

madison.com

Classifieds | Jobs | Autos | Homes | Rentals | Merchandise

Search: Calendar

FRI., MAY 19, 2006



Wisconsin State Journal

Current: 50°F
FULL FORECAST

FRONT PAGE

LOCAL

SPORTS

OPINION

COLUMNS

ENTERTAINMENT

BUSINESS

BUSINESS

E-MAIL STORY PRINT STORY

FRI., MAY 19, 2006 - 9:27 AM

Many businesses barter some goods and services

JAMES EDWARD MILLS
608-252-6158
jmills@madison.com

Brandi Edwards hopes to build her new business by using the goods and services of other establishments in the Madison area.

"It's a great way to network and get other small companies to support my business," Edwards said.

Owner of Brandi's Blooms, a florist shop at 6708C Odana Road, Edwards believes that by networking with the businesses around her, she can get the word out about the flowers and decorative live plant displays available at her store.

But rather than buying the merchandise of her fellow business owners, the florist plans to trade the products in her store for the things she needs. Edwards is the newest member of Badger Barter.

Since 2004 Badger Barter has created exchange relationships between area businesses who trade products and services. Owner Mary Jo Mangan said trading is an alternative to spending cash and helps bring small companies to the attention to a larger audience through referrals.

"You're going to use a business in the network before you go anywhere else," Mangan said. "And if you have a positive experience you're going to tell other people. It's just another way to market your business and bring customers through your door."

Edwards hopes Badger Barter can do just that.

"It's the in-the-door thing I need help with," she said. "We sent a lot of (flower) arrangements to local businesses when we first opened to introduce ourselves. This seems like a much better way to do the same thing."

The National Association of Trade Exchange, based in Mentor, Ohio, reports that there are more than 500 barter organizations in North America working with approximately 200,000 businesses. Over \$2 billion in goods and services are exchanged each year.



Leah L. Jones - State Journal

Mary Jo Mangan, left, explains the details of her business Badger Barter to client Brandi Edwards, right, owner of Brandi's Blooms. Badger Barter establishes relationships between businesses so they can trade goods and services

OTHER STORIES

- [Price of natural gas plummets](#)
- [Phelps takes development funding role](#)
- [Power: A Changing Game](#)
- [Work to begin on New Glarus brewery](#)

ADVERTISEMENT



Badger Barter, which has 180 members, is one of two exchange organizations in Wisconsin. The other, Continental Trade Exchange, has offices in New Berlin and Green Bay.

Businesses such as Badger Barter allow their members to trade anything. Flowers, haircuts, carpentry, accounting services, printing or dinner at a fancy restaurant are all fair game. For a startup fee of \$129 plus \$10 a month in maintenance costs, any business can join the network.

"We're basically a clearinghouse of goods and services that you can trade for the things you need," Mangan said.

She said her members can use what she calls Barter Bucks to exchange trade credits in denominations of \$5, \$10 and \$20.

Moe Barketallah, owner of Frida Mexican Grill at 117 State St., said Badger Barter allows him to trade entrees at his restaurant for services that would otherwise require cash.

"I had to get a plumber and I paid him \$100 in Badger Barter," Barketallah said. "But it wasn't \$100 in cash. It's what the food costs, which is less."

Barter value received is considered income and must be declared on a 1099 tax form. Transactions can range from a few dollars to major purchases worth thousands.

Larger transactions, usually over \$100, are negotiated over the phone using an automated approval system. This confirms that the account being drawn upon has adequate funds for the purchase.

Peggy Burke, owner of the Kim Lounge, a nightclub at 14 W. Mifflin St. said barter helps offset many of her cash expenditures. "We're trying to negotiate a sign, furniture, carpentry, plumbing, electrical, the day-to-day upkeep of the place," Burke said. "If there's someone whose services I want, I try to get them to join the network."

Copyright © 2005 Wisconsin State Journal

For comments about this site, contact Anju Ali, interactive editor, aali@madison.com

For comments about news coverage in the business section, contact Thomas Enwright, business editor, tenwright@madison.com