



Exit 100 Enters the Market

Up-to-the-minute pricing and attentive service spell success for an Alabama scrap metal dealer.

One of the most crucial challenges for small businesses is beating the convenience, pricing and personal service that bigger rivals offer. But Kristy Abraham, manager of Exit 100 Metal Recycling in McCalla, Ala. has learned to compete on an uneven playing field. "We're a small business—five of us work here—but we're growing," she says. "We want to give our customers the time and attention they need, but at the same time we need systems in place that enable us to manage the company as it gets bigger."

Exit 100 recycles aluminum cans, copper piping and other nonferrous metals found in old air conditioners, refrigerators and plumbing. When the company receives scrap, it first separates and weighs the items, then pays customers based on the current market price per pound. Exit 100 then packs the scrap and ships it to Birmingham for processing. A facility there melts down, processes and turns scrap into sheet metal for manufacturing plants throughout the U.S. As an added benefit, less material goes into local landfills.

Keeping Tabs on Prices

Exit 100 opened its doors in March 2007 with one telephone line, a separate fax line and a dial-up Internet connection. Because metal prices fluctuate, sometimes wildly, Abraham needed a dependable way to check real-time prices as often as needed. As business accelerated, the dial-up service fell behind. "It was slow, and that's frustrating when you have customers calling for information or if you're looking for information online yourself," she says. AT&T suggested that Exit 100 consider high-speed DSL. "They were so incredibly helpful," Abraham says. The experts from AT&T listened to her concerns, and her DSL was up and running a few days later.

AT&T also explained how a Website could help Exit 100 grow, advice that Abraham has found very effective.

Posting prices and other pertinent data attracts a larger group of scrap metal vendors. "Customers can go online and check our prices, our hours of operation or anything else they need to know about the business," she says. Most customers are still calling to get prices over the phone, Abraham says, but she believes that as word gets out about the Website, more customers will look them up online.

Managing Growth

Guidance from AT&T made designing and launching the Exit 100 Website easy. "I was a little uncertain about how to do it at first," Abraham admits, "but they walked me through, one step at a time." As the business continues to grow, Abraham is confident that AT&T products and services will help her manage the increased volume. The company is on a steep growth path.

Exit 100 Metal Recycling Facts

- **Industry Focus**
Recycling business
- **Size**
Five employees
- **Business Needs**
Phone and high-speed Internet connection to allow customers to check metal prices
- **Networking Solutions**
High-speed Internet, phone and fax lines, and Website support
- **Business Value**
Giving customers fair prices and good service for recyclable materials while keeping the business apprised of real-time market data



In its first year of business, customer traffic increased more than threefold to 35 customers a day, and the average payment fourfold to payouts of up to \$2,000 per day.

Success may breed success, but not without challenges—not least, inventory control. Today, all the materials customers bring to Exit 100's scrap yard must be logged, weighed and tracked manually. "I love what I do, but it's really easy to get behind with the inventory," Abraham says. With nearly a year of operations behind her, she's hoping the company will soon put systems in place to track inventory electronically.

More sophisticated technology will also enable Abraham to combat a problem that afflicts scrap metal plants nationwide: theft. Because scrap yards are often cash-driven businesses, they fall prey to thieves looking for a quick return on stolen goods. In September Alabama began banning cash sales of scrap metal that total more than \$100; larger amounts must be paid by check or other recorded means. The new legislation

also requires that customers present valid, government-issued identification cards, as well as information about their vehicles. The right information system assists validation.

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Confident that Exit 100 is now equipped to meet any challenge, Abraham can tend to the local and global virtues of scrap metal reclamation. "The vast majority of the people we deal with are from the community," Abraham says. "They know they're helping the environment by bringing in these items to be recycled, and they're making some money as well. It's a win-win for everybody."

For more information contact your AT&T Representative or visit us at www.att.com/OnwardSmallBiz.