

The Barter Alternative

Improve Cashflow & Expand Your Business Network

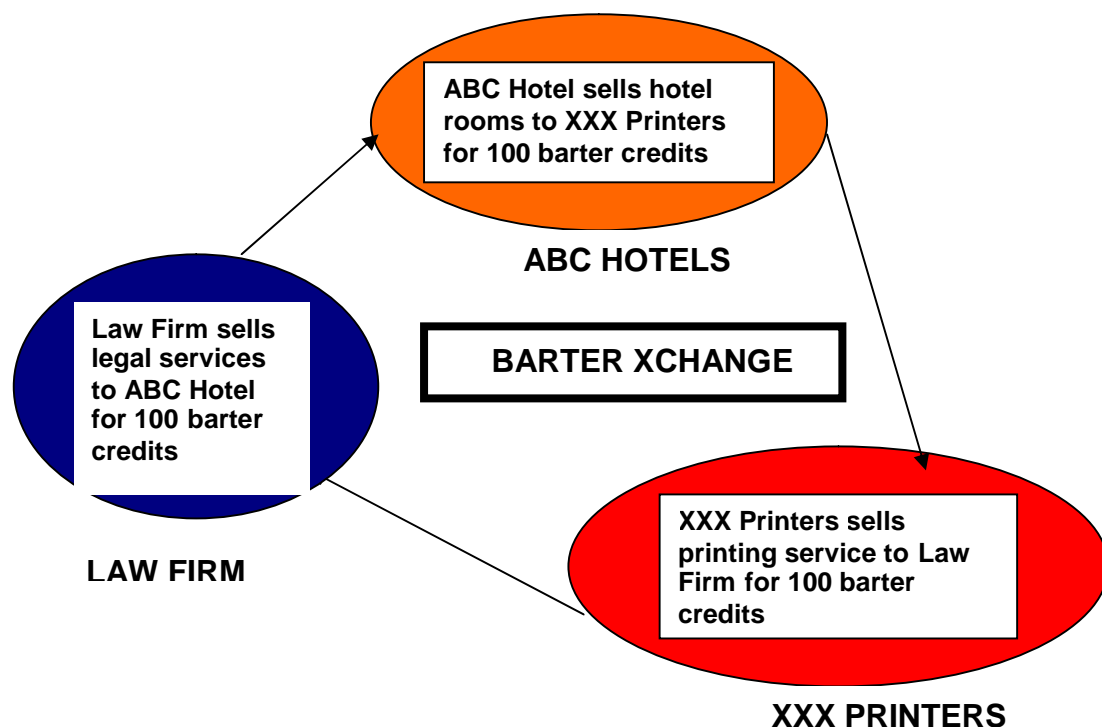
BARTER

Barter is the oldest form of trade. It is back in vogue again.

21st Century barter has evolved from "direct trade" when people directly swapped one thing for another, to a barter exchange which performs the role of a middle-man. The exchange issues "barter credits" to a member of the barter community. The member then uses the "barter credits" to purchase the goods or services from someone else in the barter community.

Bizibody Technology recently joined a barter community in Singapore, called Barter Xchange. The Xchange is made up of companies from many different industries, including printers, publishers, hotels, training companies, branding consultants, stationery suppliers, caterers, venues like the Arts House.

THIS IS HOW IT WORKS:



POINTS TO NOTE

- Barter credits is treated as another form of currency.
- No cash is involved in the above transaction.
- The value of the Xchange increases as its community expands.
- Transactions on the Xchange are facilitated by brokers whose main role is to understand the needs of its members and to match their needs with what other members in the community can provide. The brokers also ensure that companies do not accumulate excessive barter credits.
- The Xchange organizes monthly trade nights for the community to interact with each other.
- The Xchange charges a 5% fee to each of the buyer and the seller in a transaction. However, in light of the rule prohibiting law firms from sharing fees with third parties, the Xchange has modified its business model vis-à-vis law firms, so that law firms are charged 10% upon purchase and 0% upon sale.
- Barter credits can be exchanged for cash upon exit of the Barter Xchange community.

HOW DOES BARTER HELP BUSINESSES?

1. Monetize excess assets/capacity. First, bartering allows you to use up spare capacity which might otherwise go to waste. For example, store owners have excess inventory, restaurants have empty tables, hotels have unoccupied hotel rooms, lawyers have free hours, and Bizibody has excess bandwidth at its server. Barter enables such businesses to trade under-utilised assets which may otherwise be wasted.

2. Meet new potential customers. Barter Xchange is about community and interaction. Part of its activities includes organizing monthly trade nights. I find the monthly trade nights lively and interesting. It has provided me with opportunities to meet with people from all walks of life, and a platform to showcase Bizibody's products and services. I don't feel the least bit shy about talking to strangers about the services we provide, as barter members are very happy to find services to spend their barter credits on.

3. Barter Brokers. The Barter Xchange broker assigned to you means that you have an additional sales arm who is helping you to sell your services and increase your leads.

4. Barter saves money. As these are non-cash transactions, bartering will help you to improve your cash flow.

NO LAWYERS

There are currently no law firms in the Barter Xchange community. This community would have been especially useful to law firms a year ago, when law firms had lots of spare capacity during the dark days of the not so long ago recession.

Even now, it is worth a consideration as the members in the barter community will need legal services at some point of time. There are accountants, bookkeeping services, corporate secretarial services in the community, but not a lawyer in sight.



Bizibody Technology Pte Ltd

On the demand side, you can be assured that members of the barter community would need the services of a lawyer from time to time. On the supply side, law firms would be able to purchase printing services, hotel rooms, entertainment, legal-technology services without cash.

Email me (slim@bizibody.biz) or call me (90127346) if you would like to know more. I can put you in touch with a very good Barter Xchange facilitator.