

HOW TO MAKE A FORTUNE WITH A USED BOOK STORE

Operating a used book store is a lot like owning a recycling center - not too glamorous until you take a look at the owner's bank account.

This is an ideal "absentee-Owner" type of business, or a small investment type business for someone to start while holding down a regular, full time job. The type of person "best-suited" to running a successful used book store, is the man or woman who loves to read, has collected books over the years, and enjoys associating with people of similar interests.

Start-up risks are rated high, with the average time period needed to become firmly established, about 3 years. After that "becoming established" stage however, you should be able to enjoy ownership of a business without extreme market fluctuations, plus an income close to 50,000 per year or more.

Ideally, a used book store will need a market population of at least 50,000 persons to support it. Try to locate your store in a "high traffic" area, as near as possible to a college or university campus. Something to bear in mind is the shopping habits of the average used book buyer: First, he's a browser. He notices your shop, drops in and begins looking around to see what kind of books you have available. If he spots something that really interests him, he'll probably buy then and there. If not, and provided you've made him feel comfortable this first time in your store, he'll be back - dropping in to browse whenever he's in the area.

Shopping Malls are excellent locations for book stores. Locations near other, or "new" book stores are also very good -if the buyer doesn't find what he wants in the "other" book stores, he'll check your store. Grocery store shopping centers are generally poor locations for book stores of any kind.

It's important that there be a lot of casual strollers in your location area, and that you encourage these people to drop in, and browse around.

If you want the entire front of your store to be a show window, take pains to arrange your window display in an uncluttered manner, showing the kinds of books you have... However, a window display is not really necessary... more important is a window for the passers-by to see into your store. At any rate, if you do go with a window display, keep it low - never more than 36-inches high - leaving a lot of room for the people passing by to see into your store, and notice the people browsing through your books. We know of one successful operator who had members of his family, relatives and friends, purposely "browsing" through his store, just to project that kind of image for the store.

Once you have your store location selected, paint the entire interior in a dark, warm color, such as mahogany. Install a lighter shade of indoor/outdoor carpeting through out. The lighting should be indirect, and somewhat subdued to give your store a warm feeling.

Locate your checkout counter parallel to one of the side walls. You don't want it blocking or guarding the easy entry or exit from your store. You want your customers to feel comfortable just visiting your store. In other words, do everything you can to encourage the browser, because it's been proven time and again that the browsers are the book buyers. Allow the people to come and go generally as they please; to pick up and thumb through the books that interest them: to read them, and "fall in love" with them. These will be your real book buyers.

Your book shelves should run along each side wall, and across the back of the store. Don't build them more than six feet high. Partition these shelves into sections about four feet wide, and at the top of each section, place a sign indicating the general subject matter of the books to be found in that section.

Paper the walls of your store, from the top of your book shelves to the ceiling with posters - colorful and descriptive travel posters, Broadway show billboards, concert posters and full color dust jackets from books that are perennially popular.

The next thing is to build or buy half shelves, tables and revolving racks for other or more books. The half shelves - about 4 feet wide by 4 feet high and similar to book cases in your home - should be located at right angles to your wall shelves, and in the rear of your store. The tables should be about 3 feet wide by 4 feet long, and about 30 inches high. These also should be located at right angles to your wall shelves, but closer to the front of your store. A revolving wire rack, to hold currently popular or specially featured books, and located at the front of your store, will be a special extra merchandising effort that will really pay off in the sales of your books.

In locating your half shelves and tables down the middle of your store, stagger them - one 3 feet from the wall shelves, the next one 6 feet out, then 4 feet and so on. This will allow more people to be "seen" in your store; cut down on the appearance of a formal or military layout, and project a more casual atmosphere for browsing - and this is precisely what you want. This kind of arrangement will cost you some space, but it'll be worth it with increased traffic.

Another merchandising idea that works very well is a couple of revolving wire racks on wheels... These you push outside and position near the entrance to your store. You can feature popular paperbacks, and a few oversize hard cover books with bright, flashy colors in these racks.

Your store hours should match those of your neighbors... In fact, you could "jump off to a quick start," by opening a half hour earlier than your neighbors. Use this opening half hour to take care of paperwork, and get yourself organized for the day. When the early shoppers see you're open early, they'll begin coming into your store to "browse and kill time" while they wait for the other stores to open.

If you cannot be there to "open the store," then hire part time help. The best arrangement is housewives or college students in 4 hour shifts at the minimum wage.

First off, write out a list of duties you want each clerk to perform while he's on shift. In addition to taking care of sales transactions, you might want him to do some stocking, dusting, cleaning, sorting and pricing... Regardless, you'll have fewer problems and enjoy bigger profits if you formally write these "shift duties" out, and post them as job requirements, and explain them when you interview for hired help.

Look for, and try to hire only book lovers who are personable, outgoing, and have some sort of business aptitude. You then train these people in all phases of your operation, with the thought in mind that they will run the store in your absence, and eventually be your store manager. The best way to find such people is by talking with your customers, observing which might be willing to work for you, and which of them might best fulfill your needs.

You'll need an outside sign for your store - preferably one that hangs at right angles to the flow of traffic in front of your store.

Many successful used book stores utilize hand-carved wooden signs, while others display painted sign with calligraphic lettering. By all means, spend the extra hundred dollars or so to have spotlights installed on your storefront, focusing on your store sign. Backlit plastic signs just don't create the comfortable image necessary for the success of a good used book store.

Newspaper and/or broadcast advertising will be much more expensive than it's worth. Your best bet is to create a comfortable feeling and open invitation for browsers, price your stock fairly, concentrate on personal service, then let word-of-mouth advertising and time do the rest.

Even so, you should run an ad in the yellow pages, Perhaps an ad in the college paper, and from time to time, special sales ads in your local shopping newspapers. Inexpensive flyers inviting people in to exchange books, or to just browse, can be printed at your local quick print shop and handed out or placed under the windshield wipers on the windshields of cars in the larger shopping center parking lots. Advertising, and special sales during holiday periods such as Christmas, Mother's Day and Father's Day are generally quite effective in bringing new customers into your store.

Most used book store entrepreneurs use their own book collections as a start-up inventory base. In addition, talk to as many neighbors, friends and relatives as possible for the donation of books. Then start making the rounds of all the garage sales and flea markets. You should have at least 10,000 books in stock when you open for business - and that's a lot of books. Search for books to sell - those you can buy for \$.25 or less - in all the thrift shops, Goodwill stores and Salvation Army outlets. Church bazaars and estate sales can also sometimes provide you with almost "complete" libraries.

You might place a small ad in your newspaper announcing hat you're looking for good used books to buy. Generally, you evaluate a book according to the price you think you can get for it in your store. Then you subtract two thirds of that total, and offer that as your "buying" price. Always separate the books you feel certain you can sell from those you aren't sure about.

It's going to take awhile for you to become proficient as a book buyer, but with practice and some experience, you'll quickly develop the "intuition" you need to realize a profit on every book you buy. Always flip through the pages of each individual book, and be sure of its condition before you quote a price. In many instances you'll also find that out of a box of 25 books, you're only interested in buying 10... The seller will generally be wanting to get rid of his books, now... And for a couple of dollars more than your "bid price" on the 10 books you want, he'll let you have all 25 of them... This is like a wind fall to you because you can always use the "unwanted" books as leader items or extras to generate traffic during two-for-one sales; all books on a certain table for just a nickel each; or your choice of free books for everyone coming in to browse on certain days...

You should carry hardcover as well as paperback books. Pay no more than 25% of the new price for a mint condition used hardcover book, and buy only those you are certain can be sold in your store. Pay no more than 10% of the new price for a mint condition used paperback, and steer clear of the hard-core sexually oriented books.

Visit the libraries and book stores in your area. Observe what the people are interested in reading, and what they're checking out or buying. Stock your store with these kinds of books.

Below is a listing of the kinds or types of books you should consider stocking in your used book store:

BUSINESS BOOKS: These should include books on leadership, career advancement, time management and people management.

HOW-TO BOOKS: These should include all the self-help and self-improvement manuals you can find - mail order, auto repair, carpentry, metalwork, home building, gardening, and business start-up.

COOK BOOKS: You'll probably be surprised at how many people buy books relating

to the culinary arts. A well stocked cookbook section will mean definite profits for you. Forget about books on dieting, home economics, and etiquette - these just don't do well in used book stores.

SPECIAL INTEREST BOOKS: Watch and listen to the people of your area. Be on the lookout for people into World War history, aviation, sports perfection, movies and just plain old book collectors...

PAPERBACKS: Women's romance, science fiction, mysteries and historical novels are all good movers - currently enjoying an upsurge in popularity and sales. These will be the "best-movers" in your inventory, so develop good sources of supply, and price them for fast sales.

Building and maintaining your inventory, while continuing to rapidly turn that inventory over, can be handled in a number of different ways. It's not a good idea for you to exchange two or three of your customer's books for one of yours. There's always a variance in price, plus you may not want the type of books your customer is offering to trade.

The most feasible plan seems to be to give the customer a "credit chit" for each book you buy from him. Simply have a supply of business cards promoting your store, printed at your quick print shop. On the back of the card, have them print something along these lines:

"The bearer of this card is entitled to _____ cents credit on 50% of the listed purchase price of any book at Ye Olden Book Store. /s/ Your Signature."

Then when someone brings in a couple of books to sell, you pay him in credit chits, marking in the amount and signing your name on the card. An easier way might be to have your signature printed on the cards when you order them - you or a clerk would simply fill in the credit amount, and emboss the card with a notary-type embosser.

Usually, you allow 20 to 25 cents for mint condition paperbacks, and about one quarter of your selling price for hardbacks. Always make sure the customer understands that regardless of how many "credit chits" he has, the credit chits can only pay for half the purchase price. This of course, is to protect your cash-flow problems, and your income of "hard money."

Many used book stores add to their income potential by adding tape cassette lending libraries. These are real money makers with a kind of service that lends out "books on tape," and special learning programs where portions of the rental fee applies to the purchase of the original tape cassette.

A great many used book stores add to their income by running mail order book selling operations in addition to the retail business. This is a natural, either for a retail operator wanting to expand his market or a mail order operator wanting to increase his income.

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