

Another Trade Show, Another Dollar!



GOLTZ ON BUSINESS
by Jay Goltz

I just got back from the Dallas PPFA/ABC Show. I was asked and honored to do the keynote speech on how to make money in the frame business. It was encouraging that over 300 people showed up, which tells me that there is a definite interest in the subject.

Whenever I do these speeches, I get similar questions and comments afterward. Since most of you were not there, I thought I would highlight these for you. Some of these things you already know or suspect or wonder about, and I find that people are encouraged when they find out that they are not alone.

1) **Price.** If you aren't pricing your framing right, then you aren't going to make money. This is a tiny industry and you should not delude yourself into thinking that you will make up for lower prices in volume sales. There is no volume. You need to have the right profit margins.

2) **Discounts.** Having the right pricing structure doesn't mean anything if you start giving everyone discounts because they are artists, designers... If you are charging legitimate retail, you can't afford to give 20-40% off. You may be able to give 20% discounts if there are some economics in the order, but 10% is probably better if you need to give a discount at all.

3) **You won't like this one.** You think you lost a customer because of price. I can guarantee that you lose 10 times as many customers because your new salesperson didn't know what he was doing, the order

wasn't done on time, the showroom was sloppy, the mat was dirty...

4) **Manage.** Provide excellent quality and service—when you grow past doing everything yourself—you need to become a manager. That means making sure you chose the right employees, train them, and hold them responsible. Holding them responsible right mean firing them if they are not the right person. Running a business isn't always pretty.

5) **Advertising.** There is no magical advertising formula for increasing your sales. Most of your increased business will come from referrals of happy customers. Stop advertising in places because they're cheap. While the right advertising can be a tremendous benefit, the wrong advertising is a tremendous waste of money.

Speaking of the trade show, if you don't go to at least on trade show a year, you are cheating the potential of your business. New products, education, "face time" with suppliers, and dialog with non-competitor framers is invaluable. I know many of you may say that you can't afford to go to a trade show. I question whether you can afford *not* to go.

I admit the concepts I've outlined are pretty simple, but that's the point. Business is simple. It's just not easy.

Thanks to all the people who came to the PPFA speech, and a special thank you to all of you who bought my book, *The Street-Smart Entrepreneur*. ■