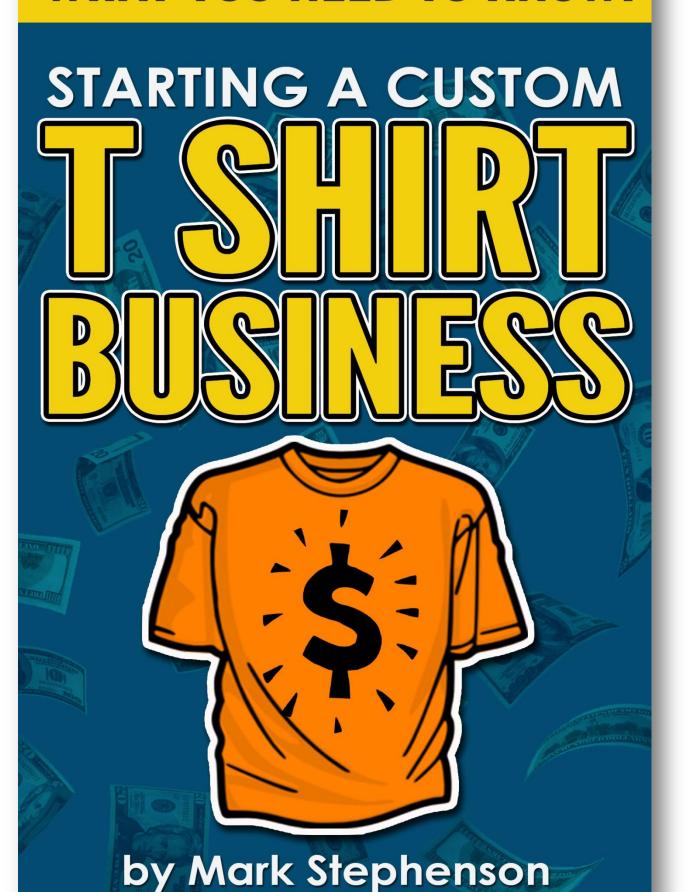
WHAT YOU NEED TO KNOW:



Resource Guide

Here are a few resources we and our customers use to start and market their Custom T Shirt Businesses:

E-Mail Marketing – MailChimp – Simple, really inexpensive software that allows you to build an e-mail list on your website, easily design marketing e-mails, automated responses and more.

Learning More

- <u>ColDesi Blog</u> is where you can learn about the business, sign up to get the latest information and articles.
- How to Get Found Online for Free if you are already IN the business or want to start on the right foot, this online class walks you through local search engine optimization. FREE for YOU
- <u>Custom Apparel StartUps Group</u> on Facebook is a community of people in, or just starting, their custom apparel business.
- <u>CASPodcast</u> perfect if you like to LISTEN to your information. Learn about the business side of embroidery and custom tees by listening online or subscribing to the podcast.
- <u>Colman and Company</u> not only do they sell supplies, but some great entry level products for actually doing apparel decorating.

E-Commerce Software or Where to Sell Online

- <u>DecoNetwork</u> built specifically for the apparel decorating industry.
- <u>Shopify</u> create sites VERY easily, powerful tools including built in credit card systems 14 day
 FREE trial
- <u>Etsy</u> you are probably going to want your own website and shopping cart eventually, but Etsy is a great place to start selling and many people just stay there!
- <u>Amazon</u> not as popular with the custom apparel crowd as Etsy has been recently, Amazon is still a powerhouse in online sales.

More

 <u>Design Pickle</u> – hire a Graphic Artist for \$370/month. A great way to get design help for shirts, website, social and more

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While all attempts have been made to verify every piece of information provided in this publication, the Author assumes no responsibility for errors, omissions, or contrary interpretation of the subject matter herein.

Introduction

There's a reason that starting a retail clothing business, embroidery or custom t shirt company is always at the top of the popularity charts for entrepreneurs. Because in addition to appealing to the creative spirit of potential business owners the obvious markets and low cost of entry are very attractive.

Starting up any small business is a challenge and poses various risks, and the custom apparel business is no different. BUT, if you plan well and have the drive to back up that plan you will have a great chance of succeeding!

While the apparel or custom apparel business isn't just based on custom t shirts, it is the foundational product for many. T-shirts are a staple of the global wardrobe and it seems that we have an unending appetite for new design, clever graphics or sayings. So the following pages do discuss caps, pants and accessories in passing, but the bulk of it will be devoted to the bulk of the market, the t-shirt itself.

Of course, one of the reasons why the idea of starting a t-shirt business is appealing is because you can start off from your home or garage. The equipment generally doesn't take up much space and that means you can maximize profits. With time, and if that's your goal, you can establish your business and turn it into a retail store or mall success.

Sounds interesting? Read on.

What You Will Find In This Book

In this book, we will provide you all the information you need to successfully start your own small business from your home. This book is written with fresh businesspeople in mind, thus the language used will be easy to understand. Any complicated business terms will be explained as we proceed through the book for your convenience.

We will begin by talking about entrepreneurship and what you, as a new comer to the world of business, should be aware of. We will then move on to discuss the legal issues involved in starting up a business so that you know what you have to deal with.

The success of a business, among other factors, heavily depends on how well a business targets its niche market. It is always important to identify the target audience in the business plan. Not doing so is like shooting in the dark — you may hit or you may miss. Thus, it is very important that you aim to sell your products to a certain group of people first, before you start to serve a wide range of people. For example, you may want to start off by offering t-shirts for teenagers first, or for charity events, and then as you see your business grow, you may wish to introduce a new line of products for another market.

The fourth chapter of this book will compare the advantages and disadvantages of selling online vs. selling offline (in a store), followed by some information on how you can start to sell your products online in the most effective ways possible.

The final chapter will talk about the necessary equipment that is you need to successfully start this business. We will talk about all the machinery that is required to simplify things for you. We will also provide you useful information on some of the printing processes that are used to print custom designs on t-shirts, including embroidery, rhinestones, spangles and direct to garment printing.

We hope that you will enjoy and benefit by reading this book, and we wish you the best in your entrepreneurial endeavors!



Want to REALLY start off on the right foot? Join others around the world to talk custom apparel business on our Facebook Group here. This is the place to bounce your ideas off the custom t shirt community and get your questions answered!

Chapter 1 - Understanding The Highs and Lows of Entrepreneurship

Now that you have an idea of what kind of business you want to start, there are some things that you need to consider before you take the plunge. Starting a business involves a lot of planning and decision making along with managing all the legal aspects that are involved.

Apart from deciding what kind of product you are going to sell, you need to figure out a few other things too. Things such as how you are going to structure your business, how you will run it, how you will attract customers, and most important of all – how will you get the money to start the business in the first place, need to be considered.

In this chapter, we will outline some of the most important points that all fresh entrepreneurs need to know.

7 Pieces of Useful Advice for Entrepreneur Success

Before we head deeper into discussing the actual steps that you need to take to start up a business, here are some of the most important pieces of advice given by successful entrepreneurs.

1. Get Used To Being Uncomfortable

Entrepreneurship is like roller coaster, there are highs and there are lows, and you should prepare yourself for the ride. There will be instances when you will have to face the lows — and this is inevitable, so you must be prepared for it. So why not decide now how you will react and what you'll do in the most common situations? Here are just a few:

- A customer cancels an order
- A customer doesn't pay you
- You have zero sales for the week
- You run out of ink, thread or rhinestones
- Your kids are sick at home

2. Commit Yourself

If your plan is to "try" your business for a few months and see how it goes, then just stop now. Even big businesses, names you know, started out by not making money, waiting months or years to turn a profit. While you should be profitable very quickly in the custom apparel business, you have to stay the

course before you get there. Here's a hint: You probably won't take home a paycheck for several months. How long will you stick it out?

3. Understand Your Target Audience

This is something that needs careful consideration. You are planning to start a t-shirt business; therefore you should clearly understand who your clients are, and where they are. Knowledge of the target audience will help you create an effective business and marketing plan. Your target audience will tell you what your products should be, how you market them and what your potential for sales and profits are.

4. Leverage Social Media

In order to spread awareness of your business among your target audience, you can leverage the power of social media to spread the word — free of cost! One thing that almost all start-ups have to face is a limited budget. You really cannot afford to spend a huge chunk of the budget on marketing and advertising campaigns; this is why a social media platform is the ideal place for you to advertise your products.

Social media networks have grown to become excellent marketing platforms, particularly Facebook, Pinterest and Twitter. These networks allow you to make use of the power of word-of-mouth marketing techniques. Simply put, word of mouth marketing is when a person spreads the word about your company and your products to their friends. What does it cost you? Nothing at all!

5. Consider Teaming Up

Starting up a business is a complex and demanding process. There are various aspects of the business that you will have to look into, ranging from looking after finances, product production, as well as the marketing of products among numerous other responsibilities. It can become quite overwhelming for a single person to manage each and every thing.

Few entrepreneurs will be good at every aspect of a business. If you feel that you're lacking finance, marketing, production or any other part of what it will take to be successful, then by all means consider teaming up with a family member or a friend whom you feel comfortable working with, and who understands and shares your passion.

6. Don't Burn Out

Starting a business requires a lot of effort, but it has to be balanced. Don't forget to take short breaks every now and then. The last thing you would want would be to burn out in the process of launching your own business. Take time each day to take your mind off the business. The cost of burning out is much higher than regular breaks in your day.

7. Enjoy What You Do

Starting up a business is a challenging endeavor, but for those who enjoy it, it can be a breeze. You should be passionate about your work and enjoy it to the fullest!

The Process of Starting Your Own Business

So you think you have got what it takes to be a successful entrepreneur? Wouldn't it be simply amazing to be able to quit the job and be your own boss?

If you're ready to become an entrepreneur, you should proceed by following the guidelines given below.

Create a Concept

The first and foremost thing that potential businesspeople do before they quit their job is that they create a concept regarding the products they wish to offer. Because you're reading this book, you are probably about to launch a custom t-shirt business. The concept will also focus on what kind of equipment and expertise you need to create your product. The equipment needed to print custom t-shirts, or create bling shirts or commercial embroidery will be discussed in detail in the later parts of this book.

This concept will be the core of your business plan. The third chapter of this book will help you to create a thorough business plan for your start up.

Decide On the Workspace

The next thing that needs to be considered is where you plan to run your business. Hundreds and thousands of people have launched their business from home, and that's a great start up option.

Keep in mind that the primary function of your home is to serve as a dwelling for you and your family. Luckily, and unlike other types of businesses, you may not need to interact in person with clients (especially if you plan to sell online) or have them come to a showroom or retail space. But you still should ensure that you have sufficient space at home to keep all the equipment and products you'll need for production. The latter can be particularly tough if you have kids at home, so think hard!

Outsourcing Partners or Employees

While nothing can be greater than being the sole owner of your company, in some cases having a partner is the right way to go. The reason for getting a partner may be that you are low on funds and cannot afford the initial expenses of starting a business on your own or you may even want a helping hand to perform other jobs related to sales, marketing as well as for keeping the financial records up to date.

If you do plan to have a partner or partners, there must be written partnership agreement that covers the money AND the day to day operational responsibilities. The more transparent things are, the fewer the misunderstandings will be, and this will ensure that your business runs as smoothly as possible. Do not take on any partners without explicit partnership agreements in place!

You should also decide whether you will be needing employees now or in the future. If you do plan to hire, do give some thought to how you will acquire them, and how you will manage to pay the salaries. Also, keep in mind that if you are planning to start your business from home, you may not be able to accommodate any other people.

Carrying Out the Research

There are some books out there that suggest whenever an entrepreneur has a fresh idea, they should simply 'go for it'. However, be warned that this approach can land you in trouble. This is because you will not have enough information about how to go about conducting your business and have to learn everything from scratch.

The best way to start your business is to ask someone OTHER than your friends and family about your business plan. Ask them the following questions:

- 1. Would you choose to purchase this particular product?
- 2. What do you suppose the value of this product is?
- 3. What is the best way to market this product?
- 4. How can I improve the quality of this product?
- 5. Have you heard of any similar type of business and do you use a particular business? How would you compare it to this business plan?

Why not ask your family? Because you may not get an objective answer. They may try and spare your feelings or their judgment could be clouded by their enthusiasm for YOU rather than your idea.

That is not to say that you shouldn't consult your family at all. This is especially important if you plan to quit your job and begin working from home. You should talk to them concerning your business to make sure that they are there for you and understand the sacrifices you'll all be making.

After you have all the feedback from family and focus group of strangers you should get back to the drawing board and carry out any necessary improvements of your plan.

Getting the Funds

When you have managed to come with a business idea and are happy to proceed with the plan, the next thing that you will have to figure out is how you can finance it. Small businesses generally need some financing to get started. You may break even within a year, but for many businesses it can be longer. So you'll need enough cash on hand to pay for your equipment, rent (if any), supplies AND groceries for you! This is absolutely important, because the last thing you would want would be to close down your business before it takes off.

The different sources of funding can be as follows:

- A small business loan (www.sba.gov)
- Your savings-Family and Friends
- Home equity loan
- Credit cards use only as a last resort
- Equipment leasing

When you consider funding ideas, be honest with yourself about your credit. If you're just starting out, in most cases, outsiders like banks and finance companies are more interested in your credit rating than your ideas. If you don't have the credit to lease equipment, for example, you'll need to find that source of cash to get started or a co-signer with a great credit history.

Have Your Base Covered

Anyone who is planning to start a business should have a backup plan when it comes to *running* the business. They should consider the fact that if something were to happen to them, who would be responsible for day to day operations? The more you plan now, the easier it will be for your business to succeed.

Conclusion

Your businesses success depends on the decisions you make, and the better your plans and processes beforehand, the better chance you'll have.

Do your homework!

Chapter 2 - Getting to Know the Legal Aspects of a Start-Up Business

A number of legal aspects are involved when it comes to starting your own business. These aspects must never be ignored as they can land you in trouble later on. Most types of businesses are regulated and the government overlooks them to ensure that they are being run in accordance with the law.

This is why it's absolutely important that you spend some time to read and understand these legal issues so that you do not face any problems later on down the lane.

Is Your Name Legal?

Before you head out and start to print your business cards, you will have to make sure that the name you give to your business is not already being used by other businesses out there. In most of the cases, you will not have to get in touch with an attorney, you can simply carry out an online search to see whether that particular name is registered with the Secretary of State or not. This search will reveal if the name is available in your state.

If you are lucky and your desired name has not been registered in your state, you should take a step forward and conduct a country-wide search in all of the 50 states. A no conflict, free trademark search will reveal if you can use the particular name for your business.

Keeping in mind that you can still infringe another business's trademark even if they are not registered with US Patent and Trademark Office, you must thoroughly search all of the available state and local databases. An online service can make this search convenient for you.

Register a Fictitious Business Name (DBA)

A DBA (Doing Business As) has to be filed whenever a company plans to do business under different name than the one they are registered with. For instance, if your business is registered as **CustomFarelyTees.net**, you should get a DBA if you wish to carry out business as **CF Tees**.

Form an LLC or Incorporate Your Company

In order to protect your personal assets such as any personal property or your child's college fund from the liabilities of the company, you will have to form an LLC or a corporation. Every business structure is different and each type of business structure offers its own set of advantage and disadvantages.

The three most popular options for small businesses include:

- LLC A Limited Liability Company is great for those small businesses that want to have legal protection but with minimum formality.
- S Corporation S corporations provide a way to cut down on the taxes that the business has to pay, thus these can be great for small businesses if they are able to qualify.
- C Corporation This is suitable for those companies who wish to go public or have plans to seek funding from a Venture Capitalist.

Get Your Federal Tax ID Number

In order to establish your company as a separate legal entity, you will need to get a Federal Tax Identification Number. This is also referred to as the Employer Identification Number (EIN). This is issued by the Internal Revenue Service (IRS) and is quite similar to your social security number. Through this number, the IRS can track whatever transactions your business makes.

However, if you are going to be the sole owner of your business, you don't necessarily have to get this number, but it is a good practice to do so because then you won't have to give out your social security number for matters related to business.

Learn About Laws Concerning Employees

This is vital, especially if you are going to be hiring employees. You must spend time to learn the employee laws so that you know what your obligations are for the following procedures:

- Self-Employment Taxes
- OSHA Regulations
- Unemployment Insurance
- Worker's Compensation Rules
- Anti-Discrimination Laws
- Wage and Hour Requirements

Get Your Business Permits and Licenses

You will probably have to acquire a business permit or license from the State, depending on what type of business you plan to run and the location of the business. The licenses may include:

- Zoning and Land Use Permits
- Sales Tax License
- Health Department Permits
- Local Business licenses

File for Trademark Protection

It is not required by the law that you register a trademark. Using a particular name for doing business automatically gives you common law rights, even if you have not formally registered.

You can certainly wait on this! But you might want to search the terms and company name that you plan on using to make sure that YOU aren't infringing on anyone else's trademark accidentally. To make it simple, stay away from calling your products something obviously similar to another brand.

Top Legal Mistakes Made By New Businesses

Young entrepreneurs usually make quite a few mistakes when starting up their business. This is mostly because they lack the experience and knowledge of dealing with the legal aspects.

Here are some of the most common legal mistakes that you must avoid:

Not Clarifying Things with Co-Founders Beforehand

One of the most common mistakes new businesspeople make is that they do not clarify things with their partners. This will apply to you if you are planning to start a business with a partner or partners. It is absolutely vital to discuss each everything regarding your business beforehand to avoid any problems later on. You should talk about things such as:

- 1. The percentage of company for each of the partners
- 2. The roles and responsibilities of each of the founders
- 3. The time that each founder must commit to the business
- 4. The salaries of all the people involved
- 5. How the day to day decisions are going to be made

Failing to Start the Business as an LLC or Corporation

We discussed why it was important for new start ups to launch as an LLC or a corporation (e.g. S corp to reduce taxes). This is among the very first of decisions that, as a new businessperson, you will have to make. Those people who do not consider this generally end up paying more taxes and are subjected to huge liabilities.

Keep in mind that you're starting up a business with a very restricted amount of budget, and you want your expenses to be as little as possible. These excessive taxes and liabilities can be avoided if a company is started as a limited liability company (LLC) or a corporation.

Start up businesses can choose to be the follow the types of businesses given below:

- <u>Sole Proprietorships —</u> Typically, sole proprietorships require no fees, legal documentation or business permits of any kind. Sole proprietorship simply refers to a type of business run by a single person who is the only person responsible for all the aspects of the business. This is the simplest type of business that you can choose to start up as it's easy to set up and requires only minimal cost. However, keep in mind that if you're starting up a business with other people as partners, you will have to choose from other types of businesses.
- <u>General Partnerships</u> If you are starting your business alongside other people, this will make your business fall into a 'general partnership'.
- <u>C corporations</u> C corporations are usually formed under state law. C corporations are considered to be separate entities from their owners, this means that the income is taxed at a corporate level and once it is distributed among the owners, it's taxed again.
- <u>S corporations</u> S corporations help to reduce the taxes and liabilities of a company and is also formed under state law.
- <u>Limited Liability Company (LLC) These offer certain tax advantages over C corporations and are formed under state law.</u>

The reason why we have not covered the above business in much detail is because as a fresh entrepreneur who is starting a t-shirt business, you should probably settle for sole proprietorship. Being the only owner of the business can simplify things for you and you will not have to face a lot of legal issues at all.

Choosing a Name That Has Trademark Issues

Whenever you choose a name for your business, you have to be absolutely sure that the name has not already been taken by someone else. This will help you to avoid any infringement issues later on. Unfortunately, a lot of startups have to face these kinds of problems just because they failed to carry out sufficient research. You can avoid infringement issues by following the guidelines below:

- Use Google to search the proposed name to find out if there are other companies that are using the same name.
- You should also search at the US Patent and Trademark Office website.
 Visit www.uspto.gov to see if your proposed name has been used.
- The Secretary of State and LLC records in your state should also be looked into to see if the name has been used or is being used.

Chapter 3 - Writing a Business Plan

Putting all difficult things aside, a business plan is nothing but a guide to help you start your business and run it in a profitable manner. The business plan should include information on what type of business you are planning to start, what your goals are and how you plan to achieve them.

Will you open up a store or will you be selling your t-shirts online? How many employees will you have or will you be the only one managing the business? How will you advertise your products?

A business plan should be able to answer the questions above, along with many others. Do not let the idea of creating a business plan worry you — this is not a term paper nor is it a formal business plan document that you need to show to your investors to seek their approval. It's just something that will help you understand how you plan to conduct business.

The next section will tell you why you should have a business plan.

Advantages of Having a Business Plan

A business plan offers numerous advantages, and some are as follows:

- 1. A business plan helps you to summarize your business model (each and everything about your business)
- 2. It allows you to put down your goals and the steps you wish to take to achieve those goals.
- 3. It allows you to be consistent with the way you run your business. You can always refer back to your business plan and review it if you're unsure about how to do something.
- **4.** It helps to note down the budget, while helping you to keep a track of all the individual expenses of starting up a business.
- **5.** A business plan allows you to communicate better with investors and partners.

Things All Business Plans Should Have

Regardless of how small or large a business is, there are some things that all business plans must have in them. Even if you are starting your little adventure from home, you still need to make sure that your plan small company has a set of goals. Without goals you will simply be clueless as to what you want to achieve.

Mission and Goal

You must have a mission if you are starting a business. What is your mission? Is it to become a renowned t-shirt brand one day? Or is it to become famous for quality t-shirts in your town?

Whatever your mission, this is the time to write it down. Once you have a mission, you can write down each of your goals as well as how you plan to achieve them.

While it may seem to you that your mission or goals are too far-fetched, ignore this. Remember that a lot of businesses started off from homes and later grew to become huge businesses having countrywide presence.

Point Out Major Opportunities

Even though you will be starting off as a small home-based business, you still need to highlight those opportunities that you think will help your company expand later on. This could be anything ranging from introducing new products, or using of new technology to create your t-shirts.

Outline of Possible Threats

Threats are imminent — all businesses have to face them one time or the other. How well a business copes with the threats they face depends on how well they have planned. The threats generally range from a market slowdown that causes a decrease in sales, to increasing competition that will make you stay on your toes. Figure out how you will deal with such situations.

Identify Your Customers

This is something that is very important and will be covered in detail in the upcoming chapter (Targeting Your Niche Market). Who do you plan to sell your products to? If the answer is 'to everyone', you should seriously consider learning about how businesses work.

It may be that all kinds of people buy your products, but you will still be targeting your products at a certain market. For instance, if you generally make cool and hip t-shirts, the chances are that teenagers will comprise a major portion of your customers. Of course, there will be some mothers and grandparents buying from you to give as gifts — but the fact will remain that you are offering products for teenagers.

Methods of Tracking Your Competition

Believe it. You will have to face the competition. And you will have to take measures to compete with them. This is why your business plan should clearly include how you plan to track your competitors. This means that you will have to keep an eye on them as to how they are conducting business, what kind of products they are selling, how they are doing their marketing and so on.

Mention Your Budget

Don't forget to include your budget with the break down that clearly tells all the individual expenses you expect. It is important to break down the budget so you know how much the individual things are costing you (material, equipment, employees, etc.).

This will help you calculate your profits later on.

Back Up Plan

A backup or contingency plan is absolutely necessary and you cannot skip this one. Things can go wrong and they do go wrong. You have to have a plan to help you through bad times. Include all the possible 'What If...' scenarios to help you when you lose a footing.

If you live in a Southeastern state, for example, what happens if there's a hurricane? Fire, burglary, earthquake? How about just a power outage? The more you have mapped out, the more your business will thrive.

Chapter 4 - Targeting Your Niche Market

Not all customers are the same, and if you try to appeal to everyone, you will most likely end up appealing no one at all. All experienced entrepreneurs know that people have different types of needs and wants, and it is really not possible to cater for the individual needs of everyone out there. This is exactly why you should put in some efforts to find your niche market.

Finding the Niche

A better and more effective strategy of doing business is to focus on fulfilling the needs of only one or two types of groups within the market. These groups are referred to as *segments*. Simply put, people in a particular segment will share similar characteristics, will have different tastes as well as buying habits.

If you offer your products to a particular segment (such as teenagers, as mentioned before), you will have a greater chance of becoming a market leader within that niche (teenagers). By approaching business in this way, you not only put yourself and your company in a strong position, but you also start to generate sufficient, steady revenue. This does not at all mean that other people (adults, in this case) will not buy from you.

Segmentation - Understand it well

So how should you 'segment' your market and find out who you should be focusing on? Well, there are numerous factors that have to be looked at when carrying out this research. Small or large, all businesses have to understand their niche, so do not skip on this one as it is important for the success of your business.

Some of the factors that affect the spending habits of various people include:

- Age
- Gender
- Interests
- Marital Status
- Occupation
- Location
- Religious affiliation
- Income

By getting to know your customers' spending habits, you will be able to shape you business better even before you start. What would be the point of running a business that offers expensive products to a community that is relatively

budget-conscious? Similarly, if you offer products with no-frills to an audience that prefer luxury, you still won't be gaining much.

Targeting Specific People

Segmenting can help to recognize the people you should focus on. This is great as it will allow you to direct all your efforts to those people who are most likely to buy from you. Also, effective marketing techniques cannot be applied unless or until you are aware of the needs of your customers.

So always remember that you have to focus your efforts when doing business, and not scatter them around!

Six Reasons Why Targeting the Niche Market is Important for Your Start Up

Without choosing some kind of target or niche market you will spend your time and marketing dollars very inefficiently.

On the other hand, if you target a niche market, you will stand a better chance of surviving the intense competition in the industry.

Here are six reasons why targeting your niche market is important:

1. It Helps You to Know Your Customers

Before you can target a certain niche, you will have to know all you can about your customers. Information such as demographics, location, age and occupation need to be known. For instance, if your product range is designed for teenagers or young adults, you will have to look at all the above factors when targeting this specific niche market.

2. It Makes Marketing Easier

When you know your customers and are aware of their needs and wants, you will be able to market and advertise your products more easily. Who says a home business doesn't have to advertise their products? You can utilize social media websites to advertising your products free of cost (in most cases!). We will learn more about selling your products online in the upcoming chapters of this book.

3. It Helps You to Make Your Products Fit Your Customers

When you begin to sell your products to your niche market, it will be your customers that will become the driving force behind all your products — you will be able to get suggestions and recommendations. You will constantly be

improving, getting better at giving customers what they want! That's a profitable strategy.

Customizability is among one of the greatest advantages of running a t shirt printing business because you can easily modify and create a custom t-shirt range.

4. It Offers a Higher Customer Lifetime Value

Whenever customers see that you are looking after them by offering something that they want, they will gain your trust, and business is about trust!

By tailoring your products and services to your niche market, you will be able to build a long lasting relationship with your customers. Good word travels fast, and you will be surprised at how many new customers you will get just by making your existing customers happy. Targeting a niche market is also important because it helps to retain customers and keeps them coming back for more.

5. It Helps You To Earn More

At the end of the day, this is your business, and it's all about earning a decent profit. This is precisely why you decided to start up business, isn't it? The advantage of aiming your products at a single niche market are great, simply because you will get a better response rate as compared to when you are simply trying to sell your products to everyone out there.

6. It Helps To Build Your Brand

It doesn't matter whether you are running your business from home or from a multi-story commercial building — business is all about building brands. You would have noticed that people are generally attracted to well-known brands, and this is for a reason. These brands have spent time and have put in considerable amounts of effort to meet the needs of their customers — and they have succeeded well.

The first step to establishing and building your brand is to target your niche market and build a relationship with your customers. The rest of the things will automatically begin to take their place.

Chapter 5 - Online vs. Offline Selling

According to projections, there will be \$441.95 billion dollars in retail, online sales in the United States in 2014. There is simply no way to ignore the power and potential reward for selling your custom apparel online. That being said, not every online effort is successful and not every company *has* to sell that way.

The advantages to selling online, whether it's through your own website, Amazon, Etsy, eBay or a combination of all of them are many.

In this chapter, we will discuss the advantages and disadvantages of both online and offline selling and will provide you with some tips to help you choose the right one for your new start up business.

Things to Know Before Starting an Online Business

Before you start selling your products online, there are a few things that you will need to prepare.

Online retailing is undoubtedly a lucrative business, and thanks to the huge advances in technology, it has now become simple and easy to use this to your advantage. Make sure you have thoroughly considered the following things before you set out to sell your products online:

1. Know Your Market

As it was previously mentioned, it is absolutely necessary that you know your market in which you intend to do business. You must know the strengths, weaknesses, opportunities and the threats in your industry. You can learn more about your industry (t-shirt business) by seeing how others sell similar products as well as analyzing the kind of response they are getting from people.

Don't be discouraged if you see great companies selling great products! You will have a unique offering that appeals to a specific offering.

2. Write a Business Plan or Add Online Section

That research on the competition and pricing is the first step in writing your business plan. This was discussed in detail in Chapter 3 but a quick recap is important to refresh a few key points. A business plan is a document that includes everything from what kind of products you will sell and how you will sell them, as well as including other each and every aspect related to your

business. You should clearly define your budget and list all the expenses you expect to encounter with an eye towards online vs. brick and mortar.

3. Get Financing

Your start up business will require some financing to get started. These will be the overhead costs required to cover the expenses of creating your products, the equipment as well as a number of other things. Your budget would depend on where you get your financing from; there are numerous options at hand, including:

- Bank Loans
- Bank Draft
- Venture Capitalists
- Personal Savings
- Credit Cards (Use as a last resort)

Budget and investment will really determine whether you can start your business in a retail location, or be forced to start online and grow from there.

4. Launch a Website

A website is an essential selling tool whether you want to conduct your business online OR in a store front. Modern, successful businesses use web properties like Facebook as a substitute, or more often as an enhancement to their online presence. You may want to just set up a Facebook Page and do business from there but if you do wish to have your own website and sell on it, then you will have to follow a few steps given below:

- Register a domain your domain should ideally be the name of your business. There are a great number of 'registrars' on the Internet through which you can register a domain name (your website's address).
 Some are free, while some will charge you a nominal amount.
- Find a website host Once you have registered your website domain name, you will have to find a place to host your website. This is like renting a space on the Internet to place your website. Search for web hosting providers and choose the one that you think meets your needs. Stick with a well known hosting company like GoDaddy or Hostgator rather than allowing a web developer to host. Larger companies will have support 24/7 if you need it.
- Design your website If you are proficient in web designing, then you
 can take up this task yourself. If not, you can hire a web designer to do it
 for you. Don't consider this a waste of money as it will be a good
 investment for your business and a unique website will help to establish
 your brand.

5. Choose a Payment Method

You will have to choose an online payment method that is easy to use and secure. Two of the most famous payment methods you could choose from include:

- Google Checkout
- PayPal
- Traditional credit card processing (like Authorize.net)

6. Product Delivery

So far so good, you have a website, and you have a payment method in place. A customer comes along and places an order. How will you get the product delivered them?

Choose a courier whom you can rely upon for delivering your products in a timely manner, like USPS, UPS or FedX. Compare pricing to mail a typical order and get delivery times to your likely customers' locations to pick the best option.

7. Marketing Your Business

When selling online, you will also have to market your products online. You will have to make sure that your website is 'famous' among search engines so that it shows up in the first few search results. For instance, if you're based in Miami, and someone searches for 't shirts in miami', your business should show up in the search engines. How should you go about doing so? There are many great sources of information for this, but it changes literally every 6 months. ColDesi holds free online marketing presentations just for apparel decorators, you can find a recording of one here.

- Advertise Online (Facebook, Google ads)
- Google My Business Listings

Advantages and Disadvantages of Selling Online and Offline

Let's discuss some advantages and disadvantages of both selling online and offline.

Advantages of Selling Online

Here are some advantages of selling your products online:

Quick and Easy to Get Started

It is much easier to set up an online store as compared to a physical store. You don't necessarily have to create your own website. Instead, you can use a marketplace such as eBay to get started. Also, even if you decide to have your

own website, there are so many pre-packaged e-commerce solutions out there that require almost no technical expertise at all.

An added advantage comes when you choose to use an established marketplace such as eBay or Etsy because you don't have to worry about tapping into the market.

Cheaper to Set Up

Starting an online business is definitely cheaper than setting up a physical store for all the obvious reasons. There is also a decreased risk if things don't go as planned. If you use online marketplaces like eBay, they will only charge you a minute amount for each sale, and this is probably the only charges you will have to pay.

This will save you a lot of money which you would have otherwise spent on setting up your physical store, including the décor and the cost of the location itself (or rent).

Round the Clock Sales

When it comes to your online shop, its open 24/7! This is great because this allows people to buy at whatever time is convenient for them. A physical store, on the other hand, has to be opened and closed at certain times; this makes it difficult for working people to go shopping, especially during weekdays.

Increased Reach

A physical store typically limits your business's reach to the location of the store itself. Online businesses, however, can reach out and serve nationwide. People from all over the country (even out of country) can place orders online and all you'll have to do would be to ship the products.

Higher reach will mean more sales.

Fewer Employees

Once you have set up your online business, you will need much less resources than you might think. This is another advantage of conducting business online. You will not need people to run your store, or to man the checkout counter. Lesser employees will mean fewer expenses for your business, so it's a win-win situation for you.

Gather More Information

Running a business online allows entrepreneurs to collect more data on their customers' buying behavior. You can gather information such as the demographics, the search terms they use, age, as well as location. You will be able to use this data to target your niche market and to derive products to meet the changing needs of your customers.

Stock More Products

A great thing about online stores is that you don't have to have every single product available right at the moment. For instance, you can place pictures of a wide variety of t-shirts and whenever a customer places an order, you can have the product ready and shipped within the time period you have given them. Printing a t-shirt takes very little time!

Greater Flexibility

Having an online store does offer greater flexibility than running a store. Imagine updating your stock levels right from the comfort of your own home on a Saturday night without having to be present at the store itself.

Also, you will not have to carry out any maintenance or cleaning of your online store, as compared to a physical store.

No Bottlenecks

Physical stores can have bottlenecks such as queues and busy staff who cannot attend to customers. You can completely eliminate such problems by selling your products online instead.

Promotion is Easier

Your clients can easily share the products you offer with their friends and family by simply sending them the link to your product page. Not everyone has the time or the effort to visit a physical store. If you use social media networks to promote your products, you will be able to leverage the power of word of mouth marketing (word that spreads from one person to another).

Disadvantages of Selling Online

Here are some disadvantages of selling your products online:

Marketplaces Charge an Amount

If you want to use a marketplace such as eBay or Amazon to sell your products, you will have to pay a certain amount of your profits to them. This means that you won't be able to get the maximum amount of money for the product you sell. You will have to sell more products to make the same amount of money, just because the profit margin has been reduced as a result of these charges.

Greater Competition

Just because it is easy to set up an online store, a lot of people have started to do business online. This means that there is more competition. You will have to put in all the efforts in order to make sure that your business survives this intense competition. Keep in mind that there are companies out there that provide excellent customer support and value for money for their products. In order to ensure your success, you will have to do the same but with an added advantage.

For instance, offer your customers discounts especially when you have just started your business. This will entice them to buy from you!

Decreased Customer Contact

As compared to selling in a physical store where customers can directly interact with you, you will have a decreased interaction with customers online. It will certainly be harder for you to persuade them to buy your products and to grab their attention.

Lack of Feel

There are still people out there who prefer to shop at physical stores where they can touch and feel a product. This may cause you to lose a few sales which would otherwise have been yours if you were selling them in a physical store.

Also, when it comes to clothing such as t-shirts, many people will like to try them on before buying, and this is not going to be possible with an online store.

Lower Profit Margins

It is true that physical stores won't be able to match the low prices of online stores. However, online stores cannot provide the same kind of experience as provided by physical stores, particularly if the service they offer is outstanding. People generally shop online for a bargain and convenience; for an ultimate shopping experience, they prefer physical stores.

Postage and Packaging

The shipping costs can be quite high, depending on where you are shipping. This may not be a major problem for you as you can have your customers pay the shipping costs, but a lot of people are usually turned off by the thought of paying for shipping. In some cases, it may be cheaper for them to head to a store and buy it in person.

Also, if you happen to ship the products using an unreliable courier service, the products may be delivered late or worse: lost!

Less Trust

As compared to physical stores, websites and web marketplaces have less trust associated with them. A brick and mortar presence sends out a message that your business is financially stable and will be around to serve them in a weeks or months time. So if you offer some kind of warranty, the customers need to be assured that you will be around when they come to claim their warranty.

Conclusion

It should be clear by now that selling online and offline have their own set of advantages and disadvantages. There are some things that you can only achieve by having an online store; while there are also certain things that you can benefit from by having a physical store. What you decide to do should depend on your niche market and your business plan. For more information on selling online and alternatives to a website check these articles:

Get Online with no Website and Pros and Cons of a Storefront

Chapter 6 - Learning the Art of Selling Online

Gone are the days when doing business online was limited to the tech savvy, with the advancements in technology, buying and selling online has become a necessity, rather than a luxury. As a new entrepreneur who is trying to establish the presence of your business online, there are certain things that you should learn.

This chapter will reveal top tips on how to improve your chances of success in selling online.

Consider Whether Selling Online is Right for You?

You may already have made a decision by now, but it's still a good idea to recap a few things to avoid any problems later on. You need to assess whether it is viable for you to sell your products online. You should consider the shipping costs to see if doing business online will be feasible for you. The last thing you would want would be to reduce your profit margin.

In some cases, selling online may not be the best way to boost the sales of your business. However, keeping in mind that you are starting up a business, selling online may be cost-effective.

Give Attention to Your Product Descriptions

It's important to write good product descriptions of all your t-shirts. This will help you to stand out from your competition. Also, you should consider adding high resolution pictures to the product descriptions to help your customers choose the products.



According to a marketing expert, a lot of online retailers do not clearly state the descriptions of their products, thus making it difficult for buyers to shop.

Integrate Social Media

Do include links to various social media websites (after establishing your social media accounts) on your website. Social media networks, especially Facebook and Twitter are excellent social media platforms that allow businesses to find new customers.

For start up businesses, it is absolutely necessary to get personal with the customers. This is why you must communicate with your customers to answer any questions that they may have in a timely manner.

Keep Your Website Clean

A messy website that has things cluttered all over it is a major turn off. If you choose to create a website, you must ensure that it has a clean and simplistic user interface so users don't get confused while browsing.

It is evident that customers want clean and simple websites that display products in an organized manner. The background color of a website is an important factor in enhancing the user experience. For instance, having a white background makes a website look cleaner and neater.

It is recommended that the websites of start up businesses have a white background along with minimum amounts of text to prevent customers from getting confused or overwhelmed.

Fewer the Clicks, Greater the Sales

The process of purchasing a product should be able to be carried out within a few clicks. If this is going to take 10 clicks or more to buy a product, you will only turn off you clients and discourage them from buying.

A single page checkout is a great option as it offers utmost convenience for customers.

Track the Habits of Users

The activity on your website can be tracked to see where the users click the most and where they drop out from. This will allow you to modify the checkout process and to streamline it. Your customers are your assets, and it is vital that you look after them by making things as easy for them as possible.

Choose the Right Payment Method

You should make sure that you have chosen the correct payment method for your online store. You have several options to choose from, including PayPal, Google Checkout, electronic check or Bill Me Later.

In terms of consumer trust and brand equity, Google Checkout and PayPal are the leaders. Keeping in mind the security concerns of many, people will only purchase online if they feel their financial details are safe.

Offer Excellent Customer Service

An outstanding customer service is absolutely vital for start up businesses. It is this that can help you stand out from the competitors. People want to be listened to, and you take every possible step to attend to them. Remember, they are your customers, and it is up to you to make them happy.

Consider setting up a Facebook Page for your business to provide your users a place to share their concerns or simply ask questions.

Organize Your Products Clearly

The search tool on your website should be clearly organized to allow visitors to search for specific types of products. This will speed up the shopping for your customers and will go a long way in enhancing their overall experience too.

Use SEO to Your Advantage

Search Engine Optimization is a way to improve how well your website ranks into search engines whenever users search using certain keywords. If your budget allows, do consider hiring the services of a SEO specialist. Better ranking will most likely result in an increase in sales.

Chapter 7 - Effective Sales Tips for Small Businesses

There are some habits that every entrepreneur must strive to develop and certain effective sales tips that they should follow to guarantee success. As someone new to business, you must thoroughly understand and follow these tips to have a greater chance of improving your sales.

Sales Habits of Successful Businesspeople

According to behavioral specialists, it takes around 3 weeks of consistent performance of a new behavior for it to become a habit. The following sales habits have been tried and tested by successful entrepreneurs with great results:

Sell To Those Who Want To Buy

You should try to market your products to those people who wish to buy it. But how can you know who wants to buy your products?

The best way to go about is to carry out a research of your niche market. What kind of products do you plan to sell? What kinds of people are most likely to benefit from these products? Who can afford your products? If you attempt to answer such questions, you will know who you should be selling to.

Know Your Products Completely

You must know each and everything about your products. For example, what material do you use to make the t-shirts? How do you print the designs onto the shirt? Should they be hand washed?

In order to provide complete satisfaction to your customers, you should be able to answer their questions appropriately.

Do Not Fake It

One of the worst mistakes an entrepreneur can make is to promise something and not give that to the customers. A lot of sales people promise something just because they don't want to lose a sale, but later on they end up breaking the promise. This is breach of trust, and the affected customer will probably never buy from you again.

Ask For Referrals

You can ask your loyal customers to recommend your business to their friends and family. This is a great way to draw sales; nonetheless, make sure that you aren't being too pushy.

Take Responsibility

There will be times where things go wrong. When they do and you're at fault, take the responsibility rather than making lame excuses. Offer your customer a sincere apology and as an act of goodwill, throw in a free gift — you'll be surprised at how this can prevent you from losing a customer.

Effective Sales Tips

Follow the tips given below to increase the awareness of your brand and to boost your sales.

Send Out a Press Release

A press release is a great way to target people to make them aware of your business and its products. Write a press release or get a friend or family member to do it for you and send it to all the appropriate newspapers, press release websites or even magazines. By doing this, you will be spreading awareness among your local community.

Use Facebook



Facebook has evolved to become a great marketing platform. It's very likely that you already use Facebook for personal use. Why not change the role and use it to advertise your business? You can build a strong base of fans that can help to spread the

word about your business.

Start Marketing Using Email

Email marketing is an excellent way to keep your current customers and potential customers in the loop regarding your latest products, offers and deals. To help your start up gain a steady speed with sales, you may want to offer a certain discount to anyone who signs up for your mailing list. You'll not only be encouraging them to buy from you, but you'll also be building a long term relationship with them by keeping them aware of all the developments at your company.

Offer Discount Card

Whatever the size of a business, you can offer a discount card for your customers to keep them coming back to you again and again. This is a way to reward your customers for their loyalty to your business. You can run offers for

them, for instance, 'buy three shirts and get the fourth absolutely free'. Such kinds of offers are usually run by famous businesses, including McDonalds and Starbucks.

Help a Local Charity

Nothing is better than lending out a helping hand; and if this is going to help you with your business too, it's even better! Ask a local charity if they're running an event, you can provide them free t-shirts with the name of your business printed onto them for all the volunteers. This is a great way to advertise your products while helping those in need.

Run a Competition

There's nothing better than people talking about your business. To get them to talk, you can run a competition at your store (online or offline). The competition can be anything — a quiz, a photo contest, a caption this contest and what not! The prize can be a quality t-shirt. So not only are you spreading awareness among people about your business, but you're also giving out your products for them to try. If they like your products, they are very likely to come and buy it next time around.

Transform Your Customers into Fans

If you want to understand the concept of brand loyalty, just look at the respect people have for Steve Jobs. So what can you do to turn your customers into loyal fans? Firstly, you have to make them feel valued. Offer exceptional customer services. Answer their questions and solve any problems they may be having. Most of all provide them quality products that they need.

Offer Something Unique

There may be lots of companies around you who offer custom t-shirts. Some might be very well established, while some will be like you — new to the industry. The only way to stand out from this competition is to offer something that is unique.

Look around at the products your competition sells. What don't they offer? How can you improve upon what they offer? Here are a few quick ideas:

- Use a direct to garment printer to print on canvas bags or jean pant legs instead of t shirts
- Specialize in rhinestone bumper stickers with a bling machine
- Be the first to offer spangles on golf visors or caps
- Offer polo shirts with company logos that are part printed on and part embroidered

Get creative and you'll be glad that you did.

Chapter 8 - Essential Equipment for Custom T-Shirts

One of the most important of all the things discussed in this book is the essential equipment that you need to print custom t-shirts or create embroidered or bling designs.

There are numerous technologies out there that you can buy and print your t-shirts, and wide variety of embroidery machines and 2 options for creating a bling design.

In this chapter, we will discuss the various types of equipment including direct-to-garment printing, embroidery machines, rhinestone machines and spangle transfer machines.

Embroidery Machines

Embroidery machines, especially commercial embroidery machines, require a fair bit of knowledge before they can be used properly. Whatever system you choose, you'll need to make sure training is part of the package.

There will be two major things that you will need if you wish to create embroidered t-shirts, polos or uniforms: an embroidery machine (industrial/commercial) and digitizing software.

Digitization is a process in which a text or a particular graphic is converted into a format that is readable by an embroidery machine. You will also need this software to create embroidery designs in the first place. Such software can range from being free to several thousand dollars. Your budget may be limited, but this is not a place to skimp!

If you do need to go with budget software, you can get a monthly subscription for applications like <u>Sierra Stitch Era Universal</u> and upgrade later on. In this case, you may also want to find someone to digitize your files for you — there are some great vendors out there that specialize in this part of the business.

The machine you choose for your business will affect how well your business performs because that's the production part of the company. This is why it's vital that you choose the best quality machine you are able to afford.

You will have the option of leasing the machine or buying it. Regardless of whether you lease or buy it, do make sure that you only go for a high quality machine (Avancé is a great brand, for example).

Starting up a business is not an easy task, and the last thing you would want would be to have the machine breakdown frequently. If your machine breaks down, your business could come to a standstill.

Types of Commercial Embroidery Machines

Commercial embroidery machines come with single and multiple heads. You should choose a machine based on the number of orders you expect to get. For a new start up business, a high quality single head embroidery machine should do just fine. Most have 15 needles — stick with those! 6 needle monogramming machines may have attractive pricing, but you'll regret not having those extra colors set up and available.



Avance 1501C

Machines with multiple heads will reduce the running costs for each item because they are able to produce much faster than their single head counterparts. Let's say you get an order for 100 corporate logo shirts and each shirt will take 5 minutes to complete. That's 500 minutes of embroidery time. The same 100 shirts on a 4 head industrial machine will take just 125 minutes of actual embroidery time! There will still be set up time for each head, but the overall effect is a huge time savings — ALL DAY vs. about 2 hours.



4 Head Commercial Embroidery Machine

So do consider this when choosing between a single head or multiple head embroidery machine.

Once you have decided what kind of embroidery machine you want to get, the next step would be to choose a brand. You must make sure that you choose a reliable brand to ensure quality equipment that will keep you up and running.

Embroidery machines are generally easy to use, but you will still have to get some training on the equipment and software. The quicker you are able to use the machine to create designs, the quicker you can start doing business.

Accessories and Supplies You'll Need

Here are a few essential supplies and accessories you'll need for your embroidery machine business.

Thread

You cannot embroider without thread. The two most common types of threads that are used for embroidery include polyester and rayon. The former is much more popular in commercial embroidery because of its longevity on the shelf and on the garment.

Polyester thread, like Madeira's Polyneon and the Royal Brand are cost effective, long lasting and will work well in any machine.

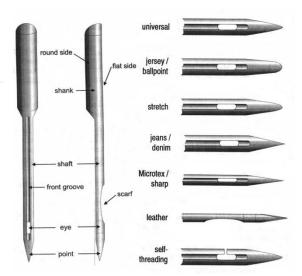
Needles

Needles come in various sizes for each type of fabric. The most common needles include:

- 1. Round Sharp (R)
- 2. Fine Ball Point (SES)
- 3. Medium Ball Point (SUK)

Round sharp needles are used for woven materials, whereas fine ball points for knitted materials. Medium ball point needs are suitable for some types of knitted materials; however, some fine ball point needles can be

used for both woven and knitted materials.



In the beginning you may want to consult your machine vendor for which needle to use with which thread. There are several good articles and published guides that may help as well. You can <u>start looking here</u>.

Hoops



In order to keep the materials taught and to ensure a neat stitch, hoops are used. The tension on the hoop should be adjusted properly to protect the fabric from being damaged.

A commercial system will come with a set of standard hoops. The SWF and Avancé brands, for example, typically come with 10-12 including a larger one for Jacket Backs. Hoops are not inexpensive, so make sure you're getting what you need when you purchase your machine.

Backings

Backing is the usually white material that holds the stitching in place on garments. You can find some great information on choosing the right backings on the Colman and Company blog.

Rhinestone Transfer System

Rhinestones can really spice up a t-shirt and make it look unique. Ever wondered how those stones were imprinted onto t-shirts? This is done using rhinestone machines, and the demand for rhinestone t-shirts are on the rise.

The main equipment that you will need is a rhinestone machine to get all those beautiful and colorful rhinestones onto your t-shirts. The great thing about starting up rhinestone t-shirt business is that you do not need to have specific skills just to get started.

Rhinestone Equipment

The 2 parts to creating quality rhinestone t-shirts, or bling shirts of any kind, is the rhinestone machine and the Hotfix rhinestones you use. This is why you must not try to save a few hundred or thousand dollars by getting cheap rhinestone equipment or the stones themselves. This machine will be the backbone of your business and you must get high quality equipment to minimize downtime and maximize output!



1 - CAMS 1V-6P

For commercial purposes, it is best to get rhinestone transfer systems which would allow you to make quality tees or transfers on a large scale. These systems will vary in price in a similar way to embroidery machines; instead of needles, think "hoppers", and "heads" mean basically the same thing.

The best rhinestone machine for you will depend on your volume of business. Using the popular CAMS brand as an example; a CAMS 1V2P will create an average 2 color design in

3 or 4 minutes. The 1V6P can use up to 6 colors and sizes for a much more colorful or complex design, and the 4H3P is a 4 "head" version of the same. The pricing ranges from \$16K up.

Some of the most reliable rhinestone system manufacturers also provide training for new comers, so you might want to check with the manufacturer if you can avail this facility to get started. You want to make sure you get software AND hardware training and that there are plenty of videos and classes to make sure you stay productive.

Rhinestone Designs

To stand out from your competitors, you will need to offer your customers unique, appealing designs. There can be unlimited possibilities with various styles and colors, so you don't have to worry about running out of ideas.

In fact, many times your customers will bring their own ideas to YOU. Just make sure you're not violating any trademarks like NCAA logos, professional sports teams, Disney characters, etc. This can end up costing you your business!

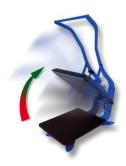
The software that comes with your rhinestone machine is key. The easier and more powerful the application is, the simpler it will be to turn what's in your mind, or on a customer's website, into rhinestones. Make sure you get a demonstration AND that there is plenty of training available.

Rhinestone Machine Accessories and Supplies

The rhinestone machine and software won't produce a complete rhinestone t-shirt, of course. You still need supplies, the garment and something to press the design.

Supplies include Hotfix rhinestones and transfer paper. Hotfix means that there is glue already on the back of the stones. You'll load these into your rhinestone machine to produce the design. Transfer paper is a clear, sticky sheet that the machine applies the rhinestones to. This combination is called a "transfer". This is what you will lay on your garment and heat press on.





2-DK20A

A heat press is a vital piece of equipment required to permanently stick the rhinestones onto the fabric. The heat has to be transferred evenly and constantly to the stones so that the glue on their bottom can melt and stick it to the t-shirt. Using an iron to stick the rhinestones is not only impractical; it just won't work consistently, especially on a commercial basis.

A commercial heat press like the one pictured will cost between \$900 and \$2500.

Purchase Options

Similar to an embroidery machine, you can also opt to buy or lease a rhinestone transfer system. Some manufacturers even offer used machines on sale.

Spangles and Sequins



3 - ProSpangle by ColDesi

A spangle transfer machine is also commonly known as a **sequin transfer machine**, and it is considered to be among the most advanced bling machines currently available.

Sequins have been used for generations to decorate everything from simple scarves to high fashion items and more. They are simply shiny discs of metal or plastic (bling!) that contains a hole in the middle so

that they can be easily sewn onto a particular garment.

Up until a few years ago you would attach sequins by hand, or with an attachment to an embroidery machine. But there are some serious drawbacks to sequins:

- The sequins are attached with a single embroidery thread that isn't too secure. Thus, they can be easily damaged during wash or by catching onto any object such as furniture.
- The holes found in the middle of the sequins leads to the material behind the disc causing an impact on the design.

To overcome the first problem companies came up with a new technology which we call sequin transfer machines. These machines can apply sequins to a hotfix tape, which is then heat pressed rather than being sewn onto the garment. Just like with a rhinestone transfer.

Spangle Colors and Sizes

But even though there was no need for thread, as Hotfix sequin transfers are just as long lasting as a rhinestone design, the hole right in the middle of every sequin still remains.

Then in 2013 a new Spangle technology came to market in the form of the ProSpangle bling machine from ColDesi. The ProSpangle uses a "spangle" instead of a sequin, which simply means that there is no hole in the middle. The end result is a beautiful rhinestone-like design that's lower weight and cost than rhinestones, AND avoids all the drawbacks of a sequin.



Spangle transfers and bling t shirts made with them are an extremely profitable product. The designs cost about 1/7th of the total cost of a rhinestone transfer

and you can easily charge the same price. In fact, many people strongly prefer a spangle t shirt because is lighter weight and much softer to the touch.

The <u>ProSpangle</u> machine in particular is fast too! It can make a design at a rate of up to 1000 spangles per minute as compared to most rhinestone machines that operate at around 130.

Direct to Garment Printing

Direct to Garment (DTG) printing is a process of printing directly onto garments using inkjet technology that has been specifically modified for this purpose. It's a great alternative to screen printing, which is a more mechanical, messy process.

The main mechanical elements of a DTG printer include a transport mechanism for the garment(s), a print head that delivers the ink to the garment and garment printer ink storage and delivery. You will often hear this equipment referred to as a "t shirt printing machine" because of its primary application.

Each one of the above makes a difference in how your dtg printer operates, the quality of the print and how productive you can be.

For example, the ink system can be based on cartridges or bulk bottles. Bulk bottles a bit more eco-friendly because you can order larger sizes so fewer containers are used. Cartridges are sometimes

considered cleaner, because there's nothing to refill. The biggest advantage to bulk inks come in the DTG



4 - DTG Printer Sample

brand printers where the white is automatically circulated, reducing sediment and improving print consistency. Cartridge ink systems actually require you to remove the white ink cartridge and "agitate" it on a regular basis.

The transport system is also an important part of any DTG printer. These



systems are normally made up of "platens", which are metal platforms that you typically wrap your t shirt around in order to run through the printer. Like a paper tray for the tees. The big differences here are whether you printer can handle more than one platen! For example, a Brother or Anajet or other DTG printer has a single platen system; print 1 shirt, take it off,

print another. The DTG brand M2 in contrast has a 2+ platen system; you can print 2 adult shirts at once. Big productivity difference!

DTG printing is usually used to print on cotton garments or garments made of cotton blends. It is possible to print on light colored polyester tees as well, but currently the cotton gives you a far better and more consistent result.

Even though the vast majority of DTG Printer owners only print on t-shirts, there are many businesses that do quite well with other creative products like: Pillows, burlap, wood, tiles, scarves, hats and more. You can think of the DTG machine as a textile printer — not just a t shirt printing machine!

Equipment Required

In order to be able to print directly onto garments, you would need several things such as:

- A Direct to Garment (DTG) printer
- Graphic design software
- A computer with good graphics capabilities
- Heat Press
- Pretreatment sprayer and location

The Hardware

If you get a new DTG printer from a quality brand, then you will rarely encounter any problems during the course of your printing. This is provided you do the regular monthly and daily maintenance that is required! DTG Printers are not like your home inkjet printer that you can put away for a month between uses. Garment printers required the ink to be circulated or used on a regular basis or the ink delivery system and print heads can become clogged.

Speed of the printer should be a major consideration as even one or two timesaving features can and will make a huge difference overtime. After all, you'll be printing hundreds of t-shirts using this DTG machine, so ensure that you do not compromise on the quality of hardware.

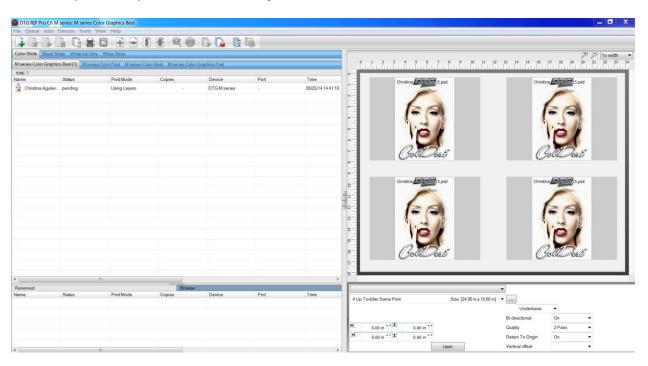
You will find that each DTG printer on the market prints well, but has a distinct feature set. The Kornit, for example, has a pretreatment system built in, while the M2 allows you to print on multiple shirts at once and has a very large print area – do your research and find out what's best for you.

Also, don't forget to check which garments the printer is capable of printing upon. There are some garments that can only print on white or light-colored shirts. As you will be running a business, you will obviously have to cater for the varying needs of your customers — some will prefer white and some will prefer black shirts, so get a printer that is capable of printing even on darker shirts.

After you purchase your printer, you will have to learn to use it along with any software that comes along with it. Make sure great training is included!

The Software

Like all printers, there will be software that will act as a 'translator' between your computer and the printer. This software is mostly supplied by the manufacturer itself, so you can refer to the manufacturer's manual to see how to get the software working. That software is called a RIP, or "raster image processor". A good RIP software will allow you to make fine adjustments to color and resolution that will make a big difference in the quality of your image and the (amount) cost of the ink you'll use.



If you want to create your own designs to print onto t-shirts — which you will probably have to in order to meet the needs of your individual customers — you will have to learn to use graphic design software such as Adobe Photoshop or its increasingly popular counterpart called Gimp. After you create your designs in this software, you can use the application provided by the manufacturer to tell the printer what to print. The exception here is DTG brand where the newer M2 and M4 printers actually come with Gimp graphics software included at no additional charge. Otherwise, plan on buying Photoshop.

Conclusion

The custom apparel business is not only a great outlet for the creative entrepreneur, but a solid business that has proven to be profitable and sustainable if done correctly.



Would you like to schedule a phone call to discuss your ideas? We have limited time slots for a one on one conversation with one of our Business and Marketing professionals.

Finish this eBook, then click here and fill out the request form.

For more information on the equipment, supplies and ideas discussed in this eBook please contact:

ColDesi, Inc. 5409 S. Westshore Blvd, Tampa, FL. 33611 877-793-3278

Resource Guide

Here are a few resources we and our customers use to start and market their Custom T Shirt Businesses:

E-Mail Marketing – MailChimp – Simple, really inexpensive software that allows you to build an e-mail list on your website, easily design marketing e-mails, automated responses and more.

Learning More

- <u>ColDesi InSights</u> is where you can learn about the business, sign up to get the latest information and articles.
- How to Get Found Online for Free if you are already IN the business or want to start on the right foot, this paid class walks you through local search engine optimization.
- <u>Custom Apparel StartUps Group</u> on Facebook is a community of people in, or just starting, their custom apparel business.
- <u>CASPodcast</u> perfect if you like to LISTEN to your information. Learn about the business side of embroidery and custom tees by listening online or subscribing to the podcast.
- <u>Colman and Company</u> not only do they sell supplies, but some great entry level products for actually doing apparel decorating.
- Their Blog has even MORE great articles and information than many print publications and it's all about what you want to do! www.blog.colmanandcompany.com.
- DTG Printers http://www.dtgprintermachine.com
- Embroidery Machines http://www.avance-emb.com
- Rhinestone Machines http://www.rhinestonecamsmachines.com
- Spangle Machines http://www.prospangle.com
- Vinyl Cutters http://www.colmanandcompany.com

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WHAT YOU NEED TO KNOW:

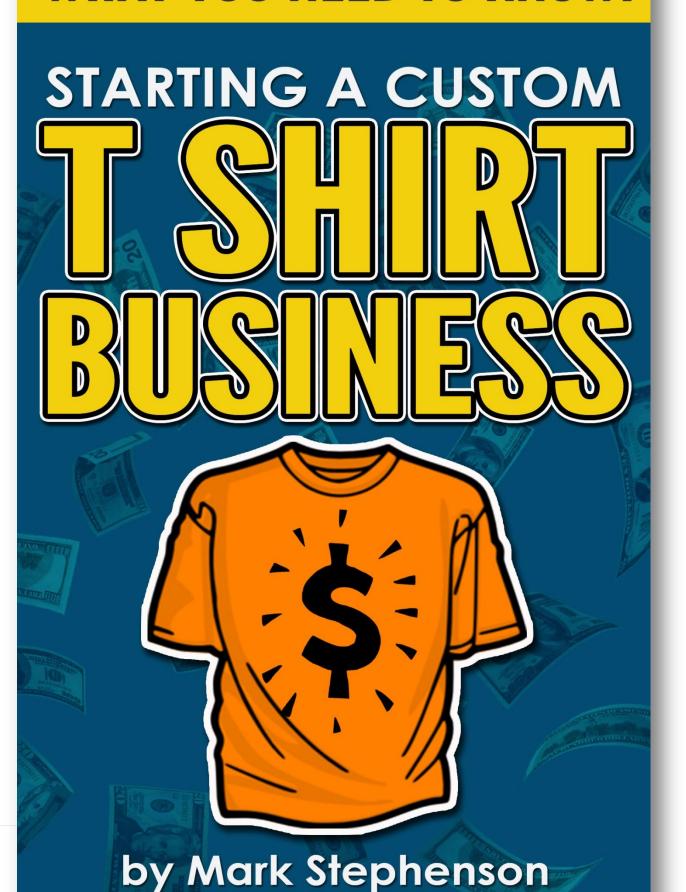


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While all attempts have been made to verify every piece of information provided in this publication, the Author assumes no responsibility for errors, omissions, or contrary interpretation of the subject matter herein.

Introduction

There's a reason that starting a retail clothing business, embroidery or custom t shirt company is always at the top of the popularity charts for entrepreneurs. Because in addition to appealing to the creative spirit of potential business owners the obvious markets and low cost of entry are very attractive.

Starting up any small business is a challenge and poses various risks, and the custom apparel business is no different. BUT, if you plan well and have the drive to back up that plan you will have a great chance of succeeding!

While the apparel or custom apparel business isn't just based on custom t shirts, it is the foundational product for many. T-shirts are a staple of the global wardrobe and it seems that we have an unending appetite for new design, clever graphics or sayings. So the following pages do discuss caps, pants and accessories in passing, but the bulk of it will be devoted to the bulk of the market, the t-shirt itself.

Of course, one of the reasons why the idea of starting a t-shirt business is appealing is because you can start off from your home or garage. The equipment generally doesn't take up much space and that means you can maximize profits. With time, and if that's your goal, you can establish your business and turn it into a retail store or mall success.

Sounds interesting? Read on.

What You Will Find In This Book

In this book, we will provide you all the information you need to successfully start your own small business from your home. This book is written with fresh businesspeople in mind, thus the language used will be easy to understand. Any complicated business terms will be explained as we proceed through the book for your convenience.

We will begin by talking about entrepreneurship and what you, as a new comer to the world of business, should be aware of. We will then move on to discuss the legal issues involved in starting up a business so that you know what you have to deal with.

The success of a business, among other factors, heavily depends on how well a business targets its niche market. It is always important to identify the target audience in the business plan. Not doing so is like shooting in the dark — you may hit or you may miss. Thus, it is very important that you aim to sell your products to a certain group of people first, before you start to serve a wide range of people. For example, you may want to start off by offering t-shirts for teenagers first, or for charity events, and then as you see your business grow, you may wish to introduce a new line of products for another market.

The fourth chapter of this book will compare the advantages and disadvantages of selling online vs. selling offline (in a store), followed by some information on how you can start to sell your products online in the most effective ways possible.

The final chapter will talk about the necessary equipment that is you need to successfully start this business. We will talk about all the machinery that is required to simplify things for you. We will also provide you useful information on some of the printing processes that are used to print custom designs on t-shirts, including embroidery, rhinestones, spangles and direct to garment printing.

We hope that you will enjoy and benefit by reading this book, and we wish you the best in your entrepreneurial endeavors!



Want to REALLY start off on the right foot? Join others around the world to talk custom apparel business on our <u>Facebook Group here</u>. This is the place to bounce your ideas off the custom t shirt community and get your questions answered!

Chapter 1 - Understanding The Highs and Lows of Entrepreneurship

Now that you have an idea of what kind of business you want to start, there are some things that you need to consider before you take the plunge. Starting a business involves a lot of planning and decision making along with managing all the legal aspects that are involved.

Apart from deciding what kind of product you are going to sell, you need to figure out a few other things too. Things such as how you are going to structure your business, how you will run it, how you will attract customers, and most important of all — how will you get the money to start the business in the first place, need to be considered.

In this chapter, we will outline some of the most important points that all fresh entrepreneurs need to know.

7 Pieces of Useful Advice for Entrepreneur Success

Before we head deeper into discussing the actual steps that you need to take to start up a business, here are some of the most important pieces of advice given by successful entrepreneurs.

8. Get Used To Being Uncomfortable

Entrepreneurship is like roller coaster, there are highs and there are lows, and you should prepare yourself for the ride. There will be instances when you will have to face the lows — and this is inevitable, so you must be prepared for it. So why not decide now how you will react and what you'll do in the most common situations? Here are just a few:

- A customer cancels an order
- A customer doesn't pay you
- You have zero sales for the week
- You run out of ink, thread or rhinestones
- Your kids are sick at home

9. Commit Yourself

If your plan is to "try" your business for a few months and see how it goes, then just stop now. Even big businesses, names you know, started out by not making money, waiting months or years to turn a profit. While you should be profitable very quickly in the custom apparel business, you have to stay the

course before you get there. Here's a hint: You probably won't take home a paycheck for several months. How long will you stick it out?

10. Understand Your Target Audience

This is something that needs careful consideration. You are planning to start a t-shirt business; therefore you should clearly understand who your clients are, and where they are. Knowledge of the target audience will help you create an effective business and marketing plan. Your target audience will tell you what your products should be, how you market them and what your potential for sales and profits are.

11. Leverage Social Media

In order to spread awareness of your business among your target audience, you can leverage the power of social media to spread the word — free of cost! One thing that almost all start-ups have to face is a limited budget. You really cannot afford to spend a huge chunk of the budget on marketing and advertising campaigns; this is why a social media platform is the ideal place for you to advertise your products.

Social media networks have grown to become excellent marketing platforms, particularly Facebook, Pinterest and Twitter. These networks allow you to make use of the power of word-of-mouth marketing techniques. Simply put, word of mouth marketing is when a person spreads the word about your company and your products to their friends. What does it cost you? Nothing at all!

12. Consider Teaming Up

Starting up a business is a complex and demanding process. There are various aspects of the business that you will have to look into, ranging from looking after finances, product production, as well as the marketing of products among numerous other responsibilities. It can become quite overwhelming for a single person to manage each and every thing.

Few entrepreneurs will be good at every aspect of a business. If you feel that you're lacking finance, marketing, production or any other part of what it will take to be successful, then by all means consider teaming up with a family member or a friend whom you feel comfortable working with, and who understands and shares your passion.

13. Don't Burn Out

Starting a business requires a lot of effort, but it has to be balanced. Don't forget to take short breaks every now and then. The last thing you would want would be to burn out in the process of launching your own business. Take time each day to take your mind off the business. The cost of burning out is much higher than regular breaks in your day.

14. Enjoy What You Do

Starting up a business is a challenging endeavor, but for those who enjoy it, it can be a breeze. You should be passionate about your work and enjoy it to the fullest!

The Process of Starting Your Own Business

So you think you have got what it takes to be a successful entrepreneur? Wouldn't it be simply amazing to be able to quit the job and be your own boss?

If you're ready to become an entrepreneur, you should proceed by following the guidelines given below.

Create a Concept

The first and foremost thing that potential businesspeople do before they quit their job is that they create a concept regarding the products they wish to offer. Because you're reading this book, you are probably about to launch a custom t-shirt business. The concept will also focus on what kind of equipment and expertise you need to create your product. The equipment needed to print custom t-shirts, or create bling shirts or commercial embroidery will be discussed in detail in the later parts of this book.

This concept will be the core of your business plan. The third chapter of this book will help you to create a thorough business plan for your start up.

Decide On the Workspace

The next thing that needs to be considered is where you plan to run your business. Hundreds and thousands of people have launched their business from home, and that's a great start up option.

Keep in mind that the primary function of your home is to serve as a dwelling for you and your family. Luckily, and unlike other types of businesses, you may not need to interact in person with clients (especially if you plan to sell online) or have them come to a showroom or retail space. But you still should ensure that you have sufficient space at home to keep all the equipment and products you'll need for production. The latter can be particularly tough if you have kids at home, so think hard!

Outsourcing Partners or Employees

While nothing can be greater than being the sole owner of your company, in some cases having a partner is the right way to go. The reason for getting a partner may be that you are low on funds and cannot afford the initial expenses of starting a business on your own or you may even want a helping hand to perform other jobs related to sales, marketing as well as for keeping the financial records up to date.

If you do plan to have a partner or partners, there must be written partnership agreement that covers the money AND the day to day operational responsibilities. The more transparent things are, the fewer the misunderstandings will be, and this will ensure that your business runs as smoothly as possible. Do not take on any partners without explicit partnership agreements in place!

You should also decide whether you will be needing employees now or in the future. If you do plan to hire, do give some thought to how you will acquire them, and how you will manage to pay the salaries. Also, keep in mind that if you are planning to start your business from home, you may not be able to accommodate any other people.

Carrying Out the Research

There are some books out there that suggest whenever an entrepreneur has a fresh idea, they should simply 'go for it'. However, be warned that this approach can land you in trouble. This is because you will not have enough information about how to go about conducting your business and have to learn everything from scratch.

The best way to start your business is to ask someone OTHER than your friends and family about your business plan. Ask them the following questions:

- 6. Would you choose to purchase this particular product?
- 7. What do you suppose the value of this product is?
- 8. What is the best way to market this product?
- 9. How can I improve the quality of this product?
- 10. Have you heard of any similar type of business and do you use a particular business? How would you compare it to this business plan?

Why not ask your family? Because you may not get an objective answer. They may try and spare your feelings or their judgment could be clouded by their enthusiasm for YOU rather than your idea.

That is not to say that you shouldn't consult your family at all. This is especially important if you plan to quit your job and begin working from home. You should talk to them concerning your business to make sure that they are there for you and understand the sacrifices you'll all be making.

After you have all the feedback from family and focus group of strangers you should get back to the drawing board and carry out any necessary improvements of your plan.

Getting the Funds

When you have managed to come with a business idea and are happy to proceed with the plan, the next thing that you will have to figure out is how you can finance it. Small businesses generally need some financing to get started. You may break even within a year, but for many businesses it can be longer. So you'll need enough cash on hand to pay for your equipment, rent (if any), supplies AND groceries for you! This is absolutely important, because the last thing you would want would be to close down your business before it takes off.

The different sources of funding can be as follows:

- A small business loan (www.sba.gov)
- Your savings-Family and Friends
- Home equity loan
- Credit cards use only as a last resort
- Equipment leasing

When you consider funding ideas, be honest with yourself about your credit. If you're just starting out, in most cases, outsiders like banks and finance companies are more interested in your credit rating than your ideas. If you don't have the credit to lease equipment, for example, you'll need to find that source of cash to get started or a co-signer with a great credit history.

Have Your Base Covered

Anyone who is planning to start a business should have a backup plan when it comes to *running* the business. They should consider the fact that if something were to happen to them, who would be responsible for day to day operations? The more you plan now, the easier it will be for your business to succeed.

Conclusion

Your businesses success depends on the decisions you make, and the better your plans and processes beforehand, the better chance you'll have.

Do your homework!

Chapter 2 - Getting to Know the Legal Aspects of a Start-Up Business

A number of legal aspects are involved when it comes to starting your own business. These aspects must never be ignored as they can land you in trouble later on. Most types of businesses are regulated and the government overlooks them to ensure that they are being run in accordance with the law.

This is why it's absolutely important that you spend some time to read and understand these legal issues so that you do not face any problems later on down the lane.

Is Your Name Legal?

Before you head out and start to print your business cards, you will have to make sure that the name you give to your business is not already being used by other businesses out there. In most of the cases, you will not have to get in touch with an attorney, you can simply carry out an online search to see whether that particular name is registered with the Secretary of State or not. This search will reveal if the name is available in your state.

If you are lucky and your desired name has not been registered in your state, you should take a step forward and conduct a country-wide search in all of the 50 states. A no conflict, free trademark search will reveal if you can use the particular name for your business.

Keeping in mind that you can still infringe another business's trademark even if they are not registered with US Patent and Trademark Office, you must thoroughly search all of the available state and local databases. An online service can make this search convenient for you.

Register a Fictitious Business Name (DBA)

A DBA (Doing Business As) has to be filed whenever a company plans to do business under different name than the one they are registered with. For instance, if your business is registered as **CustomFarelyTees.net**, you should get a DBA if you wish to carry out business as **CF Tees**.

Form an LLC or Incorporate Your Company

In order to protect your personal assets such as any personal property or your child's college fund from the liabilities of the company, you will have to form an LLC or a corporation. Every business structure is different and each type of business structure offers its own set of advantage and disadvantages.

The three most popular options for small businesses include:

- LLC A Limited Liability Company is great for those small businesses that want to have legal protection but with minimum formality.
- S Corporation S corporations provide a way to cut down on the taxes that the business has to pay, thus these can be great for small businesses if they are able to qualify.
- C Corporation This is suitable for those companies who wish to go public or have plans to seek funding from a Venture Capitalist.

Get Your Federal Tax ID Number

In order to establish your company as a separate legal entity, you will need to get a Federal Tax Identification Number. This is also referred to as the Employer Identification Number (EIN). This is issued by the Internal Revenue Service (IRS) and is quite similar to your social security number. Through this number, the IRS can track whatever transactions your business makes.

However, if you are going to be the sole owner of your business, you don't necessarily have to get this number, but it is a good practice to do so because then you won't have to give out your social security number for matters related to business.

Learn About Laws Concerning Employees

This is vital, especially if you are going to be hiring employees. You must spend time to learn the employee laws so that you know what your obligations are for the following procedures:

- Self-Employment Taxes
- OSHA Regulations
- Unemployment Insurance
- Worker's Compensation Rules
- Anti-Discrimination Laws
- Wage and Hour Requirements

Get Your Business Permits and Licenses

You will probably have to acquire a business permit or license from the State, depending on what type of business you plan to run and the location of the business. The licenses may include:

- Zoning and Land Use Permits
- Sales Tax License
- Health Department Permits
- Local Business licenses

File for Trademark Protection

It is not required by the law that you register a trademark. Using a particular name for doing business automatically gives you common law rights, even if you have not formally registered.

You can certainly wait on this! But you might want to search the terms and company name that you plan on using to make sure that YOU aren't infringing on anyone else's trademark accidentally. To make it simple, stay away from calling your products something obviously similar to another brand.

Top Legal Mistakes Made By New Businesses

Young entrepreneurs usually make quite a few mistakes when starting up their business. This is mostly because they lack the experience and knowledge of dealing with the legal aspects.

Here are some of the most common legal mistakes that you must avoid:

Not Clarifying Things with Co-Founders Beforehand

One of the most common mistakes new businesspeople make is that they do not clarify things with their partners. This will apply to you if you are planning to start a business with a partner or partners. It is absolutely vital to discuss each everything regarding your business beforehand to avoid any problems later on. You should talk about things such as:

- 6. The percentage of company for each of the partners
- 7. The roles and responsibilities of each of the founders
- 8. The time that each founder must commit to the business
- 9. The salaries of all the people involved
- 10. How the day to day decisions are going to be made

Failing to Start the Business as an LLC or Corporation

We discussed why it was important for new start ups to launch as an LLC or a corporation (e.g. S corp to reduce taxes). This is among the very first of decisions that, as a new businessperson, you will have to make. Those people who do not consider this generally end up paying more taxes and are subjected to huge liabilities.

Keep in mind that you're starting up a business with a very restricted amount of budget, and you want your expenses to be as little as possible. These excessive taxes and liabilities can be avoided if a company is started as a limited liability company (LLC) or a corporation.

Start up businesses can choose to be the follow the types of businesses given below:

- <u>Sole Proprietorships —</u> Typically, sole proprietorships require no fees, legal documentation or business permits of any kind. Sole proprietorship simply refers to a type of business run by a single person who is the only person responsible for all the aspects of the business. This is the simplest type of business that you can choose to start up as it's easy to set up and requires only minimal cost. However, keep in mind that if you're starting up a business with other people as partners, you will have to choose from other types of businesses.
- <u>General Partnerships</u> If you are starting your business alongside other people, this will make your business fall into a 'general partnership'.
- <u>C corporations</u> C corporations are usually formed under state law. C corporations are considered to be separate entities from their owners, this means that the income is taxed at a corporate level and once it is distributed among the owners, it's taxed again.
- <u>S corporations</u> S corporations help to reduce the taxes and liabilities of a company and is also formed under state law.
- <u>Limited Liability Company (LLC) These offer certain tax advantages over C corporations and are formed under state law.</u>

The reason why we have not covered the above business in much detail is because as a fresh entrepreneur who is starting a t-shirt business, you should probably settle for sole proprietorship. Being the only owner of the business can simplify things for you and you will not have to face a lot of legal issues at all.

Choosing a Name That Has Trademark Issues

Whenever you choose a name for your business, you have to be absolutely sure that the name has not already been taken by someone else. This will help you to avoid any infringement issues later on. Unfortunately, a lot of startups have to face these kinds of problems just because they failed to carry out sufficient research. You can avoid infringement issues by following the guidelines below:

- Use Google to search the proposed name to find out if there are other companies that are using the same name.
- You should also search at the US Patent and Trademark Office website.
 Visit www.uspto.gov to see if your proposed name has been used.
- The Secretary of State and LLC records in your state should also be looked into to see if the name has been used or is being used.

Chapter 3 - Writing a Business Plan

Putting all difficult things aside, a business plan is nothing but a guide to help you start your business and run it in a profitable manner. The business plan should include information on what type of business you are planning to start, what your goals are and how you plan to achieve them.

Will you open up a store or will you be selling your t-shirts online? How many employees will you have or will you be the only one managing the business? How will you advertise your products?

A business plan should be able to answer the questions above, along with many others. Do not let the idea of creating a business plan worry you — this is not a term paper nor is it a formal business plan document that you need to show to your investors to seek their approval. It's just something that will help you understand how you plan to conduct business.

The next section will tell you why you should have a business plan.

Advantages of Having a Business Plan

A business plan offers numerous advantages, and some are as follows:

- **6.** A business plan helps you to summarize your business model (each and everything about your business)
- **7.** It allows you to put down your goals and the steps you wish to take to achieve those goals.
- 8. It allows you to be consistent with the way you run your business. You can always refer back to your business plan and review it if you're unsure about how to do something.
- **9.** It helps to note down the budget, while helping you to keep a track of all the individual expenses of starting up a business.
- **10.** A business plan allows you to communicate better with investors and partners.

Things All Business Plans Should Have

Regardless of how small or large a business is, there are some things that all business plans must have in them. Even if you are starting your little adventure from home, you still need to make sure that your plan small company has a set of goals. Without goals you will simply be clueless as to what you want to achieve.

Mission and Goal

You must have a mission if you are starting a business. What is your mission? Is it to become a renowned t-shirt brand one day? Or is it to become famous for quality t-shirts in your town?

Whatever your mission, this is the time to write it down. Once you have a mission, you can write down each of your goals as well as how you plan to achieve them.

While it may seem to you that your mission or goals are too far-fetched, ignore this. Remember that a lot of businesses started off from homes and later grew to become huge businesses having countrywide presence.

Point Out Major Opportunities

Even though you will be starting off as a small home-based business, you still need to highlight those opportunities that you think will help your company expand later on. This could be anything ranging from introducing new products, or using of new technology to create your t-shirts.

Outline of Possible Threats

Threats are imminent — all businesses have to face them one time or the other. How well a business copes with the threats they face depends on how well they have planned. The threats generally range from a market slowdown that causes a decrease in sales, to increasing competition that will make you stay on your toes. Figure out how you will deal with such situations.

Identify Your Customers

This is something that is very important and will be covered in detail in the upcoming chapter (Targeting Your Niche Market). Who do you plan to sell your products to? If the answer is 'to everyone', you should seriously consider learning about how businesses work.

It may be that all kinds of people buy your products, but you will still be targeting your products at a certain market. For instance, if you generally make cool and hip t-shirts, the chances are that teenagers will comprise a major portion of your customers. Of course, there will be some mothers and grandparents buying from you to give as gifts — but the fact will remain that you are offering products for teenagers.

Methods of Tracking Your Competition

Believe it. You will have to face the competition. And you will have to take measures to compete with them. This is why your business plan should clearly include how you plan to track your competitors. This means that you will have to keep an eye on them as to how they are conducting business, what kind of products they are selling, how they are doing their marketing and so on.

Mention Your Budget

Don't forget to include your budget with the break down that clearly tells all the individual expenses you expect. It is important to break down the budget so you know how much the individual things are costing you (material, equipment, employees, etc.).

This will help you calculate your profits later on.

Back Up Plan

A backup or contingency plan is absolutely necessary and you cannot skip this one. Things can go wrong and they do go wrong. You have to have a plan to help you through bad times. Include all the possible 'What If...' scenarios to help you when you lose a footing.

If you live in a Southeastern state, for example, what happens if there's a hurricane? Fire, burglary, earthquake? How about just a power outage? The more you have mapped out, the more your business will thrive.

Chapter 4 - Targeting Your Niche Market

Not all customers are the same, and if you try to appeal to everyone, you will most likely end up appealing no one at all. All experienced entrepreneurs know that people have different types of needs and wants, and it is really not possible to cater for the individual needs of everyone out there. This is exactly why you should put in some efforts to find your niche market.

Finding the Niche

A better and more effective strategy of doing business is to focus on fulfilling the needs of only one or two types of groups within the market. These groups are referred to as *segments*. Simply put, people in a particular segment will share similar characteristics, will have different tastes as well as buying habits.

If you offer your products to a particular segment (such as teenagers, as mentioned before), you will have a greater chance of becoming a market leader within that niche (teenagers). By approaching business in this way, you not only put yourself and your company in a strong position, but you also start to generate sufficient, steady revenue. This does not at all mean that other people (adults, in this case) will not buy from you.

Segmentation - Understand it well

So how should you 'segment' your market and find out who you should be focusing on? Well, there are numerous factors that have to be looked at when carrying out this research. Small or large, all businesses have to understand their niche, so do not skip on this one as it is important for the success of your business.

Some of the factors that affect the spending habits of various people include:

- Age
- Gender
- Interests
- Marital Status
- Occupation
- Location
- Religious affiliation
- Income

By getting to know your customers' spending habits, you will be able to shape you business better even before you start. What would be the point of running a business that offers expensive products to a community that is relatively

budget-conscious? Similarly, if you offer products with no-frills to an audience that prefer luxury, you still won't be gaining much.

Targeting Specific People

Segmenting can help to recognize the people you should focus on. This is great as it will allow you to direct all your efforts to those people who are most likely to buy from you. Also, effective marketing techniques cannot be applied unless or until you are aware of the needs of your customers.

So always remember that you have to focus your efforts when doing business, and not scatter them around!

Six Reasons Why Targeting the Niche Market is Important for Your Start Up

Without choosing some kind of target or niche market you will spend your time and marketing dollars very inefficiently.

On the other hand, if you target a niche market, you will stand a better chance of surviving the intense competition in the industry.

Here are six reasons why targeting your niche market is important:

7. It Helps You to Know Your Customers

Before you can target a certain niche, you will have to know all you can about your customers. Information such as demographics, location, age and occupation need to be known. For instance, if your product range is designed for teenagers or young adults, you will have to look at all the above factors when targeting this specific niche market.

8. It Makes Marketing Easier

When you know your customers and are aware of their needs and wants, you will be able to market and advertise your products more easily. Who says a home business doesn't have to advertise their products? You can utilize social media websites to advertising your products free of cost (in most cases!). We will learn more about selling your products online in the upcoming chapters of this book.

9. It Helps You to Make Your Products Fit Your Customers

When you begin to sell your products to your niche market, it will be your customers that will become the driving force behind all your products — you will be able to get suggestions and recommendations. You will constantly be

improving, getting better at giving customers what they want! That's a profitable strategy.

Customizability is among one of the greatest advantages of running a t shirt printing business because you can easily modify and create a custom t-shirt range.

10. It Offers a Higher Customer Lifetime Value

Whenever customers see that you are looking after them by offering something that they want, they will gain your trust, and business is about trust!

By tailoring your products and services to your niche market, you will be able to build a long lasting relationship with your customers. Good word travels fast, and you will be surprised at how many new customers you will get just by making your existing customers happy. Targeting a niche market is also important because it helps to retain customers and keeps them coming back for more.

11. It Helps You To Earn More

At the end of the day, this is your business, and it's all about earning a decent profit. This is precisely why you decided to start up business, isn't it? The advantage of aiming your products at a single niche market are great, simply because you will get a better response rate as compared to when you are simply trying to sell your products to everyone out there.

12. It Helps To Build Your Brand

It doesn't matter whether you are running your business from home or from a multi-story commercial building — business is all about building brands. You would have noticed that people are generally attracted to well-known brands, and this is for a reason. These brands have spent time and have put in considerable amounts of effort to meet the needs of their customers — and they have succeeded well.

The first step to establishing and building your brand is to target your niche market and build a relationship with your customers. The rest of the things will automatically begin to take their place.

Chapter 5 - Online vs. Offline Selling

According to projections, there will be \$441.95 billion dollars in retail, online sales in the United States in 2014. There is simply no way to ignore the power and potential reward for selling your custom apparel online. That being said, not every online effort is successful and not every company has to sell that way.

The advantages to selling online, whether it's through your own website, Amazon, Etsy, eBay or a combination of all of them are many.

In this chapter, we will discuss the advantages and disadvantages of both online and offline selling and will provide you with some tips to help you choose the right one for your new start up business.

Things to Know Before Starting an Online Business

Before you start selling your products online, there are a few things that you will need to prepare.

Online retailing is undoubtedly a lucrative business, and thanks to the huge advances in technology, it has now become simple and easy to use this to your advantage. Make sure you have thoroughly considered the following things before you set out to sell your products online:

8. Know Your Market

As it was previously mentioned, it is absolutely necessary that you know your market in which you intend to do business. You must know the strengths, weaknesses, opportunities and the threats in your industry. You can learn more about your industry (t-shirt business) by seeing how others sell similar products as well as analyzing the kind of response they are getting from people.

Don't be discouraged if you see great companies selling great products! You will have a unique offering that appeals to a specific offering.

9. Write a Business Plan or Add Online Section

That research on the competition and pricing is the first step in writing your business plan. This was discussed in detail in Chapter 3 but a quick recap is important to refresh a few key points. A business plan is a document that includes everything from what kind of products you will sell and how you will sell them, as well as including other each and every aspect related to your

business. You should clearly define your budget and list all the expenses you expect to encounter with an eye towards online vs. brick and mortar.

10. Get Financing

Your start up business will require some financing to get started. These will be the overhead costs required to cover the expenses of creating your products, the equipment as well as a number of other things. Your budget would depend on where you get your financing from; there are numerous options at hand, including:

- Bank Loans
- Bank Draft
- Venture Capitalists
- Personal Savings
- Credit Cards (Use as a last resort)

Budget and investment will really determine whether you can start your business in a retail location, or be forced to start online and grow from there.

11. Launch a Website

A website is an essential selling tool whether you want to conduct your business online OR in a store front. Modern, successful businesses use web properties like Facebook as a substitute, or more often as an enhancement to their online presence. You may want to just set up a Facebook Page and do business from there but if you do wish to have your own website and sell on it, then you will have to follow a few steps given below:

- Register a domain your domain should ideally be the name of your business. There are a great number of 'registrars' on the Internet through which you can register a domain name (your website's address).
 Some are free, while some will charge you a nominal amount.
- Find a website host Once you have registered your website domain name, you will have to find a place to host your website. This is like renting a space on the Internet to place your website. Search for web hosting providers and choose the one that you think meets your needs. Stick with a well known hosting company like GoDaddy or Hostgator rather than allowing a web developer to host. Larger companies will have support 24/7 if you need it.
- Design your website If you are proficient in web designing, then you
 can take up this task yourself. If not, you can hire a web designer to do it
 for you. Don't consider this a waste of money as it will be a good
 investment for your business and a unique website will help to establish
 your brand.

12. Choose a Payment Method

You will have to choose an online payment method that is easy to use and secure. Two of the most famous payment methods you could choose from include:

- Google Checkout
- PayPal
- Traditional credit card processing (like Authorize.net)

13. Product Delivery

So far so good, you have a website, and you have a payment method in place. A customer comes along and places an order. How will you get the product delivered them?

Choose a courier whom you can rely upon for delivering your products in a timely manner, like USPS, UPS or FedX. Compare pricing to mail a typical order and get delivery times to your likely customers' locations to pick the best option.

14. Marketing Your Business

When selling online, you will also have to market your products online. You will have to make sure that your website is 'famous' among search engines so that it shows up in the first few search results. For instance, if you're based in Miami, and someone searches for 't shirts in miami', your business should show up in the search engines. How should you go about doing so? There are many great sources of information for this, but it changes literally every 6 months. ColDesi holds free online marketing presentations just for apparel decorators, you can find a recording of one here.

- Advertise Online (Facebook, Google ads)
- Google My Business Listings

Advantages and Disadvantages of Selling Online and Offline

Let's discuss some advantages and disadvantages of both selling online and offline.

Advantages of Selling Online

Here are some advantages of selling your products online:

Quick and Easy to Get Started

It is much easier to set up an online store as compared to a physical store. You don't necessarily have to create your own website. Instead, you can use a marketplace such as eBay to get started. Also, even if you decide to have your

own website, there are so many pre-packaged e-commerce solutions out there that require almost no technical expertise at all.

An added advantage comes when you choose to use an established marketplace such as eBay or Etsy because you don't have to worry about tapping into the market.

Cheaper to Set Up

Starting an online business is definitely cheaper than setting up a physical store for all the obvious reasons. There is also a decreased risk if things don't go as planned. If you use online marketplaces like eBay, they will only charge you a minute amount for each sale, and this is probably the only charges you will have to pay.

This will save you a lot of money which you would have otherwise spent on setting up your physical store, including the décor and the cost of the location itself (or rent).

Round the Clock Sales

When it comes to your online shop, its open 24/7! This is great because this allows people to buy at whatever time is convenient for them. A physical store, on the other hand, has to be opened and closed at certain times; this makes it difficult for working people to go shopping, especially during weekdays.

Increased Reach

A physical store typically limits your business's reach to the location of the store itself. Online businesses, however, can reach out and serve nationwide. People from all over the country (even out of country) can place orders online and all you'll have to do would be to ship the products.

Higher reach will mean more sales.

Fewer Employees

Once you have set up your online business, you will need much less resources than you might think. This is another advantage of conducting business online. You will not need people to run your store, or to man the checkout counter. Lesser employees will mean fewer expenses for your business, so it's a win-win situation for you.

Gather More Information

Running a business online allows entrepreneurs to collect more data on their customers' buying behavior. You can gather information such as the demographics, the search terms they use, age, as well as location. You will be able to use this data to target your niche market and to derive products to meet the changing needs of your customers.

Stock More Products

A great thing about online stores is that you don't have to have every single product available right at the moment. For instance, you can place pictures of a wide variety of t-shirts and whenever a customer places an order, you can have the product ready and shipped within the time period you have given them. Printing a t-shirt takes very little time!

Greater Flexibility

Having an online store does offer greater flexibility than running a store. Imagine updating your stock levels right from the comfort of your own home on a Saturday night without having to be present at the store itself.

Also, you will not have to carry out any maintenance or cleaning of your online store, as compared to a physical store.

No Bottlenecks

Physical stores can have bottlenecks such as queues and busy staff who cannot attend to customers. You can completely eliminate such problems by selling your products online instead.

Promotion is Easier

Your clients can easily share the products you offer with their friends and family by simply sending them the link to your product page. Not everyone has the time or the effort to visit a physical store. If you use social media networks to promote your products, you will be able to leverage the power of word of mouth marketing (word that spreads from one person to another).

Disadvantages of Selling Online

Here are some disadvantages of selling your products online:

Marketplaces Charge an Amount

If you want to use a marketplace such as eBay or Amazon to sell your products, you will have to pay a certain amount of your profits to them. This means that you won't be able to get the maximum amount of money for the product you sell. You will have to sell more products to make the same amount of money, just because the profit margin has been reduced as a result of these charges.

Greater Competition

Just because it is easy to set up an online store, a lot of people have started to do business online. This means that there is more competition. You will have to put in all the efforts in order to make sure that your business survives this intense competition. Keep in mind that there are companies out there that provide excellent customer support and value for money for their products. In order to ensure your success, you will have to do the same but with an added advantage.

For instance, offer your customers discounts especially when you have just started your business. This will entice them to buy from you!

Decreased Customer Contact

As compared to selling in a physical store where customers can directly interact with you, you will have a decreased interaction with customers online. It will certainly be harder for you to persuade them to buy your products and to grab their attention.

Lack of Feel

There are still people out there who prefer to shop at physical stores where they can touch and feel a product. This may cause you to lose a few sales which would otherwise have been yours if you were selling them in a physical store.

Also, when it comes to clothing such as t-shirts, many people will like to try them on before buying, and this is not going to be possible with an online store.

Lower Profit Margins

It is true that physical stores won't be able to match the low prices of online stores. However, online stores cannot provide the same kind of experience as provided by physical stores, particularly if the service they offer is outstanding. People generally shop online for a bargain and convenience; for an ultimate shopping experience, they prefer physical stores.

Postage and Packaging

The shipping costs can be quite high, depending on where you are shipping. This may not be a major problem for you as you can have your customers pay the shipping costs, but a lot of people are usually turned off by the thought of paying for shipping. In some cases, it may be cheaper for them to head to a store and buy it in person.

Also, if you happen to ship the products using an unreliable courier service, the products may be delivered late or worse: lost!

Less Trust

As compared to physical stores, websites and web marketplaces have less trust associated with them. A brick and mortar presence sends out a message that your business is financially stable and will be around to serve them in a weeks or months time. So if you offer some kind of warranty, the customers need to be assured that you will be around when they come to claim their warranty.

Conclusion

It should be clear by now that selling online and offline have their own set of advantages and disadvantages. There are some things that you can only achieve by having an online store; while there are also certain things that you can benefit from by having a physical store. What you decide to do should depend on your niche market and your business plan. For more information on selling online and alternatives to a website check these articles:

Get Online with no Website and Pros and Cons of a Storefront

Chapter 6 - Learning the Art of Selling Online

Gone are the days when doing business online was limited to the tech savvy, with the advancements in technology, buying and selling online has become a necessity, rather than a luxury. As a new entrepreneur who is trying to establish the presence of your business online, there are certain things that you should learn.

This chapter will reveal top tips on how to improve your chances of success in selling online.

Consider Whether Selling Online is Right for You?

You may already have made a decision by now, but it's still a good idea to recap a few things to avoid any problems later on. You need to assess whether it is viable for you to sell your products online. You should consider the shipping costs to see if doing business online will be feasible for you. The last thing you would want would be to reduce your profit margin.

In some cases, selling online may not be the best way to boost the sales of your business. However, keeping in mind that you are starting up a business, selling online may be cost-effective.

Give Attention to Your Product Descriptions

It's important to write good product descriptions of all your t-shirts. This will help you to stand out from your competition. Also, you should consider adding high resolution pictures to the product descriptions to help your customers choose the products.



According to a marketing expert, a lot of online retailers do not clearly state the descriptions of their products, thus making it difficult for buyers to shop.

Integrate Social Media

Do include links to various social media websites (after establishing your social media accounts) on your website. Social media networks, especially Facebook and Twitter are excellent social media platforms that allow businesses to find new customers.

For start up businesses, it is absolutely necessary to get personal with the customers. This is why you must communicate with your customers to answer any questions that they may have in a timely manner.

Keep Your Website Clean

A messy website that has things cluttered all over it is a major turn off. If you choose to create a website, you must ensure that it has a clean and simplistic user interface so users don't get confused while browsing.

It is evident that customers want clean and simple websites that display products in an organized manner. The background color of a website is an important factor in enhancing the user experience. For instance, having a white background makes a website look cleaner and neater.

It is recommended that the websites of start up businesses have a white background along with minimum amounts of text to prevent customers from getting confused or overwhelmed.

Fewer the Clicks, Greater the Sales

The process of purchasing a product should be able to be carried out within a few clicks. If this is going to take 10 clicks or more to buy a product, you will only turn off you clients and discourage them from buying.

A single page checkout is a great option as it offers utmost convenience for customers.

Track the Habits of Users

The activity on your website can be tracked to see where the users click the most and where they drop out from. This will allow you to modify the checkout process and to streamline it. Your customers are your assets, and it is vital that you look after them by making things as easy for them as possible.

Choose the Right Payment Method

You should make sure that you have chosen the correct payment method for your online store. You have several options to choose from, including PayPal, Google Checkout, electronic check or Bill Me Later.

In terms of consumer trust and brand equity, Google Checkout and PayPal are the leaders. Keeping in mind the security concerns of many, people will only purchase online if they feel their financial details are safe.

Offer Excellent Customer Service

An outstanding customer service is absolutely vital for start up businesses. It is this that can help you stand out from the competitors. People want to be listened to, and you take every possible step to attend to them. Remember, they are your customers, and it is up to you to make them happy.

Consider setting up a Facebook Page for your business to provide your users a place to share their concerns or simply ask questions.

Organize Your Products Clearly

The search tool on your website should be clearly organized to allow visitors to search for specific types of products. This will speed up the shopping for your customers and will go a long way in enhancing their overall experience too.

Use SEO to Your Advantage

Search Engine Optimization is a way to improve how well your website ranks into search engines whenever users search using certain keywords. If your budget allows, do consider hiring the services of a SEO specialist. Better ranking will most likely result in an increase in sales.

Chapter 7 - Effective Sales Tips for Small Businesses

There are some habits that every entrepreneur must strive to develop and certain effective sales tips that they should follow to guarantee success. As someone new to business, you must thoroughly understand and follow these tips to have a greater chance of improving your sales.

Sales Habits of Successful Businesspeople

According to behavioral specialists, it takes around 3 weeks of consistent performance of a new behavior for it to become a habit. The following sales habits have been tried and tested by successful entrepreneurs with great results:

Sell To Those Who Want To Buy

You should try to market your products to those people who wish to buy it. But how can you know who wants to buy your products?

The best way to go about is to carry out a research of your niche market. What kind of products do you plan to sell? What kinds of people are most likely to benefit from these products? Who can afford your products? If you attempt to answer such questions, you will know who you should be selling to.

Know Your Products Completely

You must know each and everything about your products. For example, what material do you use to make the t-shirts? How do you print the designs onto the shirt? Should they be hand washed?

In order to provide complete satisfaction to your customers, you should be able to answer their questions appropriately.

Do Not Fake It

One of the worst mistakes an entrepreneur can make is to promise something and not give that to the customers. A lot of sales people promise something just because they don't want to lose a sale, but later on they end up breaking the promise. This is breach of trust, and the affected customer will probably never buy from you again.

Ask For Referrals

You can ask your loyal customers to recommend your business to their friends and family. This is a great way to draw sales; nonetheless, make sure that you aren't being too pushy.

Take Responsibility

There will be times where things go wrong. When they do and you're at fault, take the responsibility rather than making lame excuses. Offer your customer a sincere apology and as an act of goodwill, throw in a free gift — you'll be surprised at how this can prevent you from losing a customer.

Effective Sales Tips

Follow the tips given below to increase the awareness of your brand and to boost your sales.

Send Out a Press Release

A press release is a great way to target people to make them aware of your business and its products. Write a press release or get a friend or family member to do it for you and send it to all the appropriate newspapers, press release websites or even magazines. By doing this, you will be spreading awareness among your local community.

Use Facebook



Facebook has evolved to become a great marketing platform. It's very likely that you already use Facebook for personal use. Why not change the role and use it to advertise your business? You can build a strong base of fans that can help to spread the

word about your business.

Start Marketing Using Email

Email marketing is an excellent way to keep your current customers and potential customers in the loop regarding your latest products, offers and deals. To help your start up gain a steady speed with sales, you may want to offer a certain discount to anyone who signs up for your mailing list. You'll not only be encouraging them to buy from you, but you'll also be building a long term relationship with them by keeping them aware of all the developments at your company.

Offer Discount Card

Whatever the size of a business, you can offer a discount card for your customers to keep them coming back to you again and again. This is a way to reward your customers for their loyalty to your business. You can run offers for

them, for instance, 'buy three shirts and get the fourth absolutely free'. Such kinds of offers are usually run by famous businesses, including McDonalds and Starbucks.

Help a Local Charity

Nothing is better than lending out a helping hand; and if this is going to help you with your business too, it's even better! Ask a local charity if they're running an event, you can provide them free t-shirts with the name of your business printed onto them for all the volunteers. This is a great way to advertise your products while helping those in need.

Run a Competition

There's nothing better than people talking about your business. To get them to talk, you can run a competition at your store (online or offline). The competition can be anything — a quiz, a photo contest, a caption this contest and what not! The prize can be a quality t-shirt. So not only are you spreading awareness among people about your business, but you're also giving out your products for them to try. If they like your products, they are very likely to come and buy it next time around.

Transform Your Customers into Fans

If you want to understand the concept of brand loyalty, just look at the respect people have for Steve Jobs. So what can you do to turn your customers into loyal fans? Firstly, you have to make them feel valued. Offer exceptional customer services. Answer their questions and solve any problems they may be having. Most of all provide them quality products that they need.

Offer Something Unique

There may be lots of companies around you who offer custom t-shirts. Some might be very well established, while some will be like you — new to the industry. The only way to stand out from this competition is to offer something that is unique.

Look around at the products your competition sells. What don't they offer? How can you improve upon what they offer? Here are a few quick ideas:

- Use a direct to garment printer to print on canvas bags or jean pant legs instead of t shirts
- Specialize in rhinestone bumper stickers with a bling machine
- Be the first to offer spangles on golf visors or caps
- Offer polo shirts with company logos that are part printed on and part embroidered

Get creative and you'll be glad that you did.

Chapter 8 - Essential Equipment for Custom T-Shirts

One of the most important of all the things discussed in this book is the essential equipment that you need to print custom t-shirts or create embroidered or bling designs.

There are numerous technologies out there that you can buy and print your t-shirts, and wide variety of embroidery machines and 2 options for creating a bling design.

In this chapter, we will discuss the various types of equipment including directto-garment printing, embroidery machines, rhinestone machines and spangle transfer machines.

Embroidery Machines

Embroidery machines, especially commercial embroidery machines, require a fair bit of knowledge before they can be used properly. Whatever system you choose, you'll need to make sure training is part of the package.

There will be two major things that you will need if you wish to create embroidered t-shirts, polos or uniforms: an embroidery machine (industrial/commercial) and <u>digitizing software</u>.

Digitization is a process in which a text or a particular graphic is converted into a format that is readable by an embroidery machine. You will also need this software to create embroidery designs in the first place. Such software can range from being free to several thousand dollars. Your budget may be limited, but this is not a place to skimp!

If you do need to go with budget software, you can get a monthly subscription for applications like <u>Sierra Stitch Era Universal</u> and upgrade later on. In this case, you may also want to find someone to digitize your files for you — there are some great vendors out there that specialize in this part of the business.

The machine you choose for your business will affect how well your business performs because that's the production part of the company. This is why it's vital that you choose the best quality machine you are able to afford.

You will have the option of leasing the machine or buying it. Regardless of whether you lease or buy it, do make sure that you only go for a high quality machine (Avancé is a great brand, for example).

Starting up a business is not an easy task, and the last thing you would want would be to have the machine breakdown frequently. If your machine breaks down, your business could come to a standstill.

Types of Commercial Embroidery Machines

Commercial embroidery machines come with single and multiple heads. You should choose a machine based on the number of orders you expect to get. For a new start up business, a high quality single head embroidery machine should do just fine. Most have 15 needles — stick with those! 6 needle monogramming machines may have attractive pricing, but you'll regret not having those extra colors set up and available.



Avance 1501C

Machines with multiple heads will reduce the running costs for each item because they are able to produce much faster than their single head counterparts. Let's say you get an order for 100 corporate logo shirts and each shirt will take 5 minutes to complete. That's 500 minutes of embroidery time. The same 100 shirts on a 4 head industrial machine will take just 125 minutes of actual embroidery time! There will still be set up time for each head, but the overall effect is a huge time savings — ALL DAY vs. about 2 hours.



4 Head Commercial Embroidery Machine

So do consider this when choosing between a single head or multiple head embroidery machine.

Once you have decided what kind of embroidery machine you want to get, the next step would be to choose a brand. You must make sure that you choose a reliable brand to ensure quality equipment that will keep you up and running.

Embroidery machines are generally easy to use, but you will still have to get some training on the equipment and software. The quicker you are able to use the machine to create designs, the quicker you can start doing business.

Accessories and Supplies You'll Need

Here are a few essential supplies and accessories you'll need for your embroidery machine business.

Thread

You cannot embroider without thread. The two most common types of threads that are used for embroidery include polyester and rayon. The former is much more popular in commercial embroidery because of its longevity on the shelf and on the garment.

Polyester thread, like Madeira's Polyneon and the Royal Brand are cost effective, long lasting and will work well in any machine.

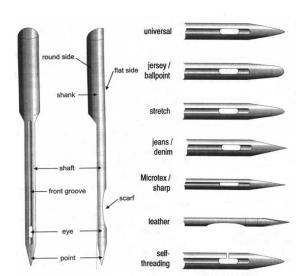
Needles

Needles come in various sizes for each type of fabric. The most common needles include:

- 4. Round Sharp (R)
- 5. Fine Ball Point (SES)
- 6. Medium Ball Point (SUK)

Round sharp needles are used for woven materials, whereas fine ball points for knitted materials. Medium ball point needs are suitable for some types of knitted materials; however, some fine ball point needles can be

used for both woven and knitted materials.



In the beginning you may want to consult your machine vendor for which needle to use with which thread. There are several good articles and published guides that may help as well. You can <u>start looking here</u>.

Hoops



In order to keep the materials taught and to ensure a neat stitch, hoops are used. The tension on the hoop should be adjusted properly to protect the fabric from being damaged.

A commercial system will come with a set of standard hoops. The SWF and Avancé brands, for example,

typically come with 10-12 including a larger one for Jacket Backs. Hoops are not inexpensive, so make sure you're getting what you need when you purchase your machine.

Backings

Backing is the usually white material that holds the stitching in place on garments. You can find some great information on choosing the right backings on the Colman and Company blog.

Rhinestone Transfer System

Rhinestones can really spice up a t-shirt and make it look unique. Ever wondered how those stones were imprinted onto t-shirts? This is done using rhinestone machines, and the demand for rhinestone t-shirts are on the rise.

The main equipment that you will need is a rhinestone machine to get all those beautiful and colorful rhinestones onto your t-shirts. The great thing about starting up rhinestone t-shirt business is that you do not need to have specific skills just to get started.

Rhinestone Equipment

The 2 parts to creating quality rhinestone t-shirts, or bling shirts of any kind, is the rhinestone machine and the Hotfix rhinestones you use. This is why you must not try to save a few hundred or thousand dollars by getting cheap rhinestone equipment or the stones themselves. This machine will be the backbone of your business and you must get high quality equipment to minimize downtime and maximize output!



5 - CAMS 1V-6P

For commercial purposes, it is best to get rhinestone transfer systems which would allow you to make quality tees or transfers on a large scale. These systems will vary in price in a similar way to embroidery machines; instead of needles, think "hoppers", and "heads" mean basically the same thing.

The best rhinestone machine for you will depend on your volume of business. Using the popular CAMS brand as an example; The 1V6P can use up to 6 colors and sizes for a much

more colorful or complex design, and the 4H3P is a 4 "head" version of the same. The pricing ranges from \$34K up.

Some of the most reliable rhinestone system manufacturers also provide training for new comers, so you might want to check with the manufacturer if you can avail this facility to get started. You want to make sure you get software AND hardware training and that there are plenty of videos and classes to make sure you stay productive.

Rhinestone Designs

To stand out from your competitors, you will need to offer your customers unique, appealing designs. There can be unlimited possibilities with various styles and colors, so you don't have to worry about running out of ideas.

In fact, many times your customers will bring their own ideas to YOU. Just make sure you're not violating any trademarks like NCAA logos, professional sports teams, Disney characters, etc. This can end up costing you your business!

The software that comes with your rhinestone machine is key. The easier and more powerful the application is, the simpler it will be to turn what's in your mind, or on a customer's website, into rhinestones. Make sure you get a demonstration AND that there is plenty of training available.

Rhinestone Machine Accessories and Supplies

The rhinestone machine and software won't produce a complete rhinestone t-shirt, of course. You still need supplies, the garment and something to press the design.

Supplies include Hotfix rhinestones and transfer paper. Hotfix means that there is glue already on the back of the stones. You'll load these into your rhinestone machine to produce the design. Transfer paper is a clear, sticky sheet that the machine applies the rhinestones to. This combination is called a "transfer". This is what you will lay on your garment and heat press on.





6-DK20A

A heat press is a vital piece of equipment required to permanently stick the rhinestones onto the fabric. The heat has to be transferred evenly and constantly to the stones so that the glue on their bottom can melt and stick it to the t-shirt. Using an iron to stick the rhinestones is not only impractical; it just won't work consistently, especially on a commercial basis.

A commercial heat press like the one pictured will cost between \$900 and \$2500.

Purchase Options

Similar to an embroidery machine, you can also opt to buy or lease a rhinestone transfer system. Some manufacturers even offer used machines on sale.

Spangles and Sequins



7 - ProSpangle by ColDesi

A spangle transfer machine is also commonly known as a **sequin transfer machine**, and it is considered to be among the most advanced bling machines currently available.

Sequins have been used for generations to decorate everything from simple scarves to high fashion items and more. They are simply shiny discs of metal or plastic (bling!) that contains a hole in the middle so

that they can be easily sewn onto a particular garment.

Up until a few years ago you would attach sequins by hand, or with an attachment to an embroidery machine. But there are some serious drawbacks to sequins:

- The sequins are attached with a single embroidery thread that isn't too secure. Thus, they can be easily damaged during wash or by catching onto any object such as furniture.
- The holes found in the middle of the sequins leads to the material behind the disc causing an impact on the design.

To overcome the first problem companies came up with a new technology which we call sequin transfer machines. These machines can apply sequins to a hotfix tape, which is then heat pressed rather than being sewn onto the garment. Just like with a rhinestone transfer.

Spangle Colors and Sizes

But even though there was no need for thread, as Hotfix sequin transfers are just as long lasting as a rhinestone design, the hole right in the middle of every sequin still remains.

Then in 2013 a new Spangle technology came to market in the form of the ProSpangle bling machine from ColDesi. The ProSpangle uses a "spangle" instead of a sequin, which simply means that there is no hole in the middle. The end result is a beautiful rhinestone-like design that's lower weight and cost than rhinestones, AND avoids all the drawbacks of a sequin.



Spangle transfers and bling t shirts made with them are an extremely profitable product. The designs cost about 1/7th of the total cost of a rhinestone transfer and you can easily charge the same price. In fact, many people strongly prefer a spangle t shirt because is lighter weight and much softer to the touch.

The <u>ProSpangle</u> machine in particular is fast too! It can make a design at a rate of up to 1000 spangles per minute as compared to most rhinestone machines that operate at around 130.

The new SpangleElite is a smaller, more portable version of the ProSpangle. Using a cartridge instead of reels and outputting one color at a time has brught this amazing technology down to under \$10,000.

Direct to Garment Printing

Direct to Garment (DTG) printing is a process of printing directly onto garments using inkjet technology that has been specifically modified for this purpose. It's a great alternative to screen printing, which is a more mechanical, messy process.

The main mechanical elements of a DTG printer include a transport mechanism for the garment(s), a print head that delivers the ink to the garment and garment printer ink storage and delivery. You will often hear this equipment referred to as a "t shirt printing machine" because of its primary application.

Each one of the above makes a difference in how your dtg printer operates, the quality of the print and how productive you can be.

For example, the ink system can be based on cartridges or bulk bottles. Bulk bottles a bit more eco-friendly because you can order larger sizes so fewer containers are used. Cartridges are sometimes

considered cleaner, because there's nothing to refill. The biggest advantage to bulk inks come in the DTG



8 - DTG Printer Sample

brand printers where the white is automatically circulated, reducing sediment and improving print consistency. Cartridge ink systems actually require you to remove the white ink cartridge and "agitate" it on a regular basis.

The transport system is also an important part of any DTG printer. These

systems are normally made up of "platens", which are metal platforms that you typically wrap your t shirt



around in order to run through the printer. Like a paper tray for the tees. The big differences here are whether you printer can handle more than one platen! For example, a Brother or Anajet or other DTG printer has a single platen system; print 1 shirt, take it off, print another. The DTG brand M2 in contrast has a 2+ platen system; you can print 2 adult shirts at once. Big productivity difference!

DTG printing is usually used to print on cotton garments or garments made of cotton blends. It is possible to print on light colored polyester tees as well, but currently the cotton gives you a far better and more consistent result.

Even though the vast majority of DTG Printer owners only print on t-shirts, there are many businesses that do quite well with other creative products like: Pillows, burlap, wood, tiles, scarves, hats and more. You can think of the DTG machine as a textile printer — not just a t shirt printing machine!

Equipment Required

In order to be able to print directly onto garments, you would need several things such as:

- A Direct to Garment (DTG) printer
- Graphic design software
- A computer with good graphics capabilities
- Heat Press
- Pretreatment sprayer and location

The Hardware

If you get a new DTG printer from a quality brand, then you will rarely encounter any problems during the course of your printing. This is provided you do the regular monthly and daily maintenance that is required! DTG Printers are not like your home inkjet printer that you can put away for a month between uses. Garment printers required the ink to be circulated or used on a regular basis or the ink delivery system and print heads can become clogged.

Speed of the printer should be a major consideration as even one or two timesaving features can and will make a huge difference overtime. After all, you'll be printing hundreds of t-shirts using this DTG machine, so ensure that you do not compromise on the quality of hardware.

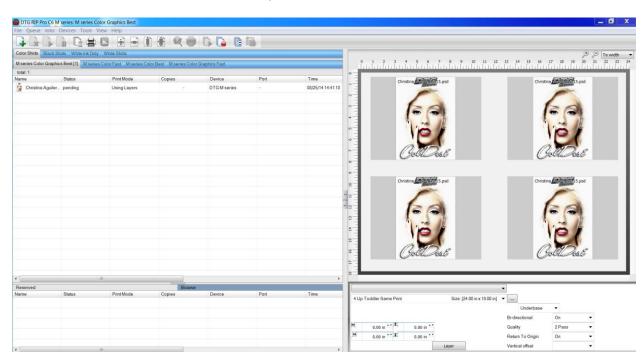
You will find that each DTG printer on the market has a different resolution. The higher the resolution, the greater the detail of print will be. There are some printers that have a resolution of just 600 x 600 DPI. On the other hand, printers capable of printing at 1440 x 1440 DPI will offer you greater detail.

Also, don't forget to check which garments the printer is capable of printing upon. There are some garments that can only print on white or light-colored shirts. As you will be running a business, you will obviously have to cater for the varying needs of your customers — some will prefer white and some will prefer black shirts, so get a printer that is capable of printing even on darker shirts.

After you purchase your printer, you will have to learn to use it along with any software that comes along with it. Make sure great training is included!

The Software

Like all printers, there will be software that will act as a 'translator' between your computer and the printer. This software is mostly supplied by the manufacturer itself, so you can refer to the manufacturer's manual to see how to get the software working. That software is called a RIP, or "raster image processor". A good RIP software will allow you to make fine adjustments to color and resolution that will make a big difference in the quality of your image and the (amount) cost of the ink you'll use.



If you want to create your own designs to print onto t-shirts — which you will probably have to in order to meet the needs of your individual customers — you will have to learn to use graphic design software such as Adobe Photoshop or its increasingly popular counterpart called Gimp. After you create your designs in this software, you can use the application provided by the manufacturer to tell the printer what to print. The exception here is DTG brand where the newer

M2 and M4 printers actually come with Gimp graphics software included at no additional charge. Otherwise, plan on buying Photoshop.

Conclusion

The custom apparel business is not only a great outlet for the creative entrepreneur, but a solid business that has proven to be profitable and sustainable if done correctly.



Would you like to schedule a phone call to discuss your ideas? We have limited time slots for a one on one conversation with one of our Business and Marketing professionals.

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For more information on the equipment, supplies and ideas discussed in this eBook please contact:

ColDesi, Inc. 5409 S. Westshore Blvd, Tampa, FL. 33611 877-793-3278

Resource Guide

Here are a few resources we and our customers use to start and market their Custom T Shirt Businesses:

E-Mail Marketing – MailChimp – Simple, really inexpensive software that allows you to build an e-mail list on your website, easily design marketing e-mails, automated responses and more.

Learning More

- <u>ColDesi InSights</u> is where you can learn about the business, sign up to get the latest information and articles.
- How to Get Found Online for Free if you are already IN the business or want to start on the right foot, this paid class walks you through local search engine optimization.
- <u>Custom Apparel StartUps Group</u> on Facebook is a community of people in, or just starting, their custom apparel business.
- <u>CASPodcast</u> perfect if you like to LISTEN to your information. Learn about the business side of embroidery and custom tees by listening online or subscribing to the podcast.
- <u>Colman and Company</u> not only do they sell supplies, but some great entry level products for actually doing apparel decorating.
- Their Blog has even MORE great articles and information than many print publications and it's all about what you want to do! www.blog.colmanandcompany.com

E-Commerce Software or Where to Sell Online

- DecoNetwork built specifically for the apparel decorating industry.
- Shopify integrated eBay sales and more
- <u>Etsy</u> you are probably going to want your own website and shopping cart eventually, but Etsy is a great place to start selling and many people just stay there!
- <u>Amazon</u> not as popular with the custom apparel crowd as Etsy has been recently, Amazon is still a powerhouse in online sales.

Website Domains and Hosting

GoDaddy

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