

# Successful Retailing: The Business of Framing

## Part Four: Succeeding in Tougher Times



Marc  
Bluestone



Bob  
Carter



Bruce  
Dale



Jay  
Goltz



William  
Parker

The transcript of this event, an annual breakfast panel discussion held at the **2002 West Coast Art and Frame Show** and sponsored by **The National Conference**, will appear in the next several issues of *PFM*.

### Panelists:

**Marc Bluestone**, president and owner of Frame Group, Inc.; St. Louis, MO

**Bob Carter**, owner of Frame Up; Phoenix, AZ

**Bruce Dale**, president of Aaron Brothers; a retail chain with 150 U.S. locations

**Jay Goltz**, president and founder of Goltz Group, Inc.; Chicago, IL

**William Parker**, owner of Ambiance by Parker; Nashville, TN

Moderated by **Bruce Gherman**, publisher, *PFM*

### Question:

What did you do in 2001—a difficult year—that made a difference?

**Jay Goltz:** I didn't panic. That's what a lot of people do; they think, "Quick, cut off the advertising. Fire some people."

There have been numerous studies done, and every time they have shown that the companies that kept marketing themselves and kept themselves out in front of the public through a recession came out great. The other companies ended up smaller.

Generally, at times when the market has gotten only a little bit smaller, you have an opportunity. Your competitors are freaking out: they are going to stop advertising and they are going to stop giving raises to their employees. They are going to stop doing a lot that they should keep doing.

This is an opportunity for you to get a bigger slice of the pie. My company has gone through three recessions and I've come out bigger



Bruce Gherman (far left) moderated the panel discussion with five retailers who discussed various aspects of the business of framing.

after each one—because I didn't panic.

**Bruce Dale:** I don't think you truly grow as an individual or grow your business when things are good. When things are good, you kind of go along and think that maybe you are invincible.

Maybe the kind of things that make you really good—instead of just sort of good—are the things we don't do in the good times. This is an opportunity for us to get better than we were before—to dig down deep inside of ourselves and say, "Hey, let's run better stores. Let's do whatever we do better than we ever have before. Let's figure out how not to be lazy." We never want to admit we get lazy during the good times, but we do. Maybe we're a little less creative or just not as sharp as we are when things are tough.

Don't cut back on what makes you good when times are tough. We've increased our advertising this year by 25% because we know it is going to be a harder than a normal year.

Don't forget about what happened in the past. One of the things that makes America distinct is that we are very resilient. Of course, business isn't going to be done as usual this year for our company or anybody's company. I think it is important that we keep a perspective that we are still in a recession; we've been attacked; we are at war. Things are not the same as they were two years ago.



*Statements from the panel provided food for discussion among the many attendees at the industry breakfast event.*

**William Parker:** This year—and it wasn't a great year for us—what we did was chase the money. That meant that a large part of my business came from Naples, FL, instead of Nashville this year.

In any economic downturn, there is still a group of people making money. Historically, if you look at picture framing in the 1930's during the Depression, it did pretty well.

In some ways, I think we will see the same thing now. Consumers pull back—many people stopped spending money on travel—but now they have more money to spend on home furnishings. At times like these people tend to nest. This has the potential to be a good time for us.

If you finish off the year flat or down only 8 to 10 percent, that's still a victory. There will be stores out there doing a lot worse. There is room for some optimism.

**Marc Bluestone:** We spent the year adding stores, solidifying our marketing, improving operations, and finding great people. (We had a good opportunity to find great people because there were more of them available this year.) People want to adopt a "duck and cover" mentality when things get hard. I just can't do that.

I agree with Jay—after a recession the good businesses come out stronger. I agree with Bruce, too.

If we spend all of our time doing the right things for our businesses, then we will be stronger now, and as consumers spend more, we will still be around for that. ■