



## Online business creates challenges

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Richard Case has an entrepreneurial spirit and always dreamed of owning his own business. However, setting up a retail location with thousands of dollars in inventory was cost prohibitive. As he counseled with SCORE and spent hours thinking about the possibilities, Case found a good option. An online business would allow him to direct ship from suppliers and eliminate inventory costs. It sounded perfect.

Case formed Echo Bay LLC, a web store that featured everything nautical, from furniture to jewelry. With six suppliers and six different shipping rates, it wasn't long before he realized that the business wasn't working.

"I learned more of the don'ts than the dos," Case said. "It wasn't profitable to use so many suppliers, and with shipping costs, there wasn't enough of a markup to make a profit."

He looked closely at his business model. He used different web hosts and tried building his own site. He couldn't get a shopping cart on the site and found that supplier's sites were a disaster. Finally, he found a web host that allows him to create a Facebook store, directly input his product and add the store to Amazon and eBay.

The next challenge was refining the original concept and coming up with a product line that had the potential to make money. When Case looked at the numbers, he saw that coin jewelry was the only merchandise in his product line that turned a profit. A single line also allowed him to use one supplier and have lower shipping rates. Hence, Green Bay Coin Jewelry ([www.greenbaycoinjewelry.com](http://www.greenbaycoinjewelry.com)) was born.

Case, who has continued to work at his full-time job throughout the start-up, also decided to go to E-Hub's entrepreneurial class.

"I was learning the intranet, but didn't know all of the business aspects. It blew me away how much I learned. I learned about insurance, making sure my LLC is up to date, pricing and how to tell prospects from suspects. Every night of that class had information I needed," Case said.

With the added business expertise and changes in his store, Case said the business went from running off his paycheck to paying for itself. He is seeing good growth, and within five years wants to have employees and complementary web businesses.

Acknowledging that the web is highly competitive, Case recommends that people thinking of starting a web business search to find a niche business. He said that it's easy for people to search for a lower price, so he sets his site apart by offering better selection and more options. He personally answers customer's questions and has a high goal of providing exceptional service and value.

"If you're going to do the intranet, you can expect a high learning curve," Case said. "Deciding what to sell is the toughest question. There are websites you can visit to find suppliers. Look through those, do research and pick out what's interesting to you."

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