

My Quest to Turn Smart Craft into a Sustainable Business

By danlandrum Posted 01/21/2014 @ 6:00 am Category Craft, Art & Design, Crowdfunding, Maker Pro, Makers, Tools 12 Comments



Dan Landrum of Apple Eye Design, makes laser cut corrugated cardboard products

I launched my [Indiegogo](#) campaign on Jan. 19 to help finance my growth as an independent artist. My modest crowdfunding goal is \$1,000. My stretch goal is \$120k, which would put me on a solid footing. This will be the seventh marketing strategy I've pursued, in a year-long attempt to turn my "high-tech, hand-made" craft into a sustainable business. Some approaches have worked. Others, not so much. But I've learned a lot along the way, and I'd like to share my experience with other makers.

But first some background....

The initial question was: could I learn to use the smart tools of the emerging maker movement to make a business doing what I love to do? Since I've been an artist my whole life, my passion has always been the creative process and making beautiful things. Back in 1999 I took a year off work to create a series of non-objective paintings to see if I could make a living selling my art. It didn't happen. The local market wasn't

robust enough for this niche, and I would have had to move to New York or Europe to find an outlet into the traditional art world. Instead, I took the digital route and became a graphic and web designer. But with the advent of the communications and global networking revolution, whole new marketing platforms had opened up, and I felt like I had a second chance at fulfilling my calling to create innovative art forms.

In the spring of 2012 I read Peter Diamandis' *Abundance: The Future is Better Than You Think*. He talked about creating a manufacturing niche using smart tools to support DIY innovators in making small, customizable product runs. Around the same time I went to the first open house for [MakerPlace](#) in San Diego, a DIYer's dream shop with every tool a craftsman could want. I was particularly drawn to the CNC laser-cutting machine. I wondered if I could utilize the laser cutter to leverage my craft skills into a livelihood. Two months later I gave up my day job as a Computer Resource Specialist at UC San Diego and took the leap.

I became a member at MakerPlace. When I saw someone using the laser to cut out cardboard templates, I was fascinated by the texture and pattern of the crisp edges of the cut rounded flutes. I immediately wanted to explore the possibilities of layering the cardboard to see what effects I could get and what products I could make. The software of Adobe's *Creative Suite* I had been using for the past decade made it easy to design for the laser machine. And the creative processes needed to go from concept, to 2D design, to forming 3D objects, dovetailed nicely with the skills I had acquired through my artistic background. By December I had developed enough prototypes to take my new line of eco-friendly, laser cut corrugated cardboard lamps and decor accessories, which I called *The Rounded Flute Collection*, to market.



Products from the Rounded Flute Collection

The question then became: how would I market my products to make a viable business?

Marketing Strategy #1: Traditional In-store Cold Calls

- The first place I went to was a mom and pop lighting store. The owner was extremely enthusiastic, saying he hadn't seen anything like these pendant lamps and that they should sell well. But then he insisted I sign his Minimum Advertised Price (MAP) policy, stating that no one else could sell my products below his set price. He said that should he invest \$50k in my products, he didn't want others to be able to undersell him. Although I was encouraged by his enthusiasm for my designs, I wasn't sure such contracts are even legal, and it didn't feel right to me.
- At the second stop, Lamps Plus, a corporate lighting franchise, the salespeople were equally as enthusiastic about my pendant lamps, but they didn't make the buying decisions. They said I'd need to deal directly with their national corporate office and meet their exacting criteria to become a supplier, which felt daunting. I could imagine ramping up to meet the challenge, but wasn't sure I wanted to base my start-up on the feast or famine track of having to fill huge orders that might come only once a year. Again, I decided this wasn't for me.
- Heartened by the reception I'd received thus far, it was clear there was a market for my products. Though I hadn't thought of it before, as I was heading to La Jolla and the next lighting store on my list, I realized I was close to the prominent Canyon Creek interior design center. I arrived unannounced, and the owner of MPLA, a prestigious interior design gallery, gave me a generous amount of her time, asking informed and insightful questions about me and my work. Being a fine artist herself, she immediately understood the innovative uniqueness and timely blend of eco-friendly materials, high tech design processes and traditional hand-made craftsmanship. Unlike the impersonal 'money talk' discussions at the two previous lighting stores, our discussion centered on the qualities of the work itself. She asked to consign a cluster of five lamps and several larger décor accessories that she would feature near the entrance of her gallery. It was obvious she had an affinity for the products, and that it wasn't merely about the money, but about the relationship with the maker and the joy of presenting these new works to her clientele. This was the target market I wanted to pursue.



Cluster of five lamps at the MPLA gallery in San Diego, CA

Marketing Strategy #2: Internet Cold Calls Using Email Blasts

- Since I'd had such a warm reception at the interior design gallery, I decided to target interior designers nationwide. I harvested nearly 4,000 email addresses from individual chapters of the American Society of Interior Designers (ASID). Over the next several months I sent out three separate email blasts, which included photos of my work and a link to my website. I sold one pendant lamp to an L.A. designer, *The Susan Fredman Group* consigned 12 pendant lamps for their Union Pier store in Michigan, and [Laura Birnes](#), a local Green interior design pioneer who was opening her first online store, included my products. Two designers loved my work, saying they were opening stores soon and would get back to me. Many more designers wrote comments such as, "gorgeous" and "elegant" and would let me know when they had a matching project. I'm still waiting. In my first attempt to reach a national audience sales have been slower than I had hoped, however it has been great to have the validation of this specialty market.

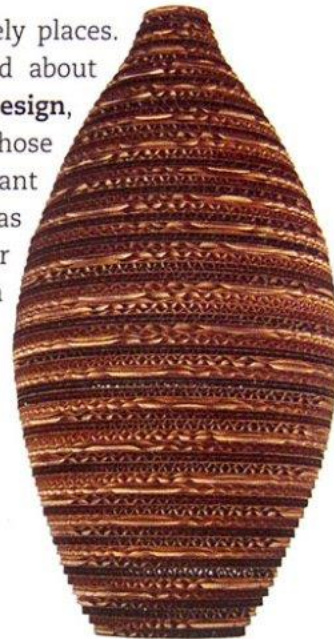
Marketing Strategy #3: Old School Word of Mouth Local Networking

- In January 2013, my wife told her esthetician, Lisa Getz, about my new *Rounded Flute Collection*. Being an avid networker, Lisa immediately spread the word to one of her clients, the senior editor of the *San Diego Home & Garden Magazine*, Phyllis Van Doren, who writes a monthly "Design Riffs" column. Because Phyllis saw that I was represented by the interior design gallery MPLA on my [Apple Eye Design](#) website, she gave me a mention with two photos in the March 2013 edition of the magazine.

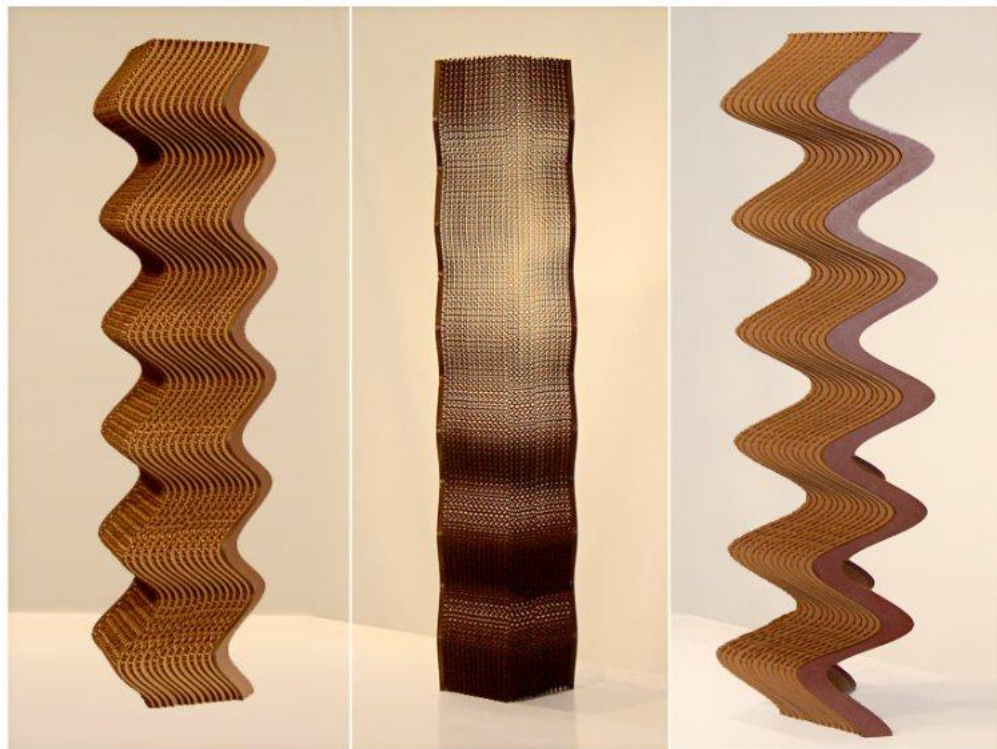
SAN DIEGO
HOME/GARDEN
LIFESTYLES
FRONT DOOR

DESIGN RIFFS | BY PHYLLIS VAN DOREN

Design news reaches me in unlikely places. While having a manicure, I heard about Dan Landrum and his **Apple Eye Design**, a local company that makes those appealing laser-cut cardboard pendant lamps in many shapes. Landrum has added vases and bottles (no water allowed) to the offerings. They can be found at **MPLA Associates**.



- A few months later a retired social worker, Annette Lau, the only person to respond to the magazine article, ordered a piece on my new online Etsy shop. Since she lived nearby, she came over to pick it up. We talked for two hours and by the time she left she was a fan of my work. Annette is a people person, another natural, real-world networker. She appreciates art and artists. In short order she brought several of her friends over to the small studio space in my home for what she described as an “art field trip.” Collectively they bought about a dozen pieces.
- Annette also introduced my work to Thomas and Charles, her next-door neighbors in her second home in Palm Springs. They own a thriving eclectic and vintage furnishing store called *Hedge*. Annette said they loved the qualities of the décor accessories, but would like to see them as sculptural art. This opened a whole new, expansive, creative space to explore. The artist in me was thrilled! I immediately made two proof-of-concept pieces and drove them out to Palm Springs. Near the end of a delightful two-hour meeting with Thomas, one of his customers came in, saw the Zigzag Totem prototype, which had yet to be priced, and wanted to buy it on the spot. Thomas generously allowed me to sell the piece directly to his customer, saying, “It’s not about the money, it’s about building relationships.” For me, the fostering of these rich, rewarding connections is the essence of word of mouth networking.



Zig Zag Totem - 7”w x 7”d x 32”h

The Zig Zag Totem sculpture made from laser cut cardboard.

Marketing Strategy #4: Conventional Sales Rep

- In April 2013 I put an ad on Craigslist for a sales rep who would be willing to work on 100% commission basis. I wanted someone who saw the promise of my products and had the skills to

make connections in the lighting, and home/office décor regional market. Curtis was the most promising of the three people who responded to my ad. In our initial meeting we made a verbal agreement that he would knock on doors and introduce *The Rounded Flute Collection* to a variety of local retail stores, restaurants, building contractors, and design centers in San Diego County. Two days later, as I was drawing up a formal contract, Curtis emailed saying he had a full-time job prospect and would not have the time to show samples of my work. But he thought my products would sell well on Ebay, and said he was willing to work weekends developing that sales channel. I had already thought about promoting my products online, and was open to starting my own online shop, but Ebay wasn't the right fit. With its focus on hand-made crafts, Etsy felt more promising and easy for me to do myself. I declined Curtis' offer and immediately started looking into creating an Etsy store.

Marketing Strategy #5: Online E-commerce Networking – Etsy.com

- As the name Apple Eye Design was taken, I opened [Rustic Lux Modern](#), my first Etsy shop, in May of 2013. One of the leading networking e-commerce platforms in its field, Etsy has given me global reach, an easy, trustworthy way to handle transactions, and a clear path for people to find my work. They automatically enrolled me in Google Product Listing Ads for free, and it's proven worth it for me to pay extra for their internal Search Ads. Features such as “favorites” and “teams” have allowed me to connect with other crafters for mutual marketing support.



The Turbine 527 pendant lamp is popular in my Etsy shop.

- The first week I joined Etsy, *Coffee Labs Roasters* in Tarrytown, NY, bought 4 of my pendant lamps for their storefront. I've continued to have a steady stream of trend-setting buyers who purchase, on average, a dozen lamps and accessories per month for their homes and businesses. To date, this has been my best retail marketing result, however my business is still not at a sustainable level of profitability.

- By early June I was accepted into Etsy Wholesale, a private, juried marketplace where buyers can discover unique, hard-to-find products from artists and designers. Though Etsy Wholesale is only in beta, the specialty buyers I had previously been soliciting are now coming to me.
- In August my first wholesale account, [*Modern Artifacts*](#) in Richmond, VA, sold out their initial order of 5 décor baskets and vases within a week and have been reordering regularly since. [*Artemesia*](#) in Chicago bought 5 pendant lamps in October. [*Amy Dutton*](#) of Kittery, Maine, contacted me after she had just renovated an 1860's house into a commercial interior design gallery to represent "how to set up a home." She consigned 4 pendant lamps and 3 décor baskets and vases. At her opening she sold a vase, then ordered a second one that sold within the week, and subsequently ordered 4 more. In November, Desiree Kellers, the buyer and store manager of [*The Museum of Contemporary Art Cleveland*](#), bought 16 decor items in her first order.
- Overall I've found Etsy to be a very warm and inviting community. The Etsy admin staff, many of whom are crafters themselves, are extremely caring and responsive to any questions I have. Along with a "Break New Ground" holiday package, I recently received a handwritten card from Vanessa and Sonia thanking me for being a part of Etsy Wholesale, for my feedback and help with their beta, and wishing me tons of success.

Marketing Strategy #6: Local Fairs and Street Markets

- As a way to showcase my products directly, I considered the cost/benefit of participating in various fairs and street markets, including the *Gift and Home Market* at LA Mart, the *Rose Bowl Flea Market* in Pasadena, and the *Encinitas Seaside Bazaar*. Finding me on Etsy, the committee chair at the San Diego Ballet Guild invited me to be a vendor in their first annual *Nutcracker Market* at Liberty Station. But after doing my due diligence, the numbers didn't add up, and for the time being these types of events are not an option.
- However, in early December MakerPlace held its annual end of the year Open House "*Meet and Greet*," inviting its members to exhibit at no cost, and to sell their wares. This event would allow me to get a feel for an audience of craft-interested people, many of whom are Makers themselves. To my surprise, while setting up 3 pendant lamps and a table full of baskets and vases, several of the people who had seen me cutting cardboard on the laser for the past year were stunned by the beauty and unique qualities of the finished products. And throughout the daylong event, many of the 200 people who streamed by my table on their tour of MakerPlace would again and again ask in astonishment, "Is this really cardboard?" Most thought it was finely tooled wood until they picked up a vase or a basket. Some asked copious technical questions. But when I told people that the *Museum Of Contemporary Art Cleveland* was one of my vendors, clearly they understood that this wasn't just laser cut cardboard, this was art.



My display at MakerPlace Open House

- Sales were good for this event. I made great connections, more than 50 people took business cards, and some said they would be contacting me after the holidays to buy a pendant lamp for over their dining room table.

Marketing Strategy #7: Crowdfunding

- MakerPlace has been a wonderful venue to incubate a small business, but to take it to the next level and make Apple Eye Design profitable, I need to get my own laser cutter and rent a larger design studio. In January 2014 I turned to the Kickstarter crowdfunding community to help finance my growth.



The goal of my crowdfunding campaign is to buy my own laser cutting machine.

- Greg Spence, whom I first met in the laser lab at MakerPlace, became my mentor in this effort. He recently ran a successful campaign of his own with his [Case for Humanity](#), which exceeded his funding goal by 3,465%. One of the strategies Greg used, and recommended, is to set my Kickstarter goal at \$1,000, because as soon as that goal is met I'd automatically be put into newsfeeds and categories that would give me greater exposure within Kickstarter. He also emphasized the importance of having a video, which would put me in a more prominent category. Greg had made the video for his own campaign and I hired him to be the videographer for my project. He had all the necessary equipment and charged an affordable hourly rate. Greg also turned out to be an excellent director and a big help with the script. And since I'm not a natural in front of a camera, he was the perfect person to put me at ease.
- A week after I applied, Kickstarter turned me down, saying: "Projects raising funds for general costs (e.g. equipment, office space) fall outside of our scope. Also, Kickstarter cannot be used as a sales channel for products that are available for sale elsewhere." I then switched to [Indiegogo](#) as my crowdfunding platform. Unlike Kickstarter, Indiegogo is not juried, so there is no question my campaign will be approved. And it doesn't have to be all or nothing with Indiegogo. They allow you to choose flexible, rather than fixed funding, so I get whatever funds are contributed. The caveat is, if I don't reach my \$1K goal I pay Indiegogo a higher percentage for their fee.

These are the stretch goals I have for my crowdfunding campaign:

- Raising \$40K allows me to continue to build the business in the current method by being a member of MakerPlace. Though the travel time is significant, I could rent time on Greg's laser machine for overflow orders.
- Raising \$80K allows me to buy my own laser-cutting machine and rent space for a shop. My business would then reach profitability.

- Raising \$120K or more allows me to buy my own laser machine, rent space for a shop, hire and train assistants, employ a marketing manager, and form a distinct niche in the marketplace. This would ensure a solid foundation from which to build a sustainable small business into the future.

The success of Greg's crowdfunding campaign enabled him to buy his own laser-cutting machine and set up shop in his two-car garage. He continues to expand his product line, and is receiving lots of new orders daily. I'm hoping to follow the trail Greg has blazed.



BY [danlandrum](#)

Artist, designer, maker ... I'm using a laser cutter to make lamps, decor accessories and art from corrugated cardboard.

- [Apple Eye Designs](#)