



EASY SOURCING STRATEGIES FOR YOUR JEWELRY BUSINESS

THRIVE BY DESIGN WITH TRACY MATTHEWS

Especially if you're going to outsource any production and you're looking for manufacturers is you want to have a very detailed production manual of how everything is done and the process that you take to make each individual piece of jewelry.

You're listening to Thrive-By-Design business marketing and lifestyle strategies for your jewelry brand to flourish and thrive. Let's get started.

Tracy: Hello there and welcome to episode 38 of the Thrive-By-Design podcast. I'm Tracy Matthews your host today and I'm really excited to be here of course as usual. For those of you who don't know me I am the Chief Visionary Officer and Creative Director over at Flourish and Thrive Academy. I cannot believe that we are already up to episode 38. It feels like we just started this podcast last week and now we have been in podcast land for about six months which is really awesome. I have loved bringing you this podcast every week and it's been really, really fun to see some of the feedback that we've gotten from the designers and the jewelry industry people who are listening so it's been great. It's been really fun to be bringing you this jewelry business advice and industry experts and it's also been really fun to see your businesses grow. So thank you so much for listening. I just wanted to say that first before we dive in today.

So I'm really excited for today's episode as if I'm not excited for any episode that I talk about because we're going to talk about something that we get a lot of traction on in our private communities over at Flourish and Thrive Academy and that is all about sourcing. So today's topic is easy sourcing strategies for your jewelry business. Now I hear a lot of people complaining about finding vendors or one of their vendors running out of chain or they don't have the manufacturing capabilities or they want to maybe design something that's a little bit out of their skillset that they could actually produce in house.

So many different things and in fact when I was an emerging designer I saw the benefits of outsourcing production work and finding a multitude of resources for sourcing materials as a huge benefit to growing my business and I'll tell you why momentarily but it was pretty much the start of the reason why I wanted to start one of the courses that we have over at Flourish and Thrive Academy called "Multiply Your Profits" and you might've heard me talking about it in the last couple of weeks but "Multiply Your Profits" is all about setting up amazing systems in your business, getting your business working for you so that you're working on your business rather than in your business and so that you can actually grow.





I know that a lot of you have struggled with getting things together. You feel really overwhelmed in a sense because there's so much to do on a daily basis and [3:00] I can tell you from personal experience that you need to get some structures into your business internally in order for it to really flourish and thrive. Sorry for being so cheesy and using that term but that's really the truth and if I'm being honest with you I got a little bit of anxiety when I started planning for this podcast. That's when I realized that this was a really necessary podcast because so many designers that I know get really overwhelmed by sourcing. In fact I still get overwhelmed by sourcing and we're always looking for new resources.

I'm always looking for new diamond dealers. I'm always looking for new rose cut diamond dealers because being on top of sourcing is really important to me and I want to be providing my clients with the best product at the end of the day which I'm sure we all do right and I know that this was a really huge pain point in my business when I was first starting out. In fact I got such a big order from a store and I needed to source all these materials and I also needed to get help with the production piece of it because I couldn't do it all on my own. There was a very short shipping window. It was a very large order and I wanted to get it out on time so I'd get paid right away and there was so many benefits of being able to ship quickly and efficiently and that's all tied into sourcing and outsourcing production.

So without further adieu I kind of wanted to jump in to some of these sourcing strategies that I think might be really useful for you as you go about building your resources list for your business. So the first thing that I think is really important when you're thinking about sourcing materials and even potentially sourcing manufacturers is to start locally and the reason why I think this is important regardless of where you live. So if you live in the UK, if you live in the United States, if you live in Australia, or wherever you live you have so much more control when you're able to work with people in your local market and I think that's the key piece of it.

Now not all of you live in industry cities. I'm very fortunate to have lived only in industry cities. I lived in Los Angeles before I moved to San Francisco. I moved to San Francisco there was industry there and then I also moved to New York City which I live now which of course there is the famous New York City Diamond District that has tons of resources. So I've been fairly blessed but the funny thing is that even when I was living in San Francisco I worked with a caster who was based out of Grass Valley so it was somewhat local in the sense that it wasn't across the country but I also still had to ship things back and forth because they were the manufacturer that gave us the best deal on the castings that we were doing at the time and it worked for our business and we liked working with a mom and pop sort of shop and it was a better option than the ones that we had in our local market.

So with that being said I'm going to tell you to start locally but sometimes you might have to step a little bit outside the local





parameters for whatever reasons. But all in all you definitely want to start locally and [6:00] see what you can find there. So find out where the industry is in your city. So if you live in a suburb there's got to be a major city that has some sort of manufacturing industry in it. Find out where that is and you can start sourcing there.

Another way to source locally is to actually post job listings on creative boards or on places like Craig's List. So when I was living in San Francisco and same thing when I was in New York I'll tell you two stories. When I was in San Francisco most of my production workers who I technically found which it's a little bit off topic because we're talking about sourcing but I guess I'm sourcing employees so not so much or whatever you want to call it. I found them all from a local art school called the California College of the Arts in Oakland and my company was based in San Francisco. So that was a great resource for finding people to help me work and from there I outsourced a lot of my manufacturing to a local manufacturer in San Francisco. There were a couple of them actually that I was working with. But I think that's important because you can find resources if you think outside the box a little bit.

So I would contact your local art college. Find out if there's a jewelry program anywhere. Great places to find people to work for you but also additional resources. In fact on Craig's List I found three model makers that I worked with for a while when I was in San Francisco there. So keep in mind that some of the major industry cities because that's what I know in the United States are places like Los Angeles in the jewelry district there, San Francisco there are manufacturers who are based in the Phelan Building. They've made some changes to that building so there are some who are still there but then some of them have moved out but they're all in the local area in San Francisco and then also in New York City's Diamond District. There's tons of resources there.

So just to reiterate sourcing locally gives you a lot more control but at the end of the day it also has less of an impact obviously because you're not going to be paying as many shipping fees, you're not going to be having as much of an impact on the environment with green gas emissions, etc. I will leave the environmental talk to someone else but it's just it's easier to control especially if you can go and literally visit someone in your local market and it's going to at the end of the day have a lot less impact and trickle effect down the road and I think the one other thing is too the thing that I like about working with people locally instead of having to send things out is that you can actually go into their offices and give them feedback so that you divert a lot of problems that happen in the manufacturing and sourcing process upfront and it doesn't become a problem down the road and same thing with your vendors. You want to make sure that you are working with people close to home or that you know that you've worked with for awhile because what that allows you to do is it allows you to keep your quality consistent and also allows you to have a lot more control which I keep saying.





Alright the next tip that I have to make sourcing easy is try [9:00] to find manufacturers or suppliers who are one-stop shops. So places for resources for beads and findings like a place like Halstead Beads is going to be a great one-stop shop because you can get just about everything that you need right there or think about places like Rio Grande where they have tools and equipment and just about everything you need from start to finish to make your own jewelry. So places like that make it easy. You can order from one place. Have everything shipped in the same box and it makes it easy. Now for a lot of you it might not be necessarily local but it's convenient and what you want to do is find that best balance between convenience and sourcing locally.

And then the same thing goes for manufacturers. When I was outsourcing my production at TMD I moved to New York and actually worked outside of the factory that was manufacturing for me. They did everything from metalwork to beading and it was a brilliant case scenario. I think the factory has closed since then. It was under poor management so that one technically closed but then out of that came some of the people who worked there who started their own one-stop shop factories. So if you can find something like that. Sort of like mom and pop manufacturing facilities that they can do your products from start to finish it can be really helpful and easy so you don't have to ship things back and forth and run them around to all different areas.

So if you depending on the type of jewelry you make if you do beaded jewelry you might use someone like Melinda Designs or if you do handcrafted or handmade jewelry maybe you would use a manufacturer like my friend (10:36 unclear) who did a lot of my manufacturing for many, many years. So there's lots of places that you can source your production from start to finish to make it easy as your producing or outsourcing or sourcing materials and vendors.

So the next step that I wanted to talk about is that you want to make sure that you're taking it slowly. So when you start to outsource or you start to source with new people whether it be for supplies or for production you want to test the waters first and I want to mention this because the idea of having your problem solved by going to a one-stop shop factory or someone like a new casting house or something like that is that you really don't know how they work until you work with them and I remember the scenario I'd started working with my factory in New York City. The guy who owned the factory super charming totally sold me on working with them and I was very, very excited because I felt like it would be so easy just to send all the materials to one place and have them do things from start to finish.

Well unless you give them really strict guidelines and they know what to look for sometimes things don't really turnout the way that you want. So we realized that even though we had provided a sample to the factory to produce the products that we [12:00] wanted produced that when we got them back because we may have not been as descriptive enough or we may have not had a really good production manual put together for them to actually





work off of we did not get the products back in the quality that was expected. So it took a little bit of back and forth and learning from each other to set expectations of how we wanted things to go.

Same thing with your vendors so if you're sourcing let's say a certain kind of bead you want to know that they're going to have that in stock and you need to keep the communication open and you also want to know that you have a backup plan if you get a huge order from someone or one of the pieces that you design sells out and sells really well. So keeping all of that in mind and having systems and production manuals and a way to track where everything is coming from is going to be key to doing this and you want to do that by taking it slowly and setting things up in a step by step process and creating systems behind the scenes; really important.

So my next sourcing strategy might seem obvious but I think getting referrals is one of the best ways to have successful sourcing right. So sourcing can take a lot of time. Google searches don't always come up with wholesale resources for the jewelry industry. I have found a lot of my resources on Google but it can be tough to find things so you have to do a little bit more digging and one thing that I've found is the jewelry industry is very slow to change so a lot of these suppliers and vendors don't have a really good web presence which I think to me is insanely crazy because they could get so much more business if they actually invested in a good website or something like that but a lot of them don't. They're a little bit behind the times so it's going to take a little bit of research on your time.

So one thing that I have found especially in our private communities over at Flourish and Thrive Academy is that sharing resources and getting referrals from your peers and your friends is a great way to source quickly and get manufacturers. So I give out referrals all the time in our Diamond Insider's Club and when we're running a live course when people ask I'm happy to share the people that I work with because I'm happy to bring those people business. It's important to me to help support my vendors and to help their businesses grow as much as it is for me to support the designers in the community that we support because I want them to be able to build their brands easily and effortlessly. So ask for referrals, make friends in the jewelry industry, and ask other people who they use and get recommendations and also ask for feedback. Ask them if they had a good experience. I think that's a really good way to know if you want to get in business with someone who is a vendor or a resource that you're trying to source.

I think another really helpful tactic is probably not utilized enough because I just know this from personal experience because we [15:00] get the same questions a lot inside our private Facebook communities but once you get a resource you want to start keeping a running list of all your resources, manufacturers, and vendors so that you can not only have an easy place to go to to sort of review and talk about what worked and what they actually offer but also to have backups. So when you hear of something start a list, add to the list; really important.





So make sure that you have a list of all the people that you've worked with and those that you've tried out but also lists of potential people to work with and maybe vendors that you would like to try because I think that's really important. If something doesn't go right at any given time; someone's business model could change or their quality could change. They could hire new workers and they're not great or they're sourcing from different places in China and you don't like the beads or they're going in a different direction. You want to make sure that you can find what you need.

So you might even consider and this is just something to throw at you. Buy an industry list or something along those lines that's going to help you with your sourcing. So the key is you can't put all of your eggs in one basket. I want to remind you of this. You need to have options when it comes to all of your vendors and resources whether it be a manufacturer, whether it be a supplier, whether it be another type of vendor. We did this at Tracy Matthews Designs really well and I do the same thing with my assistant Daniel today is we do have a list of resources that we use and we have backup resources. So there are times when let's say I'm working on a custom engagement ring project and my diamond setter is slammed and he doesn't have time to get the thing done and I need to ship it because the guy is going to get engaged. I have three or four other diamond setters that I could work within the Diamond District in New York City who are my backup. Who can get things done often times a lot quicker than my regular guy.

So think of it that way. You have a plan of other places that you can go to so all of your eggs aren't in one basket and I can't even tell you how many times I remember some of my peers in the jewelry industry at TMD emailing me at different times. They had gotten a big order from Anthropology or something like that. They'd ran out of some stones that they needed to source for that order and they couldn't find it anywhere because all the manufacturers and the vendors who sold those types of stones were sold out and I remember getting an email once from a friend of mine who was like hey I saw that you're using these same stones in your line. Do you have any extras that I could buy off of you? So you never know. You've got to get resourceful but you also want to make sure that you have a backup and that whatever you're using to produce especially if you're going to try to do a little bit more volume that you know where else you can find those materials. So you want to keep a running list so you have backups and other places that you can go to if you get in a pinch which is really important.

So the next step and I interviewed Inta Ivan's last week. We had a conversation about inventory management strategies which is definitely very closely tied to sourcing [18:00] and Inta is amazing. She did all the sourcing and inventory management for Dogeared but I wanted to mention this is that one of the ways that you can get things done more quickly is to have really good relationships with your vendors. So whether it be a manufacturer, whether it be your caster, whether it be someone who is supplying you with materials or





beads have a great relationship with them. Build a relationship, stay in communication, talk to them, and then tell them when things are going on and just say listen I really am interested in growing with you long term. I have this big order that's coming up. Are you going to be able to produce it and what's a realistic timeline and then hold them accountable because something that happens a lot is that vendors and resources especially manufacturers I've seen this happen so many times they over promise and under deliver.

I can't tell you how many times I've gotten a casting back from a caster for a rush project that was the casting had porosity or something and I had to have it recast or my handmade manufacturer didn't have the time to finish soldering all of the chain links or something and now the order is running late. So make sure that you have really strong communication and then really tight deadlines with your vendors and your keeping the conversation open so both of you know what to expect and how to keep your business relationship really strong and symbiotic because at the end of the day you guys need each other. They need you; you need them. That's how the cycle of business works right? We do business with people to help grow our businesses so very, very important.

The next step is to shortcut and join a community of places where you can find peers to bounce ideas off and also get resources. So I mentioned this earlier. Ask a peer. So peer support is always a great way to collaborate. Now in Flourish and Thrive Academy it's been really interesting because there have been a lot of designers in our community who've ended up supporting other designers in ways that were really unexpected. So there was a designer in our community who had a jewelry line. She was doing it part-time but she had this big vision of growing her business and quitting her full-time job. Well unfortunately she had some health issues that prevented her from really going for the business so she decided that instead of launching her own business what she'd really like to do was actually make the jewelry. So she ended up supporting a lot of the designers in our community and helped them make jewelry for their lines and helped them with their production.

So you never know what could happen. The same thing happened with my friend Alyssa who is a CAD designer. She actually joined our community. We became friends sort of like in the process and now she is doing CAD work for me. So you never know when joining a community and being in the like mind of peers can help you find resources and network to get more resources for your business [21:00] just amongst those communities. In fact Alyssa and I met at a WJA event which has been a really awesome community for me to join. So I highly recommend for you to join that too and for instance people in our Diamond Insider's Club great way to network. I mentioned how this worked already previously. Many of the designers are working for other designers and it just ends up being a great way to support each other and grow in business.

So the next step to making your sourcing easy is to actually get to live sourcing at tradeshow and events and the biggest one in the





United States is the Tucson Gem Show but many of those gem shows have smaller shows that travel around the country to different areas. So I know that when I lived in LA there was always gem shows in Santa Monica. I know when I lived in San Francisco there were always gem shows in San Mateo and in San Francisco and in New York there's quite a lot of gem shows as well plus I have the luxury of being close to the New York Diamond District. So in your local area I know these gem shows travel around. Try to attend those gem shows because they are a great place to source vendors and materials and there's also other organizations like MJSA that can help you out with sourcing tools and equipment which is pretty cool.

So for most of us one of the most important things to think about to have successful manufacturing and sourcing is to be really organized, create a system, and have a plan. I can tell you that as you start outsourcing or trying to find new resources staying organized is going to be the number one most important thing you can do to make this really work for you. For instance you need to keep a running list of where you got things and how much you paid for it and for instance one of the best things that I can think of is when I was designing things that had actually beads on them is to count the number of beads per strand so you could figure out the number of the cost per bead and then also keep a catalog of that. So we photocopied everything. We had binders with tabs of the resources of where we got the specific pieces because over time it can be hard to remember especially as you grow. So photocopy everything that you're going to be using in your line, make sure that you have detailed notes about where you got it and how much it cost so that you can stay on track with keeping the sourcing really simple and easy.

Additionally especially if you're going to outsource any production and you're looking for manufacturers is you want to have a very detailed production manual of how everything is done and the process that you take to make each individual piece of jewelry. Now this is a really important practice. It takes a lot of time and diligence on your part but trust me it's going to be one of the best things that you ever do for yourself even if you're doing it on your own because it's going to shortcut the process of making something by I don't know I want to say tenfold. I don't really know how much but it [24:00] might cut the amount of time that you're actually spending making a piece of jewelry in half and that's important because your time is money and you want to make the most out of your time and make it really easy for when it's time for other people to step in for them to actually reproduce what you've already created.

Alright so you've heard me talk about it a little bit before but if you haven't checked out our "Multiply Your Profits" course you definitely are going to want to do that. You can go over to www.flourishthriveacademy.com/myp. Check it out. If you're interested in learning more about creating sort of a really systematized production system and getting your sourcing under wraps because that's what we all want to do. I also wanted to give you a great little sourcing cheat sheet. So you can grab that over on





the show notes over at episode 38 and you can also grab that over at www.flourishthriveacademy.com/sourcingcheatsheet.

Alright thank you, thank you, thank you so much for joining today. It's been awesome to be here on the podcast. In fact I feel so inspired that I want to create a resources guide for you all so that you have easy sourcing at your fingertips. We'll see what happens with that I'm not sure but I would love to hear from you. Now it's always a pleasure for me to come here and talk to you every week so I would love to hear more about what you love about the podcast and what you're enjoying. So if you like what you hear please subscribe to the Thrive-By-Design podcast. You can rate, review, and subscribe to us which would be awesome. We'd love to hear a little bit more about what you think and what's working for you and also feel free in those comments to tell us a little bit more about what you'd like to hear about.

As always it's my pleasure to be here every single week for you. This is Tracy Matthews. Thank you so much for listening today. Take care until next time.

