



STARS NEWSLETTER

South Texas Association of Resale Shops
visit us at: www.starsresale.com

June/July 2010

Volume 20, Number 3

Mark Your Calendars



August 2010

Next printing of the *STARS* Newsletter. We welcome news or articles from *STARS* members. Contact the Editor, Pat Swartley, at pswartley@yahoo.com or by phone 281-338-9360.

June 25-28, 2010

NARTS Annual Conference designed for resale professionals, Ritz-Carlton Hotel, Palm Beach, Florida. Visit www.narts.org for more information.

October 2010

STARS Annual Meeting TBA

The Best Kind of Advertising Will Always Be Word Of Mouth!

Yolanda reports that *STARS* is “listed all over the internet” with Yolanda’s phone number. “My phone rings all the time with people asking for referrals to furniture, children’s and Ladies shops, etc. I always ask where they live and how they found the *STARS* number.”

Just another advantage of being a member of *STARS*! Our dues are very reasonable, only \$50 a year. Are your dues current? Get on Yolanda’s referral list today!

STARS was founded to promote and encourage networking among resale shop owners in the Greater Houston area, and savvy *STARS* do referrals to other *STARS* stores. Customers love it, too. And they will remember that you took the time to help them find what they are looking for.

And don’t forget to do your own word of mouth at every opportunity. As a business owner you may consider joining networking organizations where you can stand up and do “word of mouth” about your shop! Talk about your shop sitting around in a PTA or any community meeting. Think about how you can motivate others to talk about your shop around your community. The best advertisement is free. ----Pat Swartley

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About *STARS*...

The *STARS* Newsletter is published bi-monthly 6 times a year for Feb/Mar, April/May, June/July, Aug/Sept, Oct/Nov and Dec/Jan and is mailed to *STARS* members, prospective members and other interested persons.

STARS was founded in 1991 to promote education, networking, mentoring and co-op advertising among members.

Membership in *STARS* is open to “for-profit” resale/consignment shops in South Texas.

TO JOIN *STARS*: visit our website and click on “membership” for information.

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Letter from the Editor.....

I love this time of year. It isn’t cold or too hot—yet. June is the time to prepare for summer fun, and check out the summer wardrobe. The reason I have been visiting so many resale shops lately is to find clothes to wear to the NARTS Conference in Palm Beach. I am so looking forward to meeting old friends I haven’t seen in 3 years and attending workshops to learn new tricks of the trade to share with you.

Some of you may remember that when I retired in 2005 I donated my store, The Clothes Basket, to The Assistance League of the Bay Area, a charity that raises money to benefit unprivileged children in the Bay Area. Their Project School Bell provides clothing, toilet accessories and other services to thousands of children every year. Then two years ago IKE came through and wiped the store out. It has taken them this long to regroup and find another location. Their thrift/resale shop is now located at 100 E. NASA Parkway—Suite #80, Webster TX 77598. They opened in May.

I saw another former resale shop owner the other day and she asked me if I had any regrets not being in the business anymore, and do I miss it? The answer is no and no. The reason is because I fully prepared for my exit and fully accepted that it was the right time and the right thing to do. Not everyone who exits the business gets this opportunity, and I know how blessed I was.

The lady said, “You look so relaxed.” Yeah. Retirement has been great. I do work part-time and have for the last 2 years in my previous career before resale—as a music teacher. I teach clarinet lessons and direct an adult handbell choir. Now I don’t have to wait for my Social Security check to go resale shopping. Why else would I work?

One of our new *STARS* stores in business only a short while has made a decision to close. The reason she gave is the most common one I hear: Takes so much time to run a resale shop. She wants her life back. I would hear this comment often at the NARTS conferences from new shop owners who were there to learn how to be more efficient and spend less time running the business. Getting the right balance between work and play is so hard, yet so critical to your success and enjoyment of being an owner.

Enjoy your summer—or just endure it, whatever. My favorite summer marketing idea? Let your VIP customers know that they can drop by anytime for a small bottle of cold water.

**Your Editor,
Pat Swartley**



How to Get New Customers and Consignors without Spending a Dime

Here it is—the big secret: WORD OF MOUTH. You have to love it when a new customer comes in the door and when you ask how they found your shop they say they heard about your store from one of your customers.

“Best advertisement is our consignors,” says Yolanda. “I always tell my consignor to promote the shops to moms who have children in the sizes they consign and their items may sell faster.” The more people who shop at your store the better chance their stuff will sell. They can directly benefit from promoting your store and are more motivated to spread the word. Two recent new customers to her store that got referrals from her consignors said they couldn’t wait to tell THEIR friends about Children’s Collections!

Another idea is to collect information on who referred the customer so you can give them a call or note of thanks for the referral. I have sent flowers or dinner for two at a local favorite restaurant to a customer for a very profitable referral.

WHAT’S IN YOUR WALLET?

I visited a resale shop the other day and saw an interesting marketing idea to get me to come back to shop. I was handed a notice on ¼ of a sheet of dark red paper that said I could present that paper to receive 25% off a single full priced item of “regular clothing and accessories.”(Excluding furs, and gowns I was told), or I could get \$10.00 off of any purchase of \$50 or more. The offers could not be combined and I could shop anytime and claim the discounts. No expiration date.

This offer makes me want to keep it in my wallet, and I will return. I would have preferred to have been given a business card size offer on card stock in a brighter color, however, since I can keep it and use it forever. **What can you give a customer to keep in their wallet to remind them to shop at your store?**

I once gave out VIP Cards to senior citizens (are they a class of customers you cater to?). They could pull out the card anytime to get a 10% discount on any purchase. Some other stores did this but limited the days it could be used, like only on Friday. That only invites sad faces who say, “But I go to therapy on Fridays and can’t come, so can I use it today?”

What are you going to say?

Palais Royal gives seniors a “Club50Plus” card that they can present the first Tuesday of the month for some discount or other that is not mentioned on the card and I forgot already. I’ll never remember to go the first Tuesday, either, but I’ll keep the card in my wallet and maybe someday I’ll go back there and get lucky if I go on the right Tuesday.



DEAR RESALE QUEEN,

I offer layaway to my customers but it is such a pain in the neck. I get all these sob stories about not being able to pay it off according to our contract, then the consignors gripe because their stuff is in layaway and they want to be paid. What is the best way to handle layaways?

SIGNED: Sick & Tired of the layaway business

DEAR SICK AND TIRED,

Tell me about it. I rate layaway aggravation right up there with reclaims for the most aggravating part of our business. In fact, I stopped accepting layaways at one point and went to "holds". How I handled holds varied with the item or the customer. Typically, the item would be held no longer than 3 days, no money down, no contracts and the item was on display by the checkout counter with a "hold for ___ days sign on it and the date it was to be picked up. Names and phone numbers would be taken of people who would want the item if it was not picked up on time. If not picked up on time it would be sold to someone else on the list or put back on the floor. Another resale shop owner used "holds" only for a few hours!

Tips on how other resale shops handle layaway issues: some shops pay the consignor when the item goes into layaway. If forfeited it becomes property of the shop. Some require a large down payment of 1/3 to 1/2 of the total in layaway. They say fewer people forfeit when they have a lot invested in the layaway. Typically, the deposit is 20%.

CONSIDER OTHER ISSUES:

Say an item was in layaway for over a month and forfeited. Is it fair to the consignor to mark it down when it goes back onto the floor because it has been in the store a month?

What if a consignor is reclaiming and one of her items are in layaway? How do you handle that?

How hard is it to forfeit a layaway for a VIP customer who has been given several calls already?

What do you do if a consignor finds out her item is in layaway and she is angry about it and wants to be paid NOW? Happened to me. Because the woman was so rude and difficult about it I gave the item back to her and put a note on her account to not accept any more consignments from her. I gave the Lay-awayee back her deposit and explained that the consignor wanted it back, sorry. It so depends on the individual circumstances. The item was not some fantastic bargain and the Lay-awayee was not a VIP customer.

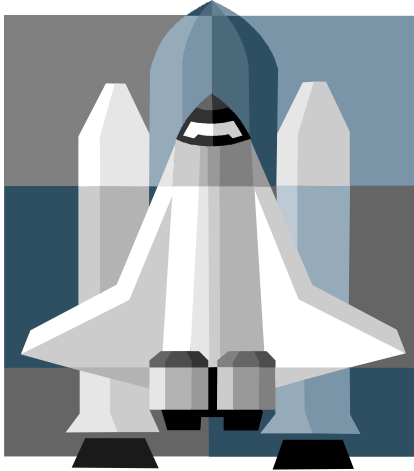
Some store owners feel layaways definitely contribute to their bottom line and wouldn't think of discarding the service in spite of the aggravation. Others just endure the aggravation and are reluctant to make a change thinking they have to offer it. A surprising number of resale shops I consulted said they did not do layaway because it was not fair to the consignor, or they didn't have room for it.

It comes down to this: Does the time involved and the aggravation balance with the service and the profit generated?

THE RESALE QUEEN



News Around the Galaxy



NEW MEMBER

Still Goode

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Spring, TX 77379

Phone: 281-370-4447

email dsewell@stillgoode.com

website: www.stillgoode.com

Owner Dennis Sewell in his second year of business, has 6,600 sq feet of antiques, collectibles, home furnishings, lighting and home décor. Dennis is also in the business of running estate sales and some of his inventory comes from that source. All of his merchandise is on consignment. Potential consignors must submit a description and a picture of items before an appointment is made to bring them in. These pictures are uploaded to Craig's list or other "on-line marketing" websites. Forty percent of his new customers come from the free on-line sources. He uses Facebook, also. The store is open 7 days a week: Mon-Thurs 10-6, Fri-Sat 10-5 and Sun. 1-5. **Welcome to STARS!**

Store Closing

June 1st, Georgie's Resale in Friendswood.

FYI—Children's Resale Shops

Just when you get over reeling about lead in Children's metal jewelry we find out that manufacturers, especially in China, have replaced lead with cadmium, that turns out to be worse than lead in toxicity content. Cadmium can cause liver and bone damage. Cadmium is also found in adult jewelry.

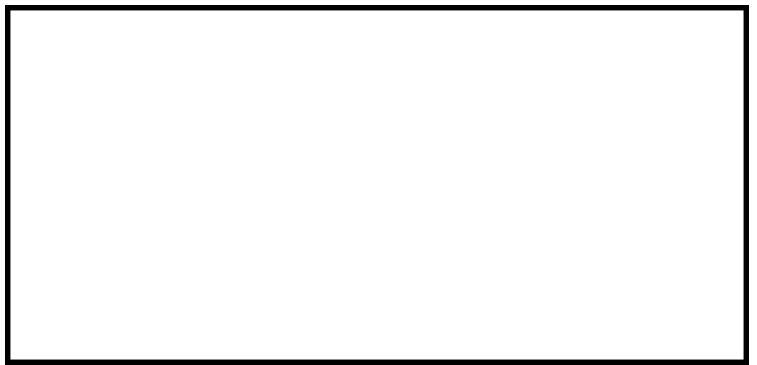
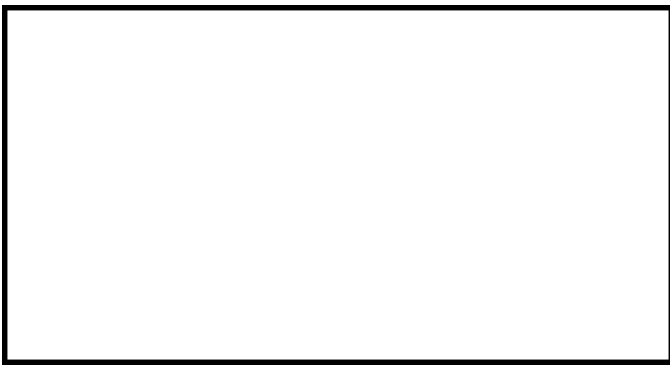
FYI---LADIES RESALE SHOPS

An article in the May NARTS Network newsletter, "**So, you thought it couldn't happen to you...**" gave a dramatic account of a resale shop getting busted for selling "fakes", knock-offs" or whatever you call them. Such items are counterfeits and it is illegal to sell them, period. Not knowing a product was fake is no protection.

Let us be perfectly clear: It is your responsibility as a shop owner to check out the authenticity of any designer bag or accessory that you accept for resale. Go on-line and google the brand and ask how to tell real from fake. If you have any doubt at all, do not accept the item for resale. You may also go on the NARTS website, www.narts.org/fake and read "Facts on Fakes," a real eye-opener to convince you to not sell fakes.

The FBI calls product counterfeiting the "crime of the 21st century." The new fight against fakes is spear-headed by an organization called Anti-Counterfeiting and Product Protection Program (A-CAPPP)—the nation's first comprehensive research and training program designed to address product counterfeiting. Their goal is to create a database of information to help develop strategies to train corporate and government officials to fight the crime of counterfeiting. Another goal is to develop a DNA marker embedded in textiles to determine the authenticity of items.

Each designer brand has their own methods of catching vendors of fakes and some are aggressively pro-active in the cause. Be aware and be wise, as punishment can be substantial.



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Since 1991