



# What it REALLY Takes to Go From \$50K to \$1 Million in Revenue with Robin Kramer

THRIVE BY DESIGN WITH TRACY MATTHEWS

*"You want to make sure that you're keeping all your systems simple and that you understand that the purpose of documenting systems in your business number one is so that you're not reinventing the wheel, and number two it's so that if you do want to grow, you can eventually bring people on and not basically be wasting all your time telling them what to 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.**

Tracy: Welcome to the Thrive By Design podcast, Episode 208. Today, I have my friend here. Hey, Robin.

Robin: Hey! Hi, everyone.

Tracy: I love that you're here to co-host. You've done a few lately because it's been your birthday and now it's Flourish and Thrive's birthday and I think it's a good time to celebrate. What do you think?

Robin: Absolutely. I can't believe seven years. Holy cow!

Tracy: Dude, what happened?

Robin: I don't know. It flew by but in a really good way.

Tracy: Totally flew by. So today I want to talk about something we have been talking about in our insider community a little bit more. And Robin and I, Robin, why don't we just talk a little bit about what's been going on with us and kind of some of the things that we have been doing that even beyond that, I'm going to kind of tease the topic of today's episode because you know, we have been working with brands for so long and we have witnessed them doing so many things.

And Robin, over the years we have just realized that Robin's expertise is really sales and wholesale, and my expertise is really like the cutting edge



of all the new things that I like to learn so much, like what's going on in e-commerce, inspiring people to be leaders and all those things and so, we pivot a lot but what we have really uncovered over the years and what we find designers struggling with and the ones who stuck with us for a very long time who've gone through transitions like practically closing their business now doing hundreds of thousands of dollars to quitting their jobs and going full time, all those things is that there are certain characteristics of these companies that go from having like a fledgling business that's doing less than \$50,000 a year to one that's doing multiple six or even a million dollars in revenue a year, and it's, it's pretty indicative of when we look inside those businesses, the specific things that are happening. Right?

Robin: Absolutely. Absolutely.

Tracy: And so the thing that I found interesting is that when we wanted to start Flourish and Thrive, and I talk about this all the time, that the main thing that we wanted to talk about was systems. We wanted to talk about the systems that it takes to scale a business. We wanted to launch our multiplier profits course first, but then we started talking and we were like, well they kind of need marketing and you kind of need sales and then most people don't know how to brand themselves, and so we went a little backwards.

We started with Laying the Foundation, which is our signature program, and Multiply Your Profits actually came second. And you know, seven years is a pivotal marketer or a pivotal marker and we're going through a big transition this year and we're retiring a bunch of our courses including our signature course Multiply Your Profits. And this week is going to be the last week that you can get it because we're rolling that content into our higher level programs because we realized that in order to like really adapt to growth and profitability, that the people that we're helping in our 101 communities are doing this stuff anyway.

We realized that many of you are DIYers and this program is insanely amazing. It's helped hundreds of thousands, or not hundreds of thousands, hundreds or thousands I should say, designers really elevate their brand and get their systems in place to grow their business. And it's an exciting thing but we're taking a slightly different direction as a company and we're going to be having just one main course, and that's our signature program, Laying the Foundation and everything else that



we do moving forward after July is going to be in our annual coaching programs and things like that.

And so, more will be revealed about that, but I just wanted to mention that Multiply Your Profits is one of the most epic courses that we have ever developed. It is perfect for DIYers who really want to grow their business and get the systems and you know the basics in place for getting to multiply six figures, to scale into seven figures and to build a profitable brand doing what you love to do the most. And Robin, do you remember having that conversation way back in the day when we were talking about that?

Robin: Absolutely. You know, it's the, systems are kind of the one thing that most designers are you know, creatives, are kind of resistant towards so we were really looking at, we know the information. This is what really brings money into your business and we wanted to be able to connect with people first and we thought that we would scare them away with doing this program first.

Tracy: You go straight to the boring stuff that actually works to grow your business and multiply it so.

Robin: Right.

Tracy: And they don't want to invest in getting that kind of help. But really at the end of the day, this is the thing that is going to help you scale from \$50,000 to a million in revenue or even get from making like \$1000 a month to \$100,000 a month. All these things do it. Because if you are the bottle neck in your business, and this is what happens when you're doing everything in your business. You become the bottle neck. You are the number one person who stunts the growth. Trust me. I know this. This is my, I just launched my fourth company.

I am the bottle neck, always. And until I can get to a point where I can create internal structure and systems in my business and be able to delegate and pass things off, I will only be able to grow something as much as my time allows. And you can imagine, having three businesses, currently actively running right now, you don't have a lot of time, and Robin has two businesses. She's running a consulting company where she's helping designers in our community and other designers with their wholesale business and helping them scale and she's also, you know,



playing a huge part over here at Flourish and Thrive Academy as well. So, it's a lot. Right?

Robin: Absolutely. And we also know the importance of having systems in our own businesses or else we wouldn't be able to function.

Tracy: I know. Exactly. And I'm just really proud to see like what you've done, Robin, working with Kelly and all the things that you've implemented in your own consulting company to kind of do all those things over at Red Boots. So why don't you tell us like briefly what's going on over there and what you're doing so we can kind of celebrate seven years together as friends and collaborators.

Robin: Thank you! I'm so excited. Yeah, you know, as Tracy pointed out, a long time ago that I'm a trade show carry. I love trade shows, but I love wholesale, what it comes down to. I love relationships and connections and my really zone of genius is connections and helping designers connect with not only the right stores but the right business model for them when it comes to wholesale. So, I'm really focused on that.

I have created a wholesale intensive, actually it was Tracy who suggested that that would be a great thing for me and it's worked out, you know, it's what I'm passionate about. Wholesale is really something I'm super passionate about and helping businesses really master their wholesale businesses and grow. So, that's, I'm working with just a handful of designers on that, and it's really awesome, and of course, I love working with the Flourish and Thrive community and so, there's so many... it's so incredible to be able to have this outreach of connection with designers from all over the world and what's even more amazing is that they're all supporting each other too. You know, it's such a cool thing.

Tracy: It's really an awesome thing and I think it's pretty amazing how this like little idea that we had at the jazz club or that I like brought to you and it's popped up into this big old thing that has evolved and now we have tons of coaches and it's pretty awesome, you know. I'm like, as you guys probably have heard about, my passion is really our SOS coaching program and we're really streamlining what we're doing over here because as you grow a business and if you really want to double down and grow, you can't have all the things, and this is why, you can't have all these things that you're doing.



And part of the reason and this is a really tough decision to kind of separate Robin's wholesale intensive in the way that she's doing it right now, having her deliver her own high ticket offer, and I say high ticket because it's an investment to work with Robin, and outside of Flourish and Thrive Academy was really one of an opportunity to streamline what we were doing and you know maybe someday, we'll incorporate it back in in some way, shape or form. We have talking about that literally like over the past couple of months, but we realized that more is not more.

Streamlined is more. And so we decided that we had all these courses and the courses are great but we're just like trying to sell a bunch of courses randomly here and there that really do help people, like we're not just, it's not just to make money. It's because they help people. We have launched a couple of things that we're like eh, that's okay and we retired it.

If it's not our best stuff, we don't like to keep it around. But we realized that everything that we're doing in some of our other programs like the diamond insiders, a new division of the diamond insiders that will be hopefully releasing within the next couple of months that is really designed to help you move a lot faster and our SOS coaching program and Laying the Foundation. We all, it was just too many things. And so what we decided to do was to basically give designers an opportunity for us to help them and get their hands on the overall growth of their business.

And so, when I originally launched the SOS coaching program, it was really just about ecommerce sales, but now it's really about, similar to Robin's, it's like the people in my program, their emphasis is really more on building their direct to consumer reach and leveraging their time and recession proofing their business with more of a direct to consumer ecommerce model and Robin's focus is really about elevating and scaling the wholesale model, which both are, they work together very well, but what we realized because in both of those models, like systems have to be in place anyway, and so we're kind of like wrapping in what we do and what we teach in Multiply Your Profits into our program so we're no longer going to be offering this freestanding course anymore so this will be your last opportunity to get it, over the next, the coming weeks, and if you want to learn more about it or be able to get it, you can head on over to [FlourishThriveAcademy.com/myp](https://FlourishThriveAcademy.com/myp).



You can also get, grab our birthday gift by heading on over to [FlourishThriveAcademy.com/systemstoscale](https://FlourishThriveAcademy.com/systemstoscale) because we have a little systems to scale score card that we are giving out for free. So I'm really excited about it and it's going to be super duper fun and so everything that we have done in this community over at Flourish and Thrive has really been about helping independent brands and starting with jewelry but like really this podcast that you're listening to, it's really beneficial for all types of brands.

So wanting to scale and grow their businesses and the scaling piece really comes down to having your offers tight and right, not spreading yourself too thin, being very focused and diving deep into the right revenue streams and then having the backend that actually supports those things. So today we're going to talk about what it really takes to scale your business and you know we talk about scaling to a million dollars in revenue, and for some of you listening to this podcast, a million dollars might not seem like that much money because you might be selling \$50,000 products and if you're selling \$50,000 products, you literally need to sell like 20 pieces a year in order to make a million dollars.

So that's not, it's not going to be too hard, but I'm guessing that most of the people that are listening to this podcast aren't selling \$50,000 products every month, that really your goal and desire is to really be scaling your jewelry business or your product business or whatever it is based on something that is an approachable price point that you're really trying to grow. And so that requires a lot of things in place. And the first and foremost thing that it requires is for you to step into the role of chief visionary officer.

Robin, do you remember when we first, I've revamped Multiply Your Profits a few times, but I remember the first time we did it. We were using all this language like CEO and people are, the makers, were like I don't want to be a CEO and that's boring. And then I was like well, what's like a CEO but like more exciting and creative, and I was like, a visionary! And then like I think it's so weird how things evolve, don't you?

Robin: Oh my gosh, it was, it was like, perfect and you're so good at things like that, I mean. And I feel like it's taken off by storm now that I feel like I hear visionary CVO so much now.



Tracy:

Well, our community is all using it because of me, well because of both us, but I think the one thing in my personal journey is that I really do believe that creatives rule the world, and if you're not following me over at creatives rule the world, you can download the visionary code over there. I'll have a link in the show notes. You can just Google creatives rule the world and you'll find my website and you can download the visionary code over there.

But the one thing that I realized after I was hearing designers over and over again is like things like hate managing people; I feel like I never have time to get anything done or I can only work before my team gets in or after. And that's all B.S. and this is a clean podcast. I'm not going to swear. But like, at the end of the day, even though sometimes I accidentally do, but at the end of the day, your life shouldn't be that hectic and we did a little video before this talking about a designer in our community who we have seen just go through a huge transformation that's been hard for her because she was the primary maker and she has been getting pounded with orders from a key account called Uncommon Goods, and it's awesome.

Her sales are taking off. She's probably going to be doing like a couple of hundred thousand dollars this year. Her mother is doing promotion, was featuring on the Today Show with Uncommon Goods, and it's totally taken off. The work for her was literally to pull her out of her business. Like I literally wanted to fly to California and go into her garage where she's working out of and shake her by the shoulders and say, "You must stop." She's finally transitioning. Robin and I have been working with her together and independently for many years and it's so wonderful to see her growth and to see her mindset change because stepping into the role of a chief visionary officer is very hard because it's different.

When you started making jewelry, you started making it because you're an artist, you're a creative. You are someone who probably likes to work with their hands or you like drawing or something, you know, like everyone's got their own path to getting to that place where they decided to start making jewelry or designing a fashion line or whatever it might be.

However, at the end of the day, if you want to really have a true business, you have to be focused on growing your business and that requires you to get out of your business and to be working on the strategic things, the strategic creative things. This is not necessarily like boring businessy stuff,



that grow, that actually help you grow your business. And that is what I mean by stepping into the role of chief visionary officer. And if you want to stay in what we call make your mindset and always need a person doing everything, that's fine, but just don't ever plan on growing your business.

Plan on having hand that hurt someday and plan on feeling frustrated a lot and like you can never step away from your business, because if you do step away, the sales and the money will stop coming in. And I don't think any of us really want that, so the sooner that you can make that shift and get your, remove yourself from the business, and I'm telling you, it's hard, especially when you're bootstrapping it and you're at that point where you're only making like 100 grand a year because there's not a lot of extra money left over to invest in people and team, but little by little if you can just start like hiring a VA to take some admin off your plate or having someone do some of the smaller things that you don't need to do, the quicker your business will grow.

Now Robin, why don't we talk about some systems here because we have identified we're not going to go super in-depth, but why don't we talk about like systems and processes. Do you want to walk us through the nine areas of your business that you need to build proper systems around, just a quick overview?

Robin: Absolutely. We have been doing this for years and years. We really came up with 9 areas that are, that you absolutely should have as far as systems in your business and that #1 is sales, absolutely. Because if you don't have sales, you don't have a business. Marketing. Your next is production and product inventory. You need to know what you have on hand. Sometimes you have a little too much. Right?

Tracy: Yeah.

Robin: So, Tracy knows about that.

Tracy: Robin, that actually makes sales, you know what I mean.

Robin: Right. Exactly. So it's really good to know your inventory, keep a tight inventory. Customer service. How are you, once you get those sales, how are you nurturing your customers, how are you staying connected to them. Operations. Absolutely. Is your operation, is your business running like a well-oiled machine. You've got to have those systems in place. Hiring



and you know it really comes down to hiring the right team and you know, that's training. There's so much that goes into it. So really having

Tracy: Also having like a hiring system, which I think is really important.

Robin: Yes, so you're not wasting your time going through every single resume...

Tracy: I don't even look at resumes. I'm like against resumes, quite frankly. We have like a whole hiring funnel that I teach the designers in our SOS program to do. It's like resumes don't really matter. It's what matters are hiring someone based on behavioral processes.

Robin: So having that in place. Financials. This is one you and I talk about this all the time. It's the financials that a lot of designers don't even look at their financials and it's really hard to get to where you're going if you don't know where you are. Right?

Tracy: Yes. Totally.

Robin: And administrative. So even those small tasks. It could be just even cleaning your studio. I know it sounds crazy but you need to have a system for that. So when you do bring on people that you can delegate that. Also, super important - metrics. You need to be measuring like what is going on in your business so you can make changes to it, adjustments, and metrics is a really key part of your business.

Tracy: And I think the one thing that really overwhelms people when it comes to creating systems in their business is they think that they have to sit down and write a big old manual, but that is like ancient times. Like there are so many faster ways that you can do. It's just really about documenting the high level of how you do things so when someone comes in you can say like, hey, look, here's how we do things here. Add your own spin. Give them some freedom to do it their own way, but then also, finding hacks to make it faster, like shooting videos or recording your screen.

All those things like you can create a system in a really quick way, and you also want to make sure that you're keeping things high level, especially for things that might get outdated. Like for instance, creating really robust systems for Facebook ads might seem like a good idea if you want to hire a marketing person, but at the end of the day, that is something that becomes obsolete like pretty much every month, and so you want to have



something that's updatable and can kind of keep you on the fly in certain ways, like with more general guidelines.

But if you're doing something like, you know, a hiring funnel, like you have a certain process or way of hiring people, that one can maybe be documented a little bit more in detail so that you have a template and a formula to work with every single time that you hire someone.. And you want to make sure that you're keeping all your systems simple and that you understand that the purpose of documenting systems in your business number one is so that you're not reinventing the wheel and number two is so that if you do want to grow, you can eventually bring people on and not basically be wasting all your time telling them what to do. Someone on my team, I was like we had, we have gone through like a couple of team member turnovers, like we're trying to find like a social media person.

I'm just going to give you a little backlight on what happened and was onboarding some people and training them on what you do, that's like, after, she's like all well, you know, my week has been slammed because I've been training this person. And I was like, is any of this like recorded? Did you record any of the sessions? And she's like no. And I was like, oh, girl. Where is that? You're not following my process. And I'm just, I'm just teasing, but like you realize that you know like if there's anything that requires you to sit one-on-one with something with someone to explain it, make sure that you're documenting it or recording yourself or recording the meeting so that if for some reason it doesn't work out with that person or whatever, obviously you want to cut out any sensitive or personal information, but anything that's relevant to keeping a training system on file, those things can just be like documented as you're actually training someone else so that the next time someone comes in or that person moves up in your company, they can just slide right in.

Right? The next piece of this, I think that allows you to really scale your business is having automation intact and in place, and Robin, why don't you talk about your favorite type of automation first, and then I'm going to talk about how you can use automations and technology in other ways to actually scale.

Robin: Oh my gosh. The first thing that comes to mind is my CRM. I mean, customer relationship management systems for a business are essential because I have a really good memory, but you can't remember everything,



y'all, and really to stay connected to your customers, to really nurture them and grow the business that you have with them, you need a CRM system so you can... I like what, you know, you always say it's the lifeblood of your business. Right?

Tracy: Sales are the lifeblood of your business. Right?

Robin: Yes. Sales are the lifeblood of your business, absolutely, and that means that your customers are essential. If you don't have customers, you don't have sales. So you know there are some great systems out there and I've used, I'm now, I'm using Agile and like

Tracy: Are you liking that?

Robin: I really like it, and I also use Dubsado for some other things too, so...

Tracy: Oh, for like billing in and stuff like that?

Robin: Exactly. Exactly.

Tracy: A lot of creatives are using that. That's really more for like, I think that's good for a consulting company, I don't think for a jewelry company it's really the best.

Robin: My favorites are really, for jewelry businesses, Hubspot and Agile, and there are some other really great ones out there too. There's also Insightly that works really well.

Tracy: I loved Insightly when I was using it. It's good. So designers doing custom work are loving Hubspot. Like, it's insane. Like the, with the automations and the email flows that you can do that just automatically, just like follow up with customers on anniversaries and all those things, it's incredible. If you have a high touch, fine jewelry or custom business, it's great.

Robin: It makes it so much easier, doesn't it?

Tracy: Yeah. The other types of tech and automation that you can use are things like project management tools like Asana or Trello is another one that people like. I really like Asana. I like the way that it's set up. Trello is nice. I think people like it because it's more visually oriented and kind of built like a scrum board. It's not my favorite because I like my tasks, which seems counterintuitive to some degree to a person, but I like my tasks just bulleted out and Asana has more of that kind of flow instead of like



moving things. I feel like Trello is better for like bigger project things where there's multiple phases and Asana also has these, has a sort of like Trello type template in it now, but a lot of people love Trello.

So you can pick a system that actually works for you. But then other types of automation is like in ecommerce, we know it's really important to have automated sales sequences, automated sales funnels, abandoned cart sequences, all of the things that are going to really capture sales without you doing work. And there's like endless things that you can put on automation like your, paying your bills and billing people and reminders and so, what we're trying to do is to take the labor out of everything that we do and to create a process that actually allows you to deliver proposals and things that are working in a way that helps let you up and move you forward super quickly. So the next piece of scaling for most businesses you're going to need to bring in your team.

You don't want to be the bottleneck like I said before. Team is important. Delegation and team can start very simply. When I was building Tracy Matthews Designs, my first hire back in the 90s was production help because my hands started hurting quite frankly after beading and making all the jewelry before I started doing more metalsmithing in my collection. I knew that if I really wanted to start taking on more \$4000 orders, \$5000 orders and stuff like that – like I was getting with Twist and some of these other accounts, I needed someone else to help me produce the jewelry.

I realized I wasn't so bad at going out and getting these sales after I had the confidence and my jewelry was actually selling and I had landed some key accounts. So I think that thing that I identify with when I was hiring and then I also hired a bookkeeper that worked just a couple hours a month because I think for most people unless they have a finance background or they really love administrative work – bookkeeping is necessary but a waste of time for someone who is high level. Because you can hire a bookkeeper anywhere from \$25 to \$100 an hour depending their expertise and level of detail and kind of what they can do across the country – I would say like a high bookkeeper is \$100 an hour and that's sort of what we are using for our more detailed businesses. But a lower end bookkeeper you can find someone easily for \$25 to \$50 an hour.

And as your business grows, the hourly retainer increases but it's not something that – it really just gets more expensive as your business grows. Like it grows because so many things in financials can be automated as



well. So I would say hire out the bookkeeper. I would say get some production help and then start hiring out some of the other things that you don't like. So I would identify in your business what it is that you don't like and start finding the things in the business that you can bring in a virtual assistant or someone who comes into your office a couple times a week for those low level tasks that are not really growing your business and if you're one of those people that say that you don't like managing people, please download the Visionary Code because you're going to love it.

You can find it over on the Creatives Rule the World website because I tell you how to non-stop managing people and start leading them and get the decision making off your plate which is really important. Robin what else would you like to add with team with anyone you have worked with?

Robin: I think it's just by having systems in place with your team, I mean I love the feedback you can get. I think you can actually put in part your process is meeting with them once a week or getting a report from them once a week or getting the update. But keeping your team happy and honestly by having systems and processes in place for your team, you're going to know where any hiccups are and they are going to know too. So they can actually help you improve what you have in place. Teams can make everything better actually. I know that it can be a lot of work but ...

Tracy: People are afraid of the investment but I always like to think about it as if you start slow you don't need to hire a full-time \$100,000 a year team member to start with. Start slow, I mean you can hire a virtual assistant. You can hire things out to people in the Philippines. Start getting things off your plate slowly and then start expanding on that. We teach you how to do this, how to create a really awesome hiring process and to identify what to delegate first in the Multiply Your Profits course so I would definitely recommend grabbing that before it's gone. If you do this right and you like learn how to set boundaries and everything, it's not going to feel like you're managing people. It's just going to feel like you're flying.

Robin: I love it.

Tracy: Yeah. Robin, we talked a little bit about this. Most people don't like to look at their finances but financial systems are really important. And having your finances in check is really extremely important if you want to scale. Obviously you have to have consistent cash flow – it seems like a no brainer but it's true. If you're handling big orders you're going to get big



influxes of cash at different times and I think that can present danger for a small company and what you want to be able to do is diversify your revenues so it's not all coming in at once. So you're not like out 50 grand because you're buying materials for a \$150,000 order or something like that and then having to float that until you get paid 30 days later or something like that.

So make sure that you're doing things like you're really tracking your profit, you understand your breakeven point and the margins in your business, that your products are priced properly, that you understand your financial statements and how to read them, that you're reading them on the P&L and you're paying attention to your growth not just the money in your bank. But that you also have money in the bank and you have some cash reserves because back in the day we were financing Tracy Matthews Designs not just on cash flow with a lot of lines of credit, credit cards or \_\_\_\_\_.

Those opportunities are much smaller these days and it's not something that is readily available as much to smaller businesses. So the more you can build your business on cash flow and keep a cash positive bank account the easier it is to grow. This is why I think it's so important to have a really strong direct to consumer vein including e-commerce and using your website as a tool in addition to a wholesale business because if you don't you're always in that stop and start like the feast and famine mode because there's like so much cash going in and out all of the time so just something to think about. Robin do you want to talk a little bit about the next piece, inventory control and why that is important and I can share my story too?

Robin: Oh my gosh, well inventory – I just got back from JCK and the JCK Trade Show. At the JCK Trade Show there are lots of gems. Pretty gems being sold too in addition to all of the other vendors that are there and it's really easy to be drawn in and by overdoing it with inventory because they are so many pretty things especially in the jewelry world. Even I end up buying stones and I don't even know how to make jewelry. So it's very easy to get lost in the inventory as far as having too much material and it can be detrimental to your business. I love the story that Tracy – I want you to share it, Tracy because it is so good and it's really telling of how inventory can be...

Tracy: How it can take your business down.



Robin: Yeah, too much of it can really hurt your business.

Tracy: Well, if you're new to listening to the show. Here is the full story. You've probably heard this before if you've been following us for a long time. I had and I think most designers/makers/artists have, I have this bright shiny object syndrome really bad so I would go to gem shows and I would buy a ton of beads or a ton of loose gem stones and I would have boxes and boxes. You're really excited about it when you first buy it but then if you don't do anything with it or you over-purchased stuff that you loved or didn't sell. You're just stuck with all this stuff.

So over the years, I had boxes of boxes of inventory of beads and loose gem stones and metal and materials, findings and all these things that I wasn't using but I was like I'm going to try this out and test it out and then it was just sitting there. Around 2007-2008, I hired a consultant named Phil and he was like how much inventory do you have? They were looking at our numbers and he's like I don't think this is right because we were like loopy-goopy inventory.... it's about 50,000. We were counting it but it wasn't like we were counting it properly. He made us spend like a week going through every single clasp, every single piece of chain and do a detailed inventory count and the \$50,000 I thought we had turned into over \$150,000 in product.

I was really struggling with cash flow at the time and he's like no wonder you're struggling with cash flow all of your money is tied on your shelves. Inventory is cash basically. Made goods like already completed products is a slightly different story. I mean obviously you don't want to be stuck with stuff and we had a lot of inventory in stock of like partially made goods. So it would be like castings that we used for several different types of necklaces that could be assembled in different ways. So we would only have like certain styles assembled but we would have like raw materials to make multiple styles.

Over time as I became a better designer, I was like repurposing different things for the different pieces in my collection because we're trying to leverage the number pieces we were making. So that inventory control piece was something that I was not paying attention to for nine years. I had about \$100,000 extra money basically like ... can you imagine if you had stacks cash that's basically what it was like. They were like sell it off for whatever you can get.



I was flash mobbing, flash saling, melting stuff like anything I could to get rid of it. We did a pretty good job over the course of six or eight months. We sold over \$100,000 of inventory. I think I still have some of it left 20 years later. I couldn't part with some of it. It's really weird how you get attached to weird stuff but anyway it's still around. I have a bunch of my original samples too. But inventory control is key. Make sure you're checking inventory regularly. I would do monthly check-ins of raw goods. There are really simple ways that we teach you how to do this in Multiply Your Profits to make it easier so that you don't think you have to count every single piece every single time. There's like a subtraction method that we teach that works really well. Then finally I want to talk about diversifying revenues streams. Robin, should we talk a little bit about that?

Robin: Let's do it.

Tracy: Okay so back in the day, wholesale was the way to run a business, right?

Robin: Absolutely it was THE way.

Tracy: It was the only way and we're so lucky now because like if your wholesale business starts to struggle for some reason or in the place where you're working with really good consignment stores that you're trying to turn into wholesale accounts, you can leverage that by diversifying what you're doing because back in the day when I started my business I was selling directly to individuals but it was just literally through word of mouth.

Then I would do shows which was more like direct to consumer show model. Then I started wholesaling then e-commerce didn't come really come around till later, but there's a lot of ways that you can actually diversify your revenue stream, so you're not just putting all your eggs in one basket. I will tell you that part of the reason why my business failed back in the day was because all my eggs were in the wholesale basket. Wholesale, as Robin will say, why don't you tell us like how awesome wholesale is?

Robin: Well wholesale is great, because you can really build your business and have consistent, you get consistent orders on a more regular basis, you can really build brand recognition, you can have brand recognition nation wide and sometimes internationally as well. So it can really build your brand as a whole. Even with building your brand in wholesale, it can actually also result in retail sales from your website too. So there's lots of good things that happen when you're wholesaling. A big part of it that I



love is the relationship that you have with your stores and the people that you meet. That been said, there's two sides to every coin. Right?

Tracy: Also, I think that wholesale is awesome, and it's still a great way to get like big orders that like really infuse an influx of cash into your business. I think the dangerous thing is to put your eggs all in one basket. I know a lot of people, wholesale's really a long game, we talk about this all the time. It's not as easy to just I go out and get some appointments randomly and get orders, like you might have to see a buyer several times before they actually buy your line.

So it takes time, so you need to fill in the money gap other ways. I feel like the best companies right now have a third wholesale, a third a really strong e-commerce business in some sort of direct to consumer model where they can get front facing with the customers, because for e-com to work really successfully for the type of products like jewelry is important for a designer in particular in jewelry, like maybe for handbags and fashion it's not as much, but particularly for jewelry because it is such a specialized product that people want, and the look in the feel and the way it lays, like all those things become really important, so people do like to look and feel.

But if you can learn like how we teach people to convert those direct to consumer customers into people who actually buy from your website, you're golden because if you have that wholesale revenue stream, e-commerce revenue stream, and direct to consumer or retail revenue stream you're like super stoked. You don't want to spread yourself too thin, but if you can be sort of the trifecta model, like someone like Melissa Joy Manning where she's doing all three really well, like your business will continue to grow and be successful.

Robin: Absolutely. A couple of other designers that we've worked with that are doing that and doing it really well, Bella Vida Jewelry, she just...

Tracy: Yes.

Robin: Yeah, and she just moved into a larger star location.

Tracy: Awesome.

Robin: And she's still dedicated to doing her wholesale trade shows that she does. And then also Colleen Mower. She's got her studio, and it's so



exciting. In fact, her retail business is so strong right now, it's amazing, and she gets, she really enjoys seeing the customers too.

Tracy: I think the great thing about Colleen when I saw her at New York Now about six months ago, or whenever the last show was, the awesome thing about chatting up with her was that she's like, "Yeah, wholesale's still going strong, but the thing that really surprised me is that my e-commerce business is taking off." I was like, "What do you think that is attributed to?" I love sharing this story, I shared it a few times on the podcast. She's like, "I email a lot more than I'm comfortable." Email, guys, just let me tell you that.

Robin: Yes. I think so, absolutely so true.

Tracy: So we have a birthday gift for you guys, and we talked a little bit about it. It's called The Systems of Scale Scorecard. It is just basically like a one pager scorecard, I'm saying one pager, it's not really, it's not really a one pager. Just a scorecard kind of covering the basic areas of your business that you need to systematize in order to scale and grow. We'll help you evaluate how you're really doing in it. Because at that point, like what we really want to be able to know is like if I were to take a four week vacation, this is the whole Mike Michalowicz model with clockwork.

If I were to take a four week vacation and leave my business and turn everything off, throw my computer in the ocean and put my phone away, would my business still be there when I came back. Ultimately you want your business still be there when you go back, you don't want your business to rely only on you to make money. So when you can do this right, this is when big growth starts to happen. If you'd like to grab that scorecard you can head on either over to the show notes, we'll have a full link or you can head on over to

[FlourishThriveAcademy.com/SystemsToScale](https://FlourishThriveAcademy.com/SystemsToScale) and we will give you that download and take the scorecard and tell us what you think.

I also want to mention that we are retiring our Multiplier Profits course. We're having a little bit of a birthday special, so if you're not on our email list yet or haven't downloaded The Systems to Scale Scorecard, we're going to share a little bit more about that with you. After mid July this course is going away and will only be teaching these concepts in our coaching programs. If you're a DIYer and you're interested in really scaling your business and getting it to the next phase and you want to multiply your profits head on over to [FlourishThriveAcademy.com/MYP](https://FlourishThriveAcademy.com/MYP) and grab it



before it's gone, because at the end of the day I really just want to help you get to a place where you have a revenue goal and it's easy to hit because you have all the systems in place that are going to help you scale. Robin, any final words?

Robin: Happy birthday, Flourish and Thrive.

Tracy: Happy birthday. I want to thank everyone for listening to us for so long, because this has been, you know, we had this podcast for years, Apple and iTunes are doing something weird and I think it's turning into Apple Podcast now. It only says that we've only had this podcast since 2017, but we actually started it in 2015, quite a while ago. We've done 208 episodes by now, which is pretty insane, and we have over 125,000 people in our collective community, have jewelry brands, designers, influencers, all those types of things. And it is just an honor to come into your buds every single week, and it's an honor that you trust us with your business. I just want to ask you a favor.

If you like what we're doing I would love for you to not only rate and review the podcast, but to share what we're doing with your friends. So if you know a jewelry designer or another fashion or product based business that could use the help with this podcast, please share it because we love helping people and Robin and I are both big givers. Robin's like the most generous person I've ever met in my entire life, and especially with her time, like I will say, like with that she will give and give and give, she loves it. And I like really just have this, I would not be doing this, there are a lot of things that I could do to make money in my life and do things, and I do this solely because it's really important for me to make an impact in people's lives and to help people become better. Yeah, if you're inspired by that let us know. Come say hi over on Instagram. Robyn you're [@RedBootGal](#), right?

Robin: [@RedBootGal](#), yes.

Tracy: [@RedBootGal](#). You can find me personally over [@TracyMatthewsNY](#), you can also find [@CreativesRuleTheWorld](#), I'm talking about being a visionary over there, and then of course [@Flourish\\_Thrive](#), we just crossed 22,000 followers, super excited. Hopefully we get to 40 by the end of the year. We'll see. Thanks for listening, everyone, today, have an awesome 4th of July week if you're here in the U.S. Any final words Rob?



Robin: Yeah, I just want to give a shout out to you for having this vision and really making it happen, because all these people, I can't tell you wherever I go I get stopped, they're going, "Thank you so much, you guys have really helped me." And that just means the world, and thanks for following your vision and having that passion and you really created something spectacular, and it's so exciting to be celebrating seven years with you.

Tracy: Me too. I wish we had champagne to clink.

Robin: We're in two different places.

Tracy: The feeling is mutual. I mean there's been a lot of ups and downs with us working together, but all for the greater good, we've experienced a lot of life experiences and changes and things that were out of our control, and I think at the end of the day what matters most to us both is that we're giving back and helping people do things that they love and making money with their brilliance.

Robin: Absolutely.

Tracy: Alrighty, thanks so much for listening, I love you, Rob.

Robin: Love you too, Trace, and thank you all, have a fantastic day.

***Thank you so much for listening to today's episode. It's my mission to help thousands of creative businesses, inside and outside the jewelry space, use their creativity to make money. Make sure that you're subscribed to Thrive-by-Design on iTunes, Spotify, Stitcher and wherever podcasts are played. We would love to hear what you think, please rate and review the show. If you're inspired, please share this with your friends. Here's to seeing you flourish and thrive.***