

10 Ways to Dramatically Increase Your...

BOTTOM LINE

NAMM[®] | U



Grow Your Business

Presented by...

Bob Popyk & Alan Friedman



So, why the
two of us
guys?



- Friedman has 40+ years experience providing accounting, tax, business valuation & consulting to the music retailing industry
- Speaks at NAMM, RPMDA, NASMD and other industry events
- Premier writer for over 20 years for “Music. Inc. Magazine”
- Plays guitar in the all-CPA rock band “The Accounting Crows”



- Popyk has 50+ years experience providing sales, marketing, advertising & event consulting to the music retailing industry
- Speaks at NAMM, RPMDA, NASMD and other industry events
- Premier writer for over 30 years for “Music Trades Magazine”
- Plays accordion for any senior citizen bored enough to listen

Why the two of us guys?



What do we mean by the term the “bottom line”?

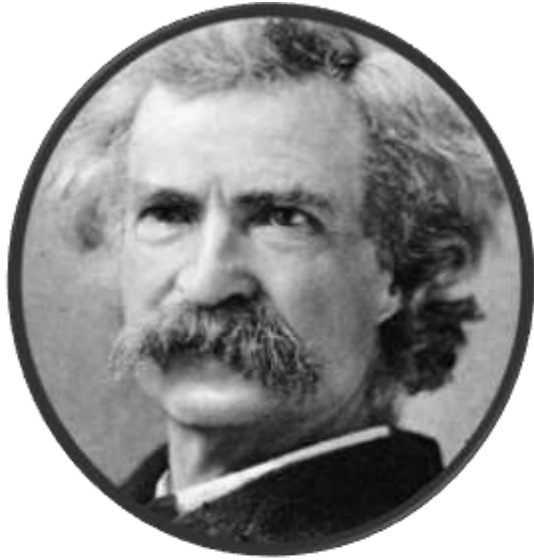


All Revenues

- Less: cost of good sold
 - Less: operating expenses
 - Less: reasonable comp
- = **net profit** (a.k.a. bottom line)



Here's **“10 kick-ass ways”** to
increase your store's profitability



Mark Twain

“October. This is one of the dangerous months to speculate in stocks. The others are July, January, September, April, November, May, March, June, December, August and February.”



1. Sit Down With Your Staff

(who do you know?)





2. Buy Smart





- *Can I **sell** this product?*
- *Will I make a **profit**?*
- *How **quickly** can I **sell** it?*
- *How **quickly** do I have to **pay** for it?*

Everything else is truly secondary,
or doesn't even matter at all...!!



3. Reach out & Touch Someone





4. Manage Your Inventory



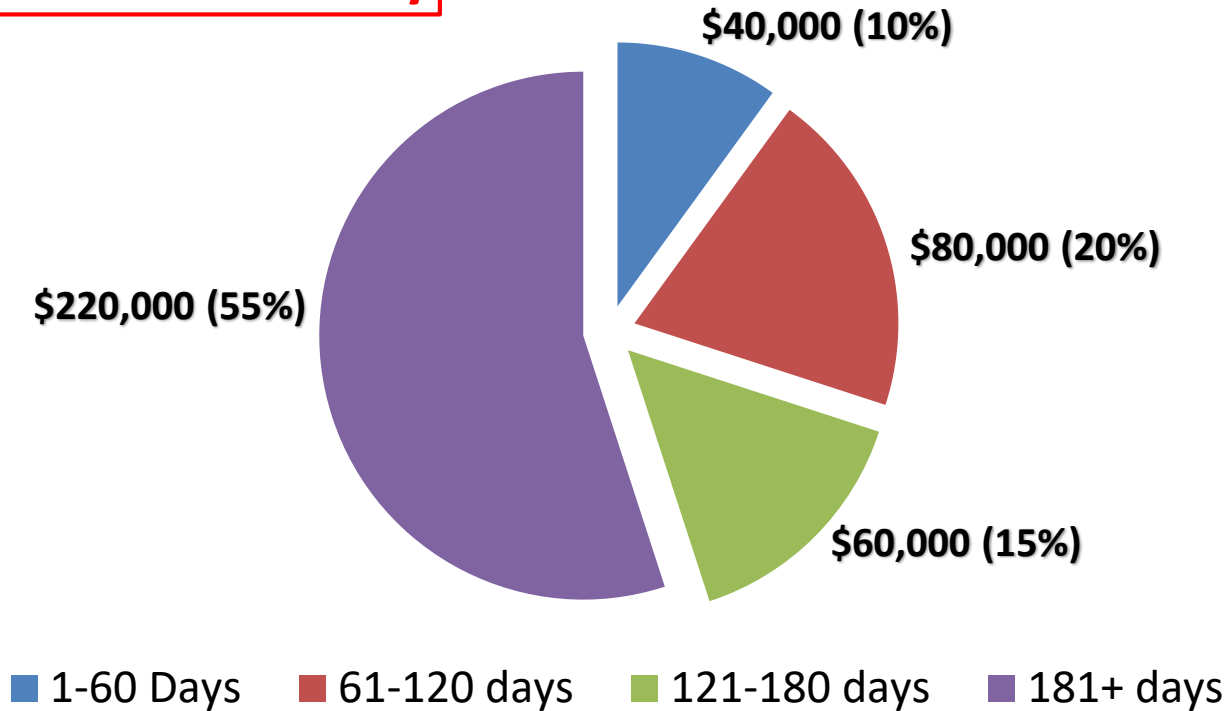


- *Look at **margins***
- *Look at **turns***
- *Look at inventory on-hand **dollars***

Within that inventory management data lies
the “opportunity cost” won or lost

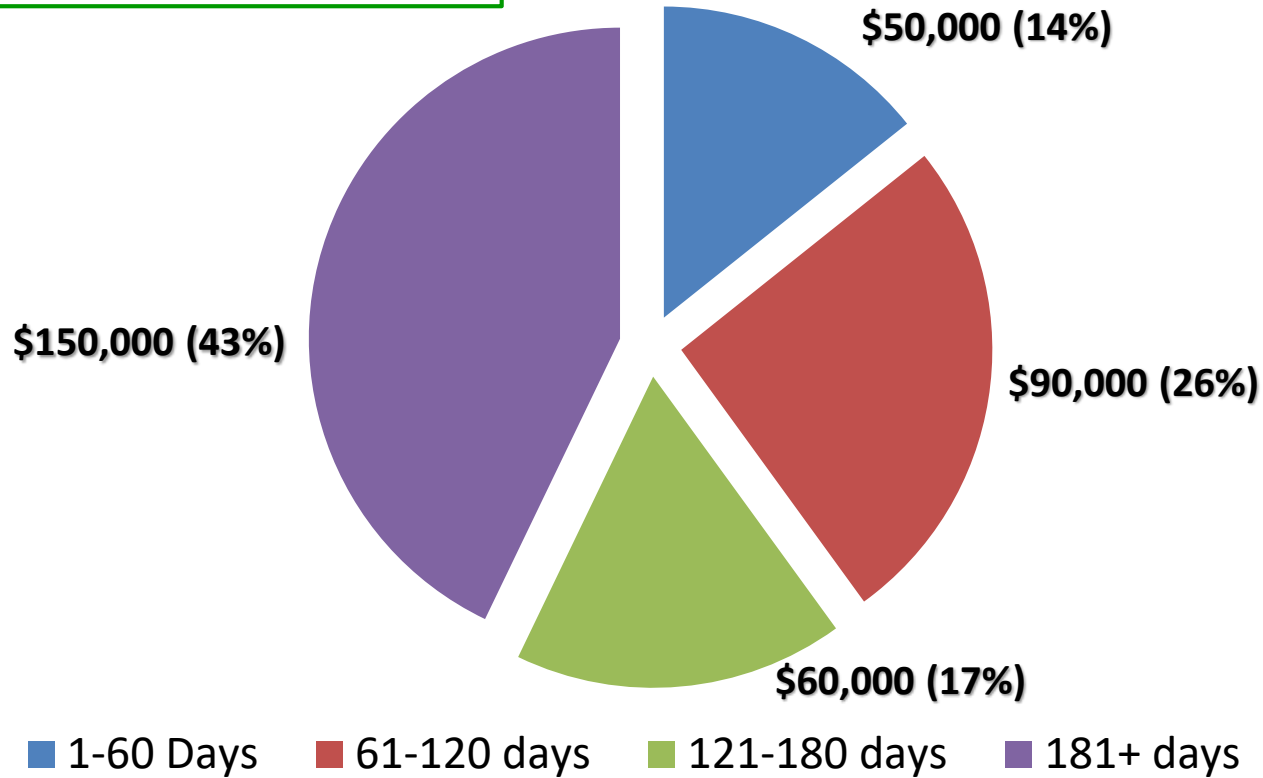


\$400,000 of Inventory





\$350,000 of Inventory



\$400,000





5. Preferred Customer Night



6. Blow Out Old Stuff





“What’s the big deal if my inventory has been sitting around for a while?”

Consider the costs...

- \$ Purchase & shipping
- \$ Merchandising & retail ready
- \$ Rent for retail space & warehousing
- \$ Data tracking & pricing
- \$ Physical inventory taking & security
- \$ Financing & floor planning
- \$ Property tax
- \$ Shrinkage, pilfering & breakage
- \$ Labor costs to do many of the above

The analysts say... “Any item that’s been sitting around for one year has now cost you 30% more.”

$$\text{\$1,000} + 30\% = \text{\$1,300}$$



7. Develop an Attitude of Gratitude



8. Manage debt to get out of debt



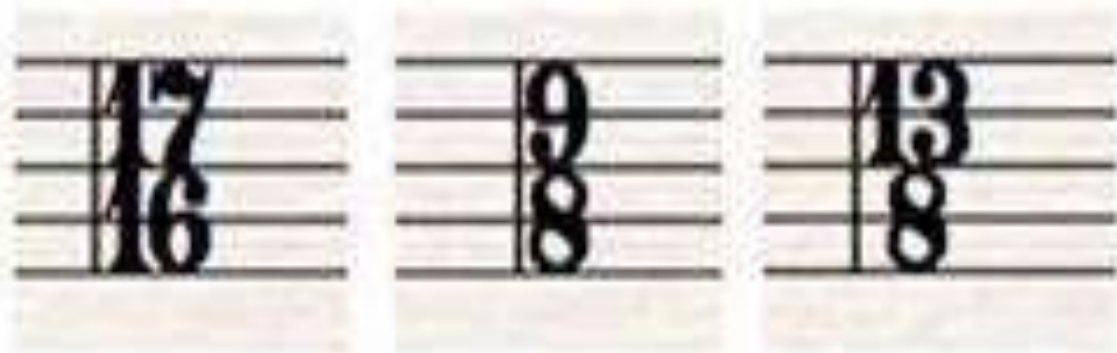


9. Crank Up Your Closing Skills (...and your staff too)





**10. During tough times, be tough;
remember...everything is negotiable**



these are difficult times



Any Questions for Bob & Alan?



Bob & Alan say...

“Rock On...and have a great show!!”