

Launching a Business

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Instructional material for an online class conducted by
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Having the necessary skills, knowledge, and financing to start a new business is important but not nearly as important as having the right attitude. Starting a business is a lot different than running one. It's like pushing a car. The hardest part is getting it to start rolling. Once you can get it rolling, it keeps getting easier to keep it rolling. Running a business is keeping the car rolling. Creating a new business is getting it to start. It isn't easy and will take a lot of sacrifice and hard work. If you think you'd like to launch a new business, you'll have to collect a lot of information. The first and most important information is about yourself.

Does the Shoe Fit?

Why do you want to do this? Where do you belong? What kind of business should you be in? What will make you happy? Where do you fit best? These are all important and difficult questions. You must look carefully inside yourself for the answers.

If you select the right size shoes, you'll walk in comfort. If you pick the wrong size, you'll always have sore feet. Probably the main reason of job dissatisfaction is people picking the wrong fit for a career. They selected a job, a profession or a business, because they wanted "to be" rather than "to do". Wanting "to practice" medicine will be a good fit – just wanting "to be" a doctor might not be. If you think that "to be" a teacher is a good job, you're likely to end up unhappy with it. But, if you actually want "to teach", you'll probably have a lifetime of personal satisfaction.

Here are a few of the things you might ask yourself before you decide if you want "to do" or "to be". And remember – this is for your benefit, so think carefully and answer as honestly as you can.

- Is it most important that you make a lot of money, or are you more attracted to the freedom that comes from being self-employed running your own business and controlling your own time?
- How much do you resent doing repetitious production work? Are you only happy if you just make one-of-a-kind originals?

- Do you resent that when you sell to retailers they expect to resell it for twice what they paid you for it (even though you did all the work and bought all the materials), or do you accept that this is the way business works?
- Do you like dealing with people and prefer to sell to them direct (at craft fairs or from your own shop), or do you prefer to work alone and avoid dealing with people?
- Are you uncomfortable taking risks and instead prefer the "tried and true", or are you more adventuresome and like to try new things?
- Are you worried about the possibility of failing, or do you see it as just another way for you to learn something new?
- Is it important to you to be praised for your work or do you just want to be paid for it?
- Are you truly inventive and creative, or do you just wish you were?
- Do you dislike handling the "business" stuff and want someone else to take care of that for you, or do you like to do everything yourself?
- How much personal sacrifice are you willing to make in order to build a successful business?

Think carefully and be honest when you answer these questions. Understanding your own wants and expectations will help you find the "fit" that works best for you.

When I first started selling my glass work, I learned three things about myself that would always affect my business. I'm impatient, I have terminal revisionism, and I like shortcuts. Whenever I have to deal with the public, I get irritated. I've no patience for all the well-meaning, but foolish questions they ask. Questions like, "Is that real glass?" or "will it break?" It takes more willpower than I have to resist a sarcastic reply. So, I just should not deal with the public. My "terminal revisionism" is the inability to stop revising something. When I draw a pattern for a new glass design, I immediately see how it can be improved or corrected. So, I redo it – many times over. And, I'm much too lazy to spend all that time drawing a pattern for each new thing I want to make, so I need to make

as many things as possible from that pattern. The best solution was to go into the production wholesale end of the business. I design something, make lots of it, and sell it to store owners. They also sometimes ask foolish questions, but I've learnt to live with that. I found where I fit.

Ante Up

You can't win if you don't play. Just like playing poker, you must throw your ante into the pot and draw your cards. Sometimes you get good cards, sometimes you get lousy cards, and most of the time just mediocre average cards. Successful people aren't the ones that get good cards. Everyone gets some good cards – and some not so good ones too. Successful people are the ones that play their cards well. In the long run, each of us gets our share of good and bad. The secret is to take the best possible advantage of the good ones and minimize the damage caused by the bad ones. Just like the line from Kenny Rogers' song, "You got to know when to hold 'em, and know when to fold 'em".

You will win some and you will lose some, but you won't win any if you don't play. Fear of failing is your first obstacle. Lots of your friends and acquaintances will be more than happy to point out all the reasons your idea or dream will fail. Don't listen to them. They might be right, but don't listen to them anyway. Listen to yourself and watch the way the cards fall. Watch for opportunities and watch for the pitfalls. Be ready to jump in when the cards are good, and to jump back out when they're bad. Many of your ventures will fail. In fact, more will fail than will succeed. Just do whatever you can to cut your losses on the failures and then maximize your gains on the successes. I've tried many different things over the years. Some have been wonderfully successful, most have been nothing more than an experience, and a good number have been incredible failures. I learned a lot more from those failures than anything else.

There are lots of reasons to not try something, but if you don't try, you fail before you begin. Ante up and join the game.

Amateur or Pro?

There's nothing wrong with being an amateur any more than there's anything wrong with being a professional. Each has different goals and each works in different ways. Some of the very best work is done by amateurs that make things as a hobby. They enjoy the luxury of time and use it to good advantage. Amateurs don't care how long it takes to complete a project, but take pleasure in doing it. They have no reason to rush and can take however long is needed. The result is often work that's superior to that done by professionals.

The pro expects to be paid for his or her time, so must learn to work quickly. It's the speed at which they work that determines how well they are paid. They know that there is a limit to what a customer is willing to pay. If they demand too high a price, the customer will refuse to buy it. If they take too long to produce that work, they'll be poorly paid for their time. It's not that either the amateur or professional is superior to the other, but that each has a different goal. The amateur might often produce better work, but takes so long it would be impossible to make a living doing it. The professional tries to produce work to a set standard and work quickly enough to produce it at a price customers are willing to pay.

The greatest difference between amateurs and professionals is not in the quality of their work, but in how long it takes to produce it.

Good Enough?

Because a professional must worry about how long it takes to produce something, they must have a clearly defined goal as to what level of quality is required. It doesn't need to be perfect, but to be done to an acceptable professional standard. The amateur doing it as a hobby will often chase an elusive goal of perfection. The problem with trying for perfection, is that it's an unreachable goal. No matter how good it was done, it could have been better. Perfectionism can easily become a compulsive obsession.

When you make something, you might ask yourself, "Who am I trying to please?" If it's for yourself, you'll probably never be satisfied with the quality and be forever unable to overlook the imperfections. Most of us have the same problem that whenever we look at our work, we see only the flaws and the "could have done better". If you make something as a gift for a friend or for sale, the standard is different. It should be their opinion, and not yours, that determines acceptability.

If they're satisfied with it, it is good enough.

Enlarge the Pie

Many business people believe that the market is like a pie of a fixed size and for them to expand they must get a bigger piece of that. They believe that if their competitors get any of that pie, there will be less pie for them. I disagree. I think markets can almost always be expanded and that if competing business work to creating a bigger market, it makes the pie bigger. When the pie is bigger, everyone gets a bigger piece.

As you build your business, you must decide whether you want to try getting part of someone else's pie, or by helping make the whole pie bigger. If you copy what others do, you'll be taking part of the existing pie. If you originate something, you'll be making the pie bigger. The more original and innovative things are introduced into a market, the bigger that market becomes.

Existing businesses aren't likely to calmly let you take a piece of their pie. They'll fight back as hard as they can to compete with you. If instead, you expand the pie, they'll work with you to co-operate enlarging that pie. Getting other businesses to co-operate with you is better than getting them to compete with you.

The best example of enlarging the pie is when a retail shop teaches. Instead of taking customer from other retailer's they create new customers. This makes the pie bigger. Everyone gets a bigger piece.

Be a Smart Trader

Nobody gets to ride free. Everyone has to pay. If you want something, you'll have to pay for it. When you create a new business, you pay by trading one thing for another. If you want to make a lot of money, you'll probably have to give up a lot of time. If you want to increase your freedom to make only what you like to make, you'll probably have to accept a lower income. Everything is about trading. Learn to be a smart trader so you can give up the unimportant things so you can have what is important to you.

Make Your Own Rules

There is no rule that says you have to follow anyone else's rules. If it's your business - you make your own rules. Let other businesses do it their way - you can do it your way. Some of the most successful businesses were created by individuals who refused to follow rules. That's how you get to be first - by doing it differently then others did - by inventing your own rules.

Just because something is done in a particular way "because it's always been done this way", is no reason for you to do it that way. Maybe you can devise a way better way? Question everything. Make your own rules.

....except maybe that rule about paying income tax. Maybe that's one rule you should be careful not to break?

Business Plan

Many business advisors will tell you how important it is to have a Business Plan. They're right. It is important – but it's not possible to produce any vaguely realistic plan until you've collected a lot of information. Trying to design a business plan for a brand new enterprise is like trying to draw a map for a route not yet explored. The best it can ever be is a pretty good guess. If you deal with an accountant or banker, they'll ask you to make a business plan. Humour them. Make your pretty good guess and design a business plan. Then ignore it. It's not any good to anybody but the accountant and the banker.

You can't develop a business plan until you've actually been in business for a while and collected the information necessary to draw a plan. When you launch your new business, you need only a really simple plan.

- **Travel light.** *Stay lean and keep all expenses to a minimum.*
- **Scavenge food everywhere.** *Don't specialize, but use every available source of income.*
- **Hunt constantly.** *Promote your business in every way you can.*

Selecting a Name

Few things are more important than the name you chose for your business. It's the first identifier with everyone you do business with. Don't be in a hurry to pick just anything, but take the time to select a good one.

You might think you have a really cool idea for a name. Before you go ahead and register that name and start using it, pause and think carefully if it's as cool an idea as you first thought. "A Touch of Glass" might seem like a great name for a glass business, but if you check around you'll discover that about 100 other people had that same great idea for a name. Before committing to name, spend some time looking at what others have chosen. Here's some places you can look.

- **Storefinder** – check the listings under Retailers & Studios
<http://www.thestorefinder.com/glass/glass.html>
- **Art Glass Association** – check the membership list.
<http://www.artglassassociation.com/mc/page.do>
- **Yellow Pages** – check various cities under "Glass, stained & leaded"
<http://www.yellow.com/>

Think carefully before you settle on a name for your business. You'll be stuck with that choice for a long time. Perhaps it would be better to just use your own name then pick something cutesy that's the same name lots of others are using.

Home is Where the Heart Is

Where do you want to be? What do you want to do? Each of us is unique — each with our own individual wants, needs, and expectations. So I can't tell you what kind or what level of enterprise you should be in. You must decide that for yourself. You don't have to become massively commercial for your business to work. Quite the opposite! It's more important to be happy at what you do than to be a big business. Very often the small operator with the limited overhead, ends up with larger profits. You might be happiest working part time as a side business - or you might prefer to jump in to a full time business venture. Most of us just start small and work our way up to where we feel most comfortable. Some of the happiest crafters I know are the gypsies that travel from craft fair to craft fair. They can pretty much work only when it suits them, then go out a few times a year and sell whatever they have been able to produce. Others prefer to have a studio/shop where customers can visit. Some, like me, have decided to expand into a full time commercial operation. I enjoy the challenge of expanding sales of my work into foreign countries. But it includes a lot of risk, many personal sacrifices, and all the combined efforts of my entire family. You might be far happier doing it a bit different than I did.

Some of the various forms your business might take are:

HOBBYIST – *making a few things for yourself and perhaps gifts for friends. You can do whatever you want, whenever you want for the pure pleasure of making it.*

PART TIMER – *still doing mostly work for yourself, but making a few things for direct sale to friends and family.*

TRY OUTS – *experimenting with selling at such places as flea markets and craft fairs.*

GYPSY – *making quantities of stuff and traveling between craft fairs and markets to sell your work.*

SEMI PRO – *doing some commissions and starting to sell to a few wholesale accounts - either direct sale or on consignment.*

COTTAGE CRAFTER – *working full time from your home studio/workshop. Probably a mixture of retail and wholesale sales.*

COMMERCIAL – *a full time professional producing volume work for wholesale sale either from a home studio/workshop or a commercial shop.*

INDUSTRIAL – *a commercial production shop mass producing large volumes of work.*

Whatever type or level of business you decide is best for you, don't focus just on making a lot of money. Instead try to pick what will give you the greatest personal satisfaction. If you first do what you love, the money will follow. If you find something that makes you happy doing it, you'll be surprised at how unimportant the money part becomes.

Like the Stock Market

Deciding what business, or part of a business, you should be in is just like deciding what stocks to buy. You might decide to go into a venture because it's something you want to be doing. But, isn't that the same as buying shares in a company only because you think that company is doing a good thing. It's fine and admirable to invest in a company that will be

providing a social benefit. But, you must be realistic and accept that because this company is doing something fine, doesn't mean it will return dividends on your investment. In fact these kinds of ventures fail more often than they succeed. You might instead want an investment that you feel comfortable will not only be secure, but will return a profit. Or, you might choose to compromise and select a company that is a little bit of each.

It's the same with picking a business. Is it something you really want to be doing because it has always been your dream and you're sure it'll be a lot of fun? Have you thought it through carefully? Will it be fun and fulfilling, but impossible to make money? Or, is it the opposite? It'll might lots of money, but you can easily see where you can come to hate doing it? Building your own business is investing in yourself. Be careful to pick the right stocks.

A Capital Mistake

Many people mistakenly think it takes a lot of money to start up a business. It doesn't! Starting off with a lot of money just means you have money to support you while you make mistakes. If you have the money, you can afford to make mistakes. If you don't have the money, you can't afford those mistakes, so you make less of them. You plan more carefully and pay more attention to getting it right the first time.

Your banker will gladly lend you money and your accountant will happily keep track of it for you. They will tell you about business plans, budgeting, forecasting, cost analysis, projections, and all sorts of such things that probably don't make much sense to you. They are right, you need to know about these things. But NOT NOW! All that has everything to do with running a business, but little to do with creating one from scratch. Just remember that bankers and accountants are skilled at handling money. They aren't entrepreneurs.

Building from nothing more than an idea or a dream is a unique experience. There is no "right way". Each time is different. Successful entrepreneurs have learned to minimize the mistakes they make. Capital investment is only needed after you have finished making these mistakes and are ready to move on and expand. When you start up, don't look

for the way that needs a lot of money. Look for the way that needs the least.

I've had many different ventures in the past. Some succeeded while others failed. I learned the most from the failures. The single most important thing I learned is to not invest any more money than was absolutely essential. Make your business produce the money. Isn't that why you started it?

Finance sources

It's smart to start off with as little investment as possible, but impossible to start with none. You have to have some money to get started. Some of the places you might find it are:

- **Personal savings** is the most common financial source for anyone starting a new venture. Just be careful you don't wipe out all your savings.
- **Personal loans from friends or family** might be better than borrowing from a bank, but can also be an easy way to destroy relationships. If you do borrow from personal friends or family, make up a properly documented and signed agreement so everything is done businesslike and not just with an oral agreement.
- **Bank loan** can provide the necessary money but bank loans usually require fixed monthly payments and relatively heavy interest.
- **Credit Cards** are fine for short term borrowing but if you're unable to pay the balance each month, the interest charges can bury you.
- **Credit Line** is probably the best compromise for your business. The interest rates are affordable, you can borrow only when you need it, and repay as you can afford it.

Used wisely, credit can help you build your business. Used unwisely can help you destroy it.

Checklist – things to do

There are so many things to do and things to think about when you start up a new business, it's easy to overlook something. Here's a list of things you might check to be sure you took care of:

- **Business form** – decide whether to be a sole proprietor, partnership, limited partnership, or corporation.
- **Name registry.** In some places you can't use a name unless you register it.
- **Business bank account.** It's always best to keep your business money separate from personal.
- **Business License.** In some places it's a legal requirement.
- **State or Provincial tax license.** Some require a business license – most require registry for sales tax.
- **Federal Tax registry** – sales tax, income tax, etc.
- **Workmans' Compensation.** In some states and provinces it's mandatory.
- **Business Insurance** – liability, fire, theft.
- **Business cards** are essential.
- **Business phone.** It's not essential. Many people start off using their personal phone, but having a separate phone number for a business makes you look more professional.
- **Association registry** can be an effective way to advertise your business.
- **Yellow pages** are the most effective advertising for any business.

What should I make?

Boy, I love easy questions. At least the ones that are easy to answer. What should you make? "Whatever someone will buy." Once at a show where I was displaying glass model boats, a customer asked me, "Could you make a full-sized glass sailboat?" I answered, "I can make you a full-sized, perfectly detailed copy of the Titanic – if you can pay for it!" He declined my offer. But, I've on occasion wondered whether a project like that would be fun or just terribly tedious.

Sometimes you have to do stuff you are not too thrilled with. Sometimes even stuff you outright hate. You do it because it's what the customer asked for. Whenever I have to do something that displeases me, I remind myself about Michelangelo. He didn't want to paint a church ceiling, but the Pope threatened to send him to Hell if he didn't. My motivation is nowhere near as powerful as old Mike's. I just want trivial things. Like making enough money to pay some bills and feed my family. I think the ceiling he was forced to paint, came out pretty darn good.

Where To Sell

That depends first on what level or stage of business you have chosen for yourself and how big you want your business to be. Each potential outlet has its own advantages and disadvantages.

Retail Direct – by selling your work direct you get the full retail price. But such sales are usually unreliable and not very steady. This is great if you just want to make a few things every now and again for friends and acquaintances.

Flea Markets – rent is usually very low for just a table or space to display your work. You will sell for the full retail price but usually can expect to sell only low price items. Any potential sales contacts at flea markets are unlikely to be very promising.

Open Craft Fairs – these are open to anyone that wants to buy a display space or booth. Space rental can vary considerably. Small shows are cheap, large ones cost more – summer shows are cheaper than Christmas shows.

Juried Craft Fairs – these require that your work be inspected and approved by a "jury" before they will permit you to buy display space. Like Open Craft Fairs, prices can vary. Juried shows usually have a good assortment of consistent high quality products on display. As a result, they tend to attract customers that buy more expensive high-quality merchandise.

Wholesale Trade Shows – the rent at Trade Shows is much higher than Craft Fairs. At Trade Shows, you don't sell the actual goods. Instead, you display samples and take orders for future delivery. Trade shows do not admit the general public – they are only for wholesale buyers.

Wholesale Direct – wholesale sale to retail shops allows you to sell a lot more of your product than if you sell retail. But at half the price. It is standard practice for the retailer to resell for twice their cost. It is also expected that you will grant the retailer credit to not pay you until 30 days after you have delivered the goods.

Wholesale Consignment – selling on consignment often allows you a slightly higher percentage of the retail selling price (usually 60% instead of 50%). But there is no assurance of when you will be paid. You will have to wait until after the goods are sold by the consignment retailer. Shops that take goods on consignment are usually much smaller than those that buy outright and have a smaller sales volume.

Sales Agents – can do the "selling" for you and are usually in contact with many different potential outlets for your work. But, they will charge a percentage sales commission that will increase the final price of your goods. Also, they are then the "middleman" getting between you and the wholesale customer.

Commercial Shop (Retail or Wholesale) – will provide a stable location where your customers can come to buy from you. It also requires a consistent high volume of business to cover the expense of maintaining a shop. Also, if you have a shop, you are then committed to going to and from work at predetermined specific times. You can no longer work just when you please.

Commissions

Most of us start selling our work when a friend asks, "Can you make me a"?

It's a good friend, so you just charge a few dollars. You didn't earn much, but it IS your first commission sale. Many of the glass artists that produce elaborate and highly expensive windows started by doing just such small commissions. Doing these can both personally and financially rewarding. Unfortunately they're usually not steady and consistent enough to provide a reliable income. Commissions are fine if you just do them part-time, but if you plan to make stained glass a full-time job, you'll need something else to fill in the between commissions time.

Craft Shows

I love Craft Shows. They're fun, exciting, educational and inspirational. You get to see lots of beautiful work and meet the people that did it. You talk to the public and learn what they like and what they want. This "first-hand" market research is invaluable in helping you decide what to do and what to make. Your creativity is energized with a barrage of new ideas and you make wonderful network connections. If that alone isn't enough, you make money selling your work.

Not all shows are great. Some are stupendous, while others a waste of time. There's no advance guarantees. I've often been surprised. A show that I expected to be terrific turned into a dud, while one that I did only as a favor to help a friend produced incredible sales. The best way to decide if a show is worth doing is by asking somebody who has done it before. If you can't find someone to ask, the following is a rough guide to whether or not a show is likely to produce good sales.

Christmas shows are almost always the best. That's when people spend lots of money on gifts. That's when you'll sell the most of your work.

High rent shows usually produce higher volume sales than those with cheap rent. That's why they can charge you more to exhibit. If the rent is cheap, usually so are the products that are offered for sale.

Juried shows usually sell higher quality and more expensive goods. Customers come to juried shows expecting to find such work and expecting to pay accordingly for it. They don't bargain for discounts.

Admission fees to shows usually attract more serious buyers. If it's free to get in, the show is more likely to just get lookers.

Entertainment venues usually produce poor sales. The people come for the entertainment, not to buy stuff.

Church bazaars might be a good way for the church to raise money, but are rarely any good for anyone trying to sell anything but extremely cheap goods. The people who come to these shows are usually looking for bargains – not quality.

Theme shows with a special focus will often produce very good sales. For example, if you take an assortment of suncatchers and panels with cowboys and horses to a Western show, you'll sell them. I've had wonderful success selling my model ships at boat shows.....but I doubt they'd sell at that Western show.

Consignment

I'm generally opposed to consignment selling, but there are times when it can be useful.

You can't expect a shop owner to buy very large, expensive works, or unusual works that might take a long time to sell. They will also hesitate buying until they know your work will sell. Placing your work where a lot of people will see it can be very good advertising. It might sell there, but even if it doesn't, a lot of people will see it.

More often, consignment is a poor idea. If a store buys your work outright and sells it, the store's markup is 50% or more of the sale. If the goods are on consignment, the sales commission is usually less than that. Often a lot less! A shop makes less money selling goods on consignment than it does buying and reselling them. Why would it do that? Either they take consignments because they don't have enough money to buy stock, or they don't know

what to buy. They take whatever they can get just to fill the shelves. The end result is very limited sales. With limited sales, these shops are often unable to pay you even after they've sold your work. Consignment shops are notorious for going broke leaving behind a collection of unpaid suppliers.

Your only advantage to consignment selling is that you get a higher percentage of the retail selling price. You will be taking a huge gamble hoping to get a slightly higher percentage of a much lower sales volume – especially with the risk that you'll end up getting paid nothing at all. If you do place your work some place on consignment, be certain you know the owners extremely well and have a written agreement with them. If a prospective wholesale customer is nervous about trying out your product for the first time, it's perfectly reasonable for them to want the first order on consignment. Maybe a better way for you to respond is to instead offer the first order "on trial". Tell them that the first order is on a 30 day trial. After 30 days, if they aren't satisfied, they pay for whatever they sold and return the rest to you. If they are satisfied, they pay for the total order - and you now have a permanent customer. You'll find that your prospective customers rarely refuse a trial.

Selling Wholesale

For most people wanting to sell wholesale, the biggest problem is accepting that the wholesale price is half the retail price. The retail store expects to sell your work for twice what they pay you for it. You might think it's unfair that you buy all the materials and do all the work, while all the store does is leave your masterpiece on a shelf, then sell it for twice the cost. It's not unfair! It's business! The store-owner has an over-head for rent, wages, utilities, etc. An overhead that continues relentlessly even on days when nothing sells. If you think retailers have a good deal, open a store.

The disadvantage to selling wholesale is obviously the lower price. The advantage is the higher volume of sales. It's hard to sell much retail, but easy to sell everything you can make if you deal with a few good shops. Selling more of your work will allow you to buy materials in larger quantities. That will reduce your costs.

If you're selling work retail while selling wholesale, it's important that you sell for the same retail price as does your wholesale customer. You can't sell something for a lower retail price than you expect them to. That's unfair competition, and it won't be long before they stop buying from you.

If you want your business to succeed, don't think of the shop owner as a customer, but instead as a partner. You make the product, and they sell it. That's a pretty nice partnership arrangement. If you help your partners with their problems, they'll help you with yours. Remember that the store owners want to buy stock and resell it as quickly as possible. Their greatest fear is that they will buy something and can't sell it. They are afraid they will have spent their money and filled up shelf space while the stock just sits there. You should understand that until they have had some experience with your product, it's natural they'll be afraid this might happen. Why not make it easy for them and eliminate that fear? Offer them a return option. Just tell them that anything that is unsold can be returned to you for full credit. You can then sell it somewhere else. Doing this builds trust. Then, whenever you introduce a new item, your "partner" will be quite willing to buy it from you — because they trust you.

Another important consideration is credit. The store owner expects to not pay you for 30 days. They will usually agree to pay C.O.D. for the first order (or for small suppliers from whom they only buy infrequently) but they will expect their regular wholesale suppliers to grant 30 day credit. This should not be a problem. By the time you are granting credit to your customers, you should be getting it from your suppliers.

Didn't I tell you it was all about being partners?

Pricing for Sale

Learning to accurately price your work will take longer than learning to cut, solder, or any other glass skill. But it is a skill that you can learn like any other.

It's surprising how few "professionals" have not learned how to price. Many calculate their prices per square foot. They might charge \$80 for a simple design, \$120 for average and \$150 for something quite complicated. This is a dumb formula. It's okay for a rough guess, but it's never accurate for a final price. Such "estimating by average" might be okay if you have no competition and will get every job you bid on, but you won't. Your competition will get the jobs on which you price too high, and when you price too low you'll get the job but wish your competitor had.

Practice and experience will teach you the many variables that affect the cost of different projects. The kind of materials, techniques used, design, how fast you work, your expected income, and many other factors will contribute to deciding the final cost. It's complicated, but there is a simple costing method that will help you get started. Instead of pricing per square foot, price per piece of glass. The labor to cut, fit, and solder a small piece is as much as for a large piece. Often it's even more.

A more accurate, but still not precise, costing is to estimate the total materials cost and add a fixed price per piece of glass. For example if pricing a 24" x 24" panel with 120 pieces of glass, your estimate might be this:

Glass cost 4.5 square feet	\$ 40.00
Other materials cost	\$ 10.00
120 pieces @ \$4.00 per piece	<u>\$ 480.00</u>
TOTAL COST	\$ 530.00

If you're just starting off and work out of a home studio, you might be satisfied doing the job at this price. If you have overhead expenses from running a shop, you'll want to add a percentage to cover this. If you want to improve your income, either add a fixed percentage to the total cost, or increase the per piece price.

To demonstrate how inaccurate costing per square foot can be, compare the different costs for the same size panel, but with different numbers of pieces in the design:

40 pieces	cost \$ 210.00 = \$ 52.50 per S.F.
60 pieces	cost \$ 280.00 = \$ 72.50 per S.F.
80 pieces	cost \$ 370.00 = \$ 92.50 per S.F.
100 pieces	cost \$ 450.00 = \$112.50 per S.F.
120 pieces	cost \$ 530.00 = \$132.50 per S.F.

Wouldn't it be better to know EXACTLY what a project costs then to just guess at it?

Price Surfing

What price should I charge? This is one of the most important questions you must deal with. Get the right answer and you will have a healthy business. Get it wrong and you just "spin your wheels". If your price is too low, you will get lots of business but could end up losing money on all of it. If the price is too high, you might not get enough business to keep going.

Many people will suggest that you should start with the highest price that you can get. If the price is too high, you can lower it later. I believe the exact opposite. Demanding a high price might be great for your ego by allowing you to think of yourself as a highly paid "artist". But, if the price is too high you will probably never get enough work to keep busy. You'll fail because you never got started. I suggest that you calculate your costs as carefully as you can and start off with prices just slightly higher than those costs. Start as close to those costs as you can live with. The lower prices will create a market demand for your work. As you sell more and more, you increase this market demand that will allow you to steadily increase your prices. But be careful. There is a very real danger that going too far with these price increases can cause demand for your work to drop off entirely. You could be increasing your price to a level that your competition can undercut or you could have reached a level your customer is no longer willing to pay.

I think pricing is like surfing. You paddle up behind the wave, get on top of it's crest, and ride it as long

as you can. If you go too far forward on the wave you drop off. This is what happens when you get greedy and increase your prices too far. You fall off the wave and now must wait for next one and try to get aboard it. You would have been much better off if you had just rode that first wave. Price right – learn to surf.

Prospecting

Now that you've decided what to do with your business venture, you must now figure out how to get the customers needed to support it. Established companies rely heavily on "word of mouth" advertising to provide a fresh supply of new business. If you're just starting off, you don't have enough old customers to provide references for many new ones. You'll have to go out and find them for yourself. Here are some things you can do:

Direct contact is always best. If you're selling to other businesses, go out and contact them personally. Nothing succeeds like old-fashioned door knocking. Some shops want you to make an appointment to see them. Others are happy if you just drop in. They are ALL looking for new products. It's a fiercely competitive market and the only way any business will survive is by constantly offering something fresh. If you plan to drop in unannounced, you'll get your best reception early in the day and early in the week. That's when most stores are least busy and most likely to be able to spare some time to talk to you. Be sure to arrive prepared. Take a price list, a catalogue, some samples of your work, some photos of your most impressive work, and a biography.

Take a few "business vacations" to visit customers in new places. These trips can be fun and profitable – AND tax deductible. Being able to deduct some meals, entertainment and travel, is one of the greatest bonuses of having a business. Take advantage of it. Just don't try to convince the income tax auditors that your trip to Thailand was to sell stained glass. They might accept Disneyworld – IF you made a few other calls in Orlando while you were there.

Business cards are thought of as the universal communicator for business. Everyone has them and

everyone hands them out. It's essential that you have cards. Expensive and elaborate cards are a waste of time. Overly artistic cards will often have a negative effect. Many people will view them as something of a joke, and as a result not take the supplier too seriously. A good business card should be elegantly simple. It's not a piece of art – it's an exchange of information.

Mail out can be a good way to reach a lot of architects and builders for custom commission work. Put together a covering letter with a brief biography of and some photographs of your work. Think of it as a resume, as if you're **applying** for a job. If you do a respectable job on this, those architects and builders that are occasionally called on for custom stained glass work will keep it on file. It WILL produce business for you. To start, cover all the architects and residential builders in your local yellow pages. Do the same for those in any city or town near enough that you could service it personally.

Yellow Sheet. Check with your local building permits department. Many cities and towns have a periodical journal that sells advertising and distributes a copy to every person that takes out a building permit. This is an effective way to contact anyone that's building a new home or setting up a restaurant or bar.

Brochures will make your business look more professional and increase your credibility – and thus the likelihood of getting large jobs. It doesn't have to be elaborate or expensive. A single page printed both sides can be a very attractive handout for those prospective customers you'd like to impress. You won't need a huge quantity. There's no reason you can't print them on a home computer.

Bulletin boards are free and can be great for attracting students if you teach, and for advertising to prospective commission clients. Don't hide your light under a basket. Shine it bright. Be proud. Tell everyone what you do everywhere you can.

Newspaper & magazine ads will provide business for you, but will rarely be worth the cost unless you have a very large shop.

Public Service Announcements. Most local papers have a special section where you can place announcements for new events, classes, etc.

Yellow Pages are for most businesses the most important and most effective advertising. They work well, but usually won't start bringing in business for several months – sometimes a full year.

Craft Shows are one of the best places to find students for your classes, to reach prospective commission clients, and contact wholesale customers. Whenever you do a show, be sure to post prominent signs that advertise your services. Didn't I tell you to tell everyone what you do? I got my first wholesale customer at a craft show. A store owner asked me, "Do you sell wholesale". I never had wholesaled before but I sure wasn't going to turn down prospective business, so I replied, "Sure do". That same customer is still buying from me 20 years later. Over a hundred more wholesale customers have been added and we now employ 20 people just to supply retail shops. Many of those shop owners contacted me the same way the first one did.

Websites are a terrific way to provide extensive information, but rarely produce much sales themselves. A website is a tool, and like all tools its effectiveness will depend exclusively on how you use it. If you put up a website and expect people to come to it and buy your product, you're delusional. It's a waste of time. However, if you set up a website as an elaborate and detailed brochure where prospective customers can come to learn more about you and your business, it'll work wonders for you.

Internet forums can be a great place to collect information, to tell people about your business, and to increase traffic to your website.

Subcontracting. Contact established shops in your area and ask if they'd be interested in having you do subcontractor work for them. Busy shops often sub work out to other artisans. This is a great way for you to build experience and contacts.

Classes. Giving classes is one of the most effective ways to promote your business. Many of your students will pass your name on to prospective commission clients and if you sell supplies will become your future customers.

Find an Empty Track

Don't compete if you don't have to. The easiest way to win a race is to find an empty track and run on it by yourself. Instead of copying what others are doing and trying to do it better or cheaper, do something entirely different. Do what no one else does.

When you try to do something better than the other person, you compete with everyone that tries to do "perfect" work. The world is full of perfectionists trying hard to be the best it is possible to be. And much too often they are more interested in their quest for perfection than selling their work. When you try to do it cheaper, you compete with people that might be willing to work for much less than you are – or producers from all the low-labor rate countries like China and Mexico.

With that kind of competition, it will be hard to win either of these races. When you do something that is exclusively yours, you have no competition at all. What you have is unique. If someone wants to buy it, they must buy it from you. You win the race.

Sniper or Shotgunner

The Shotgunner just aims in a general direction and lets fire in the hope that something will be hit by one of the many pellets. A Sniper takes the time to select a specific target, calculate all the variables, methodically take sight, and then pick it off with one clean precisely aimed shot. The Shotgunner relies on luck – the Sniper relies on planning and focus.

You might get lucky but planning is more reliable. A quote that I like is, "Success is mostly just luck – just ask anyone who has failed!" People that have built a successful business often had a fair degree of luck going for them, but mostly they relied on hard work and careful planning. Don't just jump in with an idea that you are "just sure will work". Research the idea and make a plan on how to do it before you get started.

Amateur or Pro?

There's nothing wrong with being an amateur any more than there's anything wrong with being a professional. Each has different goals and each works in different ways. Some of the very best work is done by amateurs that make stained glass as a hobby. They enjoy the luxury of time and use it to good advantage. Amateurs don't care how long it takes to complete a project, but take pleasure in doing it. They have no reason to rush and can take however long is needed. The result is often work that's superior to that done by professionals.

The pro expects to be paid for his or her time, so must learn to work quickly. It's the speed at which they work that determines how well they are paid. They know that there is a limit to what a customer is willing to pay. If they demand too high a price, the customer will refuse to buy it. If they take too long to produce that work, they'll be poorly paid for their time. It's not that either the amateur or professional is superior to the other, but that each has a different goal. The amateur might often produce better work, but takes so long it would be impossible to make a living doing it. The professional tries to produce work to a set standard and work quickly enough to produce it at a price customers are willing to pay.

The greatest difference between amateurs and professionals is not in the quality of their work, but in how long it takes to produce it.

Good Enough?

Because a professional must worry about how long it takes to produce something, they must have a clearly defined goal as to what level of quality is required. It doesn't need to be perfect, but to be done to an acceptable professional standard. The amateur doing it as a hobby will often chase an elusive goal of perfection. The problem with trying for perfection, is that it's an unreachable goal. No matter how good it was done, it could have been better. Perfectionism can easily become a compulsive obsession.

When you make something, you might ask yourself, "Who am I trying to please?" If it's for yourself, you'll

probably never be satisfied with the quality and be forever unable to overlook its imperfections. Most of us have the same problem that whenever we look at our work, we see only the flaws and the “could have done better”. If you make something as a gift for a friend or for sale, the standard is different. It should be their opinion, and not yours, that determines acceptability.

If they're satisfied with it, it is good enough.

Product, Product, Product

Your banker and your accountant and all the “business experts” will tell you how important it is to have a business plan, and to forecast and to budget and how difficult it will be to market your work. Yes, these are things you must pay attention to, but they come second. First, must come your product. Forget all the fancy business stuff and ignore the complexities of marketing. It's the product that makes the difference. It's WHAT you make that matters most. If you make a lousy product, there's nothing any business or marketing expert can do to help you. If you make a good product, you'll have no trouble selling it. If the product is easy to sell, you'll have no problems with marketing or any of that other exotic business stuff.

Put your greatest efforts into your product. That's the hard part. It's always smart to do the hard part first.

Test the Waters

Think big, but start small. Don't jump into something until you know what to expect. Taking a risk is the way to make gains, but don't take unnecessary risks. You might have what you think is a terrific idea and just can't wait to get going on it. Wonderful! There's nothing like enthusiasm. If it's a good idea, there's no reason to wait. Go for it! But before you jump in, check the waters. Test the market to see if your idea is really as good as you believe it is. Always allow for the possibility that you were wrong. Try your idea on a small limited scale to prove it before spending a lot

of time and money. One of the greatest strengths of small businesses is the ability to test ideas on a small scale and adapt quickly. You can have an idea over dinner, sketch out some plans with the late news, and tomorrow after breakfast put together a prototype. If you're quick about it, you can be demonstrating it that afternoon. Big companies need to do things on a big scale and can take a year to bring a new product to market. You don't. You can do just one. If it works, make another. Keep making it as long as it sells. As soon as it no longer sells, stop making it. You can have risk free flexibility.

Take Little Bites

Have you ever tried to swallow a cabbage? Of course not! You know you couldn't. Even if you could get it in your mouth, you'd never get it down your throat without choking to death. But, if you sliced that cabbage into coleslaw and stuffed it in by the forkful, you'd not only get it down, you might even enjoy doing it.

It's the same with your business. Don't try to take on something that's too big for you to handle. You might be really tempted to take on some big project because it'll provide prestige or lots of profit. Before you do, ask yourself, “Can I handle this without getting into trouble?” Don't try to swallow a cabbage – do it the easy way, with little bites. If you can't chew it yourself, don't be afraid to ask for help. Sharing the profit or prestige with someone else is a lot better than screwing it up by yourself.

Solo or Team

It's rare that one person is both a talented designer and a skilled fabricator. Usually they're good at one and poor at the other. Don't be bothered if this applies to you. Louis Comfort Tiffany was a great example of a terrific designer that had almost no glass fabrication skills. He relied instead on hiring skilled craftspeople to produce his beautiful works.

If you decide to do everything by yourself, are you sure you can handle it? Maybe you should consider teaming up with a partner or hiring someone whose skill compliments yours. If you see yourself as an artist, you might prefer to “create and not fabricate” – to just design and not make stained glass. Alternatively, you might be a weak designer but a superb craftsman. It’s important that you be brutally honest with yourself about how good you are and what you are not very good at. Don’t assume you’re an artist just because you can make stained glass. Buying a pattern for a Tiffany reproduction lamp and building it on a purchased mold, is NOT art. It’s paint by number. No matter how skilled you are at selecting colors and however adept you are at building lamps, it’s still not art – it’s fabrication. Being a good craftsman is nothing to be ashamed of. It takes years of diligent practice to become one. Some of us were meant to be architects and others to be builders. Both are important and both have great value

Pick the Crew

Each of us come to a point where we must decide who we want on our crew. Maybe you’re getting busy and want to take on some help. Perhaps you’re just tired of foiling and want to hire someone to do that for you. Or, it could be that you’re just plain sick of making those suncatchers even if they sell so well. It’s time to expand your crew. Some of us start by soliciting aid from friends and family, but that will only help a little. As your business grows, you’ll probably have to hire help. The important question is whether to hire someone to come in and work as an employee or to contract to someone to work from their own studio or home.

If you have someone working alongside, you can delegate what they do and change it as frequently as needed. However, you’ll also have all the nuisance and paperwork that comes with an employee. Often the most efficient way to build production is by contracting work to be done for a set fee. That way you don’t have to worry about how hard or when the crew works. You don’t care if they take long breaks or start late. You only care about the quality of work they complete. Having a flexible work schedule can also be very appealing to your contractors. For years

I’ve had excellent success hiring women with school age children. They are free to work whatever hours they can when they aren’t needed to care for their children or spend time with their family. The freedom to work only when they can or want to is a huge benefit. For them it’s a perfect arrangement. It works beautifully for me too. Subcontracting elements of the work has allowed me to expand enormously without taking on a large staff or operating a huge shop. The subcontractors are happy, I’m happy, and my customers are happy.

Doing this also allowed me to have someone else do the routine (bored my pants off) work so I could concentrate on new ideas and experiments. It will do the same for you. If you decide to subcontract, take care that you do it in a way that won’t produce problems for you with the IRS. They get kind of picky about the difference between an employee and a contractor. A good working definition of the difference is below:

An individual is an **Independent Contractor** if you, the payer, have the right to control or direct ONLY the result of the work and NOT the means and methods of accomplishing the results.

An **Employee** is anyone who performs services for you if you can control what can be done and how it will be done. This is the case even when you give the employee freedom of action. What matters is that you have the right to control the details of how the services are performed.

Some specific examples of where the IRS is likely to view your contractor as an employee are:

- You control the job by instructing when, where, and how it’s performed.
 - The Contractor can’t produce evidence of significant investment of time or money setting up a business.
 - You pay the person at regular intervals (hourly, weekly, or monthly).
 - The Contractor cannot directly realize a profit or suffer a loss as a result of these services.
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Set Your Course

Don't try to do everything at once. Take on one job at a time and work at doing it well before diversifying into something else.

Often when someone starts a business they think it'll be a good idea to do absolutely everything they can think of. It's a dumb idea. All that happens is you end up doing absolutely everything poorly. It's smarter to concentrate on a limited variety and work at getting good at them first. Master one field before involving yourself in another. Your business will benefit more from being exceptional at one thing than barely adequate at lots of things.

Put all your wood behind one arrowhead. Do one thing at a time. Once you're doing it well, THEN introduce something new.

Seniority Counts

While you're busy soliciting new customers, don't forget your old ones. You can lose a customer as easy as you can find one. Once you've lost a customer, you'll almost never get them back. Give preference to your old customers. They were there to help you get started and deserve special treatment. The longer they've been with you, the more special they should be treated. Be careful you're not so busy drumming up new accounts that you fail to take care of the ones you already have.

Vote & Veto

The guiding rule should be that you do what your customer wants. You can't expect them to buy what you feel like making, but must make what they feel like buying. That would seem pretty obvious, but it's amazing how often a business fails because it's owner forgot that.

I lived for years on a tiny island off the west coast of Canada. It was a beautiful place with a wonderfully

eclectic mix of creative artists and craftspeople. One of my wholesale customers had asked me to recommend a good potter. I sent them to an island lady that I knew did great work. The shop owner tried some of her stuff and got a great response. It sold steadily and the store was placing an order for about \$3,000 every month. They'd come to her studio to pick it up personally and pay cash each time. Wouldn't you think that potter had a pretty good deal going? Well, after about six months, when the store owner arrived to pick up their order, the potter told them that she was tired of doing the same stuff and decided to stop selling wholesale. She now wanted to concentrate on "creative" work.

She could have kept that wholesale business to support herself and still have lots of time to "create", but she didn't want that. She did some pretty off the wall stuff and tried to sell it – unsuccessfully. Three months later she phoned the store owner to tell them her creative efforts weren't selling and she was broke. Now she wanted to go back to selling wholesale. Guess what the store owner said?

The vote as to what should be made is cast by the buyer, not the maker. I'm not saying that the customer is always right. Sometimes you have to make the hard decision to tell them that they aren't always right. I was supplying a store whose owner wanted only things that were blue - to keep with her blue theme. I was okay with that. She bought blue butterflies, flowers, birds, boats and lots of other blue stuff. When she asked me to make blue owls and eagles, I drew the line. Truth is I threw the damn line overboard. I was NOT going to make blue owls and eagles. I told her she was nuttier than an outhouse rat, and I did NOT want to sell to here anymore

You can let the customer have the vote, but keep a veto for yourself.

Just One Way

Frequently you'll have a client or customer make unrealistic requests. They'll ask you to do a stained glass window and do it in just a few days, do an exceptionally high quality job and still do it cheaply.

You know that's impossible. There's no reason to hide the truth.

When faced with that situation, I tell them that I can do quality, I can do quick, or I can do cheap. Pick one and I can deliver what you ask. Pick two and you'll compromise both. Pick all three and you'll have none of any of them.

I believe you should try to do what's fair. Not what's best for you, or best for your business. Do what's fair to everyone involved. What's fair to your customers? How would you want to be treated? What's fair to your supplier? Are you taking advantage of them, or treating them fairly?

Playing fair will always win in the end.

Keep Lean

The trend in many businesses today is to get as lean as possible. To reduce the fat. Most fat is in the middle. Eliminate the layers of business between the one that makes it and the one that ultimately buys it. The distributors, wholesalers, and sales agents all have a function – but do you really need them? Are you working with a middle man because you need them, or just because it's convenient?

If you want to ship and sell in quantities that are too large for most retailers, you should sell to a wholesaler/distributor who will resell it in smaller lots to the retailers. But if you're only selling in small lots, using a wholesaler serves only to increase the price. If you're selling to retailers, you have no need for a sales representative. There's no reason you can't sell to the storeowners yourself and avoid paying a sales commission.

Carrying too much fat will just slow you down. Keep lean. You'll travel a lot farther and faster if you do.

Four Letter Words

There's none of them we haven't all heard before. Each of us has a few we use frequently, and a few we seriously dislike. I have a personal favorite. FAIR. That's the one I like best. It has always been the key element to how I chose to live and how I operate my businesses.

Assume Nothing

Just because some "expert" tells you something won't work, don't assume they're right. It could be, and often is, that the expert just never tried it. Don't assume that the way you were first taught, is the "best" way until you have tried some other ways. There are no "best" ways – just personal preferences. How can you decide which way you prefer and feel most comfortable with, until you have tried them all?

I've experimented with a lot of unconventional ideas – and even some thoroughly weird ones. Many unexpected things not only worked, but worked extremely well. Even the experiments that failed, taught me something. My attempt to cut tempered glass with a band saw produced a crystal explosion that scattered in a quadrillion bits of glass, into every crack and corner of my workshop. I've been finding these bits years later in the strangest places. But, other experiments produced interesting results and huge time savings. I tried soldering at increasingly higher temperatures to see what happened. The result was a superior quality soldering job in a lot less time. I discovered that as I increased the heat, the solder got smoother and it became increasingly easier to solder. The "experts" insisted that you can't cut a circle out of glass the way James Bond did it in the movies. I tried anyway. They were right! It won't work the way it's done in the movies. But, my attempts taught me a quick and easy way to cut a circle (or other shapes) out from inside a piece of glass. It also taught me a way to cut deep curves that worked better than the traditional series of fish scales.

The most important thing I learned was that just because a method worked well, doesn't mean there isn't another method that works better. Never assume – always experiment. Try new things. Just don't try cutting tempered glass with a band saw. Trust me on this one.

Fill Your Tool Box

Tools aren't just things you buy at a hardware store. They're also all the personal skills you learn from practice and experimentation. Each new technique you learn is another tool to add to your collection. No single tool works for every job, and no single skill is right for every application. The more tools you have, the more likely it is you'll have the one that works best for whatever you want to do.

Take the time to collect as many tools as you can for your tool box. Learn everything you can so you'll always have the right tool.

What Kind of Experience?

There are two distinctly different kinds of experience. There's the really good kind where you're constantly learning new things at every opportunity, and using those new things to add to all your previous experience and knowledge. Then, there's the not so good kind where you learn a few things in your first year or so, and keep on repeating it over, and over, and over. What kind of experience do you have? Did you learn just the basics and keep repeating it without trying new things and learning some new techniques, or have you been constantly improving? Do you have ten years of the same experience, or is it one year you've repeated ten

times? Are you saying, "I do it this way because I've always done it this way." Or, is it, "Of all the ways I've tried, I like this one best".

Buy Right

Every dollar you spend comes from your pocket so the less you spend, the more you'll have left for yourself. It's important to get the best prices you can. But, buying well doesn't necessarily mean finding the lowest price. Sometimes service can be more important than price. A supplier than you can depend on to get supplies to you when you need them is

more valuable than a lower priced but less reliable one. You'll get the best service from a supplier you work with steadily. If you constantly shop around for the lowest price and keep changing suppliers to whichever will now better other prices, you'll never have a reliable supplier. If you don't have a reliable supplier, you're not likely to be a reliable supplier to your customers.

We all want the lowest prices we can get. When you start your business, you will probably not be able to buy in large enough quantities to qualify to buy wholesale but will have to settle for a small discount from usual retail prices. If you buy supplies to make into a product for sale, most retail suppliers will give a 15 to 20% discount. As you expand sale and start buying bigger quantities, your supplier might grant a larger discount.

As you keep trying to get your supplier to reduce your costs, don't just ask for a lower price. Instead, look for ways you can help your supplier reduce their costs and then be able to sell to you for less. An effective way to do this is either drop shipment or co-operative ordering. Drop shipment is when you have your supplier have your order shipped directly to you from their supplier. This way they don't have any expense to handle the order, so can afford to sell to you for less. Co-operative ordering is when you don't buy from your supplier's existing stock, but place your order along with your supplier. The supplier adds what you want to what they order for their own stock. You take delivery of your order as soon as it arrives so your supplier has minimum handling expense and no warehousing expense.

If you help your supplier reduce their costs, they can help you reduce yours.

Discouragement

It's easy to get discouraged. Building a business is hard work and often takes a lot longer than anticipated. You'll have numerous setbacks and endless problems. You'll make mistakes – lots of mistakes. Often you'll want to quit.

I'm sure you know that when you're teaching someone, it's essential to provide some encouragement along the way to keep your students motivated to continue. Without this, they'll stop trying. You're no different. When you're building your business, the only one that can really provide the support and encouragement to keep trying is you. It's easy to see where you made mistakes. Usually it's impossible to ignore them. No matter how often you do something wrong, it's important to focus on what you are doing right. Identify something you did that was good. Something that worked just the way you wanted it to. Find something for which you deserve a pat on the back. Even if it was just for having the courage to try one more time. Reward yourself. Don't miss a chance to give yourself an "A" today.

Frustration

You'll have some failures – probably lots of them. Most of us have more failures than successes. Even your best ideas won't always work. It's essential to sail past these failures. Move on until you find success. Learn from both. The failures will teach you the most.

Disappointment

Many things you love won't be as popular with other people as they are with you. Sometimes your favorites just don't catch on with others. You'll also have to do many things you're not especially please with just to pay the bills.

Perhaps the greatest disappointments will come when you least expect them. A lot of your friends and family will not be as supportive as you'd like. Some will even actively discourage your efforts. They'll give you all the reasons you shouldn't be doing this, and all the reasons it won't work. It's hard to ignore them, but you must. Our world has negative people and positive people. Unfortunately, there's many more negative than positive. It's easy to find lots of reasons to not do something. You must concentrate on the reasons you should do it.

The Money Tide

Often it seems as if the money is being pulled away from you faster than you can bring it in. Like the tide going out and not leaving anything behind. No matter how carefully you budget, you just can't get the money to come in as fast as it goes out. The bills are due, but the money you were promised, or expected, didn't arrive on time. Don't despair. This problem with cash flow is common for every business – even the big ones. Time and experience will teach you how to better guess when the tide will bring something in, and when to not rely on it.

Unexpected Storms

You can plan for everything and still get caught with a surprise that you didn't expect. No one predicted what would happen in New York on September 11. Many businesses had tragic shortfalls in sales the following Christmas after that. Some never recovered. Just like when a ship is caught in a storm at sea, all you can do is hold on tight and wait for the storm to end. They all end eventually.

Ego

Ego is the hurricane that sinks more small businesses than all the hazards combined. Whenever I hear someone say, "I'd never work just for money", or "I only produce fine art", I know I'm listening to a failure. We all do things we don't like. It's part of life. We do what we have to do to get by. Once you've established yourself, then you can pick and choose what you do. Until then you must do whatever it takes to get your business built.

Think of your favorite musical performer. Perhaps one that earns millions each year and can fill stadiums for a concert performance. Do you think it was always that way for them? Isn't it true that they started off working for tips, probably in some filthy seedy bar?

I'm now lucky enough to be able to make only what I want to and sell only to people I like. It wasn't always that way. For many years I did whatever it took to make enough money to create a comfortable self-supporting business. I was willing to make anything anyone wanted. If someone asked me if I could make them a stained glass lamp, I'd reply, "I'll make you a stained glass staircase from here to the rings of Saturn, if you can pay for it".

There's nothing wrong with having a solid ego. For most creative talents, it's their ego that drives them to succeed. Just don't let your ego be in control. You need not throw it out – just put it on a shelf for a while. Take it down every now and again to play with, but always keep it leashed. Allowed to run free, it can destroy everything you've built.

The Comfort Zone

The "comfort zone can kill your business. You've slid into the comfort zone when you've become lazy and don't want to work any harder, or when everything is going smoothly so you want only to sail in smooth waters. You stop taking risks and stop trying new things. Cruising in the comfort zone might be easy but it's also dangerous. It's made you vulnerable to competition. While you're sailing along so happy and comfortable, your not quite so

comfortable competitor has been sneaking around picking off bits of your business.

Don't fall into the seductive trap of a comfort zone. Always remember that the only time you get to coast is when you're going downhill.