

BARTERING IS BACK

The Business Owners Trade Alliance (BOTA) is the brainchild of former marketing executive turned real estate agent Maria Schlesinger and Scott Martz, a Chicago-based consultant with a background assisting small and mid-sized businesses in the U.S. and Canada. Schlesinger and Martz recognized that, in the sluggish economy, businesses were unable to move forward with investments because of an inability to secure loans. And they thought they might have a solution to their funding problems.

They aimed to create a system in which business owners might avoid credit checks and crippling interest rates, a system that would be as beneficial to the business as to the financier. Existing trade alliances provided inspiration for their new venture.

This past August, the two quickly began to assess how to create a viable trade alliance enterprise. Schlesinger (managing director) and Martz (CEO) worked out the nuts and bolts of BOTA, and by October, they had literally built a completely new business based on bartering.

In essence, BOTA is a membership organization that facilitates the cashless exchange of goods and services. Once a business becomes a member by paying an enrollment as well as a monthly fee, they are eligible for a line of trade dollar credit to use to purchase goods and services from other members. Members then earn more trade dollars by offering their own goods and services to other members. It's Schlesinger's and Martz's job to bring the many businesses together.

WHAT'S THE ADVANTAGE OF JOINING BOTA?

Maria Schlesinger (MS): Every business is trying to get as many customers as they can. But in almost every business, there's an excess capacity. Whether it be extra time because they're a dentist and they have an extra chair from 2 pm to 4 pm, it's revenue lost. If they're a storage facility, they might have empty spaces. If they're a printing company, their machines aren't running all of the time. When you have that excess capacity, you're not at maximum profitability. What we do is fill those valleys. We want to fill the excess time or the capacity of the business, so that they're earning something when they would not be earning anything. We're not taking away their cash business, we're bringing them business that they would not have had otherwise if it weren't for our introduction to that new customer. That's the advantage of it, because it doesn't compete with their cash business, it just adds to it.

Scott Martz (SM): Any revenue we do bring to a client is new business for that client. No business operates at 100-percent capacity. So if a restaurant has 100 seats, and they're only filled 60 percent of the time, they've got 40 percent left that the staff is still covering. The lights are still on and the kitchen staff is still there. So the win-win situation for that client is if I send in 20 more customers. They're going to make additional revenue, especially when they're new customers. They're going to tell friends - that's the referral process that's going to bring in cash business to that client.

Excess inventory is cash sitting on the shelves, it's not moving, it's tying up your cash flow. In order to improve your cash flow, if it's going to sit there, why not make retail value for it instead of playing the discount game? With the trade alliance, we can take excess inventory, and we can blast that out to nine different counties. Someone will pick that up at retail values, versus the client having to discount. They can take the revenues earned and put it into marketing, advertising or whatever their needs. The whole concept of engaging in trade as a practice is to fill your excess time, to fill your unused capacity, to unload excess inventory. It's also a way to break into different marketplaces that you otherwise wouldn't be able to break into.





WHAT ARE SOME OF THE ADDITIONAL SERVICES OR ASSISTANCE THAT YOUR SALES STAFF OFFERS THE CLIENTS?

SM: We truly let our clients drive our target market. What I mean by that is we give every client a list of items that they check off, so that we know exactly what they're looking to spend their trade dollars on. That list gets fed into our software, and then we put our sales force to work to go after those exact items that the clients are looking for in their local territory. They're creating viable trade relationships.

MS: If you hire somebody to meet with business owners who are your potential customers every day and hand them your brochure or your business card, it would cost tens of thousands of dollars. That's exactly what we do, which comes at no additional cost. The promotional aspect of this is huge for a business that's looking to grow or looking to gain exposure in either their area or another area. That's what we do out in the field, and we also hold mixers for our members to be able to get together as well as chamber events and networking events. That allows members to meet each other so they can develop relationships to do business. Non-members are also able to come in and meet our members and hear what their experiences have been, and that provides the opportunity for cash business if somebody decides they're not going to move forward.

WHAT CAN BRAND-NEW MEMBERS EXPECT?

MS: New customers get interest-free financing backed by our guarantee that we'll bring them the customers to pay it, and promotion of their business throughout the business community. Also referrals; the value of a new customer is that if you do a good job for that customer, they're going to get business from the neighbor. This is a community effort.

We're all a bunch of businesses that help each other out, and we're trying to use each other's goods and services. And then, once you like somebody and what they've done and they're a fellow member of our alliance, you're going to promote that business more than you would otherwise. You didn't have any connection to that business before in any kind of way.

HOW DO YOU SEE BOTA GROWING, DESPITE A GOOD OR BAD ECONOMY?

SM: One thing we will do is grow organically – that's No. 1. We will grow county by county. In the big scope of things, we'd like to take our alliance to 10,000 to 12,000 members from Maryland all the way to Philadelphia.

In addition to helping businesses become more successful through modern-day bartering, BOTA has created the 10 Percent Project, which allows local charities to take advantage of their member businesses without direct contribution of goods and services. The charitable initiative provides for the donation of valuable trade dollars by BOTA and its members to recognize local charities. BOTA also offers their members the option of donating to partnering charities of their choice to become BOTA Member Charities. Locally, BOTA will have a table at the Alex's Lemonade Stand – Lehigh Valley Annual Community Carnival, held on September 17, 2011 at The Rose Garden of Bethlehem.

The upcoming BOTA Business Networking Mixer and Gala Trade Showcase will be held on Tuesday, September 27, 2011 from 6 p.m. to 9 p.m. at Lee Gribbens on Main Restaurant in Emmaus. Attendance is free to all business owners and members, and nonmembers are also welcome. Complimentary appetizers will be served with a cash bar. The event will feature open networking and a trade showcase for purchasing wares on trade such as designer furs, jewelry, gifts, fine cigars, gourmet chocolates, fine art, team apparel and much more. Featured topics by BOTA member guest speakers will be "Creating a Game Plan for Improving Profits" and "Social Media and Mobile Marketing for Capturing Customers."

For more information about BOTA, visit bizota.com.



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