



Behind the Scenes of F&TA Live Part 2 - The Biz Panel

THRIVE BY DESIGN WITH TRACY MATTHEWS

“You need to know how to do digital marketing, you need to know how to get out there and you need to know how to become that go-to jewelry brand in your market, in your niche and be known for what you do.”

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

Intro: You're listening to Thrive by Design, business, marketing, and lifestyle strategies for your jewelry brand to Flourish & Thrive. . Let's get started.

Tracy: Welcome to the Thrive by Design podcast episode 160. Hey there, it's Tracy Matthews, the Chief Visionary Officer over at Flourish and Thrive Academy and your host today for the podcast. I am excited to be here because we have a very special episode. Last week we brought you some behind the scenes footage and we're calling it Behind the Scenes of Flourish and Thrive Live Part One: The Marketing Panel. Well, today we have Behind the Scenes of Flourish and Thrive Live Part Two: The Business Panel.

So every year, for those of you who don't know, we host an amazing live event here in New York City, and I am super pumped about Flourish and Thrive Live 2018. I'm always excited about our live event, but this year I'm particularly excited, because we have some really awesome speakers, we have some amazing sponsors sponsoring the event, we're doing some great breakout sessions for the business staff. I mean last year, who knew, insurance was going to be so popular of a topic. I'm sure it will still be a topic this year; you'll probably hear some of that in today's episode. More than anything I'm just excited to get you guys in front of people who actually can change the face of your business. You know we had a designer last year who came and ended up connecting with one of the wholesale buyers who was there and her business has grown so much this last year. Also we had a really amazing, two actually really amazing on air experts, Pamela Packerman and Dawn Del Russo and they've been connecting so much with the designers that they met at Flourish and Thrive Love. In fact, several of our designers have been featured on many of the segments that they had... They're now besties, they're always getting





featured on their Instagram, and it's just a really great way to meet people and meet influencers who actually are going to love your stuff.

So this year we have some really great speakers. Susie Moore is going to be coming in and talking about how to get exposure through guest blogging and doing things maybe a little bit outside the box, one of the best ways to actually get back-end links back to your website to build your list and to make more sales. So I'm really, really excited about that. Of course, we have the amazing Sabina Hitchen coming in and talking about all things PR, which is going to be awesome, and if you were at of her events over the last couple years, you know what bullets mean. So of course I'm super excited to have Sabina back. We also have a really amazing professional who works in the profit first method, Ingrid Hickey. I'm really excited to have her come and speak to our audience because she's going to be sharing with you how any sized business can actually be profitable if you do it the right way. And the tools you're going to learn are amazing. Plus, I'm so excited because we have some really great speakers and panelists coming up, and we're going to be doing some really amazing breakout sessions to cover all sorts of topics, like insurance, business stuff, running a business, hiring a team, financial stuff, PR breakouts. I'm hoping to have someone there who can do collection reviews. There are just so many awesome opportunities for you to network and meet, not only your friends here at Flourish and Thrive, but some people who could really change the face of your business.

So if you're not joining us and you're interested in grabbing a ticket, I'd really like you to head on over to FlourishThriveAcademy.com/FTALive2018, it is going to be an amazing event. We still have just a few tickets left. We are at about 75% capacity at the time that I'm recording this, so I'm sure that we'll have even fewer tickets by the time this goes live. I'd really love for you to join, it's going to be an incredible event, and you will not regret it, trust me. Every year we have the same people coming back every single year because it's that awesome.

Anyway, super excited about that, and I'm super excited to share with you just a little sneak peek of a snapshot of one of our panels from day two of last year. Today's episode is sponsored by Accounting for Jewelers. Accounting for Jewelers was founded by Mariel Diaz. Mariel brings her lifetime of jewelry





industry experience to accounting. Mariel was a GIA a graduate gemologist, German-trained gemstone carver and a second generation classically trained metal-smith when she consistently saw the need for organization and the understanding of numbers in the jewelry industry. This led to a degree in accounting and work in corporate accounting before she felt comfortable helping jewelers understand their financial reports for less stress and informed success. This year Accounting for Jewelers is five years old and they're a tech savvy accounting firm based in Nashville, Tennessee, serving the jewelry industry nationwide.

So I really want to encourage you, if you're struggling getting your bookkeeping in order or wondering how you can get a stronger hold on your financials, definitely go check out Accounting for Jewelers. They have full service bookkeeping, registration and taxes, verification services, they work on financial strategy with business owners and they do business advisory services as well. And the one thing that I love is Mariel's always trying to bring things to the forefront where you can actually do it yourself. Some of you say like, "I'm not ready to invest in a bookkeeper or a financial advisor or CFO." Well, Accounting for Jewelers has an amazing DIY Accounting Made Easy course, so you can set up your zero account and completely maintain it on your own so for those of you, who like to DIY it, let's do this. And you can check that out over at FlourishThriveAcademy.com/A4I, and we'll also have this over in the show notes. Definitely check it out, and one more thing before we go, Accounting for Jewelers just brought to life this great app to help you with inventory management. I know so many of you are struggling with your inventory and what to do with it, it's GetBenchworks.com, super-duper amazing. Definitely check it out.

Alright, let's dive into today's episode because it's going to rock your world. Let's do this.

?: I think the biggest thing really is Facebook Ads. You know how in love with Facebook advertising I am, and I think that that's really the place that you need to be playing, and so often. So I work with dance studio owners, by the way. So Tracy and I's businesses are very similar. She works with jewelry designers, or you guys, and I work with dance studio owners. But a lot of what we teach is transferable. So Facebook Ads is definitely the way to get your brand out into





the world, and it's really drilling down into how to make it work, how to find your audience, how to put campaigns together. It's not about like going, "I'm going to like boost a post for \$50 and hope I sell \$200 worth of jewelry." It's actually about creating a strategy and a campaign around that. So it's mapping it out, I know that you guys have great training around digital advertising and Facebook advertising. I know Tracy's going to be going deep into it in her coaching program as well. That's where you need to be playing. And I believe that you need to master that, and not like give it to an agency or something to look after for you. Because how do you know if they're doing a good job? So, you need to make sure that you get the foundation and the fundamentals, you put together campaigns, and then from there you might look at outsourcing it or getting someone else to do it for you, but it is so worth you spending the time, drilling deep, because it really is like the most efficient, effective and inexpensive way for you not only to get customers, but for you to really build a brand and get it out to those people that are going to be your buyers, and people that are going to buy from you time and time and time again. The other great thing it does is it keeps you front of mind. I'm sure a lot of you have people that are selling similar jewelry to you and you're like, "I keep seeing them all the time online and they're selling that jewelry. I want that to be me." Well the great thing is it's equal playing field. You might go, "But they have so much more budget than I do." but you guys are creative. You can get really creative around the content. What video content can you produce, the imagery. Like you guys are so lucky because, I mean, I feel like we're lucky as well, because I work with studio owners who get to dance and move so we have a lot of great video footage that we can use, but I look at like Tracy's Instagram, the beautiful jewelry that she's doing, and you have such a good opportunity to really get out into the world, but need to know how to market online. That is my number one thing, and probably a big takeaway that you've got from the time that you've spent with these amazing people on the panel is you need to know how to do digital marketing. You need to know how to get out there and you need to know how to become that go-to jewelry brand in your market, in your niche and be known for what you do.

Tracy: And I also think a really powerful thing that can be sort of layered on to the Facebook thing is a Messenger bot strategy which is big right now. Even something as simple as like "Got a question? Comments X bellow." and then it starts a conversation with the customer directly on their Facebook Messenger





bot. In the DI I'm going to do a training at the end of this month or early October, we'll talk a little bit about. Because have been asking like, "How are you sending that download through the comments below?" So we're going to talk about this, but there's huge opportunity for all of us in the jewelry industry to really create a connection and conversation with our customers just using something that's automated already. So I'm excited about that.

Robin: I just want to add to that. Know who your customer is, because if you're doing ads and you're not sure who your customer is, that's not going to help you. So know who your customer is first, and I have had some people say, "Well my customer isn't online." So if you're customers not online, there's some different strategy you need to do. I do think for brand awareness you have to have an online presence, no matter what. No matter if your customer is in her 70's and she's not online. To build your brand and brand awareness, there is, you still have to be on there. But just really know who that customer is.

Tracy: Cathleen, I want to ask question, we'll really bounce off of this. Can you give them an idea of like what the funnels who help those look like? Like the front-end funnel, like if you're driving your ad to a sales funnel. Like what kind of emails are coming on at the back-end of that?

?: So for email? Kind of the email side of things? Sure. So for email side of things, again, this kind of that's on the philosophy we talked about yesterday. We have people who don't know you at all, so they need to understand who you are, we have people who've been to your site, they're warm traffic, but they've abandoned the cart, so they need to figure out why they should trust you and how they can contact you, and then we have that win back campaign. We're talking about with people who purchased from you once before, getting them back in the shop, that's really where you see a huge return on your investment, and that's why clients you do \$10,000 and above and have these big revenues can continue to grow, because they can continue to sell to people who already know, like and trust them, So building out and nurture sequence that typically is three to five emails, and really introduces you and your brand, shares them customer testimonials and social proof that you've actually sold these pieces and people love it, any press that you've gotten with Sabina is perfect in that kind of second email, and then the third email typically is about you and about your vision and your design, the what makes you you, why you design. Does that





answer your question? Your story? Yeah. So three to five emails that go out. So when people think emails they think newsletter and, "Oh, I didn't get my newsletter out this month, newsletters are super stressful and it's one more thing to do." But if you build out this automation, either and Mail Chimp or Klaviyo or whatever you're using, it can start being one of your most important sales people and really explain a lot of the questions that people have for you.

Tracy: I just finished a trade show about, this is probably about ten years ago. I was living here in New York, and a messenger came in and stole my bag with whole bunch of jewelry samples in it and a ton of stuff. It was my aunt's birthday, my cousin Jessica's here, it was... Do you remember that night? It was awful. We had to go to Peter Luger's; I got on the wrong train, like it was the worst day of my life. I was in the back of a police car. Anyway. No, I didn't steal anything, but it was just a bad day. Anyway, so, I went through the claims process with my insurance company at that time. Can you describe a little bit about what that's like so people understand what it's like to process the claim and how the insurance helps? Because thank God I had insurance, because it was like \$4000 worth of product or something that got stolen.

Cathleen: First can I say, shows, the bad guys are watching you. They're watching you go in, they're watching you go out, don't carry a black bag; they know what's in it. Highly recommend shipping to and from the show. I'm a carrier. But if you do travel with it, keep it very close to you. Sometimes backpacks are good so it's on you, or diamonds worn on your body. But claims process, we pay a lot of claims, right now we're paying a lot of wind claims, Florida; so basically we've come to a point after 100 years of understanding exactly the easiest way and efficient way for you guys to have this ruin your day as much as it's emotionally, I'm sure draining, but the people in our claims department have been there for a very long time. So basically it's you contact your agent, you say this happened, we're going to ask for some proof, so inventory, those items on that Quick Books are however you do it, we're going to look for that, ask you questions, police report, and then we'll go through your policy and see how the coverage flows, unless you're deductible, of course. So that's it. It's scary. Was it horrifying for you?

Tracy: It was a messenger that came in, literally into a building and walked out at the back.





Cathleen: Into your? Okay.

Tracy: Yeah. I wasn't assaulted, thank God.

Cathleen: Okay.

Tracy: Something else happened, too. Four years later I ended up, my apartment got robbed and a bunch of my... I was working out of my home and a bunch of jewelry got stolen. I did not have insurance because I was in the middle of a transition, and get insurance, you guys, because you don't want to be out that money.

Cathleen: Yeah, definitely. And to kind of piggyback on that, besides, they're watching you. A lot of loss prevention... Our loss prevention team is also amazing, but they're watching you when you leave your store and watching where you go home. So we have courses, for you guys to get refreshed on the best practices for traveling. We've even partnered with a man, his name is Eti and he's a former Israeli military to teach, he knows this stuff. They've been teaching us what to do, because even if we're walking to and from a show, we've been targeted before, as well. So it's scary stuff, but we've got some tools to help you out, so contact us.

?: Really good record keeping. All of your inventory, write it down, receipts, like make sure you really do and have a true understanding of the value of your pieces, you know the cost of goods sold, everything. How much you have, what you've sold.

Robin: And to that point too, take pictures. It's so easy now to even take a video of like, "Here are all the items I'm taking to the show." You still have the recorded information, but it's also good to have it visually as well.

Cathleen: Insurance and law go hand in hand. Right? Because a lot of legal documents that we talked about earlier protect you sort of on the front end before something goes wrong, but then of course you need your insurance on the back end; so having your financial records, having your legal documents, having your protections. And I love what you just said, Robin, about taking a picture. Because remember, just like in insurance, just like in law, unfortunately, it just always comes down to what you can prove that you lost. So take that five minutes to do your homework on the front end by taking that video Robin just





suggested, and take your hour or two hours a month and do your record keeping. You guys, true confession. So I've been doing this for five years, I'm a lawyer, but I'm not an accountant and because like Tracy, I used to put my head in the sand. For years buy lots of shoes and not pay attention to my credit card spending and got into crazy debt a few years ago. I made a huge salary at the law firm and I did a lot of spending. So now, even now, multi six figure, I do my own bookkeeping still. I do Excel spreadsheets, I have an accountant and a bookkeeper, but I do it myself too, so that I can keep myself in my hands and my energy in my money, so I know exactly what is going on. And for me, that helps to plug a boundary leak. So do this, it's worth it. I spend two hours every month doing my own bookkeeping reconciling and giving that information to my accountant, I review my own P&L. And again, I only know a little about accounting, but that's not my expertise. So it's worth it for every single one of us to really just get comfortable with the money piece so that you can prove what you've lost if something happens.

?: And it also helps you determine like what's happening with your business. Like you have a gut instinct, you have to know it, you have to be able to prove it as far as like what you're spending on a monthly basis with a vendor. And then you hire some employees and suddenly that expense goes up. These are all things that, if you're keeping track of things and you understand things, those red flags shoot up in a heartbeat and you know.

?: I also just wanted to mention. This is something Lisa and I were talking about last night, is the digital footprint that we've been talking, and I know we're encouraging you to tell your story, but also be really aware of what you're sharing on social for security. If you have a home studio, share the inside, don't share the outside. It does seem like "duh" kind of thing, and like if you're checking in at a coffee shop just being aware of what you're sharing, and just being really smart about the digital footprint that you're leaving. Sharing your story certainly, sharing your face I think is really appropriate, but being aware that there are definitely people watching fine jewelers where they're coming from, where they're going and just being cognizant of that when you share your digital footprint story.

?: That's a really good point. And actually Google, they're a great tool advertising, and Google Maps will sometimes, if you have an order ask if they can come into





your store and record. That may be great for folks to see what it looks like, but that's also great for the bad guys to know. So if I come in, there's a fine jewelry and I'm counting the tiles on your ceiling so I know that seven tiles and there's your safe, so I'm going to break in the ceiling seven tiles in, get down you're safe. So just be aware. Sometimes you got to think like a criminal to realize some of these things.

Tracy: I'm thinking like a criminal.

?: It's pretty crazy, so just think about those things kind of globally when you make those decisions.

Attendee: My husband talks about how we should be really looking at the insurance, because we have homeowners insurance, and I said I'm pretty sure there's something you can work with your homeowners insurance regarding, you know, if you have a business and what not, but then I hear you're here with specific to the jewelry industry, and I wondered is there a crossover, or are there some things that are... My studio is in my basement, and I have my inventory down there. It's like who insures, who do you go to insure what?

?: It depends on who owns what. What personally do you own? There's typically a homeowners policy, and most homeowners policies do not cover, if any, or limited amount of business coverage with liability, your content. So that's where your crossover would be into a business owner's policy to give you liability for your business. They are almost always separate.

Attendee: What about people or employees, if someone was injured on your property, but they were at work.

?: That's business owner.

Attendee: That's the business, so that would be you, or actually different...

?: Actually a different comp policy not a business owner's but yeah, that would be business inside of insurance.

Attendee: So it really is pretty important to have the things that separate?

?: Yes, very much so.





Attendee: Okay.

Tracy: I don't know that much about insurance, but I know that I have renter's insurance. I don't own my place, but like renter's insurance. Any personal jewelry would be on a jewelry rider on that, but then I have a separate policy for business insurance, even though I work out of my home. They require... I was going to ask you this, but they require me to have a safe. Is that a requirement?

?: Who requires you to have a safe?

Tracy: Jeweler's Mutual. I mean I bought it from a broker, but my policy is through Jeweler's Mutual.

?: Sure. It depends on your limit of stock. So a lot of you work from, home so it depends on how much goods you have at your home, and if you have an alarm that's one thing, if you have a safe that's one thing. You may need to have one or the other, depending on your stock limit to have coverage, we may require that, or we may say within 60 days please get this kind of safe. Buy your safes, bolt them down to your point, so you have the renter's and you have your personal jewelry in there. You can also ensure your personal jewelry with Jeweler's Mutual insurance.

Tracy: You can? Okay, good to know, I can save some money.

?: Yeah, and actually the business owner's program now, we have incentivized for you. So if you recommend your customers as well, so that's some more cash that you can gain, it's a full circle type thing going on. Yes, typically safe, but we can talk more depending on your limit of stock.

Attendee: You have to publish your phone number so you can be reachable, and like a mailing address, right? But that's my home and that's my cell.

?: You guys, this is important though, because on a website you do legally have to have an address on your website, I don't know if you guys know that, but get a PO box, for sure. You can't use the PO Box to create like an L.L.C. or an ESCORP, but you can have a mailing address that's separate from your legal business address. I know that's a pain to get a PO Box or whatever, but it will protect your privacy.





Tracy: You can also...

Attendee: I have the application for one, I just haven't... Because I'm like, "Is it okay?" I don't know.

?: It's okay for a mailing address, but it's not your formal business address.

Tracy: I don't know if this is legal or not, but I've heard people say there is like a companies where you can create like a fake phone number that transfers to your phone number.

?: That's totally fine.

?: A Google number.

Tracy: Yeah, like a Google number or something like that so you can have a phone number on your site, it doesn't have to be your actual number.

?: Totally fine.

Attendee: And then you put that on eon your business card, too?

?: Yeah, you sure can. The reason why you form an L.L.C. or ESCORP other than the financial reasons is because of protecting and separating yourself from a liability standpoint from your business. So you guys, right now if it's just you hanging out your shingle, I like to use my hands, like you and your business are one in the same, you are your business. So there are times where if someone could harm themselves they could also come after you, and potentially your home or your car or your assets, not always, but potentially. And if you have an L.L.C. or an ESCORP, where you separate yourself from your business, you're over here with your home and your car, and your business is over here. Not always, but generally speaking, it's another layer to be able to separate you from a liability standpoint. So I'm a lawyer who doesn't tell everyone to run out and get an L.L.C. right from the beginning. I don't think everyone needs that, but to Tracy's point, if you are designing jewelry that has more risk associated with someone coming after you, then it might make sense for you to do that.

?: Same thing with children's jewelry. Especially in the U.S., there are a lot of regulations around children's jewelry, so if you go into that field make sure you read up on that. F.T.C., like Disney, like all those places have... But there are





strength tests that the jewelry has to withstand, if a kid tugs on it, things like that. Just get yourself educated.

?: See why lawyers are your friends?

Attendee: So question about law. Trademark. I was navigating the government website for trademarking. I saw that I can put in my logo, alongside my business name, but I wanted to include my like slogan. Totally. And I didn't see the space for that. I stopped because it timed out and I was, "At least I have an overview of what needs to happen." and I let it time out intentionally, but I also do want to consult with a lawyer, I want also not only to answer that, but then also maybe where to seek that kind of guidance. It just seemed too random for me.

?: So we didn't have tons of time to go into trademark this morning, but really quickly, first of all, trademarking in the name of your business, just the name is called the word mark. Okay? Trademarking your logo, which may also contain your name in it, like you have an image with your name of your business and possibly your tagline that can be considered a design mark. Okay? Logos, word marks, and design marks are trademarked totally differently. Because logos are visual images that are also searched to see if they look the same or as confusingly similar with another visual image or graphic that looks like that. You do you have to trademark them separately, if you just want your name or if you want your logo, they can't do it all in one, unless you want it together all the time. Understand?

Attendee: That was precisely the question. I can put them all together into the design and separate them at my will?

?: Well here's the thing. If you put them all together in design, like you have your adorable image of your flower, let's say, and then you have your name and you have your tagline. When you have a logo mark it actually protects that all together in the visual image of that. So if you're over here on your website and you're saying, "Here at Lotus Flower designs", that use of "Lotus Flower designs", even though it's in the logo, is not protected in just the word form.

Attendee: So my next question was around protecting your images and your product and stuff like that. I'm going back way long time ago, but I can remember being told that rather than worrying... Because in those days you didn't watermark images and stuff like that, but what they said was, "Take a picture of it and your





documentation of what it was made, all that kind of stuff, and mail it to yourself with a registered letter, don't open it, but you've got it and it's postmarked and it's got a date on it and it's like..." I mean maybe that works now because the digital images and they get dated when you save them on your computer, I don't know.

?: Pardon the term, but this is called "the poor man's trademark", pardon the terminology, but that's just what it's called. It actually is not as legitimate, because people can easily still fake and forge all of that. So people will use that as a way to try to prove the date Remember I said talking about taking screenshots at things if you're putting something new up on your site or if you're... You know, we were talking about the context of images, of someone taking your images, but if you're putting something new up on your site, you can take a screenshot to show when you put it up there. That's a better way to do that. That's just sort of now, pardon the pun, an old wives tale, that it's not really a legitimate form of proving ownership.

Attendee: Okay, good. Just wanted to clarify that. And I have an insurance question, too.

?: These are good questions, though.

Attendee: You were talking about when you were making a claim and you had to have all your documentation about your cost of goods and stuff. Does that include the labor or just the hard goods?

?: It depends on where in the process it was stolen or damaged or etc. So let's say you're at a show and it was stolen. What you included in your inventory. So if your inventory says "My cost plus my labor is \$50." That's how we would insure that. Did that make sense? So we go back to our physical inventory, and if you put in there "My inventory costs plus whatever percent labor", however you do it, then that would be, the result would be your payout. But there are dozens of ways we can amend that payout. Let's say if you needed replacement cost insurance valuation, there's other options. So it depends on how you're putting it in your inventory. Long story.

Attendee: Well my question kind of pertains to the fact that if you put labor into it, if you've got four hours' worth of work into something, and time is money for all of us, if you can't claim that, you've lost that. And it's like income, right?





?: Most jewelers do encode it in their inventory and then it is encoded in their limit of insurance, and that should be the part of the payout.

Attendee: So I'm sort of resurrecting this from like 30 years ago. So I've got inventory for tools and for sheet stock and wire and stones and all that kind of stuff. I have no idea what it's worth anymore obviously, because I didn't keep those kinds of records from back then. How do I put that into... Well no, I don't want to get rid of my tools, I need them, but that's all capital goods, though. Right? So you need to have that stuff on your books, I would think.

?: You are going to want to talk to your accountant as far as how you do your taxes, but you can start looking at replacement costs, just to kind of get current market value, just to start at that point.

Attendee: Okay.

Tracy: Also, do you have raw materials, like silver, stuff like that?

Attendee: Oh yeah.

Tracy: I would weigh it and just see what it weighs and then calculate the cost based on that.

?: In Jewelers Mutual we have an inventory record keeping best practices guide. And there's some information in there about older goods that, what does it worth now or scrap gold fluctuates, what does it look like. So we can hook up and I can send you one.

Attendee: Okay, that would be awesome.

?: Or everyone.

Tracy: Where can we get it?

?: Can I give it to you?

Tracy: Sure. You can all connect with Leah and also you can give it to me and we can send it out.

?: Can I add one more thing?





- Tracy: Yes.
- ?: We've talked a lot about insurance and law. Why have we not really talked about taxes? Here's the deal...
- ?: Because we avoid them.
- ?: I'm not a CPA, but like I deal with cash flow. Every one of you needs to have a tax plan. So where I'm going with this is very, very simple. Remember, we start with wine and then we move on to the next thing. The next thing is this, is just call up your accountant and say, "Mr. or Mrs. CPA, what percent of my sales do I need to set aside in a separate bank account?" It's that simple. It's going to be somewhere between 10-30% of sales. Not gross profit, 10-30% of sales, because you can write stuff off, it flows to your personal return, but you need... 30% is a bit... It depends, but everyone's tax situation is different. But what's going to happen is you're going to kill it in October, November, and December. Then you're not going to set aside the tax money and you're going to go spend it on chocolate. You follow me? So call the account now and say, "What percent of sales do I have to set aside in a separate account?" And don't use that to go buy inventory, that's like you got to separate it, keep it on the side.
- Attendee: My account puts all my business into our... It's all with our personal.
- ?: Yeah, it flows through.
- Attendee: But it's all tog... I don't pay taxes on my business, I pay it all together, and then everything that I make, I mean everything is itemized because we itemize everything in our house. I mean in our household. Is that what you're saying?
- ?: Yeah, but what part of the business profit contributes to your overall tax liability? That's what you want to ask your accountant and they'll give you that percentage of sales that you need to set aside.
- Tracy: I think you're asking, like you're only paying one tax bill.
- ?: That's fine.
- Attendee: Right, right, right.
- ?: But you still owe money based on the profits of your business.





Attendee: Not yet.

?: But at some point. At some point because you're growing and you're pivoting and you're getting this momentum, you will.

?: SOS, SOS.

Attendee: Right now it's just all write-off. Yeah.

?: Right. That's going to, at some point, it's not going to be the case. Your business will grow.

?: There's thing wrong with paying taxes because you're making money.

Robin: The other thing you guys said I think is so important is opening up a business account at your bank, you can open it usually with \$25, and make that a taxes account. Give it the nickname of "taxes". So if you are a sole proprietor, you have that. You said, "Great." So you can take that 10-30% of your sales and put, literally move that money into that taxes account. Because if you're a sole proprietor, putting all your income on one 1040 form in the U.S., at the end of the year you've got to have that money to pay for those sales. So if it's in that "taxes" account, you are less likely to take it out and spend it on chocolate.

Tracy: Thank you so much for checking out the show today and for listening. This is Tracy Matthews. Before I sign off I wanted to you just remind you that if you're thinking about coming to New York in September, September 26th, September 27th for Flourish and Thrive Live, please, please really highly consider it, because it is going to be an amazing event. This year the theme is all about connection and learning how to use your website as a tool to connect with your ideal clients and move them through our online loop sales cycle to attract and connect to convert and to re-engage those people. We want you to be successful in business and the way that you do that is to set your business up the right way. So come join us for Flourish and Thrive Live, head over to FlourishThriveAcademy.comFTALive2018. I'll also have links for everything that you heard on the show today, including Accounting for Jewelers, Accounting for Jewelers DIY program and tickets to Flourish and Thrive Live. Alright, let's do this. Thanks so much for listening today, this is Tracy Matthews signing off.

