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Subject: Re: Economic Theory

Posted by [Wayne Parham](#) on Sun, 13 Aug 2006 00:28:39 GMT

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I did several very large projects for Wal-Mart in the mid-1980's. One was a communications device that I designed to connect bar-code readers to Series One computers used in each of the stores. It allowed them to choose from more vendors of bar-code readers because my device supported more protocols. I made a proof-of-concept prototype, and then when the project won approval, I made thousands of these devices to put them in each of the stores. I also did similar devices for other projects, some telephony products and some general-purpose devices like a NiCad charger for the hand-held bar-code readers that reduced memory effect. That one little product saved them 11 million dollars per year in batteries. I received payments for each of my invoices in about 90 days, which I understand from other vendors was better treatment than most companies got. Some waited 120 days and more for payment. Wal-Mart wanted extremely competitive pricing, and they used vendors from around the world so they could find the lowest price possible. But I didn't blame them for any of these things - It was their right and I saw it as reasonably smart. However, I got tired of working so hard for pennies. I did earn a profit on my designs, and the quantities involved made each project fairly lucrative. But in the end, I didn't feel it was worth it. So I stopped dealing with Wal-Mart after a few projects. Seems to me everyone has the same choice. If you don't want to deal with Wal-Mart, don't.

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