

1 minute with...



Bob Bagga,
BizXchange Inc.

Bob Bagga is president and CEO of BizXchange Inc., a barter association with offices in Oakland, Seattle and Dubai.

Why barter? Barter allows you to pay for business expenditures without having to write a check. You pay with your product or service in exchange. BizXchange brings our members new customers. They get paid in BizX trade dollars and can use those dollars to pay for something they normally would have written a check for. It doesn't cost nearly as much as paying with cash, just what your products and services actually cost.

How do you address skepticism about the ease and value of bartering? Bartering has been going on since before money was created. It's done formally or informally. Handling skepticism is one of the reasons we exist. We're a third-party record keeper of barter transactions - a formal barter organization. Our goal is to make sure all parties get a fair shake. There's a common myth that bartering is illegal. It's not. It's accounted for just like cash, reported just like cash and it's as easy to use with our credit card as cash is.

What's the cost to barter goods or services through BizXchange? Our clients pay a one-time membership fee of between \$595 and \$795, depending on which plan they choose. You pay us a 6 percent commission on purchases and sales, a total of 12 percent. It's like a sales fee. You're paying to get a new customer you wouldn't have had. On the flip side, you're paying us to help you acquire a product or service you normally would have paid cash for.

- Michael Fitzhugh

Beat big-boxes with service



Stephanie Secret | East Bay Business Times

Diane Griffin says hire workers who believe in what you are trying to do.

BY JESSICA SAUNDERS
EAST BAY BUSINESS TIMES

Diane Griffin has overseen the transition of her 100-year-old family-owned office-supply company from a single Berkeley retail outlet into a \$4.5 million business-to-business operation. She's found a niche by emphasizing local contact and customer service.

In 2006, Radstons Office Plus closed its retail store in Berkeley and shifted to serving about 1,200 active business customers - about half in the public-sector - via Internet, phone and fax orders.

A decade ago, 60 percent of Radstons' business was retail. There wasn't enough room in Berkeley to do commercial too, so the company moved that operation out to Richmond in 1984 and it remained there until 1999, when it moved to Hercules.

But over the past 10 years Radstons retail business steadily lost customers to big-box office-supply stores.

"We had a massive decline in sales," Griffin said.

Laying off employees and turning away longtime customers was difficult, she said, but she had to acknowledge the commercial business had begun to subsidize the retail side.

Griffin facilitated commercial business growth by utilizing a buying cooperative, which negotiates manufacturers' prices for members, and focusing on independent, locally owned businesses like her own, using online catalogs and marketing.

"I knew that if we could keep our prices close, we could close the deal based on our service and our people," she said.

Radstons is on track to bring revenue back up to the \$4.9 million earned in 2006, with fewer employees and less overhead. Griffin hopes to keep growing slowly, and expand her industry and community involvement.

"My feeling is it's time to get involved and not sit on the sidelines," she said.

Radstons Office Plus

Address: 675 Alfred Nobel Drive, Hercules 94547

Phone: 510-964-9604

Web site: www.radstons.com

Year founded: 1908

No. of employees: 16

Revenue: \$4.5 million

Top executive: Diane Griffin

History: Founded in 1908 by Cliff Radston in Berkeley. He sold the

company to his friend, my grandfather, Merlin W. Drucquer, in 1944.

Who are your customers: Public sector, cities, schools and UC-Berkeley, and small to medium-sized businesses.

Reality check

PERSONAL STYLE

Age: 55

Background: Raised in this family business - full time since 1978.

Business philosophy: Find good people, train and support them, then leave them alone.

Days on the road: 10 a year - not very much.

Education: B.A., University of Redlands

Family: Husband, Sterling; two sons: Paul, married with two daughters and on active Army duty stationed in Germany; Chris, college student.

Hotel: My cabin at Tahoe

Drink: Diet Coke

First job: Camp counselor for S.F. Bay Girl Scouts

Personal philosophy: Work hard - it will come back to you...

Residence: Lafayette

COMPANY STYLE

Best and worst thing about being a business owner: Best, being my own boss; worst, having to make tough personnel decisions.

Proudest achievement: Our recent 100th anniversary celebration.

Next project: More Web site development.

Inducement to sell: Hard to imagine one - having fun doing what I am doing right now. It probably would be health - if it figured into it somewhere down the road. I am a cancer survivor.

Biggest challenge: Fighting the perception that the big boxes have to be the best source for office products, when I sincerely believe they are not, especially when one understands the damage they do to our local communities as their profits and interests "fly" out of state overnight.

jsaunders@bizjournals.com | 925-598-1427