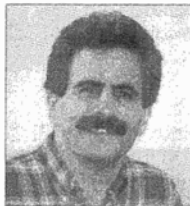


My WORST business scenario



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We'd just finished designing a telephone accessory that had generated a lot of interest. The first 100 units were to be built by a nearby, well-recommended contract manufacturer. We had our warehouse pack up the parts for the units and ship them over immediately.

The due date came and went with no units delivered. A week later, the company's owner made a "partial delivery." Five units. Two of them worked.

I sent them back and scrambled to find another manufacturer. He was reluctant to return the parts, and asked when he'd get paid for the units delivered.

A week later, a woman who owns a different contract manufacturer called asking if I was doing business with the first contractor and if I had paid my bills.

She explained that our contractor subcontracted part of his work to her, without telling us. She wouldn't release the parts — our parts — until she was paid. The woman and the original contractor are husband and wife, but were in the midst of a messy divorce.

We cut a check to the second contractor for what she was owed, took our parts, and ran. Another manufacturer completed the project, delivering quickly and with good work.

Ever since, I've raised an eyebrow when dealing with a husband-and-wife team.