early 20th-century Paris.

Capacity: 3,320 square feet; seating capacity still to be determined, but estimated at 85.

Staff: Looking to hire 20 employees Hours: 7 a.m.-2 p.m. daily, but that will expand over time. **Opening date:** Late fall

Hiroki-San

What: Izakaya- and omakase-style dining on the lower level. Menu items and other details will be announced at a later date. **Opening date:** Late fall

Sakazuki

What: A casual sake and sando (Japanese for sandwich) pub with exclusive menu of Japanese libations on the ground level. Menu items and hours of operation will be announced at a later date. **Opening date:** Late fall

Anthology Events

What: Large-scale event space available to book for weddings, corporate and social events. The space, on the 14th floor of the Book Tower, features a glass ceiling and views of the Detroit skyline. **Capacity:** The space has room for 175 seated guests and 200 strolling guests.

she is open to the measures but noted the council's mission includes finding ways to attract and retain talent and proposing long-term funding for financial aid.

Maine, Skaggs said, has a similar student loan tax credit repayment program in which about half of eligible people are participating. The Michigan measures, if enacted, could reduce revenue

"I think this is a pretty darn good and 30s even if economic development tool. If we believe in it, we will find the money."

-Rep. Phil Skaggs, D-Grand Rapids

by \$400 million annually, he said.

"It's a significant annual budgetary outlay," Skaggs said. "But we have to decide. We put a lot of money into economic development. I think this is a pretty darn good economic development tool. If we believe in it, we will find the money."



LOANS From Page 3

Skaggs said the timing is right given Michigan's focus on talent attraction and retention after legislators put billions of dollars into an economic development account, the Strategic Outreach and Attraction Reserve fund, to keep the auto industry in Michigan amid the transition to electric vehicles. He also called the plan a "bookend" to new state-funded college scholarships going to students who graduated from high school in 2023 or later.

"I still think there's a place for incentives and SOAR," said Skaggs, who is sponsoring the bill that would apply to graduates of in-state high schools or colleges. "But I think that we can start to think long term about how do we invest in people. Which industries those people go into will be up to them. Instead of a hodgepodge of tax

THE CONVERSATION

Sarah Anthony on fighting imposter syndrome to lead Senate budget committee

Sarah Anthony is accustomed to firsts. She is the first Black woman to represent Lansing, her hometown, in the Michigan Legislature. This year, she became the first African American woman to chair the powerful Senate Appropriations Committee and is among a small number of women to have ever led a legislative spending panel.

Anthony, 39, helped craft an \$80 billion budget as the first Democrat to helm the Senate budget committee in almost 40 years. She has a bachelor's degree from Central Michigan University and a master's from Western Michigan University. Before winning election to the House in 2018 and the Senate in 2022, the former legislative aide worked at the Michigan College Access Network, including as deputy and interim executive director.

The following interview has been edited for brevity.

By David Eggert

How did you get to where you are now?

I did an internship in high school. I had too many credits and my counselor said I needed something productive to do. So they hooked me up with an internship with (then-state Rep.) Mary Waters. She was an ambitious minority floor leader. I could watch her doing the work of her people in Detroit. It was super inspiring. I ended up going off to college and had this awakening around inequities. Why is it that my school on the south side of Lansing was completely different than the schools in Okemos? Why is it when I go off and hang out with these new friends in Birmingham, the city looks different, the investments were just completely different, the lifestyles were different? That didn't feel fair because for my friends who lived in Flint or Detroit, our experience was completely different, even though our family values were the same and our abilities were on par. I knew at the very least I'd be focused on addressing gaps and inequities. I knew I'd be working in politics. I had no idea I'd ever run for office.

What made you want to be the budget chair?

When it felt like, "OK, we (Democrats) might be able to take the majority," I have always known that all roads lead through the budget. That you can do powerful policy in the budget and you can invest in what matters. I started to think, "I've got the experience and I'm not going to let imposter syndrome, which I struggle with, (hold me back). I check all the boxes. I actually understand appropriations. I live in town. I can in many ways balance the stakeholders and be present and really be a resource for people."

What do you mean by imposter syndrome?

Honestly, every day I have to convince myself that I know what I'm doing. I have degrees in management, degrees in political science. I now have 20 years of experience in Lansing working in politics. Yet there are days that I'm like, "Do I know anything? Do I have what it takes?" I always have to remind myself, "Put that to the



side. You've got work to do."

What budget items are you most proud of?

Our ability to support educators in the way that we did, the opportunity index and how we're funding education, the way we invested in school infrastructure - that stuff is really powerful. The other thing, we invested directly in organizations that have a track record of serving real people. These are recreational activities, community centers, parks, pools, municipal infrastructure. These are things that people, particularly in our urban cores, are already overtaxed and would never be able to afford.

What do you want to prioritize in the next budget?

We have done a terrible job taking care of people who care for people in our state. These are direct care workers. These are child care workers. These are police officers, firefighters, nurses, all of the care industries. They are often undervalued, underpaid, overworked and we can't recruit people for these professions. We have to get a handle on these care professionals and figure out what is the state's role.

While Democrats made changes to bring transparency to \$1.3 billion in earmarks, a report found that nearly two-thirds of the spending was added at the 11th hour. Should there be sunlight at the front end? I want to get better and better at making sure this process is more inclusive and more open and more transparent. I think we did a pretty good job. Many of our earmarks and grants and investments were put in our Senate recommendations early in the process. We didn't deviate too much from those recommendations. I do think as we get better and better at this, we'll see a more transparent process.

Do you have non-budget issues on your agenda?

My brother was in a really bad car accident. Since 2019, I have been actively seeking an opportunity to lead on bills to help fix the no-fault (auto insurance) system. I've got to get that done. It's not just because of my family's personal story. It's because for those of us who sat in that chamber in 2019 and feel like we were lied to about the urgency on fixing and tweaking and making this

a more fair system, it's been the one thing that's kept me up at night both personally and professionally.

How were you were lied to? I was explicitly told this would

not interrupt care. This was from folks I trusted. This was my first five months as a state rep — still learning the place and I'm being told by everyone this is what's needed, it's going to lower costs, that from an equity perspective our majority-Black city, Detroit, they want this, this is going to transform auto rates. I was explicitly told by people this is the big thing and then you'll be a part of the cleanup efforts. Year after year after year went by, and nothing happened.

What do you do outside of work?

I do a lot of reading here. It's a really inspiring building. My dad retired two years ago. He has found joy in projects at my house. So he built me a deck. It has been kind of a saving grace. I go out there. I pray, I read books, I listen to jazz or good hip-hop. But it's just been kind of great to reset after a long day. I love hanging out with my family. I am becoming less and less cool to my nieces.

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