



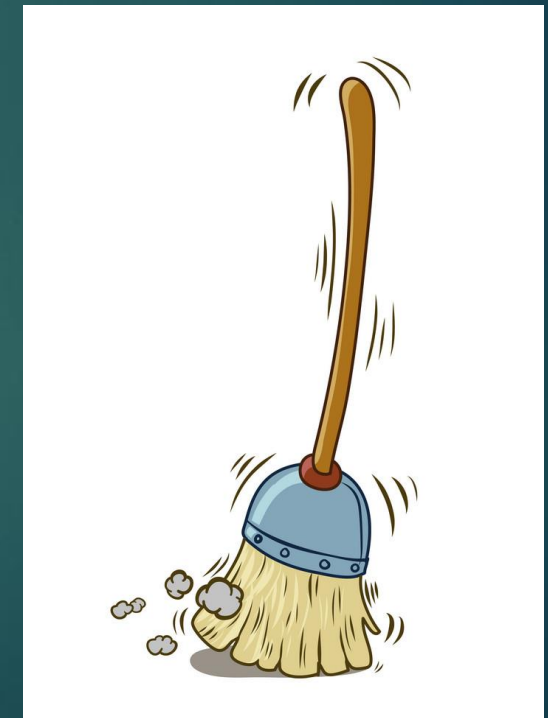
How to Prepare Your Business for Wholesale



MAINE SMALL BUSINESS
DEVELOPMENT CENTERS

Housekeeping

- ▶ This webinar will be sent to you after the presentation.
- ▶ Please keep yourself on mute.
- ▶ Submit any questions in the chat.



Peter Piconi

Certified Business Adviser

SBDC Mid Coast

(207) 319-4316

peter.piconi@ceimaine.org



Christina Dodge

Certified Business Adviser

SBDC - Waterville

207-504-5895

Christina.dodge@ceimaine.org



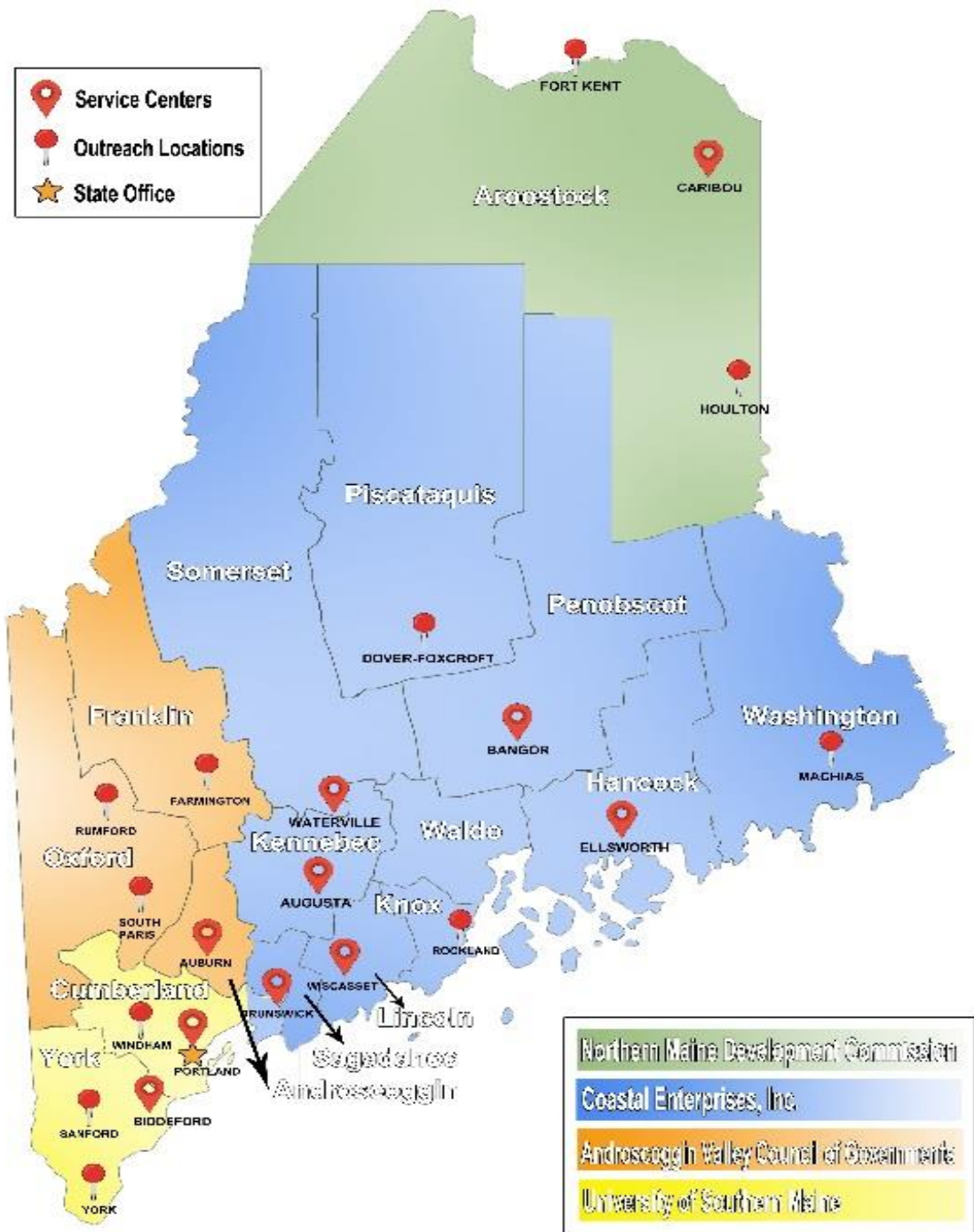
What Does The SBDC Do?

Free business advising to Maine businesses and entrepreneurs

- Business Planning and Startups
- Credit and Financing
- Financial Analysis
- Marketing and Sales
- Operations Management



Cover 21 Locations Throughout Maine



SBDC Hosts



USM



CEI



NMDC



AVCOG



Disclaimer

THE SBDC DOES NOT PROVIDE:

- ▶ TAX, LEGAL OR ACCOUNTING ADVICE.
- ▶ MATERIAL IS FOR INFORMATIONAL PURPOSES ONLY
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to register

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No-Cost, Confidential
Business Advising



Creation, Growth, Success
AMERICA'S

Purpose Today

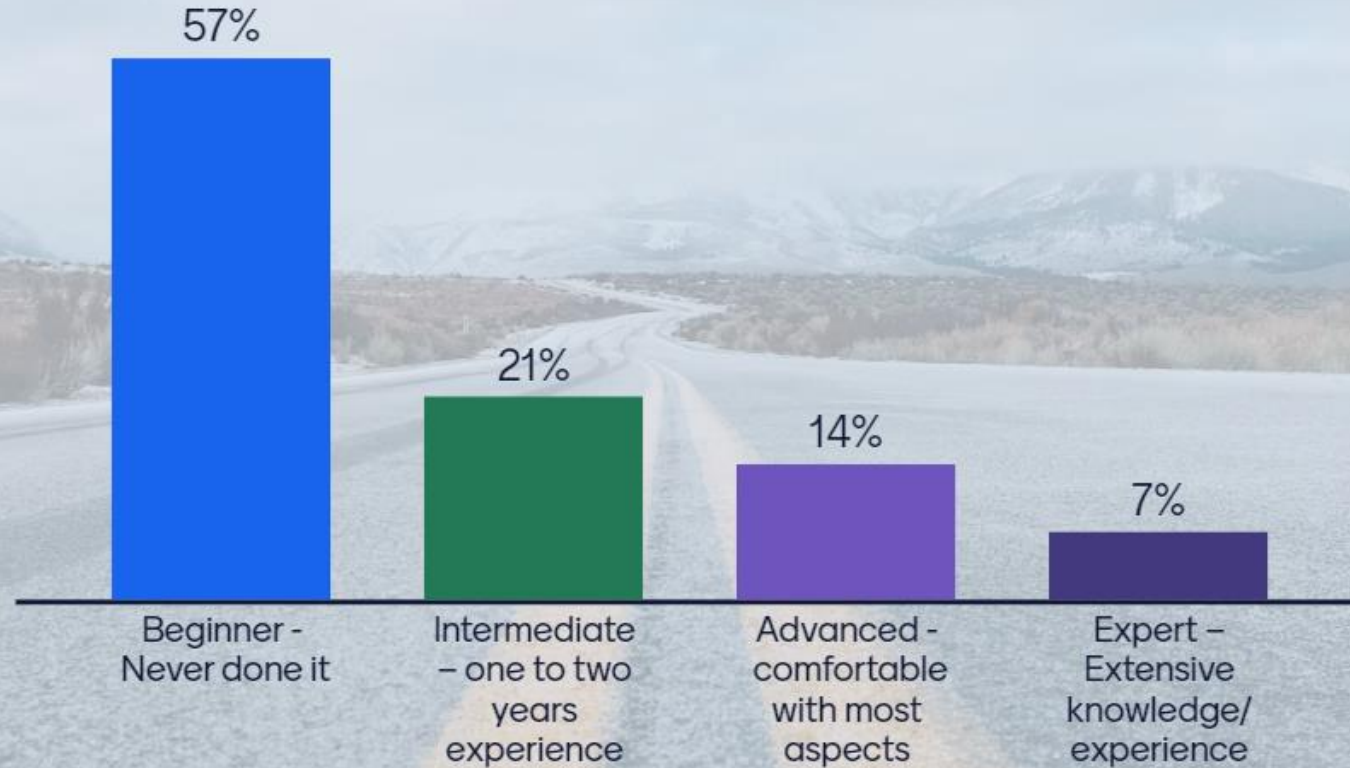
- ▶ Understand Wholesale Accounts
- ▶ Common terms
- ▶ Common marketing materials

What is your experience with Wholesale?



1. **Beginner** - Never done it
2. **Intermediate** – one / two years experience
3. **Advanced** - comfortable with most aspects
4. **Expert** – Extensive knowledge/experience

What is your experience with Wholesale?



Agenda

- ▶ Introduction to Wholesale
- ▶ Why Wholesale? (Pros and Cons)
- ▶ Pricing (Briefly)
- ▶ Common Items/Terms to Wholesale
- ▶ Tradeshow
- ▶ Wrap up - Questions





Roadmap

- Forms
- Credit terms
- Price lists
- Marketing session
- Price tags and barcodes
- Sales materials & brochures
- Trade show specials
- After show best practices

Additional Sessions

WEBINAR 3: How to Price for Wholesale

Date: January 25th, 2024, at 11am

REGISTER: <https://mainesbdc.centerdynamics.com/workshop.aspx?ekey=10420024>

Webinar 4: How to Design a Booth for a Wholesale Trade Show

Date: February 7, 2024 at 11 am

Presented by Stefa Normantas, New England Made

REGISTER: <https://mainesbdc.centerdynamics.com/workshop.aspx?ekey=10440002>

Webinar 5: Straight Talk from Your Peers: What I Wish Someone Had Told Me

Date: February 21, 2024 at 11 am

REGISTER: <https://mainesbdc.centerdynamics.com/workshop.aspx?ekey=10440003>



Find us on YouTube

The image shows a YouTube channel page for 'Maine Small Business Development Centers'. The channel has 648 subscribers and a 'Subscribe' button highlighted with a red circle. The banner features the text 'Helping Small Businesses Do Big Things' over an image of hands writing. Below the banner are navigation tabs for HOME, VIDEOS, PLAYLISTS, COMMUNITY, CHANNELS, and ABOUT. A video titled 'What you should know about the Maine SBDC?' is featured, showing a grid of people in a virtual meeting. The video description mentions that the pandemic has changed the way things work but the SBDC's dedication remains. The video has 931 views and was posted 2 years ago. The SBDC logo is visible in the bottom right corner.

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Helping Small Businesses Do Big Things

Maine SBDC

AMERICA'S SBDC MAINE

Maine Small Business Development Centers

648 subscribers

Subscribe

HOME VIDEOS PLAYLISTS COMMUNITY CHANNELS ABOUT

What you should know about the Maine SBDC?

931 views • 2 years ago

The pandemic has changed the way everything works, but what hasn't changed is our dedication to helping the small businesses of Maine! With virtual meetings and a little creativity, our Business Advisors are still here to help you out. Request Advising today: [https://mainesbdc.centerdynamics.com/...](https://mainesbdc.centerdynamics.com/)

"Take Me Higher" by Jahzzar is licensed under a Attribution-...
READ MORE

AMERICA'S SBDC MAINE



Wholesale Versus Retail

Retail:

Selling directly to the end consumer for consumption

Wholesale:

Selling directly to Retailers and/or catalogs

What are the Benefits to Wholesale?



No need to keep large inventories



Increased Exposure

Samples, only making only those products that are ordered.



Larger exposure, more locations

Predictable schedule and revenue Stream



You determine the ship date.

Appropriately space out orders.

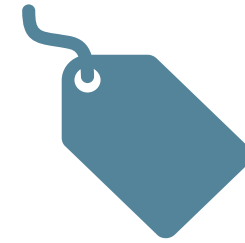
Diffuse Market Risk



Spread your market risk over a larger region

Lower risk of one disruption in market being catastrophic

Wholesale is NOT Consignment



Consignment – loan product to the store.... get a percentage of the sales price when the product sells.

Concerns:

- Cash Flow - unpredictable
- Inventory – large portions tied up on store shelves
- Insurance/Liability – who covers the value of the goods?
- Trust – store keeps records of sales and inventory

Exceptions –
high priced items (\$200+ per piece)

Evaluate For Wholesale

- ▶ Is your business a wholesale business?
 - ▶ **Price** – can you sell wholesale and still make a profit? Will the product sell at the retail price point?
 - ▶ **Capacity** – can you fulfill orders? Timely?
 - ▶ **Marketability** – are the wholesale items popular? [hint: Only present the ones that will sell]
 - ▶ **Identity** – do the wholesale items fit with your brand identity?



What to Prepare for Wholesale?



FIRST - Check your Pricing



Understand Common Terms



Create Wholesale Materials



Do You Want to Do Trade Shows?

Pricing is Complex.....

Pricing Strategies

Target Market

Competition

Company Image

Distribution Channels

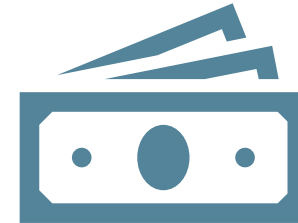
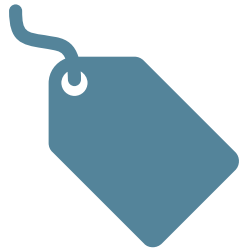
Material/Labor Costs and Supply

INFLATION



Pricing Strategies VS

Price Point Determination



Pricing Strategy –

Marketing technique to help
you sell

Price Point Determination –

Understanding at what price
you need to sell

3 Points (Methods) to Determine Price Point

Understanding the product/service:

1. **Cost Basis**
2. **Market Basis (i.e. Competitors)**
3. **Market Acceptance
(i.e. Customer Perception)**



The Price?
GOOD QUESTION!

Pricing*

<https://mainesbdc.centerdynamics.com/workshop.aspx?ekey=10420024>

How to Price for Wholesale

Jan
25
2023

Wed 11:00 AM to 12:00 PM

Add to [Google Calendar](#) | [Outlook Calendar](#) | [Apple Calendar](#)

🖥️ Online

Facilitated by [USM SBDC](#)

Topic: Marketing and Sales

Learn good business preparation for profitable wholesale sales! Join Business Advisors Peter Harriman and Ali Lane to discuss:

- What does it really cost to produce my product?
- Product-pricing techniques
- Identifying and handling shipping costs
- Setting up new customer accounts
- Getting Paid

Two Basic Rules of Pricing

- ▶ The market, not your costs, determines the price at which your products will sell.
- ▶ Your costs and desired profits only establish a “price floor” below which you cannot sell and make a profit.



Must Have Wholesale Materials



Line Sheet



**Catalog &
Brochures**



Order Form



Business Cards

Line Sheet



A list of all your products and prices



**Two basic types –
With and without images**



**List each product -
item number,
description, available
options (color, size,
length) and price.**

**Any per piece minimum order
should be mentioned on the
line sheet**

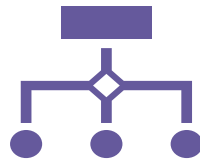


**This is your
#1 Selling
TOOL!!!**

Creating Item Numbers



Every product in your line should have an item number (often called a SKU) assigned. This helps immensely when taking orders and communicating with buyers.



Your system can be a combination of numbers and letters, but typically you want it to be no more than 8 digits long.

Develop a code that means something – such as the general class of product, color, size, etc.



For example:

DT-W-LG-S = Dining room table, Wooden, Light Gray, Small

SE-2F-PF-LC = Silver Earring, 2 Feathers, Polished Finish, Long Chain

Creating Item Numbers

SKU

ZG011AQA

Unique for each retailer

Alphanumeric

Varies in length

vs

UPC



Consistent across retailers

Numeric only

Always 12 digits

► <https://squareup.com/ownsquare/stock-keeping-unit>

<https://www.gs1us.org/upcs-barcodes-prefixes/guide-to-upcs#>

Fall 2013

The Best Damn T-Shirt Company

Place your order by phone 1.800.MYSHIRT or on our website: www.bestdamntshirtco.com

Wholesale Terms: Opening order minimum of \$300; reorder minimum of \$150. Visa, MasterCard, Amex, Company Check or Net 30 terms (as established). First orders must be prepaid via cc or check. FOB Columbia, SC. Orders of less than \$500 ship within 3 business days via FedEx Ground service. Complimentary shipping within the US on orders of \$400+.



Don't Compare (women)
Item #F13-WDONT
\$15 each, minimum of 5
Recommended Retail: \$30
Light Blue, Lemon, Black
100% combed jersey cotton
XS, S, M, L



Unicorns & Rainbows (women)
Item #F13-WUNIC
\$15 each, minimum of 5
Recommended Retail: \$30
Lemon, Coral, Grass, Black
100% combed jersey cotton
XS, S, M, L



High Destiny (women)
Item #F13-WDEST
\$22 each, minimum of 3
Recommended Retail: \$45
Organic cotton, natural dyes
Light Pink, Natural, Navy
XS, S, M, L

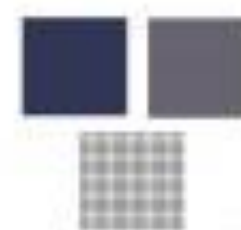
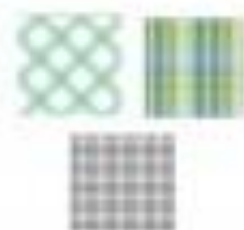
AMERICA'S
SBDC
MAINE

MENSWEAR

SS' 15

DELIVERY 1

WOVENS



S13001

Slim-Fit Multi Check
Shirt

Wholesale: \$21.28
Retail: \$59.50

S13002

Slim-Fit Non-Iron
Shirt

Wholesale: \$35.77
Retail: \$64.50

S13003

Slim-Fit Utility Shirt

Wholesale: \$32.72
Retail: \$69.50

S13004

Heritage Button-
Down Shirt

Wholesale: \$42.72
Retail: \$89.50

S13004

Tailored Slimfit
Tuxedo Shirt

Wholesale: \$37.60
Retail: \$69.50

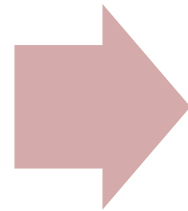
Catalog & Brochures

- ▶ Promotional advertising tool to show off your products
- ▶ Leave off pricing information (give a catalog with a line sheet to prospective buyers).



Order Forms

Company's name
Contact information
Purchase order number
Buyer name or company name,
Email and phone number,
Shipping and billing addresses,
payment method
estimated shipping date.



Tip:

Staple the buyer's business card
to their order form!

Online Order forms?

- ▶ Fill the order at their leisure
- ▶ Consider how to troubleshoot

Scan QR Code to place order!



LOGO HERE

YOUR NAME, 123 ANY ST. ANY TOWN, USA 123456 HELLO@YOURWEBSITE.COM
1-800-YOURNUMBER WWW.YOURWEBSITE.COM

Wholesale Terms: Opening order minimum of \$300; reorder minimum of \$150. Visa, MasterCard, Amex, Company Check or Net 30 terms (as established). First orders must be prepaid via cc or check. FOB Columbia, SC. Orders of less than \$500 ship within 3 business days via FedEx Ground service. Complimentary shipping within the US on orders of \$400+.

Date	PO #	Invoice #	Est. Ship Date
Store Name			Sales Rep
Phone	Email address		Resale or Tax ID #
Buyer Name	Buyer Email	Buyer Phone	
Delivery Address			

Billing Address (if different)

Product Name	Item #	Minimum	Price (each)	Quantity	Size	Color	Total

YOUR CALL TO ACTION HERE: HOW SHOULD BUYERS PLACE THEIR ORDERS?
INDICATE THE PERIOD THROUGH WHICH THESE PRICES ARE VALID





37520 Colorado Ave
Avon, OH 44011 USA

P: 888.352.8889

info@wildcatwholesale.com

www.wildcatwholesale.com

SHOW SPECIAL! PHOTO BOX STARTER PACKS

3 CASES OF PHOTO BOXES
+ FREE SHIPPING
+ HALF OFF ART PREP

Order #:

DATE _____

NAME _____

ADDRESS _____

CITY, STATE, ZIP _____

PHONE _____ EMAIL _____

CASE 1

- 5x7x5/8
- 8x10x5/8
- 11x14x5/8
- 5x7x1
- 8x10x1
- 11x14x1

CASE 2

- 5x7x5/8
- 8x10x5/8
- 11x14x5/8
- 5x7x1
- 8x10x1
- 11x14x1

Black Leather

CASE 3

- 5x7x5/8
- 8x10x5/8
- 11x14x5/8
- 5x7x1
- 8x10x1
- 11x14x1

- White
- Kraft
- Gray Skies
- Coffee Bean
- Sky Blue
- Firehouse Red

- Deep Black
- Green
- Pink
- Merlot
- Sunflower
- Terracotta
- Oxford

- White
- Kraft
- Gray Skies
- Coffee Bean
- Sky Blue
- Firehouse Red

- Deep Black
- Green
- Pink
- Merlot
- Sunflower
- Terracotta
- Oxford

- White
- Kraft
- Gray Skies
- Coffee Bean
- Sky Blue
- Firehouse Red

- Deep Black
- Green
- Pink
- Merlot
- Sunflower
- Terracotta
- Oxford

ORDER DETAILS

PLAIN STARTER PACK

- \$99 Black Leather
- \$129 Color

PRINTED STARTER PACK

- \$129 Black Leather
- \$159 Color
- \$0 Art On File at Wildcat
- ~~\$49~~ Art Prep Regular Price
- \$25 HALF OFF Art Prep Price!
- \$0 FREE UPS Ground

\$ _____ **ORDER TOTAL**

Must order in the bank of the instructions. Limit one (1) pack per customer. Each case choice must be same size and same color. Soft Touch Boxes not eligible. Free Shipping = UPS Ground in continental USA.

PAYMENT

PAID IN FULL W/ CREDIT CARD

Auth. #: _____

CALL FOR CREDIT CARD

NOTES _____



Business Cards



- ▶ First Point of Contact
- ▶ Keep it simple
- ▶ QR Code to Website?

Getting Wholesale Accounts

- ▶ Attend Trade Shows
- ▶ Search competition – stores that carry their brand will be listed on their website
- ▶ Feedback from clients or makers – get recommendations from network
- ▶ Check local, city, and regional guides on travel sites – find brief description of the store / products
- ▶ Create system to keep track of prospects in your daily travels

Customer Accounts – Terms



Minimum Orders
(MOQ)



Re-order
minimums



Minimum Retail
Price (MSRP,
SRP)



Delivery
Window/Lead
Time



Shipping &
Handling



Return Policies



Resale
Certificates



Credit Terms
(Net 30)

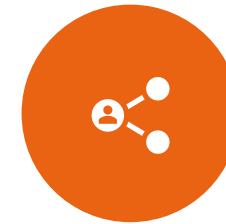
Offering Credit



Benefits of Credit to Sellers



- Facilitates increased sales volume



- Brings a closer association with customers



- Fosters easier selling through telephone, mail and Internet



- Helps smooth sales demand since purchasing power is always available



- Provides easy access to a tool with which to stay competitive

Hints for Credit Terms



First time orders, get payment **BEFORE** shipping the order (easiest way is to accept credit card).



Some use **pro-forma** – send an invoice prior to shipping the order, Store usually sends a check. Clear the check prior to shipping the first order.



Most stores will ask you to switch to Net 30 terms on re-orders

Large Retailers

Operate on Net 30(+),
Do a credit check

Buyer provides credit sheet with bank information and references



Have a clear credit policy

Credit Policy



Development of credit standards

profile of minimally acceptable credit worthy customer
check references



Credit terms

credit period
cash discount



Credit limit

maximum dollar level of credit balances



Collection procedures

how long to wait past due date to initiate collection efforts
methods of contact
whether and at what point to refer account to collection agency
credit hold



Shipping

- ▶ Wholesale shipping (B2B) is NOT the same as Shipping directly to Clients
 - ▶ VERY small orders can use Standard Shipping (Called DTC)
 - ▶ Minimum Order Quantity
 - ▶ Save on shipping costs
 - ▶ Savings on Economy of Scale
 - ▶ Check for permits or licenses required (more common when shipping international but can be an issue shipping State to State)
 - ▶ If YOU are packaging the shipment, have the proper materials to protect the shipment

Plan Your Shipping

- ▶ Do you have a website or process to handle the orders?
 - ▶ Alibaba, Shopify Plus, [BigCommerce](#), and [WooCommerce](#).
- ▶ Pack and ship? Or outsource this?
 - ▶ Drop Shipping? Distributor?
 - ▶ Drop shipping companies - ShipBob
 - ▶ Pros and Cons
- ▶ What kind of shipping will you need?
 - ▶ Freight shipping, International shipping, domestic shipping

Pre-Show Planning

Should you do a trade show?

Pros

Discover new stores, or vice versa

Build mailing list of other store owners and buyers

Meet the press

Adds credibility to business

Cons

- Booth fees**
- Display creation w/ product samples**
- Time**
- Travel costs**

What to bring?



Product samples – at least one of every product with cosmetic helpers – like an iron, lint brush, glass cleaner



Booth Display and tools – Hammer, screwdriver (DUCT TAPE)



Wholesale and promotional materials – line sheets, catalogs, business cards



Order Placing – Order forms, writing tools, clipboards, carbon paper for duplicate orders, 3 ring binder



Office Supplies – calculator, paper, stapler, scissors



Promotion Kit = Press Kit

Designing The Booth

- ▶ Visualize the booth, make a model! Or draw it out!
- ▶ Booths come in different sizes – make booth both PORTABLE and MODULAR
- ▶ Confirm with show what is included (rentals?)
- ▶ Three proofs –
 - ▶ fireproof, windproof, and lean proof!



How to Design a Booth for Wholesale Trade

Webinar 4: How to Design a Booth for a Wholesale Trade Show

Date: February 7, 2024 at 11 am

Presented by Stefa Normantas, New England Made

TO REGISTER:

<https://mainesbdc.centerdynamics.com/works hop.aspx?ekey=10440002>



Tips to Remember

- ▶ People attend craft shows for play and trade shows for work.....
- ▶ Leave your booth number up!
- ▶ Use the corners!
- ▶ Don't put product on the floor
- ▶ The two-foot rule – most buyers will only notice the first two feet
- ▶ Get a tall chair





Conduct At The Show

- ▶ Look happy - turn your cell phone off!
- ▶ Greet customers -refrain from asking “yes” “no” questions
 - ▶ Lead with advising the customer of your best sellers etc.
- ▶ After greeting, wait for the customer to initiate further contact or interest
- ▶ Negotiation – uncover any issues that might prevent the sale
- ▶ Close the sale – it is simple, just ask!

Three Priceless Sales Techniques

- 1) Have Fun – the energy and excitement is contagious
- 2) Crowds attract Crowds
- 3) Employ as many senses as possible



Common Buyer Questions

- ▶ What is your product made of?
- ▶ What is the top selling item?
- ▶ What is the minimum order (cash amount or item amount)?
- ▶ How are they manufactured?
- ▶ Various questions about pricing.



Post Show – Follow Up



Review what went well and what didn't – change or make notes immediately



Fulfill Orders received – but stick to agreed upon ship dates



Follow up on any Leads

**Make it personal
Create a call to action to order**



Decide on any new products



Always take care of your current accounts

Summary



**PREPARE,
PREPARE, PREPARE**



**DO YOUR
HOMEWORK**



DO THE MATH



**CREATE YOUR
FORMS**



Thank you!!!!
Questions,
Comments,
Thoughts?



ASKING
FOR HELP



How to Contact the SBDC

- ▶ www.mainesbdc.org
 - ▶ **Online Requests, access to Adviser Emails, Phone numbers, and Addresses**
- ▶ **Phone: (207) 780-4420**

The screenshot shows the homepage of the America's SBDC Maine website. At the top right, there are navigation links for LOGIN, CONTACT, BLOG, and SEARCH. Below these is a prominent orange button labeled "REQUEST ADVISING". The main header features the "AMERICA'S SBDC MAINE" logo and the text "Maine Small Business Development Centers" with the tagline "Building Maine's Future, One Business at a Time." A dark blue navigation bar contains the following menu items: ADVISING, WORKSHOPS, RESOURCES, SUCCESS STORIES, LOCATIONS, and ABOUT. Below the navigation bar is a grid of 18 portrait photos of staff members, each with a blue text box overlaid. The text boxes contain the following words: FREE, BUSINESS, ADVISING, STATEWIDE, CONFIDENTIAL, and the America's SBDC logo. The right side of the grid is partially obscured by a decorative image of snow-covered tree branches.

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Other SBDC Offices

- ▶ SBDC in Massachusetts

- ▶ <https://www.msbdc.org/>

- ▶ SBDC in Vermont

- ▶ <https://www.vtsbdc.org/>

- ▶ SBDC in New Hampshire

- ▶ <https://www.nhsbdc.org/>

- ▶ Anywhere else:

- ▶ <https://americassbdc.org/small-business-consulting-and-training/find-your-sbdc/>