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Posted on Sun, Feb. 15, 2009

# Korman has star status with working folks

## They respond to his no-layoff plea.

By Diane Mastrull

Inquirer Staff Writer

As he has lived his life and has run a multimillion-dollar family business, Steven H. Korman says he has been guided by one question:

"Would I like me in a movie?"

The president and chief executive officer of Korman Communities, a Plymouth Meeting housing-development company best known for its extended-stay apartments and hotels, has not made it to the big screen. But he has reached star status among an anxious working public.

By Friday, more than 200 e-mails and calls had poured into Korman's office - all offering thanks and praise. They came from the employed and the retired, from holders of stock in public companies, and from executives who are holding their breath over what the future holds for their struggling companies and nonprofit organizations.

The correspondence was a reaction to Korman's recent public plea to chief executives to stop the layoff epidemic that has killed more than 3.6 million jobs since the recession's start in December 2007.

The 69-year-old father of three sons made his appeal via \$16,000 in ads he placed in The Inquirer and the New York Times from Feb. 5 through last Sunday. In them, Korman denounced the elimination of thousands of jobs by companies seeking "to improve the bottom line" and urged businesses to accept smaller profits and stock drops "rather than affect the lives of our neighbors and their families as jobs are lost."

On Tuesday, Korman also sent letters conveying a similar message to the chief executives of 17 major companies whose stock he owned.

"I just think that if you worked hard, and you're doing a good job, and your company is making money, you shouldn't be laid off because they want to make more," Korman said in an interview.

Critics of his layoff ads - at least those who have spoken publicly - have been few. Two Philly. com visitors who posted comments to an article Tuesday in The Inquirer about Korman's call to action said he was merely seeking business for his company's properties.

Those people do not know Steven Korman, said Richard Keaveney, owner of the Toppers Spa chain. Keaveney also is chief executive of MANNA, a nonprofit organization that provides nourishment to people with life-threatening illnesses.

In June, MANNA renamed its Center City headquarters the Steven Korman Nutrition Center in recognition of a "very sizable gift" from Korman, Keaveney said.

"He's the small guy's defender," Keaveney said of Korman, who is chairman of MANNA's advisory board.

For almost 20 years, Korman sponsored a van and a four-person team that fed the homeless throughout Philadelphia. For three of those years, Korman joined the team two nights a week to distribute meals.

In November, Korman launched a program to encourage guests at Korman properties in Philadelphia to volunteer at MANNA and Project H.O.M.E., which helps provide meals and housing to the homeless.

"He has a huge, huge heart," said Sister Mary Scullion, Project H.O.M.E.'s cofounder.

Korman's ads have left that impression with many who have seen them.

"I've been longing for someone of importance to publicly encourage companies to keep their employees rather than shed them during these rotten economic times," Holly Reid McLaughlin, 53, of Delanco, wrote in an e-mail to The Inquirer. She asked that it be forwarded to Korman.

Marianne Lynch found reason for hope in Korman's ads.

"As someone whose husband has just been laid off and now fears for her own job . . . I just wanted to thank you for your outspoken comment to your peers," Lynch, 39, resource development director for the Montgomery County affiliate of Habitat for Humanity, wrote in an e-mail to Korman.

His ad, the Chalfont mother of two told Korman, "gives me hope and makes me feel as if we are all in this together - from those making lots to those just getting by."

Rex Gatto, a business psychologist in Pittsburgh, said Korman's message had resonated so strongly because "it shows a sensitivity toward people that have done nothing wrong."

"Many of the people who are caught in these layoffs truly have not done anything wrong," Gatto said.

From Korman's target audience - business leaders - comes a mixed reaction.

Mike Mannon, 35, of Phoenixville, chief operating officer of WD Communications Inc., a corporation training company specializing in management communication skills, called Korman's message a "little spark of hope in the midst of fear."

"I think all of us who are in leadership positions are looking for inspiration these days," Mannon

said in an interview last week. While the future is uncertain, Mannon said his company's goal was to heed Korman's call and avoid layoffs among its full-time staff of 10.

At Philadelphia-based Binswanger Corp., a third-generation real estate company with 200 local employees, layoffs have occurred. The privately held company would not say how many.

Chief executive David R. Binswanger said "weighing decisions about your employees vs. economics" was "extremely difficult." He asserted that "CEOs are given a bad rap - that it's always profits over employees."

"In the end," he said, "you have to be profitable in order to ensure that the employees you have have a job."

Korman said he had "no problem" with layoffs to save a company.

While he has not heard from any of the chief executives he wrote to last week, his hope is that his ads will change the conversation in boardrooms - and, where possible, save jobs.


For someone who wants to be the good guy in movies, that would be the perfect Hollywood ending.

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