



THE ART

OF

BARTER

HOW TO TRADE FOR
**ALMOST
ANYTHING**



**KAREN S. HOFFMAN
AND SHERA D. DALIN**

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To my awesome husband, Rick: Can you believe after all these years, I *still* look forward to being with you? And to my grown children—Mitzi, Jaime, Joe, and my “bonus” daughter, Carol—I’m so blessed to be your mom. Much love to my adorable grandkids, Jessica and Cody, and my “babies,” Melia, Ava, and Danielle. Life is so much sweeter because of all of you!

—Karen S. Hoffman

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—Shera D. Dalin

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INTRODUCTION

Although barter is the oldest form of transaction in the world, we are always amazed at how often people are startled by the idea of using barter in their everyday lives. Our culture is so cash-focused that for all but an inventive few, most of us have forgotten this age-old system of exchange that much of the developing world still employs. However, as you'll see in the following pages, barter is very much alive and well in the twenty-first century. Plenty of people—plumbers, secretaries, writers, hairstylists, moms, stockbrokers, and so on—trade their skills for goods and services they need or simply want. And for those who use barter, the results are dramatic. They save money, create new relationships, stabilize family finances, pay off and avoid debt, acquire luxuries, and improve the overall well-being of their families, just by being creative thinkers.



Our goal in writing this book is to expand possibilities. We will explain how you can use barter in your daily life to acquire the things you want and need without having to use cash (or at least not as much of it). We'll explain how barter works and what doesn't work. We'll share stories with you from our own varied trading experiences, and we'll have lots of examples of regular people like you who use barter for the things they don't want to spend cash on (or don't have cash for). You'll learn about people who traded for everything from haircuts to houses, blouses to boats, and cats to cars. The wonderful thing about barter is that you leave a world limited by cash and enter the universe of unlimited possibility and creativity. All you have to do is put some effort and imagination into it.

Barter is especially helpful if your circumstances have temporarily diminished your cash flow. People who have been laid off, had their hours cut, or are just getting into the workforce should absolutely consider barter as a way to offset cash expenses and help with obtaining products and services they need while they job hunt or wait for their company's finances to improve. When you barter your time and talents, you also relieve the stress from financial hardships and provide income that can lift your spirits so you can keep going. The products and services you barter can also help you stay out of debt as you reconfigure your life. It also shows you another way of managing the world and that your worth isn't connected to just a paycheck. Barter could, in fact, solve your money problems, and at the very least, it can certainly help.

Beyond finances, we are excited about barter's potential—really, *your* potential—to change your world into a more engaged, involved, and caring place. Just like the old-fashioned barn raising where all the neighbors came to help one farmer erect his barn, barter helps you build a better, bigger



sense of community, where new friends help each other solve problems. In some ways, we're talking about a more compassionate, concerned world where everyone recognizes that "we're in this together." It's also using technology such as Internet barter sites to expand your face-to-face interactions with your community, your circle of friends, and your repertoire of problem-solving skills and solutions.

Ultimately, we want this book to reveal the wide array of possibilities that barter can bring into your life and the joys that will come with them.

To bountiful bartering!

Karen S. Hoffman

Shera D. Dalin

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WHAT BARTER CAN DO FOR YOU

If you want to teach people a new way of thinking, don't bother trying to teach them. Instead, give them a tool, the use of which will lead to new ways of thinking.

—**Buckminster Fuller**

In 1972, high school sweethearts Karen and Rick Hoffman had been married only a few months and were living in Rick's mom's basement apartment. The couple really wanted to buy a house, but, like a lot of newlyweds, they had little money and no prospects for getting enough for a down payment on a house anytime soon. Karen, who was only eighteen at the time, began calling real estate companies to ask if there were any rental homes available.





Each agent responded in nearly the same way: Little or no rental property was available, but would she like to buy a house?

Karen was frustrated by the lack of homes for rent, but she began paying attention to how the agents discussed the properties they had for sale. Always an acute listener, she began piecing together tidbits of information that the agents dropped. One talked about the requirements of getting a home loan through the Federal Housing Administration (FHA), but the couple would have to come up with closing costs, which they didn't have. Another discussed asking a seller to pay closing costs because he was "highly motivated."

Hmmm, thought Karen. There's more to this story than just buying a home. If I can just put these pieces together, there may be room for negotiation.

Excited and nervous, Karen began looking at prospective houses, but nothing she saw fit their tiny budget—as well as Rick's race car and gear and their dogs, Sam and Spooky. Karen gave up on working with an agent to find a home. Instead, she and Rick decided to make their own destiny. They drove through neighborhoods in the area where they'd grown up—first hers, then his—looking for houses for rent or homes that looked vacant. On their first trip out, they found nothing. But on only their second trip, they found a vacant but enticing small ranch for sale on a cul-de-sac. It had a garage that would hold Rick's race car and a fenced yard that would be perfect for the dogs. Like a good omen, it was on a street named Rickey. Although they didn't want to get their hopes up too much, it certainly seemed to be exactly what they were looking for.

They called the agent representing the home owner and discovered that the owner lived out of state and was tired of dealing with renters, repairs, and hassles. While the little fifteen-year-old ranch was structurally sound, its insides were



a mess. There was psychedelic paint covering the walls, two-by-fours painted black and nailed to the living room walls as “decor,” hardwood floors with significant damage, a sidewalk that needed new cement, and minor work that needed to be done to the exterior. The seller was willing to go through FHA to sell her home but didn’t want to invest the money, and she lived too far away to handle all the repairs that would make the home eligible for an FHA loan.

The deal seemed doomed before they could even get started, but, Karen, ever the creative thinker, began to ponder other ways to make it happen.

“What if we offered to make all the repairs that were needed in exchange for living in the house without paying rent?” Karen proposed to Rick. Since Rick was quite a handyman (and would later become a contractor), he loved the idea.

They made their proposal to the seller’s real estate agent, and the home owner agreed. In the meantime, they worked to save the few hundred dollars they needed for their down payment while rehabbing the home. They poured all of their time and energy into hammering, patching, wallpapering, and laying flooring, and within six months, they had saved enough to make the down payment and were ready to close. As agreed, the seller paid the closing costs. That and Rick’s job enabled them to qualify for that FHA loan. Because of Karen’s innovative idea, the young couple had their first home in a short time and with little money.

In fact, having a house so early in their marriage allowed the Hoffmans to build up \$10,000 in equity that would serve to help them buy a larger home when Karen was only twenty-one and Rick was twenty-two. The equity in that home accrued and allowed them to purchase larger houses as their family grew and needed more space. Eventually, the couple was able to build their dream home, again, using the equity



from their previous houses as well as cash they had saved from the many other trades they had made for items they wanted or needed.

Barter became a powerful force in the life of Karen and her family from that point forward.

SO WHAT CAN BARTER DO FOR YOU?

Probably more than you imagine. All you'll need is your imagination and a little help from this book to put barter to use in your life. It also helps to have a willingness to put aside the beliefs that all of us have grown up with: that you have to save money, make money, or borrow money to buy the things you want. This is probably the hardest thing for all of us to learn. Stop before whipping out a wallet, a checkbook, or a debit or credit card and ponder, Is there another way I can get what I need or want?

When you embrace bartering, you bring a host of benefits into your life that you hadn't considered before. The A-number-one benefit you reap from barter is saving cash. If you can barter your services for something you would normally pay for, you have clearly freed your cash for something that you can't get through barter.

Trading can save you time. If you're like us, you would rather visit the dentist than have to clean house. So bartering for housecleaning is a mighty fine way to avoid doing a chore you dislike and free up your time to do something you do like, perhaps by keeping the books for your housecleaning company or babysitting for the owner's children. Doesn't spending more time doing what you love to do rather than trudging through something you hate to do sound like a far more appealing way to live your life?

If you're concerned about the environment, barter is a great way to recycle. Instead of dumping your stuff into the

trash stream, barter it to keep it out of our growing landfills and productive for someone who really needs it.

Another pleasantly unexpected benefit to barter is how it strengthens friendships and builds your sense of community in ways you wouldn't have anticipated. Shera trades her writing and marketing skills with a concierge doctor, who, in turn, cares for Shera's family. In a cash-only system, Shera's family would never have considered paying \$3,000 a year on top of insurance for a doctor's care. But in this case, the doctor makes house calls and is available by cell phone, 24/7. Since traditional doctors don't usually provide their personal cell-phone numbers or drop by the house to check on your child's rash, Shera is delighted to be able to use her talents to obtain such a wonderfully luxurious commodity that would have been otherwise out of reach. Her husband, a busy executive, loves having a concierge doctor because he doesn't have to wait in her office and saves hours in his time-crunched day. But beyond the benefits of having such great care, Shera has become friends with her doctor in a way that she has never been able to with any other medical professional. Because she and her doctor meet for lunch, chat about their families, and, oh yeah, get a little work done in the process, they have established a friendship that not only helps both of them do better work for each other but also broadens their base of friends and their sense of community.

Building a sense of community through barter happens in many other ways. Working moms and dads might appreciate the system that two families in St. Louis created. These two couples, each with young children, agreed to host dinner for the other couple once a week. During those dinners, the couples were able to taste recipes that were new to them, leave behind the pressure of making dinner that night, hang out with their friends, share a glass or two of wine, and let their kids romp with each other in a safe environment.



“We figure it’s a night of entertainment since the adults get to talk and the kids get to run around together, and at least one family gets a break from making a weeknight meal,” explains mom Valerie Hahn.

Some people have used barter to create babysitting co-ops that not only saved them hundreds of dollars on sitters but also built a sense of community and lifelong friendships and allowed them to live richer lives because they weren’t tied to the dollar.

In a cash transaction, you write a check or swipe your credit card and then consume your goods or service as just another customer. But the very nature of barter makes it more personal and builds friendships that can last beyond the length of the barter arrangement. Simply setting up the deal ensures that you are going to have a much more interactive relationship than a cash sale. And that relationship often grows, bringing more barter opportunities your way. When your trading partner is happy with the transaction, he or she is more likely to refer other barter deals your way, assuming you’ve got the goods or capacity to meet the demand. If you want repeat trades or referrals, treat people right. Karen traded her coaching services with a chiropractor and was so delighted with the treatment she received that she referred the chiropractor to five friends who then became paying patients of the chiropractor, amounting to thousands of dollars of revenue.

When you don’t swipe that credit card to get what you need, you’ve just taken a bit of pressure off your family’s finances and left room on your credit line that you may need for other purchases. Since cash and, more than ever before, credit are scarce, avoiding the need to access a credit line will also help you keep your credit score high or improve it over time. If your credit cards are maxed out, barter opens up a whole world of goods and services that were simply