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Businesses making adjustments to cope with recession

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Tales from four local businessmen at a panel discussion yesterday suggested that coping with the current recession involves more than just cutting pay and laying off workers.

While some of the speakers took that route, they also talked about developing new strategies and markets, and finding ways to differentiate their companies from their competitors.

"How to Thrive in Today's Economy" was the topic at the Lunch & Learn program, sponsored by the Westchester County Association at Sam's of Gedney Way in White Plains.

A summary:

Shleppers cut costs

Jason L. Friedland said he cut fixed costs by 50 percent since July at Shleppers Moving & Storage when business began drying up this year. Among other things, he changed the pay structure of the sales staff from a base pay-plus-commission to a full commission-plus-a-modest bonus for those who booked the same amount of sales as the previous year.

Office staff salaries were cut by 5 percent to 10 percent, he said, but there was no pay change for the movers.

"They're the face of the company. They're the ones you want to keep happy," Friedland said.

Shleppers, based in Yonkers and Manhattan, is doing more volunteer work in the middle of the month when there is more down time for the moving crews, whose paid work often takes place at the end of the month. The charity projects provide visibility for his trucks in neighborhoods where he wants the company's name to be better known.

One quick cost-cutting move: substituting industrial rubber bands for tape.

Digiscribe adds service

At Digiscribe, an Elmsford business that helps companies convert documents into computer files and reduce their need for paper, business started falling off a year ago, Chief Executive Mitchell J. Taube said.

Part of the problem was the relatively pricey computer hardware and software that Digiscribe sold as part of its service. Taube said many companies had reduced their budgets in the downturn.

So Taube now offers a substitute for big-ticket items in the form of smaller document management programs that could be had for a few hundred dollars a month. The idea is to include the service in a client's operating budget, which may be a better fit for smaller companies.

When a competitor charged 6 cents a page for a document conversion project that took six weeks, he said, Digiscribe offered to do the job for 8 cents a page and turn it around in two days.

Maid Brigade shrinks ads

After the credit crisis boiled over in the fall, business headed south quickly at Maid Brigade, a Valhalla homecleaning business, said Gary Murphy, who runs the business with his wife. Between September and mid-November, sales fell 30 percent to 35 percent.

"Just went away, disappeared, just dried up," Murphy told the audience. The number has recovered about 15 percent since December through a number of initiatives the company took, working with Co-Communications, a Mount Kisco marketing company.

Maid Brigade dropped ads in regional telephone directories, opting for one ad in a large book. It also put a listing on a social networking Web site to develop more business contacts. A call center handles introductory sales calls.

Murphy said the company is considering entering the office-cleaning market in addition to its regular housecleaning business. Since business is highly competitive, he said, the company is trying to set itself apart by marketing itself as a user of environmentally friendly cleaning materials.

Robison changes pricing

All David Singer is hearing these days from consumers is how they have to reduce expenses. It's bad news for Singer, the president and chief executive of Robison Oil. He said he worries that the family-owned business has spent the past 60 years building its brand as a luxury supplier of energy services, only to be perceived as too pricey.

In the fall, Robison began a new pricing structure that offers more services for higher prices. The plan is to let customers decide what price points they're comfortable with, Singer said.

"You really need to listen to your customers. All of our customers are going to have pain," he said.

Robison also is pressing its vendors for more trade credit, or extra time to pay its bills.

"If you've got to push for 30 more days, push," Singer said.