

# Assessment

*of*

## Hasker Textiles, Inc.

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## **Current Status of Hasker Textiles, Inc.**

Hasker Textiles, Inc. is a narrow fabric, elastics, and trimmings manufacturing company located in Roseto, Pennsylvania. Custom manufactured elastics are its specialty. It is a family owned and operated corporation founded on October 1, 1981 by Rodney and Bonnie Hasker. Mr. Hasker has more than thirty years experience in narrow fabric design and manufacturing. There are a total of twelve employees working for Hasker Textiles, Inc., seven of whom are family members. Assisting Mr. and Mrs. Hasker are their sons Steve and Scott, daughter Lisa, and daughter-in-law Vicki. The Haskers own and operate twelve elastic-manufacturing machines, two machines that measure and package the elastic, and a large machine that finishes elastic. The 8,000 square foot factory operates twenty-four hours a day, seven days a week.

Hasker Textiles, Inc. is primarily a supplier to the apparel trade. It is capable of handling a wide range of orders including simple and complex patterns and colors. It currently supplies about eighty companies with insert elastic for women's lingerie, for sportswear, for stronger elastic inserts used in home furnishings, and for elastic back supports for uses in the health care industry. Most standard elastic orders are shipped from inventory the same day they are received.

Hasker Textiles, Inc. is a small company that is not cost competitive with larger elastic manufacturing companies, but provides superior service and quality. Service is an aspect of business Hasker Textiles wants to maintain. Therefore, it is to the company's advantage to know the businesses it supplies in order to better serve their needs. Mr. Hasker has provided his customers with quality products when they need them and technical service when necessary. Mr. Hasker has even offered other companies advice about operating their manufacturing machines.

### ***Raw Materials***

The two major components of the elastic produced by Hasker Textiles, Inc. are rubber thread and cotton thread. Rubber or spandex thread is woven together with cotton thread to make bands of insertion elastic. Although insertion elastic requires more cotton thread than rubber thread to produce, it is the rubber thread that makes up the majority of the cost of the raw materials. Hasker Textiles has looked to North American Rubber Thread Co. (NART) and Globe Manufacturing Co. to supply their rubber thread. Previously, they were receiving rubber thread from Malaysia. Malaysia had much lower costs because they had new machines and a close source of raw materials. A tariff (tax) placed on imported Malaysian rubber thread forced Hasker Textiles to turn to NART and Globe. Unfortunately, the rubber thread that they used to buy from Malaysia was of a higher quality than the rubber thread they are forced to use now. The Malaysian thread was also cheaper.

Mr. Hasker says that he is paying \$1.75 to \$1.80 a pound for rubber thread, while counterparts in Canada are paying \$1.05 per pound (there is no tax on Malaysian thread exported to Canada). The adoption of the North American Free Trade Agreement (NAFTA) compounded this problem because under NAFTA, tariffs are no longer placed on finished elastic imported from Canada. For example, simple insertion elastic made in Ontario, Canada can be purchased in the U.S. for \$2.75/yard, while Hasker Textiles charges \$4/yard.

Raw materials constitute about 60-70% of Hasker Textile's product cost while labor costs are about 18%. Hasker adds a fairly low profit margin, so any increase in raw material prices reduces profitability.

Mr. Hasker thinks Hasker Textiles, Inc. could compete well in a free market. He believes that without import restrictions the world price of rubber thread would be no higher than \$1.00 per pound.

### ***Products***

Hasker Textiles produces 1/4" to 4" wide insertion elastic: pre-shrunk, finished, and regular elastic made with rubber or spandex thread. Spandex thread is almost two and half times more expensive per pound than rubber thread. Spandex thread lasts longer than rubber thread in active wear or sports clothing because skin oils do not break spandex down as they do latex rubber thread. The elastic made by Hasker Textiles comes in a wide variety of colors according to the needs of their customers. Styles are coded (e.g. PS120) according to style type, size and/or elasticity, and color. The style that is in high demand at the moment is the pre-shrunk one inch elastic made from rubber thread. Currently, insertion elastic is their largest market. Insertion elastic is used in products such clothing (lingerie, shirts, pants, coats) and home furnishings (sheets, boat covers, reupholstering furniture or rugs).

### ***Bookkeeping***

Mrs. Hasker handles the bookkeeping, inventory and distribution of the company's products. Hasker Textiles is not computerized but they have been looking for a small business management software package (e.g. Mind Your Own Business) that would meet their needs. Mrs. Hasker comments that "now that [companies] have computerized [they] know exactly how much is exchanged. That's something we wish to do with our own warehouse..." The Haskers first attempt to computerize bookkeeping, inventory, and orders with a software package was problematic. The package was designed for a larger business and was too cumbersome and complicated for the needs of Hasker Textiles.

### ***Inventory***

Inventory is stored in a 4,000 square foot warehouse adjacent to the main building. Hasker Textiles stocks over a million yards of black and white insertion elastic in widths 1/4" through 4". Maintaining this large an inventory helps Hasker Textiles meet its customers' needs more rapidly. The warehouse is used to store outgoing orders, inventory, raw materials, waste, packaging boxes, machine parts, cardboard for recycling, etc. Currently, a section of the warehouse is closed off because the roof is being repaired. The leak is not hampering operation of the business.

### ***Packaging***

Hasker Textiles Inc. is committed to packaging according to customer needs using three modes: rolling, spooling, and loose packaging. Some of the companies that Hasker Textiles ships to pay for their own freight and Mrs. Hasker will utilize their preferred method. Otherwise, larger shipments are shipped by whatever means possible; smaller packages are shipped UPS. Larger companies that produce a higher volume of elastic

receive discounts on shipping, Mrs. Hasker says. Hasker Textiles would need to increase the volume of its orders to receive such discounts.

### ***Distribution***

Hasker Textiles sells throughout the continental United States via strategically located manufacturers, representatives, and distributors. In Mr. Hasker's own words, the company's goal is "to earn the trust and loyalty of its customers by producing the finest quality elastics available, by establishing the highest standard of service available, and providing fair priced products to the market place." Mr. Hasker's marketing philosophy is to look at the customers, the accounts, and the product areas where there are apparel or home furnishings networks and then target a couple of product niches. Mr. Hasker's marketing strategy is simple in that he chooses manufacturing companies he would like to supply. Mr. Hasker primarily chooses his own customers according to criteria like: product niche, his ability to comply with a company's demands, commitment of sales, and company relations.

Hasker Textiles' entire operation relies on how fast they react to rush orders and how accurately they can project orders. It is less difficult to predict what regular customers might need as opposed to taking on the challenge of a new customer. On the other hand, it is difficult when regular orders are changing rapidly with the demands of the apparel market. Customers may ask for something a little bit different each time. In order for Hasker Textiles to stay on top of the orders, the company must react as quickly as it can to the changing needs of customers. One advantage Hasker Textiles has is the ability to respond quickly to local demands for "overnight" delivery of the elastic. What gives Hasker Textiles a service advantage is its ability to meet customer needs on the spur of the moment.

Mr. Hasker is reluctant to purchase a machine that would enable him to produce some specialty items for specific big businesses. An example is Calvin Klein, which wanted to have its name woven into the elastic design. Hasker Textile's equipment could not handle the design, but ordering the machine would be risky because the loss of Calvin Klein would have made the investment unnecessary.

Hasker Textiles has not yet exported its products. Mr. Hasker is willing to export his elastic provided the risk involved is not too great. He currently supplies elastic to companies who send the product and fabric offshore for assembly. The finished product is sent back to be sold in the U.S. There are two ways in which Mr. Hasker could export his product. He could eliminate the intermediate step by selling his product directly to the offshore assemblers. He could also export his product to countries where the final product is not shipped back to the U.S. but is sold in that country. Mr. Hasker told us that he has shied away from any exporting because he is not familiar with foreign markets and fears that the risks of exporting may be too high.

### ***Employment***

Versatility, focus, and commitment are what is demanded from Hasker Textile's employees. Versatility means, for example, an employee might need to package one day and finish or take inventory on another. It takes at least 6 months for a worker to be properly trained (especially those operating the elastic manufacturing machines). The job requires mental focus and manual dexterity, especially while threading or repairing the machines. The machines must be watched carefully in order to maintain the product quality. Because training costs are significant, Hasker Textiles seeks to hire workers on a long term basis.

## Hasker Textiles' Current Direction and Goals

Hasker Textiles, Inc. intends to increase its share in the declining insertion elastic market by keeping product lines diversified and production flexible. Eventually, Mr. Hasker would like to reduce his reliance on the insertion elastic/apparel market in order to produce products for other specialty niche markets (e.g. elastic belts, bungee cords, hair products, wrist bands, etc.). Those specialty products still need to be more specifically identified. The last section of this Assessment outlines ways in which Mr. Hasker can identify new markets.

Mr. Hasker explains that he wants "controlled growth": "We want to be diversified, we don't want to be overextended." Controlled growth means building his business slowly and carefully with low risk. There are two components to controlled growth. One is to increase the number of customers and sales at a manageable rate. This includes choosing customers carefully. The type of customer is important. Hasker Textiles does not want to rely too heavily on one customer. If, for example, 70% of Hasker Textiles' business was invested in one large company like Sears, then Hasker Textiles would be hurt very badly if Sears decided to switch elastic suppliers. Hasker Textiles would be left with only 30% of its sales. The other component to controlled growth is to diversify Hasker Textiles' customers, that is, to supply elastic for different types of products. In Mr. Hasker's estimation, adding about six new customers each year is controlled growth. Mr. Hasker prefers to make sure that while the business is growing, bills can be paid on time and orders can be filled.

Not all of the twelve elastic manufacturing machines Hasker Textiles has are in use. Roughly 70-80% of their capacity is being used. Mr. Hasker feels that the steady business he has been doing in the last year or so has been going at a comfortable rate. Dealing with distributors directly means making all products that are possible for their clients in their given styles in a week's time. Inventory is coming and going quickly in a busy cycle, and can be a challenge to keep track of especially without computerization. They are in a cycle right now where they continue manufacturing the products they know can be sold over the next couple of months.

Hasker Textiles, Inc. has the manufacturing capacity to do in his estimation between 2.5 to 3 million dollars in sales. Mr. Hasker realizes, "we probably haven't done as good a job of selling as we could or should... we've avoided certain customers for sales opportunities because they're marginal ..." Mr. Hasker notes that they have the capacity to increase their sales but only wants to do so if it means taking on reliable customers. It is very important to him that his clients be consistent and relatively predictable. Too many customers places more pressure on business and service may suffer. Flexibility also suffers when Hasker Textiles operates too close to capacity.

Mr. Hasker believes that his business is going along smoothly because he is committed to supplying a variety of faithful customers with moderate sales. He explains, "...the worst thing that [can happen] to a small company like ours is [if] we get hooked up with... a supplier, [like an] apparel manufacturer that supplies Sears, and very quickly you wind up with seventy-five or eighty percent of your manufacturing capacity going to that supplier... Sears pulls the plug and bang, everybody's gone... Mr. Hasker does not want to depend too much on the business of one customer. It is to his company's advantage to preserve flexibility both by serving regular customers and by maintaining manufacturing capacity to supply new markets (diversify).

Because textile/apparel manufacturing is in a secular decline, Mr. Hasker realizes that he must increase his share of a decreasing market. One way in which Mr. Hasker would like to increase the company's sales is using different methods for advertising. Currently, Mr. Hasker relies on telemarketing techniques to sell his product. One idea he

has includes the production of a promotional video of his operation to distribute to potential customers. What Mr. Hasker has in mind is to show his customers the quality of his product as it is being made. This video could also emphasize the potential uses for his product. He is also interested in setting up a home page on the World Wide Web.

## **Suggestions for Hasker Textiles, Inc.**

This section outlines some options that may help Hasker Textiles, Inc. realize its goals. Some of these suggestions are more involved than others. The more involved suggestions lend themselves to the continuation of the Lafayette College Technology Clinic project with Hasker Textiles, Inc.

### ***Identification of New Markets***

The identification of new markets is crucial to the sustainability of Hasker Textiles over the long term given the declining demand in the apparel trade. It would be in the company's best interest to get away from the traditional insert elastic to some degree in order to better diversify the business. This would reduce the risk involved with being too dependent on one market.

There are several services available to help Mr. Hasker begin to establish new market areas. The Management Assistance Program (MAP), the Manufacturing Services Extension Center (MSEC), the Service Corps of Retired Executives (SCORE), and the Small Business Development Center (SBDC) all provide services that could address Hasker Textiles' needs. These organizations can be contacted directly by any company who wishes to utilize their services. Contact information can be found in the Northampton County Small Business Resource Manual compiled by the Lafayette College Roseto Technology Clinic.

The MAP, which is administered through SBDC, provides management consulting through the services of student groups under directors' supervision. It provides detailed recommendations regarding a particular business problem posed by the client.

The MSEC provides consulting services to Pennsylvania manufacturers with the aim of increasing competitiveness and productivity. Clients must be currently operating Pennsylvania manufacturers with less than 250 employees, and must be financially capable of implementing the MSEC proposals. The services provided by the MSEC include manufacturing technologies advice, marketing advice, management development advice, and accounting and finance advice.

SCORE is a 13,000 member volunteer program sponsored by the Small Business Administration (SBA). Volunteers provide small businesses with free management consulting in virtually every industry. The services SCORE provides include one-on-one meetings with owners of small businesses to review plans or problems, specialized aid in accounting, marketing, sales, or general marketing guidance, and workshops on topics such as starting a home-based business, choosing a form of legal business entity, exporting, accounting, etc.

The SBDC provides free counseling to small businesses in all stages of development. The services provided by the SBDC include assistance in accounting, finance, marketing, operations, new venture planning, and technical assistance. The marketing assistance includes advice on pricing, advertising, and market analysis. Other services provided by the SBDC include seminars on a wide range of topics and library resources.

## **Exporting**

Mr. Hasker has never exported his products, but exporting is a possibility depending on what countries and businesses Mr. Hasker would like to supply, and what modes of delivery are available. Mr. Hasker could take advantage of the services provided by the Pennsylvania Export Partnership (PEP), the International Trade Development Program (ITDP), the Wharton Export Network (WEN), and the Office of International Development. Contact information can be found in the Northampton County Small Business Resource Manual compiled by the Lafayette College Roseto Technology Clinic.

The Pennsylvania Department of Commerce offers the Trade Event Grant Program through the PEP which is targeted at companies new to exporting. The PEP offers grants (\$2,500 or 50% of eligible program expenses, whichever is less) to encourage small and medium sized businesses in Pennsylvania to attend international trade events.

The ITDP aims to help companies in the Lehigh Valley conduct international trade. It is administered through the Small Business Development Center (SBDC) at Lehigh University. Its services include: providing foreign sales leads, assisting with documentation and planning, developing international marketing plans, an international trade library, and help in participating in international trade shows.

The WEN assists firms throughout Pennsylvania with the development of foreign markets for their products and services. It draws on the resources of the Wharton School, as well as government and private agencies and international business experts. The WEN develops foreign markets for the firm's products and services.

The goal of the Office of International Development is to promote Pennsylvania products in foreign markets. All individuals and businesses in Pennsylvania are eligible to receive the services of the organization. The services offered by the Office of International Development include: a trade show program, an export opportunities bulletin, a trade report system (a database which can match potential foreign buyers with export interests and capabilities of Pennsylvania manufacturers), brochures to assist companies that are either new or established exporters, and a lead system that identifies leads by country, market, or product line.

## **Expansion**

Expansion is another possibility for Hasker Textiles. Currently, the company has twelve elastic manufacturing machines. Ideally, Mr. Hasker believes he can add two new machines in his factory before he exhausts the available space. If Mr. Hasker needs to diversify his equipment in order to manufacture new designs for new product lines, acquiring new types of equipment may be another option. Financing programs and/or grants offer Mr. Hasker a means of expanding his equipment capabilities to manufacture more diverse product lines.

Expansion of inventory and storage space is a third option. Currently, Mr. Hasker uses a warehouse adjacent to his factory to meet his business needs. With growth, Hasker Textiles will need to use the space in the warehouse more efficiently. The building is in need of maintenance and reduces his ability to utilize maximum space. Mr. Hasker could also seek funding for repairs or expansion of floor space.

Organizations that offer services for these purposes include the Lehigh and Northampton Counties Revolving Loan Fund, Inc., the Machinery and Equipment Loan Fund (MELF), the Pennsylvania Capital Loan Fund (PCLF), and the Pennsylvania



Industrial Development Authority (PIDA). Contact information can be found in the Northampton County Small Business Resource Manual compiled by the Lafayette College Roseto Technology Clinic.

The Lehigh and Northampton Counties Revolving Loan Fund, Inc., is a non-profit fund created to provide below prime rate fixed financing for small businesses in the Lehigh and Northampton County area. The loans require job creation.

The MELF provides funding for the acquisition and installation of machinery and equipment (new or reconditioned) for the agricultural, mining, industrial, and manufacturing sectors. This Fund is administered under the Northampton County Development Corporation (NCDC).

The PCLF is also administered under NCDC. It provides low-interest loans to manufacturing, agribusiness, and export oriented businesses for the purchase of land, buildings, machinery, equipment, or for working capital. The PCLF requires job creation for approval of funding.

The PIDA is another NCDC program. It provides financing programs for manufacturing, industrial, and agribusiness enterprises planning to make structural improvements and additions. These programs require job creation as a condition for financing.

## ***Computer Technology***

Many companies today are utilizing computer technology to streamline and improve their business practices. The technologies available include everything from office automation (word-processing, spreadsheets, etc.) to the Internet (research, advertising, and marketing) to telecommunications.

Hasker Textiles, Inc. has three Macintosh computers that are mainly used for word processing and faxing. For example, letters and bills to clients are composed with these computers. Ordering and inventory, on the other hand, are tracked manually. The following analysis outlines three ways in which Hasker Textiles could continue to automate its business functions.

### **Spreadsheets**

Hasker Textiles, Inc. has spreadsheet software currently loaded onto its computers. This software could be used to efficiently and accurately keep track of things such as inventories, orders, revenues, and costs. There are two types of spreadsheets that would most benefit Hasker Textiles. One type of spreadsheet would be an inventory system that could track orders, sales, and inventory on hand (such as raw materials, work-in-progress, and finished goods). Another spreadsheet function could be an accounting system that tracks expenditures (debits) and receipts (credits). By taking the time to set up several spreadsheets, time would be saved in the calculation process. Also, physical space would be saved since all records could be stored on disk. Hard-copy printouts could be used as a backup for these records. The printouts are also professional-looking reports that would be useful for loan applications or other purposes. Another benefit of spreadsheets is their graphing capability. Once a spreadsheet is set up, the data can be graphed in a number of forms. These forms include pie charts and bar graphs that can track data such as monthly sales. Transferring the data from paper to computer is highly recommended, especially if Hasker Textiles has plans to increase its sales or number of clients.

## COSTS FOR HASKER TEXTILES, INC.:

- ↳ time it takes to become proficient with spreadsheet software
- ↳ time it takes to set up initial spreadsheets and transfer existing documents to disk

Since some Technology Clinic members showed Mr. Hasker how to get started setting up a spreadsheet, he has begun to transfer the company's records to his computer. He started to get comfortable with the spreadsheet software by tracking the miles he runs daily and recording the rises and falls of the stocks he owns. In a few short weeks, Mr. Hasker began to set up spreadsheets for data such as inventory and sales. He continues to move the records to the computer daily. Mr. Hasker is pleased with the performance of the spreadsheets; calculations that once took an hour and a half are now tabulated in ten minutes. Should the need for assistance arise in the future, Mr. Hasker could contact local colleges and computer stores for information on computer courses and consulting.

## Internet

The Internet "is the inter-working of existing corporate and government networks using commonly used telecommunications standards."<sup>1</sup> If one is connected to the Internet, then e-mail and World Wide Web capabilities can be achieved.

E-mail (electronic mail) is a mode of communication that combines some of the best features of letters and telephone calls. Like a telephone call, e-mail messages are virtually immediate. When an e-mail message is sent, it is usually received within minutes. However, like a letter, the message can be answered at the receiver's discretion. The e-mail sender has time to think about what information should be included in the message and how it should be formatted.

Using e-mail can save time and money. Unless you need an immediate response from a correspondent, e-mail will save time. A message can be sent at the sender's discretion at any time of the day. The sender of information does not have to worry about receiving a busy signal or being put on hold. E-mail saves the user money since the cost associated with its use is a monthly fee. Neither the length of the message nor the distance it travels affects the cost of the service.

The World Wide Web (WWW) is a web of information that can be accessed by using one of a number of browser facilities (such as Mosaic or Netscape). These browsers allow you to "surf" the information available on the WWW. Access to the WWW also allows you to post information about yourself or your company. You can set up what is called a "Web Site," "Web Page," or "Home Page." By posting information on the Web, other Internet users can view what is at your site. This is a passive way of advertising. It does not cost anything more than the access fee to set up a page. Web surfers will either find your page by searching for information provided by your page, or by accident. There are Internet Search Engines (Lycos and Yahoo are two examples) that act as indexes to the Web. By entering key words (such as "elastics" or "textiles") your page would come up if these words were major words on your page. The benefits of connecting to the World Wide Web are twofold. The Web is an excellent source of information about companies offering services and products you need or companies that use your product. So, the Internet can be used to find and research potential customers and suppliers. The other benefit to using the Web is that companies can find you in the same way you find them. The number of companies that are connected to the Internet increases daily. A phone survey conducted by this Technology Clinic indicates that many of Hasker Textiles' clients are interested in becoming connected.

Getting connected to the Internet does not require any outside assistance. To get connected, you need to choose a provider. The prices of each provider differ according to the services they provide. America Online and CompuServe are two examples of popular

providers. They cost at least \$10 per month. This is the base fee that you must pay. This fee allows you to use the Internet for 5 hours each month. Additional usage costs extra. If you use the Internet for more time than this each month, you might consider using a different provider. For example, Eastern Pennsylvania Internet Exchange (EPIX) costs \$20 per month which gives you unlimited usage each month. Mr. Hasker might look into the service that AT&T is planning to provide. There is talk of some initial offer of free service for so long, and then a monthly fee will be charged. If there is trouble with the connection, most companies who offer service to the Internet provide help lines. Getting comfortable surfing the Internet takes time and can be done without outside assistance. To speed the process of becoming familiar with the Internet, a workshop or information session is suggested. Lafayette College regularly offers hour-long workshops about Internet usage. Also, the Allentown campus of Penn State offers workshops on Saturdays entitled "Introduction to the Internet." They host half-day sessions for \$75. Other such workshops are advertised regularly in local newspapers. Setting up a Web Site is more complicated than learning how to surf the Internet. If Mr. Hasker is interested in setting up a Web Site for Hasker Textiles, Inc., he should contact local colleges to inquire about courses that teach people how to set up such a site.

#### **COSTS FOR HASKER TEXTILES, INC.:**

- ↳ time it takes to get comfortable using e-mail and the World Wide Web
- ↳ connection cost: \$10 - \$20 per month depending upon the server and its options

#### **Electronic Data Interchange (EDI)**

Electronic Data Interchange "is the computer-to-computer exchange of common business documents over telephone lines using a standard electronic format."<sup>2</sup> "EDI enables trading partners to conduct routine business transactions, such as purchase orders, invoices, and shipping notices."<sup>3</sup>

EDI allows transactions to occur "more quickly and efficiently than would be possible with conventional, paper-intensive methods."<sup>4</sup> A number of Hasker Textiles' clients currently have and use EDI technology. It is important to point out that "on October 23, 1993, ... an Executive Order [was passed that] requires the federal government's civilian and non-civilian agencies conversion to [E]lectronic [C]ommerce by January 1997."<sup>5</sup> "Electronic Commerce (EC) is the paperless exchange of business information, using ... EDI, electronic mail, electronic bulletin boards, electronic funds transfer and other similar technologies."<sup>6</sup> In other words, by January 1997, any companies that do business with the government must be EDI capable. So, the number of companies that are EDI capable will increase by the end of 1996. Mr. Hasker may want to consider becoming EDI capable especially if a number of their clients also do business with the government.

In order to become EDI capable, one needs a "personal computer, a modem and communications software, X12 translation software, and an electronic mailbox on a value added network (VAN)."<sup>7</sup> Since Hasker Textiles already owns a personal computer, the financial costs of establishing an EDI program are significantly reduced. One does not need to have service to the Internet in order to become EDI capable.

Although Hasker Textiles' clients are not demanding that Hasker Textiles have EDI capability, it would be beneficial for Mr. Hasker to determine which if any of his clients do business with government organizations and will therefore have EDI capability by the end of 1996. If a significant number of Hasker Textiles' clients are in this situation, Mr. Hasker might consider more seriously the option of becoming EDI capable. If Mr. Hasker decides to become EDI capable, he might look into the option of having the VAN be his Internet provider.

## COSTS FOR HASKER TEXTILES, INC.<sup>8</sup>

↻ translation software: at least \$500

↻ VAN: \$0.15 - \$0.20 to send and receive a typical purchase order

There are a number of organizations that provide information about Electronic Commerce for small businesses. Two such organizations are DRL Consultants and the Scranton (Pennsylvania) Electronic Commerce Resource Center (ECRC).

DRL Consultants provide a series of books about EDI. These books include:

- The Basics of Electronic Data Interchange
- The Basics of Electronic Data Interchange, 2nd Edition
- The Basics of EDI in Smaller Companies
- The Basics of EDI in Supermarkets and Stores
- The Basics of Business Process Re-Engineering

Each book is available from DRL Consultants for \$9.50 plus shipping and handling. DRL Consultants can be contacted at:

David Robert Lambert  
12509 Stable House Court  
Suite 983, Department WWW  
Potomac, Maryland 20854

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The Scranton ECRC is one of many such centers “established by Congress to assist small and medium-sized enterprises (SMEs) transition from out-moded, paper-intensive methods of doing business to highly automated integrated processes.”<sup>9</sup> The Scranton ECRC publishes a quarterly newsletter, provides “In-house Seminars,” and advertises other area informational seminars. The Scranton ECRC is open Monday through Friday from 8:30 am until 4:30 am and can be reached at:

University of Scranton  
Electronic Commerce Resource Center  
Communications Wing  
Scranton, Pennsylvania 18510-4639

Web site: <http://www.ecrc.uofs.edu>  
e-mail: pinton1@uofs.edu  
telephone: 1-800-575-3272

## **Conclusion**

We have made a number of recommendations for Hasker Textiles, Inc. Obviously, implementing them all at once would be difficult. We believe that all of our recommendations are at least worthy of exploration. Which, if any, of these ideas are implemented depends on how they help Hasker Textiles achieve its goals.

We recommend that Hasker Textiles continue transferring its data to spreadsheets. This is a low cost action whose outcome is known. It will lead to increased efficiency

through better record keeping, and lower costs. An automated record keeping system will also help Hasker Textiles minimize growing pains.

Second, we recommend Hasker Textiles determine what is most important for the company at this juncture: diversifying its product markets, exporting, or expanding its current facility. Although these are not mutually exclusive goals, focusing on one goal will probably produce better results than trying to achieve too much.

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<sup>1</sup> <ftp://ftp.sterling.com/edi.FAQ.html>

<sup>2</sup> [http://www.fss.gsa.gov/edi\\_mae.html](http://www.fss.gsa.gov/edi_mae.html)

<sup>3</sup> <http://www.ecrc.ctc.com/ediexp.htm>

<sup>4</sup> *ibid.*

<sup>5</sup> <http://www.sbaonline.sba.gov/gopher/Ecedi/Info/eced1.txt>

<sup>6</sup> <http://www.sbaonline.sba.gov/gopher/Ecedi/Info/eced5.txt>

<sup>7</sup> [http://www.fss.gsa.gov/edi\\_mae.html](http://www.fss.gsa.gov/edi_mae.html)

<sup>8</sup> *ibid.*

<sup>9</sup> <http://www.ecrc.uofs.edu>