

MINORITY BUSINESS REPORT

Use What You Have to Get What You Need

It's called **bartering**, which is trading with other companies to receive goods and services. These non-cash trades have become very chic among entrepreneurs as a means of getting goods and services without using cash as a commodity. There are almost 500 barter clubs operating in the United States, with thousands of large and small businesses enrolled as participating members. These clubs are federally regulated by the American Trade Exchange (ATE), and they have very explicit operational rules and regulations. To make the process more local or close to home, the ATE has licensed barter companies to oversee activities of local barter clubs.

The following is a simple explanation of how barter clubs operate. Let's say there is a barter club in your town, legally organized, and operating under the auspices of the American Trade Exchange and the barter company with jurisdiction in your area, and there are five businesses enrolled as members of the club.

Your computer graphics company is one of the five members. The other four members are a flower shop, a carpet cleaner, a car detailer, and a law practice, and you need \$500 to have the carpets cleaned in your office. Rather than spend

\$500 cash, you can check the list of businesses in your barter club, find one that cleans carpets, and arrange a deal with them. Once the deal is made between you and the carpet cleaner, the barter company takes over.

The barter company will add \$500 trade dollars to the carpet cleaners account, and subtract

without using cash. However, it is still important to make sure you're getting value for your barter dollars. In other words, you would negotiate for the best price before making an agreement, and you can wait to get what you want at a later time, you don't have to make a decision on what you want or need until

bartering club makes sense if you truly wish to barter, and here's why. Imagine the carpet cleaner bartering \$500 worth of services with your computer graphics company — and your company goes out of business before you fulfill your \$500 barter obligation. If this should happen, the remaining four members of the club would be protected by laws of the American Trade Exchange, and they would all gang up together (with the law on

their side) to go after you for restitution.

Bartering clubs are not for the faint of heart, but they do provide creative ways to control cash flow and expenses. Also look closely at IRS reporting forms. Yes, there are Places to report barter dollars, your accountant will know how to handle it.

Every entrepreneur knows that keeping a small business

consistently profitable year after year has evolved into an art form, and using creative ways to hold down expenses will grow profits as fast as anything else. Bartering is an old technique that is suddenly new again, see if it can work for you in your business, and call the Micro-Enterprise Loan Program at 722-9600 for business loans, business education courses, business planning and technical assistance.



Let's Get Down to Business

Evelyn McMahon

\$500 trade dollars from your account. The carpet cleaners are then entitled to use those trade dollars to buy goods and services from you, or from any combination of businesses in the club, and likewise, your computer graphics company is obligated to trade \$500 worth of goods and services with other club members. Club members regularly trade goods and services with each other, and the barter company is responsible to keep track of the exact number of barter dollars flowing in and out of each account (the barter company gets a small fee for their services from club members).

The best part about bartering is that it allows you to use what you have to get what you need,

you're ready to do so.

The next best part about bartering is the networking possibilities. In my example above there were only five members in the club. In reality there are typically hundreds of club members, and they do all kinds of things to promote their businesses. Clubs have trade shows expos, conventions, and just a bunch of other activities, all geared toward moving their merchandise.

Historically, one-on-one trading has been done successfully since the beginning of time — without regulation from the American Trade Exchange, and without paying fees to a barter company. But in today's world, membership in a

Black hair braiders sue state to continue business

By BHASKAR NAIR
Associated Press Writer

COLUMBUS, Ohio (AP) — The state is ignoring African-American culture by requiring black-owned hair braiding businesses to be licensed, owners said.

Two hair braiding businesses have filed a lawsuit against the state in federal court, asking that state regulations requiring licenses for hair braiders be declared unconstitutional.

One of the plaintiffs, Cheryl Hosey, owner of IMB Hair Braiding Gallery in Youngstown, said opening her salon last year was an ideal business venture.

"I've been braiding hair for 18 years," Hosey said. "I've had so many family members and friends who said 'braid my hair, braid my hair' that I said, 'I can make this my business.'"

Ms. Hosey uses word-of-mouth to advertise because she is afraid she will draw attention from state regulators.

She said she has 226 customers who keep coming back because traditional salons have neither the time nor the skills to braid black hair.

Ohio is among 48 states that regulate African-style hair braiding. Michigan and Maryland allow hair braiders to operate without a license.

"These people are providing these services in facilities that look and operate like salons that are licensed," said David Williamson, executive director of the cosmetology board. "They provide their services to the public and should also be licensed."

The state can turn to cities and counties or to the attorney general's office to prosecute unlicensed businesses. Board officials found out about braiding shops only recently and were not aware of any in Ohio that have been shut down for operating without a license, assistant director Tom Ross said.

Cosmetologists are required to have about nine months of training at one of the 167 private or public schools in Ohio and pass a state test. The training can cost anywhere from \$3,000 to \$5,000,

Williamson said.

But cosmetology schools do not teach African-style braiding, nor do they test for it, making the need for hair braiders to have a state license unnecessary, according to the Institute for Justice. The nonprofit law firm based in Washington, D.C., filed the Ohio lawsuit.

The cost of going to school could keep people from starting a profitable business, the group said.

"These are largely poor African-American women who are the producers and consumers here," said Donna Matias, the group's staff attorney. "It's an alternative to welfare for many of these women and a way to empower them."

The institute also was part of a

1992 lawsuit that led the Washington Board of Cosmetology to create a separate license for hair braiders. The group sued on behalf of hair braider Taalib-Din Uqdah, who now heads the American Hairbraiders and Natural Haircare Association.

Uqdah, also part of the Ohio lawsuit, said hair braiders do not need to go to school to learn their craft because they learn it at a young age from the black community.

"We don't want to have to turn to any state in order to learn the method of doing a cultural art form," Uqdah said.

There are thousands of unlicensed African-style hair braiding shops around the nation, Uqdah said.

GUIDELINES FOR COMMUNITY NEWS SUBMISSIONS

News about what happens on a neighborhood or community level, developing issues, the accomplishments of our hometown people, social events, and happenings that would be shared by locals at the general store or the diner in a smaller town — these are the flesh and bones of a community newspaper. They are *The Chronicle's* substance and reason for being.

As our paper expands, we expect to receive more community news from new readers. It is our goal to use news of this kind that will be interesting and important to all our readers. To this end, we offer the following guidelines to help you, the reader, also be a participant.

1. Submissions should be newsworthy and timely.

News is about *events* that are of some interest to the general readership. An article about an event that is in the past is best submitted as soon as possible after the event. An article published June 26 about an event that occurred May 15 isn't really "news."

2. **Be objective.** News is composed of checkable facts, not opinions. If a submission about a luncheon is 70 percent about how attendees felt or how delicious the food was, it will probably be cut by 70 percent. How attendees felt cannot be checked, and how delicious the food was is a matter of opinion. A specific person, however, may be quoted as saying he or she felt honored to be there, and that the food was delicious.

3. **Write in third person.** If an article in the paper reads "We won first prize at regionals," the reader has no way of knowing to whom "we" refers. It is better to say "Boy Scout Troop 219 won first place at the regionals." Likewise, "Everyone is invited" is preferred to "You are invited."

4. **Be complete.** News pieces should answer five basic questions: Who? What? When? Where? and Why? For instance, the Moose Lodge held a barbecue Saturday at the fairgrounds to benefit the orphans' home.

5. **Make it legible.** Because many readers may not have access to a computer or typewriter, handwritten submissions are accepted if they are clearly written on standard-size paper. Index cards, church bulletins and newspaper clippings will not be accepted.

6. **Leave your number.** For a variety of reasons, the staff may have to contact the person who submitted the article. The name, daytime phone number and evening phone number of the person who wrote the article, or another person who knows enough about the event to be helpful, must be included on each submission.

7. **Beat the deadline.** The community news deadline is Monday at 5 p.m. However, if space demands that something be left out, news that comes in latest is most likely to be omitted. Therefore, sooner is better. All pieces submitted *after* the deadline will be held over for consideration in the next issue.

8. **Remember, it's a newspaper.** The Chronicle must adhere to certain rules of journalism. All material is made to conform to those rules as far as possible; therefore, articles will rarely if ever appear exactly as written. If a submission cannot be edited to conform to standards, it will be omitted.

Following are some examples of what is *not* news:

- advertising for a for-profit enterprise
- philosophic or religious opinions
- thank you notes
- personal complaints

9. **Be patient.** As is evident in corrections that sometimes appear in *The Chronicle*, the staff is human and makes mistakes. Mistakes are not the result of careless disregard for the facts or mischievous intent. The Chronicle will make every attempt to correct misinformation.



Where are you?

Are others depending on you to build the future?
Are you confident that you've got the right tools?
Have you realized the power of your money? We are here. To show you how to make the most of your money today and to help you plan for tomorrow. Because the future is closer than you think.

We are here.

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