

# Primer on Vending

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## Primer on Vending By Holz Mechaniker



Example of table display, Photo provided by the Author.

Perhaps one of the most difficult things to do for anyone is to sell out in the market place. There are many factors and formula's that one can apply. Mind you they have to be added or subtracted depending on the availability of the market for you to make a sale.

The first question you must ask yourself is; are you selling just to sell, or selling via web, vending at Art & Craft events, county fair, Christmas shows, or get into events like the traveling kind? IF you just sell to friends, family, coworkers, etc., then perhaps the following article isn't for you. But read on.

I will point out that perhaps this may help you to make that leap into the bigger pond of merchandising.

I must point out that this is but a theory, though I personally practice it but nonetheless a theory. So you want to sell. But where would you like to sell? You could at a local, somewhat local or a way out of state event that thousands of people flock to every time? I call this Weekender's.

Someone said to you; "Oh wow, you should sell these at the Christmas Pageant sale at the such and such school" or "I'd bet you would do really well at the what's this here place Art & Craft show." Perhaps "Hey I heard what's her name goes to the spacey cartoon conventions and she does really well for herself". We have all heard it in one form or another, yet can you make money at these events?

### ***Let's Do A Weekend Event***

#### ***Step One, Research***

So you have decided to look into an event that perhaps maybe is worthy of you investing in a table or two. Some display units, bags, receipt pad, a smart device with a card reader, even a medium size cold chest. One point I must Say NOW, IS this event something you would be comfortable even attending as a Patron? Is it an indoor or outdoor event? Is this a Juried event?

For the sake of simplicity let's say that this event has a Web Site that you can obtain the "Vendor Forms." This is your first clue as to how this event is run. (Personally if the Form is NOT a PDF file, then that to me is a red flag.) Look at the Site, the format. Does it look like it was just thrown together, hard to find or navigate? Is it clean, that there was prideful thought in how it is displayed? Above all is there a Press Release information or Media kit. That should be your first click, and then read the press release. That should tell you how many people attend, how many vendor are available.

Look for statements like "We have had over x-number of vendors at our last event" as well as "This is very popular event every year with Hundreds of people coming through the doors".

Let's stop right there, catch phrases, like OVER and Hundreds are simply marketing ploys that make something seem bigger than it really is. Watch out for them as these are red flags. You have read the press release, now determine if this event is Free to the public or is there an entry fee. Depending on the cost of the fee you can use that to your advantage. (I will go over this point later on.)

Continue to look over the web site; will there be some level of entertainment? Perhaps look for a listing of prior vendors. Are there descriptions of what they sell? Do you recognize any of them on the list as a wood worker? Do they have a web site associated with that vendor that perhaps sells similar items as you? If there is this list and the event put the vendor's web site up go to it and make contact with them.

Let them know who you are what you sell. Then ask, what are the crowd's like, are people buying? Do you like those who run the event? Mind you, these questions are but examples. Not to mention if a particular vendor travels over 200 miles one way to sell their merchandise, that is a good indicator by itself.

### *Vendor Form*

Now read over the vendor entry form. Some are very simple with wanting your name, your vending business name, point of contact, how many will be assisting you in your booth space, how many passes you will need for your assistants. How much space you get, and can you if needed more space for a nominal fee. Do you need chairs, tables, electricity that can also be rented for a fee? Is there a jury fee?

THEN there are others that will have a couple of pages because it is a contract. Before you enter the event get to the form to fill out your info. READ IT ALL. If you don't agree or feel uncomfortable with the questions, you can pass on it altogether. Or in the space provided for the information, simply write in "Why?" or "Please Contact Me". Basically any information that can lead to Identity theft is not a need for them to know.

### *The Fee's*

Vendor Fee's are what will make this event profitable or a money pit of woe. Personally I refer to the fees as "the Bank" Because you're banking on making a sizable profit well over this amount and other expenses. (I will go more in depth about "The Bank" later.) Base fee is the "rent" for the booth space, there are other fee's that I have covered earlier.

The one fee that gets you in the door is the Jury fee. What is this? Mostly it is a Stop sign to the Rift Raft Reseller. If they are knowledgeable to realize this event is not for them. What can be the conditions of this fee? It is Nonrefundable in the most part. Plus you must provide 3 to 5 photo's of your merchandise, booth and product layout on tables. Some ask if you have a web link for them to examine such.

Personally, if they ask for a link, provide one and that will save you from having to purchase Photo Paper and extra ink. Also some events require "Jury fees" before sending in your booth fee. I would like to add; some events are juried and require either a web link for photos of your work, or actual photos to be sent to them.

## *Insurance*

Some events will require that you have some level of liability insurance.

If you have home owner's insurance go to your agent and ask them what is needed to satisfy the event requirements, which will be found in the Vending Form. If you don't have a home owner's policy to apply a rider upon, you can obtain this via a web search, as there are alternative insurance companies.

Simply search with the phrase Vendor's Insurance and search for any complaints and reviews of them. Don't forget to figure this cost into your Bank, explained below.

## *Payment of fee's*

When making the payment of either the Jury or booth fee Send them via Money Order or Cashier's Check. Save the receipt tab that you remove. And fill the Money Order out completely. IF for any reason you must cancel the event, you can return to where you bought them (I use my local United States Post Office to buy them) with the tab and your ID, and you can get the amount of the money order back. Bear in mind if you wish to use your personal checking account.

## *The "Bank" Explained*

Regarding all fees and costs associated with any event, I refer to them as "the Bank". Broken down this is simply; the cost of the booth fee, jury fee if applicable, travel expense which could include the cost of hotel room if so acquired. Food including that you put in your cooler, breakfast and/or dinner if you dined at a local restaurant.

## *On to the Event, but Wait...*

At this point you have made your payment for your jury and booth fee, you have received your letter of acceptance. Now get ready for the show. Depending on the nature of the event whether it is indoors or out, there are certain items that you will need for both kinds.

This is what I bring, you don't have to. In no particular order, securable cash box, quality bags for merchandise, (never use, used grocery bags), think and BE professional. T-Shirt Style bags are fine, however a future investment in more specialty bags will up your professional game. Business cards, receipt pad, point of sale device(s), cooler for beverages, fruits, sandwich fixing's, simple snacks, tubs to haul your items, bubble wrap, tissue paper, specialty boxes and or pouches, note book, small scissors, markers, price tags, signage, table banner, CHAIRS, tables, table cloths, display racks, and a First Aid Kit. For outdoor events, you will perhaps need to invest in a simple pop up type tent/canopy and Fire Extinguisher.

## *Back to the First Aid Kit*

Do yourself a favor, if you take any prescription medications as well as any medical issues have them written down in a sealed envelope with your name on the outside, and similar for anyone that works with you. IF your going to be alone, let those that manage the event know you have that information in your First Aid Kit. Keep any extra special pills like Nitroglycerin, Inhaler for Asthma, Epipen for whatever allergies you have, in that kit also.

## *Clothing*

As the saying goes, Dress for Success! What you wear is the first thing people see. Is it necessary to be in a polo shirt and business casual slacks? Thankfully no, it is not required, although it can't hurt. Avoid colors that reflect the appearance of the workers in big box department stores, as if it were the Black Death itself. So avoid Royal Blue, Black and Red. For pants avoid Khaki. Can you wear Denim jeans and shirt? What about Tee - Shirts? You may be able to, provided that they have your logo on it. You really don't want to wear a shirt with "I'm with Stoopid" on it. Above all have a good pair of shoes. You may be standing for up to 8 hours.

Some events will not allow you to wear \*street\* clothing. They may require special clothing if the event is promoting a period type atmosphere (I.e. Civil war reenactment, Renaissance faire and Steam Punk Conventions). So be prepared if you see this in the vending information, you will have to comply.

## *Tent*

What kind to purchase? A canopy style, commonly referred as a \*Easy Up\* or a full blown canvas or duck cloth Marquee tent. The \*Easy Up\* can cost from as little as \$125 to over \$1,000 if you get one in special colors to match your logo colors. Marquee style can start out at \$750 without poles or ropes to well over \$2,000. Plus for other sizes and options that you wish to have such as a vented roof panel, door way canopy or half walls, these can be added. Just to provide with some idea's as to what luxuries are available. One side note I must point out that; some events will allow the Easy up kind provided that you either "dress it up or hide the appearance" to camouflage that it is an easy up or that it is in any other color besides white or blue.



Photo provided by the Author



Photo provided by tentsmiths.com

## *Tables, Chairs & Displays, Oh My*

I must point out depending on the size of the booth space or tent will determine what kind and how many tables you may wish to invest in. A fold up 5 foot by 28" to 30" should be the normal that is available out in the market place and is relatively inexpensive.

Now for chairs, the fold up camping chair or short director's chair, is a good investment Initially. However in time you will want taller chairs so you can be eye to eye with those that come to your booth, you only need one for yourself but having one for everyone that is working in your booth is good unless they don't like being up that high.

Color really isn't an issue. Although you might not want to have "hunter's" camouflage chairs. Stay generally monochromatic. You can cover them with a plain blanket or sheet to match table cloths.

The first layer of display is a table cloth. These are commercially designed that are made for most tables and in many colors. Now as a personal note, I know I said NOT to wear Royal blue. However a table cloth in royal blue is a good choice, look at some of the Big Box Department stores. Ever notice why they all seem alike as far as decor? They all seem to have the same Royal blue paint schemes. However if you're vending at a Christmas holiday event, red and green is a must! Stay away from white, bright yellow and black as they attract dirt.

How you display your crafted items is personal. You can make your own or purchase from a many sources online. Even eBay has displays. Balance is a key in your display as well. Try to keep the higher end items in the middle and to the back side of the table space to draw them in.

### *Pricing Your Work*

To expound upon this subject, I would only be able to convey on what I sell, wood turnings, and how I go about that. Instead I will give you some general point that should cover most. I pose to you this question; how much is your time worth? According to the US Dept. of Labor, the median pay as of June 2013 is \$17.62 an hour for wood workers. I see this as a "typical factory" pay, not the pay per hour of the independent-self employed wood worker.

Marc Spagnuolo, creator of the Wood Whisperer Guild has a good article on this very same subject. Yet, his focus is for bidding on a particular build verses seeing a project idea in a wood working magazine and thinking you can build many of them and put them on your sales table.

Main point is, how much did you spend on making that item. Did you figure in any embellishments, hardware, how about the cost of the finish? Don't forget the electrical cost, not to mention the time it took. For the sake of a "For Instance;" First, you will need to figure the cost of The Bank. You have an inventory is 60 item's total, each cost \$25 to make. Total inventory \$1,500 Bank total is \$180. Adjusted cost to make is \$28. So should you double that, triple? Do yourself a favor and look around before the "Doors open" look and see what other are selling. If there are others selling similar, adjust accordingly.

If vendor A is selling roughly similar item at \$50 I personally would sell at \$65. Psychologically what you telling the buyer is that yours is better than that of the other guy. If you're the only wood working vendor for the entire event by all means price to what the market will bear. If that price is \$90 then go with it. Be advised however, after you have sold one at \$90, don't drop your price. Remember the point on the venue having an entry fee for patrons to enter. If it is \$9 or less, take it off with minimum purchase. If it is \$10 then go with 10% off, again at a minimum purchase. Minimum purchase price will be up to you. Speaking of minimums, have some 2 for \$5 items available, a sale is a sale so treat them as well as you would if they purchased a high end item.

### *The Sale*

So you have a customer and they want to buy. What are you to do next, just take their money? For the past 20 years we have slowly become a cash less society, which is why having some kind of "Smart" device with a card reader is needed.

Though it is not as absolutely necessary you can find, pardon the expression, old school credit card machines and receipts. However, new cards are no longer designed to emboss on to receipt cards. Therein lays the issue that some customers will feel unsafe if they see you writing down their card number. ID security is one priority that everyone should be wary of. One thing you should do however is ask them for proof of ID to confirm that they are the owner of the credit / debit card.

Please display a sign that states you “Reserve the Right to Refuse Service” will cover the instance when the names do not match. Smart phone or other devices are something you will have to invest in eventually. Of the many Cellular phone companies, all have some kind of device that will enable the use of most if not all card readers.

Where to get a card reader? There are many companies that produce readers. Most are tied into a particular application. Before actual investing or going online for a free one, go to your bank or credit union and see what they have to offer. I rather not convey any favoritism to any one company nor shall I give example. However all will require a fee per transaction. Look at the services provided vs. those fees, and honestly, you get what you pay for.

As you proceed with the sale, it should be the duty of the assistant to draft a written invoice. Even with the smart phone and card reader that can provide a receipt to either ones phone or e-mail. It is that extra mile... Okay actually it isn't so much for them as it is for your records. Your duty is to proceed to package and place into the bag the items that have been purchased after getting payment. Hence you will need tissue paper, bubble wrap, gift boxes, gift pouches and shopping bags.

### *Sales Tax*

This is something that I will first make a disclaimer too. I am NOT a Lawyer nor am I tax expert. I can only convey the point that you the seller must research your State Statues, as well as the city and state you are going to an out of state event. You must adhere to their local and state ordinances and laws regarding vending. Go back to the vending form; it should advise you that you may need a secondary permit to sell. Plus if you're coming from out of state you will have to determine the cost of the permit to have a temporary authorization to sell as well collect that area's sales tax. You and you alone are responsible. Do you have to charge sales tax? Let me say this, Go to your State Government web site search for Sales Tax. If the information seems to be clear as mud, look for a phone number and talk to those that can help you.

### *Taxes in General*

This might be a need to contemplate if you have made a sizable gross profit in one year of time. Perhaps having a consultation with a Certified Public Accountant would be advisable.

### *Final thoughts on the Weekend events*

I cannot stress it enough that you will be under Tons of stress. I have been doing this for a good many years now and I can only point the way in my final preparation. I make a list of what needs to be done before heading out to the event. First, on the list is vehicle maintenance.



In the Army we had to do a PMCS – Preventative Maintenance, Checks and Services. Checking oil, coolant, Brake, window washer fluid levels are a must and don't forget head, tail, license plate and indicator lights. If it has been a couple of months since your last oil change, and you're going over 150 miles to the event location, think hard about changing your oil. The service people will take care of the rest.

If you're using a trailer, and you're leaving your town, take the trailer with you and have them check it out as well. If the tires look dry rotted on either trailer and/or vehicle, guess what, that will be the first issue of trouble, so replace them. Don't forget about the Spare! Bottom line here is, as the old saying goes, "An ounce of prevention is worth a pound of cure". Being stuck on the side of the road will cost you way more than getting a bill for service.

### *Links*

Here are a couple of links for certain items that can be useful, In no way am I endorsing these places, yet the products and services they provide are for your consideration.

[www.uline.com](http://www.uline.com) - Merchandise bags, gift boxes, tissue paper (bulk)...

[www.vistaprint.com](http://www.vistaprint.com) - Business Cards, Banners, tri-fold brochures...

### *Finally...*

It is not my intention to scare, or dissuade anyone from becoming a part of a relatively small group of people who attend weekend events to sell that what one has created. I hope instead you will feel that with some preparation and common sense. You will be able to make a buck or two.

Good Luck and Sell, Sell, Sell !!!