



Building Connections

Vermont WoodNet is a coalition of woodworkers and wood product businesses whose primary mission is to strengthen business opportunities for small-scale Vermont wood product businesses that produce “Vermont Made” products and to foster a commitment to the sustainability of the forest resources.

July 2009

Volume 9, Number 1

Vermont WoodNet receives a grant

On June 25, 2009, VT Woodnet received a grant from the USDA, Rural Business Enterprise Grant Program to do some extensive interview, survey and education in the North East Kingdom of VT. Over the next year we will interview as many woodworking and woodworking support businesses that we can find. We will solicit their education, business and technical needs. We will conduct at least two area meetings in the kingdom and set up at least four education opportunities as well. With the difficult and uncertain business climate, it will be good to have the opportunity for this concentrated effort in a very rural part of Vermont where the unemployment has been the highest in the state for quite some time.

WANTED

Stories and pictures about YOU for the next issue.

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FSC certification

FSC certification and a Vermont affordable group certificate is still alive and well. Vermont WoodNet has transferred it’s certificate to the WoodNet Market Council. This is a New England based, non profit, that has expanded the base for those seeking the FSC chain of custody. This is all in an attempt to keep the cost as low as possible and over time to hopefully even decrease the cost. The certificate manager is still Judy Balch, so nothing has changed. The only requirement for joining the group is that a Vermont business must also be a full business member of Vermont WoodNet. Any questions can be directed to Judy at jbalch@yahoo.com.

Membership Dues Reminder

It’s time to renew your WoodNet membership. There are 3 membership levels.

- Individual membership - \$35
- Small Business membership - \$60
- Business membership - \$110

Please mail your check made out to Vermont WoodNet to Vermont WoodNet, PO Box 4562, Burlington, VT 05406

Classified Section

Have you got items to sell or services others bight not know about? Send them to Barry at batcabins@aol.com and he will get them into the newsletter.

Save the date

Vermont WoodNet annual meeting at Shelburne Farms at 6pm on Friday, September 18th. Plan to come, help elect next years board, review the past year’s efforts and help plan next years. Bring a friend, no need to be a Vermont WoodNet member to attend. Refreshments served.

**Flame Birch Butler Table
with 2 side wings
JP Sinclair
Sinclair Millworks**

This is a project we just did with some beautiful flame birch. It's a mean wood to dry properly and is brutal with tear out on a regular planer but once it's made into a project and topcoated, it's absolutely stunning.



Studio Space Available

We have artist and crafter studio space available in our 15,000 square foot barn in Fairfax. We have space ranging from a bench in our resident member area, and closed spaces available in 14' x 14' blocks (singular or combined), to a portion, or all of the 5,000 sq. ft. third floor featuring open post and beam architecture and 14 feet ceiling heights to the first beam, and 30 feet to the top. If interested in locating your work in a community of artists, please contact Carina Driscoll at 802-849-2013 or e-mail carina@vermontwoodworking-school.com.

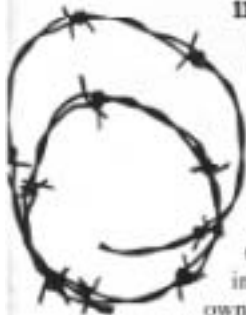
**Call for artists
Vermont Woodworking School
Gallery to Open**

The Vermont Woodworking School is opening a gallery in July of 2009 to display furniture created by our students, and members of the Guild of Vermont Furniture Makers, and Vermont artisans. We are looking for artists and craftspeople producing items of premium quality. Our juried gallery is located on the second floor of our historic late 1800's high-drive barn in Fairfax, VT. If interested, please contact Carina Driscoll or Sean Knight at Vermont Woodworking School by calling 802-849-2013 or e-mailing carina@vermontwood-workingschool.com.

by Stephen Bratkovich

Think and Act like a Guerrilla Marketer

• Are you a guerrilla? More specifically, • Do you market your products and services like a guerrilla? For example, • Do you aggressively follow up with your customers? • Seek out and use free advertising? • Carefully select your marketing methods and precisely target your audience? • Do you have a marketing plan that you're 100% committed to? • Do you think and act like a guerrilla marketer all the time? If so, congratulations! You're likely operating a profitable business. If not, or if you're wondering just what a guerrilla marketer is, then this article is what you need.



In 1983 Jay Conrad Levinson first published *Guerrilla Marketing*. Due to its popularity, in 2007 Levinson published the fourth edition of the book. Simply stated, *Guerrilla Marketing* presents marketing strategies for small business owners with a take-no-prisoners approach to finding clients. I personally know small wood products companies that have adopted many of Levinson's ideas to create successful (profitable!) businesses. After rereading *Guerrilla Marketing* recently, I was convinced Levinson's

marketing approach should be shared with readers of *Sawmill & Woodlot* magazine.

Guerrilla Marketing Defined

Levinson defines guerrilla marketing quite broadly—"...every bit of contact your company has with anyone in the outside world." That's a lot of marketing opportunities! And it doesn't have to cost you a lot of money.

Your business name, business cards, business location, website, voicemail message on your answering machine, customer follow-up and service, your attitude, your passion for your business,

etc., are all part of marketing. Levinson argues that every little thing you say or do (and of course the quality of the product or service you provide) affects people's perception of you and your business. Consequently, guerrilla marketing is not a one-time event but rather a process (and often a long-term process).

Also, guerrilla marketing is focused on action, and this gives the small business owner a distinct advantage over larger corporations. A guerrilla can turn on a dime, make a decision, and implement a program immediately without wading through layers of corporate managers and red tape.

Thinking like a Guerrilla

In *Guerrilla Marketing*, Levinson outlines 20 differences between guerrilla marketing and what he calls "the old-fashioned brand of marketing." Here's a shortened list (seven) to get you thinking like a guerrilla.

- Guerrilla marketing is based on investing time, energy, imagination, and information, and NOT necessarily on investing money. As an example, the next time you ship a load of lumber, deliver a cord of wood, or install a hardwood floor or set of cabinets, why not send along a thank you note signed by your workers? This small act of customer appreciation costs essentially nothing. But your customers will probably mention this to their friends and neighbors, ultimately generating new customers for you.

- Guerrilla marketing focuses on profits. Visitors to your business, hits on your website, or responses (or even sales!) to an offer are traditional ways to measure marketing effectiveness. Profits, however, are the only numbers that tell you the truth. If a marketing effort doesn't make you money, then it's probably not guerrilla marketing.

- Guerrilla marketing preaches fervent follow-up. Marketing does not end once the sale is made. Your current customers should be groomed to be tomorrow's customers. Many enterprises survive on repeat business, so to ignore loyal customers is un-guerrilla-like. Levinson states, "When your customers cease to hear from you or about you, they tend to forget you."

Here's a personal example that fits this guerrilla technique. Seventeen years ago I purchased a home. For the past 17 years the real estate agent that sold me my home has faithfully sent me Christmas and birthday cards including personal notes ("How are the kids?" "Are you enjoying the summer?" etc). I haven't even seen him in over 10 years. But, if I were to sell my home today, this real estate agent—a true guerrilla—would have my business.

- Guerrilla marketing seeks businesses to cooperate with in joint marketing efforts. Whereas traditional marketing often seeks to obliterate the competition,

Guerrillas Are Ingenious

Guerrillas are always looking for ways to save money. Consider the simple act of bartering. Your local radio station or newspaper might not want what you are selling—hardwood lumber for example—but they do want something. A guerrilla finds out what that something is—and arranges a barter transaction. For example, a sawmill wants to buy some radio time but can't afford the cost. However, the radio station does want a new, fancy hardwood reception desk. The guerrilla sawmiller finds a cabinet maker that wants lumber. The sawmill trades lumber with the cabinet maker in return for building the reception desk. The radio station provides free airtime to the sawmill in return for the reception desk. A three-way barter!

a guerrilla approach looks for relationships that benefit all parties. A good example, says Levinson, is cooperative advertising. Many large advertisers (manufacturers) pay cash fees to small businesses that mention their name or show their logo in their ads. For example, if you produce custom bed frames, a large mattress company might pay you to mention their product in your ad. According to Levinson, "A smart entrepreneur, interested in saving marketing money, will include the names of several co-op-oriented companies, thereby saving a large percentage of the ad cost—frequently more than 50%."

- Guerrilla marketing is always intentional. As noted above, guerrilla marketing includes everything. It pays close attention to the small details that often are ignored by many businesses—from how you answer your phone, the neatness and organization (or lack thereof) in your office, to the personal appearance and attire worn by your employees.

A guerrilla friend of mine (and the person that introduced me to *Guerrilla Marketing*) has a small home-based wood business. He regularly sells his specialty wood items from a booth at woodworking shows. He always wears a bright orange shirt at these shows. He stands out from the crowd and is easy to locate—"go see the guy in the orange shirt" is a refrain that leads customers to his booth.

- Guerrilla marketing is a dialogue. A guerrilla marketer engages the customer in the marketing effort (and this is one of the big benefits of the Internet). Relationships grow from dialogue so, Levinson argues, you've got to invite dialogue. How do you do this? You ask people to register for something, sign up for your newsletter, send for a free gift, enter a

contest, vote in an online poll, call a phone number, visit your store for a free demonstration, write for more information, or whatever. Bottom line, you need to motivate your audience by specifically asking them to do something. And, most importantly, you must respond to them. As a small business you can often do this quicker than a large corporation.

•Guerrilla marketing identifies a countless list of marketing weapons. Traditional marketing uses the standard marketing methods, including TV, radio, newspapers, magazines, direct mail, and the Internet. A guerrilla can use these same methods but also recognizes, and exploits, the dozens (hundreds?) of marketing weapons at his/her disposal. Canvassing (door-to-door contacts), classified ads, brochures, telephone marketing, tiny signs on bulletin boards, yellow pages, and advertising specialties such as T-shirts, pens, calendars, mouse pads, ball caps, and more can be used effectively by guerrillas.

The key to the above seven approaches, and the 13 others outlined in *Guerrilla Marketing*, is that a plan must be in place or your marketing effort will be haphazard and likely unsuccessful.

Guerrilla Marketing Plan Is Key

Levinson makes it perfectly clear in his book that all your great ideas about becoming a guerrilla marketer will not be sufficient unless you (1) start with a plan, and (2) commit to that plan.

The Plan

Something I've personally preached for many years to small wood product manufacturers is the importance of having a written plan. Levinson contends that a good marketing plan (he calls it a marketing strategy) can be written in seven sentences! Of course, seven sentences won't include all the nuts and bolts of a plan or strategy (you'll need supporting documents) but it will focus your actions on the key elements. The seven sentences include:

- Purpose of the marketing—the physical action you want your prospect to take, such as visiting a website, visiting your mill, clipping a coupon, calling a toll-free number, etc.
- How you'll achieve this purpose—your competitive advantage and benefits.
- Your target market—or markets.
- The marketing weapons you'll use—magazine ads, direct mail, sales calls to lumber buyers, etc.
- Your niche and your position and what you stand for.
- The identity of your business—for example, superior product, expertise, quick customer follow-up, etc.
- Your budget—this should be expressed as a percentage of your projected gross revenues (the U. S. average, according to Levinson, is 4% of gross revenues invested in marketing).

So you already have a marketing plan or strategy? That's great! A good exercise is to rewrite your plan in seven simple sentences following the above outline. You might find that you're missing one or two key elements. If you don't have a written plan, it's time to become a guerrilla and get in the ballgame!

The Commitment

Developing the marketing plan is actually the easy part. The commitment to follow through and not give up is where it gets hard. Levinson says, "Consider your marketing investment mandatory and automatic, like rent or paying the mortgage. A marketing plan is necessary—in fact, crucial—for a company or an entrepreneur."

For example, if you develop a well-thought-out 12-month marketing strategy, resist the temptation to quit after three months if profits remain flat. Too often people get discouraged before the real impact of the marketing strategy has time to kick in. Consider the situation where magazine advertisements are planned to entice prospective customers to visit your website (and ultimately to take some action like making a store visit or placing an order). In this case, the magazine ads and the website are developed to work in tandem—canceling the ads to save some money negatively impacts the website traffic as well. The result is a significantly diminished marketing effort.

Short but Concise Marketing Plan

Guerrilla marketers can state their marketing plan (strategy) in seven sentences. Here's a fictitious example, adapted from *Guerrilla Marketing* (with the sentences numbered to correspond to the outline in the main text).

1. The purpose of Wood-Is-Good Publications is to motivate people to order the book titled *Good Wood Tools* either online or by mail so as to sell the maximum number of books at the lowest possible selling cost per book.
2. This will be done by positioning the books as being so valuable to woodworkers that they are guaranteed to be worth more to the reader than their selling price.
3. The target market will be people who are or plan to be engaged in woodworking activities.
4. The market tools we plan to use include advertisements in woodworking magazines; demos at seminars; direct sales calls to bookstores and woodworking stores; weekly postings on online bulletin boards oriented to woodworkers; and a website linked to many others that serve woodworkers.
5. The niche that Wood-Is-Good Publications occupies is a business that provides valuable information for woodworkers.
6. Our identity will be one of expertise, readability, and quick response to customer requests.
7. Ten percent of sales will be allocated to marketing.

Scratching the Surface

This article just scratched the surface on highlights from Jay Conrad Levinson's book *Guerrilla Marketing*. If your interest has been sparked, I suggest you pick up a copy at your local library and read it from cover to cover (and I receive zero in commissions if you decide to buy a copy!).

Finally, recognize that guerrilla marketing is about attitudes and attributes that are mandatory in the current business environment. Levinson argues that the key to prospering with guerrilla marketing is the art of paying attention. He says, "You've got to be constantly tuned to the media, the competition, the customers, the current events, the whole scene. If you're not paying close attention, you'll nibble on your popcorn at the movie while the on-screen hero reaches for a box of your competitor's snack treat." ■

Stephen Bratkovich is a forest products consultant in St. Paul, Minnesota. He also serves as Project Manager, Recycling and Reuse, for Dovetail Partners, a nonprofit organization that provides authoritative information about the impacts and trade-offs of environmental decisions, including consumption choices, land use, and policy alternatives.

Four Relatively New Markets

A successful marketing plan identifies all potential target markets. In *Guerrilla Marketing*, Jay Conrad Levinson comments on four relatively new markets that should be explored by all businesses. These are:

OLDER PEOPLE – Levinson states, "Do you know which magazine has the largest circulation in the United States? It used to be *Reader's Digest*; then it was *TV Guide*; now it's *AARP*." When communicating with older people, use the term *older* not *elderly* or *senior citizen*. And don't say "55 and older" but rather "55 and better."

WOMEN – Women own over 10 million firms, about half of all privately held small businesses. Women employ more than 19 million people and generate \$2.5 trillion (yes, trillion!) in annual sales. Women also are the decision makers in many expensive purchases, including furniture, houses, and cars.

ETHNIC GROUPS – Guerrillas should be aware of the buying powers of various ethnic groups in the U.S. For example, Hispanics and Asians have a combined purchasing power of \$216 billion. The combined buying power of African Americans, Asian Americans, and Native Americans is roughly \$1.5 trillion.

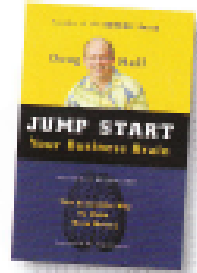
SMALL BUSINESS – Small business, especially home-based, is an astonishingly fast-growing market. According to Levinson, more than 40 million Americans work from home. Do you manufacture a product that might be useful to this market segment? (Think custom-made office furniture, flooring, paneling, file cabinets, bookcases, computer tables and work stations, and so on!)

Five Ways To Increase Profit Margins

IF YOUR PROFIT MARGINS AREN'T RISING, CHANCES ARE YOUR COMPANY ISN'T THRIVING. HERE ARE FIVE SOLUTIONS TO THE PROBLEM.

By Doug Hall, author of *Jumpstart Your Business Brain* and founder and CEO of the Eureka! Ranch.

Is your profit margin higher than it was five years ago? I believe that your profit margin trend is the single most powerful indicator of your company's health. As margins decline, companies cut their sales and marketing efforts. Manufacturers postpone plant upgrades and delay research and development. And it becomes a lot less fun to own a business. Obviously, something needs to be done. Here are five bold solutions to help increase your profit margin.



1. Fire Your Customers.

Getting rid of the 20 percent of your customers who provide the lowest profitability frees up capacity and resources to do work that is more profitable.

2. Go For Mailbox Money.

"Mailbox money" is what I call checks that show up even though you're not doing any extra work. To get mailbox money, license your intellectual property to another company. I know a small automotive parts maker in the Midwest who licensed out his unique manufacturing technology to two companies, one in Europe and one in the United States. Royalties from those deals have kept him in business even though orders from U.S. customers have declined.

3. Set Yourself Apart.

Focus your energy on products that are meaningfully unique. A business owner I met in the Southwest used to manufacture more than a thousand different types of ceramic tiles and accessories. He voluntarily discontinued about 80 percent of his products, focusing his sales and development efforts on products that gave him a competitive edge. The result has been a rebirth of the company. He has doubled his profit margin and increased sales.

4. Export.

Look for opportunities beyond our borders. The decline in the value of the U.S. dollar has opened up tremendous opportunities for more profitable sales growth abroad. Take advantage of the freedom the North American Free Trade Agreement provides. Use your network of suppliers to find international opportunities. Visit industry trade shows in other countries to seek potential distribution partners.

5. Love Your Product Again.

Reinvent your products and industry. Unique products command higher prices and greater profits. This requires that the leader of the company—you—become genuinely passionate about discovering and developing new ideas, innovations, and inventions for customers.

I'm continually amazed at the passion and energy that some entrepreneurs have reinventing their businesses. In the Northeast I met Lucky Lee, co-owner of Lucky's Tomatoes, whose life mission is to grow and deliver better-tasting tomatoes to New York City restaurants. In Arkansas I met Bonnie Swayze of Alliance Rubber Co. Her family's mission—for 85 years—has been to find new uses for rubber bands. In the Northwest I met John Crow, the owner of Lloyd Industries, which makes bakeware and pizza pans. He captivated a dinner party I attended with his passionate explanation of how the pan improves pizza quality. It wasn't the business that was captivating—it was his enthusiasm. Could you do the same talking about your business? ■

Save the dates

Friday, July 31st

VWMA Quarterly Meeting and VMEC Workshop

Manchester, VT

The VWMA will hold their summer quarterly meeting in Manchester with **tours of the Epoch, a new co-operative gallery** with 18 Vermont artisans in Manchester Center, and **Bob Gasperetti~ Furniture Maker's workshop and showroom** in Mt. Tabor. Representatives from the Epoch and the Manchester Chamber of Commerce will speak with the group thereafter at the local VFW. Lunch will be provided with registration. Visit <http://www.vermontwood.com/documents/Summer09Registration.pdf> for more information and to register.

Immediately following the meeting we will hold a **VMEC Eureka! Profit 101 workshop** for woodworkers at the VFW. This workshop is following the presentation given by Lisa of VMEC back in April. You did not need to present at that meeting in order to register for this workshop. You must register for the meeting and/or the workshop separately. You do not need to attend both. **The workshop is open to the first twenty participants** and there is assistance with the usual \$295 workshop fee. It will only be \$50 for VWMA members and \$125 for non members. Don't miss out on this informational workshop for your business.

Visit <http://www.vermontwood.com/documents/VMECregistration.pdf> for more information and to register. Lisa's profitable growth presentation is available for viewing here: <http://www.vermontwood.com/documents/PPTVMEC.pdf>

26th Annual New England Products Trade Show

March 13, 14, 15, 2010

Portland, Maine

www.nepts.com for more info.

This business-to-business wholesale trade show is an annual event featuring a juried selection of giftware, home furnishings and specialty food from Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut.

GREENING UP YOUR BOTTOM LINE

A Conference FOR and BY Vermont Businesses

October 21, 2009

Stowe Mountain Lodge

<http://www.vtsbdc.org/green.cfm> for more info.

Did You Know

Are you on the [Essential Buyers Guide website](#)? Content management is now available for businesses to update their data, photos, & product individually. All you need is a login and password and you are ready to add in ten products and your business information for consumers to browse through. 75,730 pages on the Essential Buyers Guide have been viewed by consumers in the past 12 months.

Are you listed on the **Vermont Forest Heritage Trail website**? Using publications and a website to guide guests, the Trail welcomes folks to visit showrooms and woodworking studios, tour factories and sawmills, or walk through working forests.<http://www.vermontforestheritage.org/>

Download the form here: <http://www.vermontwood.com/documents/checklist2.doc>

Are you in the **Vermont Wood Resource Manual: The Cornerstone Project**? This manual connects Architects, Designers and Purchasers with Vermont Producers and Craftspeople. Email info@vermontwood.com or call the VWMA office to request a form for your business to be added to the online version of the manual.

Classified Section

Sale and Services

Baynham Wood Products
P.O. Box 761
8 McDonalds Farm Road
Shelburne, VT 05482
802-985-9311

For Sale

DeWalt 12 inch Radial Arm saw
Ggood condition, 110 volt
Asking \$300.00.

Services

Baynham Wood Products - Shop Services
Wide Belt Sanding - panels, frames and tops
Automatic Edge Banding panel parts
Sheet Goods Processing
CNC Parts Cutting
CNC Cabinet Cutting

Vermont WoodNet Board Members

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