

## **CEOs demonstrate leadership, creativity in critical times**

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By WILLIAM M. MOONEY JR.

The Westchester County Association recently hosted an Economic Summit that was attended by more than 40 local business leaders. The results were an unprecedented private sector initiative that will focus on three key areas to help provide growth for business and residents of the county:

**Access to credit** – Create a dialogue with regional and local banks to discuss the credit and liquidity issues facing Westchester businesses.

**Lower energy costs** – Create an energy purchasing program to provide lower energy costs for specific sectors that are critical to the county's economic vitality such as hospitals, colleges, commercial office buildings and other business sectors.

**Economic stimulus package** – Explore the viability of creating a funding mechanism to assist distressed companies and local college students through county and municipal Industrial Development Agencies.

The WCA also hosted a luncheon recently to talk about how to thrive in today's economy. More than 100 people came to listen to four CEOs and learn what they are doing. Here is a summary of what took place.

Jason L. Friedland said he cut fixed costs by 50 percent since July at Shleppers Moving and 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 modest bonus for those who booked the same amount of sales as the previous year.

Office staff salaries were cut by 5 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 also doing more volunteer work during down time, which provides visibility for his trucks in neighborhoods where he wants to be better known.

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, CEO Mitchell J. Taube said.

Part of the problem was the relatively pricey computer hardware and software 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.

After the credit crisis boiled over in the fall, business headed south quickly at Maid Brigade, a Valhalla home cleaning business, said Gary Murphy, who runs the business with his wife. Between September and mid-November, sales fell 30 to 35 percent. The number has recovered about 15 percent since December through a number of initiatives the company took.

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 also considering entering the office cleaning market and is marketing itself as a user of environmentally friendly cleaning material.

All David Singer is hearing these days from consumers is how they have to reduce expenses. The president and CEO of Robison Oil said he worries 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. Robison is also pressing its vendors for more trade credit, or extra time to pay its bills.

When put to the test, the Westchester business community will come together to meet the challenge. Leadership and creativity in problem solving and the spirit of cooperation is clearly a strength here. Although we can't solve the massive problem we can find creative ways to address specific segments of the Westchester economy. William M. Mooney Jr. is the president of the Westchester County Association.