



READING EAGLE: TIM LEEDY

Jeffrey F. Burkhardt, area director of Corporate Barter Network

In hard economic times, bartering makes comeback

Reading-based Corporate Barter Network allows companies to exchange excess capacity for credits toward what they can use.

BY DAVID A. KOSTIVAL
READING EAGLE CORRESPONDENT

Trading is a form of doing business that is more ancient than any currency system.

But it turns out that bartering can provide the opportunity for modern-day businesses to flourish.

Jeffrey F. Burkhardt, 43, owner of Corporate Barter Network, discovered the potential in the early 1990s.

"I read an article in *The Wall Street Journal* about how entrepreneurs in a time of recession were being creative in doing business through trading in order to get things they could not afford," Burkhardt said. "At the end of the recession, it turned out that they had succeeded where others failed."

Realizing there was no bartering brokerage firms in this area, Burkhardt began the work of starting one.

"It's a concept which is based on excess capacity," he said. "Every business has empty capacity, whether it's unsold airtime for a radio station or simply empty tables at a restaurant."

"The idea behind bartering is to help clients to grow revenue and decrease expenses and generate more profit."

Burkhardt said the initial startup was difficult and that it took about a year to build up a local client base of 200.

"We work with businesses that range from small mom-and-pop shops to Fortune 500 companies," he said. "This can benefit any size business."

Today, he has built the local clients to 500, but in merging his client base with a larger company in Colorado known as eValues, the Corporate Barter Network has more than 30,000 clients

across the nation.

Unlike in bartering of old, clients do not trade item-for-item with one another.

Instead, they use the brokerage traders at the Corporate Barter Network to assist them in finding whatever they need.

The business then purchases the item or service it wants by using credits it has earned from listing its own items or services for trade.

Burkhardt said bartering is a concept which is especially popular during hard economic times.

"Our business is booming right now," he said. "In hard economic times, there tends to be more excess capacity of goods and services available."

"Many businesses don't have the cash available to do the things they would like to do."

"So by being a member of the network, businesses can use their credits wherever it makes the most sense. We provide that liquidity. This is a very proactive way of dealing with the current recession."

Businesses even can use their credits to offer a benefit to their employees which they couldn't otherwise afford, Burkhardt said.

"In addition, there is a marketing advantage," he said. "Services are promoted within our own membership base and member businesses can advertise free of charge on our daily e-mails to our clients."

"There simply is no downside to bartering."

Burkhardt believes the system benefits the local economy.

"We are helping the local economy by assisting businesses to do business with each other," he said.

Contact David A. Kostival: 610-361-5049 or money@readingeagle.com.

Corporate Barter Network



Address: 23 S. Fourth St.

Web Site: www.corporatebarternetwork.com

Owner: Jeffrey F. Burkhardt

Phone: 610- 610-372-1600

Employees: 4

Founded: 1991

Local clients: 500

Total clients nationwide: 30,000

How it works

- A business pays a startup fee of \$495 to join the network.
- The business lists its good or services available for trade.
- In return, the business receives a trade credit based on the retail dollar value of the merchandise or services listed.
- The business can use the trade credit to purchase goods or services offered by any of the other members.
- Members pay a 12.5 percent commission on the goods or services traded.

Top local clients:

- American Dental
- Wyomissing Optometric
- Y102
- Adelphi Kitchens
- Budget Print Center

Top traded services:

- Advertising
- Travel
- Medical services
- Printing
- Contractor services