



press clipping

COLUMBUS
BUSINESS FIRST

BUSINESS FIRST | columbusbusinessfirst.com

TOP 100 PRIVATE COMPANIES

MAY 15, 2009 | 15

Q & A

Tough decisions behind them, executives look within to battle recession

Columbus Business First Freelance Reporter Scott Rawdon recently caught up with executives from three private Central Ohio companies in different industries to see how their businesses are performing and gauge their views on the recession.

Tammy Troilo-Krings
CEO | Travel Solutions Inc.

How deeply have you been impacted by companies cutting costs and tightening their corporate travel budgets?

The impact to corporate travel began in January 2008. I've often said corporate travel should be one of the key indicators for economic trending. After four record years of incremental increases in travel activity, we experienced a significant downturn in January 2008. Travel activity never recovered from 2007 holiday levels. By the end of the first quarter 2008, travel activity was down 24 percent. Mid-year 2008, our business began to increase year-over-year due to new corporate contracts. Comparing the same customer base with the same time period the previous year, that book of business continued to decrease through the end of 2008 for a total year-over-year reduction of 34 percent. New accounts brought us to a break-even point by year-end. 2008 was a year in which we worked harder than ever to protect our existing book of business and sign new accounts.



When do you expect the recession to bottom out?

Based on our experience, I believe we are in a depression. The downturn has lasted for several months and the U.S. has experienced three consecutive quarters of severe reduction in Gross Domestic Product. We have experienced several months of record and abnormal levels of unemployment, the devaluation of the dollar, restriction of credit and a record number of corporate and personal bankruptcies. To call this is a recession is nothing short of putting your head in the sand.

I believe we will see an improvement

when the American public feels confident that the proper restraints and penalties are put into place to control the positive and negative impacts of large business on our economy. Specific to our business, I believe we are now experiencing the bottom.

What strategies have you implemented to deal with the economy?

We responded quickly with four initiatives:

1. Sell, sell, sell to acquire more business. We are a transaction-oriented business so we needed to keep our transactions at least at their current levels. We took immediate action to secure additional business.
2. We launched a campaign centered on improving our efficiencies and quality, and we reduced staffing requirements through the reengineering process.
3. We sought out savings opportunities, and we evaluated every piece of our business, no matter how small, to discover savings opportunities.
4. We launched a new pricing model mid-2008 that was well received. We reviewed existing accounts to determine where we could sell more products and provide more value to our existing business base. And, we launched an expanded portal product in early 2008 which houses more than 22 tools for corporate travelers. The expansion provided an income opportunity through a variety of new supplier relationships.

Has access to capital been a major issue for your business?

Access to capital has not been a major issue for our business, but we have seen credit tightening. Where we would have used a line or secured a loan for some items, we have paid for them out of pocket. We have also taken a much more conservative approach to acquiring credit, choosing to pay for items that in years past we may have financed.

What has been your company's most significant milestone over the past year?

Looking inward and learning more about what we are doing well and what needs improvement. We're very good at self-assessment and we are our own worst critic, but we also know how to take the areas of improvement, reengineer the design and execute on the recommendations. It has been a tough year but has been rewarding in the context of yielding a better understanding of our business and the needs of our customers.