

Introduction

As you sit here thumbing through this manual, you must have given some thought to becoming self-employed. Are you glancing over at the boss thinking, "I can do that! I can do it better! I could run a business that is exciting and in this shrinking Global Village, increasingly necessary!"

Yes, you **can** run a Packaging, Shipping and Business Communication Center!

No, no, don't search for the exits. This is no Pyramid sales scheme. The Packaging, Shipping and Business Communication (P, S, & BC) field is one of the fastest-growing small business opportunities in the nation -and with good reason.

The world is no longer so centralized. A salesman needs to send a hard copy of an order to his district manager within the hour and your fax machine is ready. A nearby hospital needs laboratory specimens shipped overnight at the eleventh hour and you're the

answer! A free-lance writer is disgusted with the indifferent service she receives at her local post office and decides to entrust her manuscript to you instead. These are all needed services that are only going to multiply -demanding creativity from the resourceful business owner.

So, self-employment appeals to you and you think that a P, S, & BC Center would suit you. But wait! To start a business, you must organize. (Ever seen a **disorganized** business? If you catch one, don't blink. They go bankrupt awfully fast.)

As there are franchise opportunities available as a form of business organization, it would be well to consider that option. The first thing to consider:

What is the purpose of a franchise?

A franchise is a way to own your own business without creating or forming the product, service format, layout or name. In some instances there can be a great advantage

to this. If I were very profit-minded and wanted to sell hamburgers, I would buy a franchise to a McDonald's, not open a Marine's.

In addition to uniformity, a franchise offers name-recognition. Does your seven-year-old say, "I wanna go out for a hamburger," or "I wanna go to McDonald's"?

Now, in the P, S, & BC business, where does this put us? I suggest an experiment. Find ten people who have used the services of a P, S, & BC center and ask them all the name of the business. At least five will say something along the lines of, "Oh, it was one of those mailing places." Doesn't quite stack up to Kleenex, Crayola or Coca-Cola, does it?

Now, how about uniformity of product? Although the P, S, & BC business **does** offer some products, what the business really provides is a service. For a service to be effective, it has to be tailor-made to the needs of the customer. For instance, my business is in Fredericksburg, Virginia. This is a town with a big stake in tourism as a historical attraction. I do an enormous amount of shipping for antique stores. But, other communities have other needs, so

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standardization is of no real use.

This is a business where the creativity of the owner is of far more use than the standardization of franchise. It is an excellent opportunity to be truly self-employed rather than work for a corporation. For in all honesty, if you take their name, you have to obey their rules. If you obey the rules of a

corporate head in a plush office, a thousand miles away, you are **not** your own boss.

Being your own boss is another point to consider in opening a P, S, & BC business.

Running a small business is a **lot** of work. Like small children, they require nurture and care to grow. Being one's own boss is a great compensation for the work required, so why cut the reward unnecessarily?

This manual is designed to take you step by step through the opening of your own Packaging, Shipping and Business Communication Center without needing to resort to the liability of a franchise. (Liability, you say? That's a strong word). Indeed it is. But, consider a very basic fact about the nature of running a business:

A franchise expects to make money.

Of course you knew that. After all, it isn't unusual to spend twenty thousand dollars buying into a franchise. But remember, there is a basic rule of business that you must keep in mind. (Believe me, corporate headquarters does.)

Never, ever, ever, take a one-time deal if you can get repeat trade.

Fortunately, this works for any business, franchised or not. Later on, I will be telling you how you can make this work in your own business. But now, we're dealing with the franchise example. During this example, please keep in mind that the profit margin is fairly low for a P, S, & BC center.

Let's say that Walt Disney World has sent in an order for 25,000 boxes. Now the Head Mouse is a pretty savvy critter and he's come to you because you charge a fair price of \$0.35 a box. So, you charge them \$8,750 (A big order, hurray!) Those same boxes cost you \$5000.00 at \$0.20 a box. But, that's not too bad. You don't run a ladies' fashion shop, so you can't expect to get away with a 200% markup on your products. Your gross profit is \$8,750.00. Remember that's your **gross**. You haven't figured taxes, employee's wages, **your** wages, rent... you get the picture.

Let's go back to the corporate office of your franchise. In that office is a bright young summer intern opening an envelope from **your** store. She pulls out a check for \$437.50 signed by your hand. Why? Because in one of those huge filing cabinets is another paper signed by your hand that states, among other things, that you will send 5% of your **gross** sales every month to this bright young intern's office. (5% of \$8,750.00 is \$437.50. You can do the math yourself).

What did you get for that \$437.50? Of course value can be a relative thing. If someone asks you if you'd spend \$1000.00 for a hunk of rock, you'd probably laugh -unless you've been shopping for an engagement ring lately. So, you must have gotten something for your money. You're no fool; you're not going to spend money unnecessarily.

The sales representative from

corporate headquarters did wax lyrical about the wonderful business you would get from name recognition. Remember, this is not a fast food restaurant, my friend. Company support? Did the regional representative spend all that time on the phone with the Head Mouse to make sure his needs were completely served? Did the company office do all the paperwork?

Some of that money was supposed to go to advertising. As far as advertising is concerned, that \$437.50 would buy over 32 column inches worth of advertising space in the Fredericksburg daily paper. Will that money go to national advertising? When is the last time you've seen a P, S, & BC commercial during halftime? But, even if there was some national advertising planned, that money must go to pay for that bright young intern to open envelopes -envelopes with **your** money in them.

"All right," you agree. "I don't need a franchise. But that franchise would be a big help in setting the business. up."

Yes, it might, but we've got something better. So, sit back and pour yourself a nice cup of coffee, because we're going right into Chapter One: Business Form.