

LASERING TIPS

FOR EXPERIENCED AND NEW OPERATORS

GETTING STARTED

Whether you have seen P. Graham Dunn's laser machine operation or you never have seen a laser machine in operation, and you happen to own a retail store of your own, you need to ask yourself the question—is a P. Graham Dunn SIS (store within a store) right for me?

Obviously, we are all aware that stand-alone retail stores that do not bring some kind of interactive element for their consumer are extremely vulnerable to the stream of retailing that is occurring in the dynamic marketplace of today. Stand-alone “brick and mortar” stores now need to compete with web sales and mass merchandisers. Ten to fifteen years ago, this was not the case. Today's retail environment is not even distantly related to the retail of yesterday. Today, the customer is much more involved in the sales transaction.

So an obvious question: How does an independent retailer compete in this dynamic marketplace?

An excellent way is to make your store interactive. The days of stand-alone stores are history. The sporadic consumer who easily loses interest is now shopping for an experience that he or she has not seen before. The consumer knows where to purchase commodities. What the consumer is intrigued by is what he or she cannot purchase elsewhere. Retailers need to think of themselves as an amusement park with different kinds of rides. If retailers do not make the rides available, consumers will go where the rides are. P. Graham Dunn somewhat equates the laser engraving machines with a roller coaster ride.

When explaining our laser centers, one of our close associates will always begin by explaining that what P. Graham Dunn offers is the next generation of retail. We are not quite sure where that came from, but we think he is being complimentary when he describes us in this way!

As you know from the training that you have experienced, the way to actually engrave a product is to push the “little green button.” Our intuitive operators ask the customer (especially if they have a small child with them) if he or she would like to push the *little green button*. The child regularly agrees to do so after which the operator then informs the child that they made the product! This really delights the parents—we are in the business of not just building product, but self esteem as well! Once the green button is pushed, the laser starts to burn into the material being lasered, causing sparks to fly and smoke to emit. Just watching the laser engraver in action for the first time (and for the 400th time) is intriguing.

Some first time laser operators have suggested setting up their laser machines in a warehouse to not take up space in their store. We customarily state that when properly situated in the store (front and center) and properly operated, the sales per square foot off of the laser machines will match or exceed the sales per square foot off of any other product line in your store. We have seen this happen over and over again. We are in constant communication with a laser center in Texas that is reshaping their entire retail operation around the P. Graham Dunn SIS. This retailer has said that it has totally changed the way they do business. The laser center is driving customers to their store that they did not have before.

Another excellent way for the independent retailer to compete in today's vicious retail environment is to put into their store something that is not readily available on the web, or is not readily available at the mass merchandisers. Granted, there are web sites that offer personalization, but are the personalized products produced while the consumer is watching? Is the personalized gift something that they can take home with them in five minutes? Is personalization on the web a sale that will add to another sale while the consumer is watching the first item being engraved?

As for the mass merchandisers, to our knowledge a laser center with close to 300 different product options and a dedicated operator is not anything that we have seen offered by any mass merchandiser! That is not to say that at some point in the future that will not happen, but currently the SIS that P. Graham Dunn offers is not available to the mass merchandisers. For an independent retailer to succeed, they obviously cannot succeed by competing with these large stores. You have to go where the mass merchandiser is not.

An additional excellent way for the independent retailer to compete in today's market is to offer a proprietary line of giftware that is only available through their store. We all know how frustrating it can be to go to market, bring home what we feel will be the next big thing only to find that the same product is being retailed 200 yards down the street.

This does not happen with a P. Graham Dunn laser center. The primary marketing strategy of a retailer who owns a couple of stores in Michigan and purchased the laser center, was to create a proprietary line of gift products that they were going to brand as their own. They are even naming the product line after the name of the store. Through this, when customers walk into the store, they are immediately aware that what they are purchasing is available only through this store. Mind you, this same savvy retailer is also offering personalization, but is not limiting their product offering to personalized products only.

THE MARKETING STRENGTH OF PERSONALIZATION..... 3

THE LASER ACRONYM..... 3

LASER LOCATIONS..... 3

LASER CENTERS FOR HIGH TRAFFIC STORES ONLY 3

THE RELEVANCE OF STORE SIZE..... 4

WHEN SHOULD WE CONSIDER A SECOND MACHINE..... 4

PREPARING FOR YOUR FIRST CUSTOMER 4

MASTER THE SIMPLE PROCEDURES FIRST 5

HOW TO LASER ENGRAVE COMPANY LOGOS 5

LEGAL AND ILLEGAL USE OF LOGOS AND COPYRIGHTS..... 6

PENALTIES FOR ILLEGAL USE OF LOGOS AND COPYRIGHTS..... 6

GUIDING THE CUSTOMER THROUGH THE PRODUCT SELECTION PROCESS..... 6

AVOIDING THE PITFALLS OF REPEATED LAYOUTS..... 6

CREATING DEDICATED FILES FOR THE REPEAT CUSTOMER 7

THE IMPORTANCE OF MAINTENANCE PROCEDURES 7

A HAPPY CUSTOMER IS YOUR BEST ADVERTISER 7

STORE’S RETAIL WEBSITE TO PROMOTE THE LASER CENTER 7

P. GRAHAM DUNN’S COMMITMENT TO THE LASER MACHINE 8

GEOGRAPHIC PROTECTION FOR THE RETAILER 8

WHY WE CHOSE GRAVOGRAPH AS OUR LASER SUPPLIER 8

HOW TO LIMIT THE AMOUNT OF MISTAKES IN LASERING 9

MAKING MONEY OFF OF OPERATOR ERROR 9

HOW TO MANAGE JOBS WITH EXCESSIVELY LONG RUN TIMES 9

HOW TO HANDLE VOLUME ORDERS 10

USING P. GRAHAM DUNN AS A BACK UP RESOURCE FOR VOLUME RUNS..... 10

ESTABLISHING RETAIL PRICE POINTS FOR YOUR CUSTOMERS..... 10

FUND RAISING TECHNIQUES TO DRIVE SALES IN YOUR STORE 11

LASER VIDEO FOR A STORE MONITOR 11

KEEPING THE LASER BUSY WITHOUT ORDERS 11

CONTINUED DEVELOPMENT OF MARKETING AND LASER SKILLS..... 11

LASERING AT FLEA MARKETS, COUNTY FAIRS, AND MALLS..... 12

THE USE OF AN ORDER FORM TO SIMPLIFY THE ORDERING PROCESS..... 12

HOW TO PROCESS PHONE ORDERS 12

P. GRAHAM DUNN’S COMMITMENT TO NEW PRODUCTS..... 12

VARIOUS MATERIALS THAT LASER EFFECTIVELY 13

LASERING P. GRAHAM DUNN COMPONENTS ONLY 13

ENHANCING THE LEGIBILITY OF THE LASER CUT..... 13

NECESSARY SKILL SET FOR THE LASER OPERATOR..... 14

INFORMATION ON THE TWO-DAY TRAINING SESSIONS 14

USING THE LASER MACHINE TO MAXIMIZE SALES DURING PRIME SEASONS 15

MAINTAINING YEAR AROUND SALES ON THE LASER..... 15

MERCHANDISING AND DECORATING THE LASER CENTER..... 15

MAKING PRODUCT SAMPLES ACCESSIBLE TO THE CONSUMER 15

SUGGESTIONS IN MAKING SAMPLES FOR YOUR LASER CENTER 15

TIPS ON MERCHANDISING KNIVES IN OUR DISPLAY 16

THE VERSATILITY OF MERCHANDISING KNIVES THROUGH THE USE OF VELCRO.. 16

CREATING NAME TAGS FOR ALL YOUR EMPLOYEES..... 16

MAKING YOUR OWN PRICE TAGS 16

VECTOR CUTTING AND RASTER ENGRAVING 16

CARRYING FIRE, THEFT, AND FLOOD INSURANCE ON THE EQUIPMENT 17

THE MARKETING STRENGTH OF PERSONALIZATION

QUESTION: What are the two most powerful words in the any language?

ANSWER: The two most powerful words in any language are your customer's first name and last name, and by extension, the names of everyone in his or her family. Even by further extension, the names of friends and loved ones. This said in one word—personalization. To further explain, when shopping for a wedding gift, which gift will get more attention at the bridal shower? It is going to be the gift that has the names of the bride and groom, the date of the wedding, and a word of encouragement for the bride and groom.

Would not the same apply for a baby shower? How about a baptism or Bar Mitzvah? What about a bereavement gift with the crosses that we offer? What about a gift for a teacher or for a retiring pastor, priest, or rabbi? For a congressman? For a football coach? A gift for each member on the team from the coach? From a Sunday School teacher to her students? From an employer to their employees? And have we even talked about Christmas or Hanukkah yet, or Mother's Day, Father's Day, or Sweetheart Day? The list can go on and on.

THE LASER ACRONYM

QUESTION: I understand that LASER is an acronym. What does it stand for?

ANSWER: After receiving the laser, a retailer suggested that LASER stood for **Lately All Sales Exceed Reality**. Not to be outdone, another retailer indicated that she thought it stood for **Love Accepting Serious Economic Returns**, or then another suggested **Laughing Audaciously Since Earnings Roared**.

Truthfully, LASER stands for **Light Amplification by Stimulated Emissions of Radiation**. That is a fancy way of saying that the laser tube has 35 watts of power that converts a beam of light into heat in much the same way that a magnifying glass could use the rays from the sun and start a fire in a dried pile of leaves.

The beam can be dangerous if operated with the lid open. It could accidentally deflect off of a metallic surface and cause significant damage to a person's eye. With the lid down while operating, the potential for harm has been removed.

Lasik surgery is done using a similar beam, but is directed by the hand of a skilled surgeon. Some dental work is now being done in a similar way as well.

LASER LOCATIONS

QUESTION: For me to determine if the laser center is appropriate for my store, what are some of the factors that I should take into consideration?

ANSWER: The first factor would be to assess if you have the foot traffic to support the machine. A rule of thumb that we have developed is that your store needs to be averaging at least 50 daily transactions. If you are not established with this type of daily business we do not recommend the laser center for your store.

You do not have to be in a tourist area to be successful. A well-established local business with steady foot traffic will work. Christmas stores, card shops, pharmacies, Christian bookstores, restaurant gift shops, furniture stores, hospital gift shops, sporting goods stores, theme parks, tourist destinations, general merchandise stores, and hardware stores are all retailers that enjoy success with our laser centers.

LASER CENTERS FOR HIGH TRAFFIC STORES ONLY

PROBLEM: My store is not doing well for a number of reasons. Our traffic count is down dramatically, our location is bad, our business skills are out of date, and the store overall has not been well maintained, and we are considering bringing in a laser center. We were thinking of going out of business, but perhaps bringing in a laser operation will give us the tools we need to continue operation.

SOLUTION: We do not want to be insensitive to the situation your business is in, but turning to P. Graham Dunn's laser center as a bailout is one of the last things we want you to consider.

Our laser center will not perform well for you (hitting the suggested average of \$400 a day in retail sales) if you do not already have the foot traffic to support it. A laser machine cannot make sales for you if the customer is not there to order the product.

We seek to place our SIS in businesses that are already flourishing. We feel the SIS will enable your business to flourish even more. We are not a part of the economic stimulus plan. Please read the contract that you sign with us. If you do not meet the minimums on a monthly basis your credit card will be charged due to the laser machine underperforming. What you envisioned as a magic bullet for a poorly performing business you will quickly discover will only add to your growing liabilities.

THE RELEVANCE OF STORE SIZE

QUESTION: Is the size of our store a factor in considering whether or not we qualify for a laser center?

ANSWER: The size of your store is not important. However, the proximity of your store to significant customer flow is important. For example, hospital gift shops tend to be small in comparison to other shops, yet their sales per square foot and the amount of daily transactions they conduct is very high. That is because there are hundreds of people a day walking past their windows.

The same principle could be applied to the dollar amount generated annually by a store. A huge store of 50,000 to 100,000 square feet would have significant volume, but at the same time a P. Graham Dunn SIS could get lost in such an environment.

WHEN SHOULD WE CONSIDER A SECOND MACHINE

QUESTION: What is the rule of merchandising when considering the installation of my second machine?

ANSWER: When you are generating on average retail sales of between \$400 and \$500 a day, or around \$120,000 a year, in a space that is taking approximately 100 square feet (equating to \$250 a year in sales per square foot) it is then time for you to consider the installation of a second machine.

A second machine will reduce the waiting time for the customer and it maximizes the labor expended running the extra laser as one operator can easily run two machines at the same time. One computer is all that is needed to operate two machines. We recommend that you place the computer between the two lasers, which in turn economizes on the movements required by the operator.

PREPARING FOR YOUR FIRST CUSTOMER

QUESTION: You have just received your laser machine and are wondering where you start in getting everything set up and ready to run!

ANSWER: We offer the following eleven suggestions:

1. P. Graham Dunn does not support the installation of a laser machine without the operators having received training on the operation of the machine. There are a couple of ways to receive this training but the one that we highly recommend is spending two days at the P. Graham Dunn factory.
2. We require that we load your computer with files for you that provide all the information for your laser to operate properly. When training, we strongly recommend that you bring your computer with you and we will load the files onto your computer while you are in training. If that is not possible we can assist you with loading the software.
3. The laser operators should have a strong background in the use of computers. Not to profile, but we have discovered that the younger the operator the quicker they take to the laser system. It must be analogous to the games they grew up playing on computers, but whatever the reason, young people take to lasers like ducks to water. Older folks should not be discouraged by this, but recognize that they might need additional training to adequately operate the laser system. Consider using the following criteria to elect the operators of your laser machines: Computer Aptitude, Graphics, Creativity, Customer Service, Organizing, and Quick Learning.

It is recommended that you consider the use of low cost assessments to help in the selection process. We can help you with this.

4. You will notice from the literature that we have provided for you (the catalog of blank components, the technical information on the operation and maintenance of the machines, and the manual you are reading) that considerable thought has gone into not only the development of the system, but also into the training material. However, we recognize that if laser operators do not carefully read and digest all of the information that we have made available to them, the information is of little value. Kindly take the time to read through all of the information we have provided. Some of it may be redundant but that is by design! Some of the learning you are going through is similar to learning a foreign language and the only way to learn a foreign language is to repeat the same words and pronunciations until you master them.
5. We are now requiring that you have the Internet available whenever operating the laser machine. We require this because we use a software system called "Log Me In" to assist the laser centers. Our technicians have the capability of controlling your computer while you are on the phone with them. As you are communicating verbally with our technical support, you can observe them as they move the mouse on your monitor and walk you through the steps you need to correct any complications you may be having.

6. Our tech support is available 8:00am to 5:00pm EST, Monday through Friday. Currently we are not in the habit of making you wait. If the technicians are busy we invite you to leave your phone number and our technicians will return your call as soon as possible. We realize that our laser machines are highly profitable for your store, and to have them standing idle is unacceptable.
7. Your first responsibility will be to make samples in your SIS for your customers to see. Careful consideration to the types of samples that you engrave is integral to the success of your SIS. Making three samples will give you the experience and added confidence you need to start working with the customers when they first experience your store.
8. Word of mouth will be your primary source for the building of your lasering business. Promote the impact of word of mouth advertising with a high level of customer satisfaction.
9. Promoting your laser center through the advertising medium that has worked best for you in the past is also encouraged.
10. A brochure describing the laser center for your customers is available through P. Graham Dunn. Call 800-828-2105 to place your order for brochures. The first 250 will be available to you at no charge. We have printed the brochure with a blank area on the reverse side for you to place a sticker or stamp with the relevant information for your store.
11. Our most proficient operators are the ones with the most experience. It is amazing to watch an experienced operator send jobs to two laser machines simultaneously while at the same time running two POS systems ringing up the sales. Protect your investment in your operator. Compliment them often and pay them well. Turnovers in this position will be costly.

MASTER THE SIMPLE PROCEDURES FIRST

PROBLEM: Often we get calls at our tech support center from new laser operators who have had the SIS in their stores for one day and are already attempting to import and convert logos, laser engrave scanned photographs, and other highly complicated procedures.

SOLUTION: Walk before you run! The same applies to the laser engraving centers. The contracts you signed are for two years. Do not try to conquer Rome in one day. Instead, take the baby steps that are necessary to create simple font change systems such as are required with our wood pens and pocket knives. Only after you have learned the elementary steps of operating the laser should you consider doing the more complicated jobs mentioned above.

We do recognize the income potential from lasering company logos on product, developing ASI (Advertising Specialty Items) and Premiums. We will offer you numerous suggestions on how to develop this market, but please do not start with this the first day or even the first week. It will save you a lot of grief and frustration and will do the same for our tech support people.

HOW TO LASER ENGRAVE COMPANY LOGOS

QUESTION: How do we convert logos into images that can be lasered? We have customer requests for importing logos and converting them over to laser files. These requests are coming from corporate customers, advertising specialty sales people, fundraisers from local schools, churches, synagogues, boy and girl scouts, and local organizations. Not only that, but a car dealership came in and wanted us to provide key chains with their logo on them for each of the cars they sell. In addition, a local real estate firm asked us to engrave a free gift (which they paid for) for each house they sold? How do we navigate these shoals without sinking our boat?

ANSWER: There are a number of ways in which you can convert logos into images that the laser can produce.

1. There is a YouTube video called *Import Image or Logo*, which is short and simple, and actually walks you through the steps. Our laser trainer Joe Knutson made this video for you. This video and a number of other laser videos can be accessed from www.pgrahamdunn.com/laser or at P. Graham Dunn's YouTube channel at www.youtube.com/user/pgdlaser
2. In the two-day training sessions, logos are covered in the second day, but it is easy to be overwhelmed with all of the information to learn. If you would like a private training session while you are here, we can arrange that for you.
3. There is a website called Vector Magic that can convert logos for you at www.vectormagic.com.
4. If all else fails, we offer the service at P. Graham Dunn of converting the logos for you for a fee of \$50.

It has been impressive after visiting stores with our laser machines by operators who have become adept at various applications in a short period of time. On their own they are going online and downloading various logos of their choice. They were able to do this without having to convert the logo file format.

Give careful consideration when making samples for your SIS to include corporate logos in your samples. This will show the consumers the many options that are available. You will be surprised how many of your customers are involved in businesses in one way or another. Your laser machine gives you the option of offering business to consumer solutions as well as business-to-business solutions.

LEGAL AND ILLEGAL USE OF LOGOS AND COPYRIGHTS

QUESTION: We have customers that walk into our store asking us to laser The Ohio State University logo onto a pen. We have other customers that stroll over to our greeting card section, find a saying in the greeting card that they like and ask us to laser this on a plaque. What are the guidelines for this and what is legal and what is illegal?

ANSWER: Unfortunately, we are not a law firm and we cannot definitively answer this for you. For a reply that will give fully ease your conscience we suggest that you consult your attorney. However, we can offer you the guidelines under which we operate in our stores. As a rule of thumb, we avoid reproducing logos and copyrighted sayings without authorization. Most customers that want a certain logo engraved own a business and would like their own logos reproduced for their customers or employees. There are not any problems with this as they are authorized to allow you to reproduce their logo.

PENALTIES FOR ILLEGAL USE OF LOGOS AND COPYRIGHTS

QUESTION: What is my exposure if I blatantly ignore the law, laser logos without permission, promote this activity, and build a business around these types of services?

ANSWER: Should you choose to go down this path, you are heading for serious legal problems. There are fines levied for such breach of ethics. There are also back royalties that can be assessed from when you first started the practice, and the owners of protected copyrights can issue a *cease and desist* which you will have to comply with.

GUIDING THE CUSTOMER THROUGH THE PRODUCT SELECTION PROCESS

QUESTION: How can I limit customer choices with the hundreds of products and layouts to choose from?

It is not unusual for a customer to encounter a PGD laser center and not be able to decide which product they want lasered. The problem the consumer faces is the multitude of product options. Not only are there diverse products, but the products can be lasered to fit so many occasions. The problem with so many options is that the consumer can feel overwhelmed and not be able to make up their mind.

ANSWER: There are a couple of ways to facilitate this decision making process.

First, be sure that the product display samples are lasered in such a way that the consumer can envision how the product would look if it was made for them. If the samples that you put out do not resonate with the consumer, then you have already missed a significant marketing opportunity. It is very important that you give considerable thought to the wording and designs that you engrave onto the samples that the consumer sees in your SIS.

Secondly, it is important for the laser operator to explain to the consumer the various options available. Be careful not to overwhelm the consumer with too much information or too many options. The more you can keep the options simplified for the consumer, the more profitable the laser center will be. A gentle approach to sales is more effective than showing them with too much information too quickly.

AVOIDING THE PITFALLS OF REPEATED LAYOUTS

QUESTION: How do you suggest we work with a customer that is incapable of making a decision, requests repeated layouts, ties up the laser machine, ties up our employees' time, and in the end still does not purchase a product?

ANSWER: You will not have your laser center in operation for too long until you run into that one customer that will make you regret that you invested in this concept in the first place. We are talking about the customer who feels that the more times a product is revised with font changes, font sizes, font locations, etc. the better the chances are that the product will look much better after the layouts are revised over and over.

In such instances, it is important that the operator becomes the one in control of the transaction. The operator must not allow the consumer to ask for multiple layouts. Allowing them to do so will simply result in frustration, both with the consumer and with the operator. The laser will be sitting idle while the consumer also uses valuable resources by using the time of the operator as well.

There are a number of responses that an operator should be aware of in working with customers of this nature.

1. Limit, if not remove altogether, the choice for font changes. Once an operator has become comfortable with quick font changes, this may not be an issue, but for ease and speed of operation, and to turn out as many products per hour as possible, limiting the choices for font changes should be seriously considered.

One of our more successful laser operations chooses not to give the customer any font options other than what are available through the PGD file. You should consider the best option for your store.

2. Do not encourage working with a customer on a layout until the customer has decided what product and information he or she wants engraved. When this does happen, it ties up the operator, the machine, and limits the amount of products that can be produced per hour.
3. One of the successful ingredients of operating the laser machine is the ability to maximize the productivity of the machine. Owners of restaurants call this *turn*. They maximize the number of clients that can be put through a table in a shift. This must also be achieved to maximize the profitability of the laser machine. It is imperative that one customer does not waste the time of the operator and the time of the machine. Learn to say 'no' with a smile on your face. At some point you need to respectfully ask the customer to take some time making up his or her mind while you take care of the next customer in line. If there is not another customer waiting for service, politely excuse yourself and indicate to the customer you will be ready to laser the item once he or she is ready.

CREATING DEDICATED FILES FOR THE REPEAT CUSTOMER

QUESTION: We have a number of repeat customers that come to our store on a regular basis. In each case they request that we use their logo and frequently request an exact rerun of a previous job that we produced for them in the past. What efficiencies can we develop in working with loyal customers like this?

ANSWER: We suggest that you create folders on your computer and dedicate a folder to each customer that fits this profile. You are then in a position to save each file that you run for them in their folder. When the customers come back, it is easy pull up their past projects.

THE IMPORTANCE OF MAINTENANCE PROCEDURES

QUESTION: What steps should I take to maintain my machine so I am maximizing the power out of the laser tube?

ANSWER: There are a number of house keeping duties that must be followed to maximize the speed and potential of the laser. None of these duties are cumbersome or complicated, but if not attended to, your laser machine will slow down, you will lose your efficiencies, smoke residue will build up inside your machine, and the machine will not operate as efficiently as when you first received it.

It can be very difficult to initially detect the difference between a well-maintained machine and a poorly maintained machine, as the lack of efficiencies is imperceptible. It is best to develop a daily maintenance schedule to prevent machine failures.

All of the housekeeping duties such as cleaning the mirrors, machine bed, and changing filters in the smoke collector are covered in the engraving manual that you received with your machine. We recommend that you refresh your memory of the maintenance procedures by occasionally reading through these pages.

A HAPPY CUSTOMER IS YOUR BEST ADVERTISER

QUESTION: What is the best type of advertising we can generate for our store from the laser center?

ANSWER: The best style of advertising is what we refer to as *apostle marketing*. An *apostle marketer* is someone who leaves your store and cannot wait to tell his or her friends and associates about the amazing experience in your store. Retailing is all about the experience and when the customer leaves more than gratified, he or she will *apostle market* your store all over the community. This can then turn into *snowball marketing*, which is also very effective.

STORE'S RETAIL WEBSITE TO PROMOTE THE LASER CENTER

QUESTION: How can P. Graham Dunn assist us in posting information on our stores website promoting the concept of lasering? How can we show the various products available through the laser center?

ANSWER: *Apostle marketing* segues into the need for an active website for your store on which you can post all of the information that we have available for you. This enables you to field laser orders from all over the world. Access all the files you need at www.pgrahamdunn.com/laser from which you can download necessary files for your website.

P. GRAHAM DUNN'S COMMITMENT TO THE LASER MACHINE

QUESTION: I understand that P. Graham Dunn warrants the continued operation of a fully functional laser. If we have problems with the machine, how does P. Graham Dunn help us get operational again?

ANSWER: There are a series of procedures that we drill down through to get to the bottom of any problem that may be of a mechanical nature, whether with the laser or with the smoke removal system.

The first step is for our tech support staff to talk you through the problem on the phone. Should this not resolve it, the support staff will remotely log into your computer to further diagnose the problem. If parts are needed for replacement, we will send you the replacement parts at no charge. When you receive them we will walk you through the process of installing the parts. Should all else fail, we will send you out a replacement laser that is in good working order at no charge.

GEOGRAPHIC PROTECTION FOR THE RETAILER

QUESTION: If I sign up as a P. Graham Dunn laser customer, do I receive geographic protection or will P. Graham Dunn set up another laser customer right next door to me?

ANSWER: We do provide geographic protection. The radius of the protection is directly proportional to the demographic density of the community in which the laser is centered.

For example, if you place one of our lasers on Times Square in New York City, we will probably give you a protection of four or five blocks. On the other hand, if you place a machine in Bozeman, Montana, we will probably give you a protection of a few hundred miles.

In each case, we negotiate with you the geographic protection and attempt to work out a radius that is amicable to you and to us. Giving you too much protection results in our losing potential business; giving you too little protection results in your losing potential business. Thus, it is a delicate balance.

You do need to be aware that there are other retailers in the gift industry that already have their own laser machines that are not associated with P. Graham Dunn. We have no control over other types of laser engraving machines in your area. We want to be clear that the protection we are offering you is the laser engraving program and the support and branding that goes with it.

On a side note, P. Graham Dunn also manufactures an extensive line of gift products. We have been in business for over three decades and have customers that carry our stock items all over the world. Due to the fact that these products are sold through numerous channels, we cannot offer protection on our stock products, nor do we offer protection on laser components. Our laser components are carried by distributors and are purchased through numerous channels.

WHY WE CHOSE GRAVOGRAPH AS OUR LASER SUPPLIER

QUESTION: With the number of laser engraving machines on the market, why did P. Graham Dunn select Gravograph as the laser of choice over all the other possible laser companies?

ANSWER: We did not arrive at this selection without doing research. We traveled to two laser companies that manufacture machines offshore. We also had extensive conversations and visited with three other domestic manufacturers. We kept coming back to Gravograph for a couple of reasons.

The first and most important is the quality that Gravograph builds into their machines. We did not want laser machines scattered across the United States and Canada that had reliability issues. We wanted a machine that we knew was durable and a real workhorse. We have operated Gravograph machines in our manufacturing operation for a number of years. It is not at all uncommon for us to run our machines 24 hours a day, 6 days a week. We found that Gravograph provided the most reliable laser when it came to operating around the clock.

Secondly, we have a couple of retail stores on the Parkway in Gatlinburg, each of which has two laser machines. Other than a breakdown caused by human error, all four machines have run effortlessly for the duration. However, the staff is assiduous at keeping the machines well maintained, something that is important in warding off the complications that can set in from ignoring the simple housekeeping the machines require.

Thirdly, we selected Gravograph because of the history of the company. The company is over 100 years old. They are an international corporation with distribution centers all over the world. Our machines are assembled in Duluth, Georgia.

Fourthly, we have had senior management from the company visit us numerous times over the past years. In the process they have provided us with invaluable assistance in putting this program together.

All in all, we do not feel there is a better machine in the market for the kind of lasering our customers are doing with these machines. We take pride in offering and standing behind Gravograph lasers.

HOW TO LIMIT THE AMOUNT OF MISTAKES IN LASERING

QUESTION: Are there ways to cut down on mistakes with the laser?

ANSWER: Yes, there are a number of ways to cut down on both operator and customer error.

1. The operator should not be using the laser machine until they have completed the extensive training offered by P. Graham Dunn. This includes two free days of training at our headquarters in Dalton, Ohio. In addition, a thorough reading and understanding of the tech support literature for operating and maintaining the machine is strongly recommended. This also includes reading through all of the material available in this document.
2. Always have the customer verify the correct layout by swiveling the monitor for them to see and approve. Do not engrave the product until the customer has verified the layout and spelling are correct.
3. Do not accept phone orders without typed confirmations either through the e-mail or through fax. Spelling out words over the phone is a recipe for disaster.
4. Provide an order form for all jobs. The order form has a space for each letter. The customer should carefully print (no cursive) the exact spelling requested. A blank generic order form is available at www.pgrahamdunn.com/laser.
5. If there is any uncertainty by the operator that the job may not be centered correctly on the blank, always use the red dot before running the job to verify that the job is properly centered.
6. If there is still uncertainty as to whether the job is ready to run, tape a piece of paper over the space to be lasered. Reduce the power to 2% and increase the speed to 100%. This will leave a very light brown burned image on the paper that will not burn through. You can, in this simple way, verify that the job is accurately positioned.
7. If you have run the job but feel that if you repeated the lasering process a second time this would give the customer a more distinct burn, you have the option to do this by simply pressing the green button a second time. However, be absolutely certain that the object has not been touched or moved in any way. It is virtually impossible to take the object out of the laser bed, reposition it, and rerun the same file. It will be off by a few thousands of an inch and the job will be ruined.

MAKING MONEY OFF OF OPERATOR ERROR

QUESTION: We find that sometimes our operators commit errors while lasering. The lasered image may be off center, there may be a misspelling, or the customer may have provided you with incorrect information. As a result we end up with good product that is now marred by an error due to lasering. What can we do with our mistakes?

ANSWER: Unfortunately, P. Graham Dunn does not replace items that have been ruined due to operator or customer error, but we will replace defective product. However, we have discovered that there are a couple of options available to you to sell your mistakes and still make profit from them.

Once we realize that the product has been rendered defective because of a lasering error, the first thing we train our operators to do is apologize (even if it was the customer's error) and offer to run the same job a second time. We also mention to the customers that if they would like, they are welcome to purchase the defect at half price. Frequently the customers feel that this is a bargain they cannot refuse, and end up purchasing the mistake along with the corrected piece. Recognizing that, in most cases, you have a three-time markup in your cost, selling the product at 50% off has still generated positive cash flow, while at the same time getting rid of the defective item.

Let's say that the customer chooses not to purchase the product that was lasered in error. We have found (and this works especially well for pocket knives) that placing a small basket on the counter with a small sign that reads, "50% off due to laser error," the products generally sell in a hurry.

HOW TO MANAGE JOBS WITH EXCESSIVELY LONG RUN TIMES

QUESTION: Some jobs can take over an hour to run. We find it frustrating to accept a \$90 order in the middle of a busy day only to discover it takes sixty minutes to run and in the meantime we are unable to run other quick products for the customers that want to order. How do we resolve this?

ANSWER: The simplest solution to this hurdle is to accept the order, but inform the customer that due to the time it takes to run the job, it will not be available until the next day. You then have the option of engraving the job the last thing at night or first thing in the morning before the store gets busy. However, we do suggest that you layout the order and have the customer approve it before leaving. Once approved, you can save the file and retrieve it at another time.

Depending on the traffic flow in your store and how well your laser business has built up, a second option is considering whether it is time to order a second laser engraving machine. If your sales are averaging around \$2,500 a week, then it

is time for you to consider the installation of a second machine. This will allow you to run long jobs during the day with the extra machine.

HOW TO HANDLE VOLUME ORDERS

QUESTION: Since we have installed the P. Graham Dunn laser center, we are receiving volume orders from car dealerships for key chains, real estate agents for gifts to their customers, and corporate gifts from large privately owned companies in our community. Could you offer us additional tips on how to handle these types of accounts?

ANSWER: This type of business is one of our favorites to fulfill. Once the additional layout is setup, it is only a matter of running the exact same multiples that have been ordered. These types of accounts are to be cultivated. They end up being highly profitable. To obtain corporate or volume customers it is strongly recommended that you offer significant discounts. They need to perceive that they are purchasing at wholesale and receiving a discount off the retail price.

Discounts can be tied to volume so that the customer is encouraged to order more to receive the higher discount. This is where the three-time markup on a product comes into play. A \$3.00 item retailed at \$9.00 offered at 50% off still offers you a nice gross margin of 50% (or \$1.50). If you can laser 1,000 pens with a gross margin of \$1.50 you have grossed \$1,500 on the order.

USING P. GRAHAM DUNN AS A BACK UP RESOURCE FOR VOLUME RUNS

QUESTION: What are the options if we book orders that take more time on our laser engraver than we can spare?

ANSWER: When this happens, you can turn to us (we have very high powered, rapid engraving machines that are designed for volume orders). P. Graham Dunn has a fully staffed custom order department. Simply e-mail us at **paul@pgrahamdunn.com** with the SKU number, the quantity, and when the order needs to be completed by. We will respond to you in a timely manner with the information that you need to then pass on to your volume account.

We once had a customer with a laser machine request a price on 144,000 magnets. We were able to make price adjustments on an order of this size. We were happy to land the job for P. Graham Dunn and our customer was happy to land the job for their corporate customer! It was a win-win-win for all parties and that is the way good business works!

ESTABLISHING RETAIL PRICE POINTS FOR YOUR CUSTOMERS

QUESTION: We notice that you do not provide retail pricing, only cost pricing. How are we to determine what the retail price point is? Do you assist us in establishing retail price points? Do you enforce certain retail price points?

ANSWER: We do not provide retail price points (on either the laser program or on our regular wholesale gift line). We have discovered over the years that successful retailers do not like to be told how to price their items. In addition, successful retailers are entrepreneurially driven—they like to retail product based on what they feel the market will bear.

Throw into that mix that certain areas of the country have high costs of living while other areas of the country have low costs of living. Some retailers are in tourist areas, such as Las Vegas, where prices are higher than most other locations. Other retailers enjoy discounting and selling high volume with low markup. Some retailers also pick up the product at our facilities and other customers have to pay freight to Hawaii. The freight costs have to be covered and the higher the freight, the higher the markup on the product.

With all of these dynamics, P. Graham Dunn learned long ago not to get involved in establishing retail price points. We empower the retailers to do what they do best—to understand their community, customers, and price their products accordingly.

That said, we strongly recommend that retailers average a three-time mark up on the cost of the goods they purchase through P. Graham Dunn. The days of independent retailers being able to thrive on keystone markups is over. The costs of labor, the benefits that employers now have to offer their employees, and the cost of leases cannot be covered with a two-time mark. Additionally, when you do average a three-time mark, you need to factor into those margins the laser operator costs of running the machine.

How does one assure that a retailer averages a three-time mark up on the costs of goods purchased from us? First, we would strongly recommend that on the lower price point item you consider marking the products up more than three times. For example, your cost on a pen might be \$3.00. Retailing this at \$11.95 is realistic and we have customers that would even retail this at \$14.95. We know of one customer that finds certain products they mark up 10 times, but we are not quite sure how they do it.

On the flip side, we offer a solid lead crystal clock that is truly a majestic item—it even comes with its own wood gift box. Your cost on this piece might be \$70. We suggest that the retail on a higher item like this would be \$139.95, but that is not to imply that other retailers would not offer this at \$199.95.

Fact of the matter is, beauty and value is in the eye of the beholder and depending on the region and customer base in your community, you as a retailer need to be intuitive as to the margins that the product will bear and price accordingly.

FUND RAISING TECHNIQUES TO DRIVE SALES IN YOUR STORE

QUESTION: What are some fund raising techniques that I can use in my community that will result in higher sales with the laser engraver and at the same time bring more foot traffic into my store?

ANSWER: You are only limited by your creativity. We will give you an illustration of a fund raising technique that we fully endorse. We know you will find it not only interesting, but also applicable to your community.

Some companies have learned through fundraisers with the sale of candy bars and magazines that youth in the community can turn into a marketing team and can drive sales. These groups of kids can be from one of your local churches or synagogues, from the Girl Scouts or Boy Scouts, through your local schools, or your local 4-H or FFA.

Let's take a pen for an example again. Your cost might be \$3.00. Through your contacts in the community, you offer this as a fundraiser to the Youth Group in a large church with 5,000 people. Establish the retail at \$11.95. Give 50% of the gross revenue to the fund raising group (\$6.00), and you are left with a 100% gross margin (\$3.00) on the pen.

Fundraisers allow people to buy even if they are not interested in a personalized pen. It is more difficult for them to say "no" to a child, especially when they recognize that the funds are going towards a worthy cause. The extensions of this type of marketing go far beyond just the membership of the church. The youth will approach friends and relatives—they will not be limited by membership within the church.

This all can be coordinated from an order form with a redemption coupon that will minimize the mistakes due to spelling while at the same time track the order for you. A generic order form is available at www.pgrahamdunn.com/laser.

All sales should be prepaid. The fundraisers should bring to you the total amount, after which you pay them for the agreed upon percentage for which they were working.

Now for the important part—for the customer to redeem the order they must come into your store with their copy of the order and the redemption coupon, dramatically increasing the foot traffic in your store. You can be assured that while they are there getting the pen engraved, they will be looking around the rest of your store for additional product.

LASER VIDEO FOR A STORE MONITOR

QUESTION: We have a video screen that we could use to promote the laser center. Do you have a video on lasering that you could provide us with that would run continuously to show our customers what a laser is capable of doing when it is not in operation?

ANSWER: We do have a video of the laser process that shows close-ups of the laser process. The video shows a number of different products being lasered. We will be happy to provide you with this CD at no charge. Simply request a copy and we will have one sent to you.

We also recommend that you have a default setting on the monitor of your laser machine in which after the computer sits idle for thirty seconds the video will start to play. This is another simple, no-cost way of marketing in your store.

KEEPING THE LASER BUSY WITHOUT ORDERS

QUESTION: We have a customer in the store that wants to see the laser machine demonstrated but is not necessarily interested in placing an order. What you suggest for us to have the machine in operation, which in turn will allure the customer into placing an order?

ANSWER: Keeping a laser machine operating is one of the key ingredients of selling product through the machine. The way we do this in our company-owned stores is to run small, inexpensive alder souvenir magnets (in the shape of a saw, for example) on which we engrave our website and store phone number. We add one of these into the bag of each customer that shops with us—a friendly reminder of not only what the laser machine can do, but also provides them with additional information on the laser machine and store information.

CONTINUED DEVELOPMENT OF MARKETING AND LASER SKILLS

QUESTION: How do I continue to develop my lasering skills? How do I take the marketing of my laser center to the next level?

ANSWER: There are a couple of primary skills required to make the laser centers successful. The first is a basic grasp of the technology required to operate the equipment. We cover this in the initial training session and with the printed information to accompany it.

The second skill required is a basic grasp of graphic design—how to make art look appealing to the eye. A basic way to start is to operate off of the templates that we provide you in each file and to simply change the font. We bring the graphic design skills that we have been incubating for years at the company in our files. The operators (with time, experience, and repeated layouts) will develop an artistic eye of their own at which point they can start going beyond the basic templates we offer and start building templates of their own.

The third skill required for success is marketing. Learning how to market the laser centers is an integral component for their success.

The manual that you are currently reading will be posted on the website as a dynamic document. We will be inviting current and future laser engraving customers to post to the document in the same way Wikipedia is maintained on the web. We encourage you to continue to access this document on the web to both contribute to it and to learn from others in the laser engraving business.

It is when we start to learn from each other that we all will benefit. We need each other to find out what is working best for you, what are the new procedures that you have developed that have been successful, some new marketing methods that have worked, and what new products that we should add to the mix.

LASERING AT FLEA MARKETS, COUNTY FAIRS, AND MALLS

QUESTION: Due to the laser engraving machine being relatively portable, what can you tell us about using this machine at events such as county fairs, flea markets, local malls, and local conventions in our community?

ANSWER: There are obviously some hazards to this. The machines can be easily moved, but they are also easily damaged in the moving process and we do not warrant a machine that is damaged while moving it. The lessee incurs the expenses of repairing or replacing a damaged machine—and these machines are very expensive.

If you do consider moving to another location for a short period of time, this type of marketing has proven to be very effective. We have had operators work out of enclosed malls during the 4th quarter and not being able to keep up with the demand. We have also had operators work out of the local county fair with the machines running non-stop for the duration of the fair. But keep in mind the risk of a stolen machine, a fire, or a damaged machine—exposures that you are directly responsible for.

THE USE OF AN ORDER FORM TO SIMPLIFY THE ORDERING PROCESS

QUESTION: Can having a simple generic order form for the laser center simplify operations, reduce errors, and increase efficiencies?

ANSWER: Yes. An order form is available at www.pgrahamdunn.com. This is a generic order form, which you can download or you can use it as a template to create something better. Regardless, the need for an order form will simplify your life, the life of your laser operators, and the lives of your customers! The spacing of the blanks forces the customer to print, rather than write in cursive.

HOW TO PROCESS PHONE ORDERS

QUESTION: We recognize that accepting orders over the telephone is fraught with hazards? What is the most efficient and customer friendly way to process orders from customers that want to phone in an order?

ANSWER: The key to accepting orders over the phone is to NOT take orders over the phone. You can get the particulars, quantities, SKU information but do NOT have a customer spelling out information over the phone.

The customer should be given one of four options:

1. Come into the store and place the order and verify the correct spelling on the monitor.
2. Mail in the order with printed (not cursive) writing.
3. Fax in the order with printed (not cursive) writing.
4. Email the order.

P. GRAHAM DUNN'S COMMITMENT TO NEW PRODUCTS

QUESTION: Being committed by signing the two year agreement with P. Graham Dunn we have assumed a certain amount of risk and we need to be assured that P. Graham Dunn will continue to bring new, relevant, and interesting products into the mix to sustain the viability of the laser centers. What are the parameters you have set up for bringing in new product?

ANSWER: The success of this program will be directly proportional to the innovation that we bring to new product. It is not good to assume that we have all arrived, that we have the perfect product mix that we can now sit back, rest, and coast to the finish line. Nothing could be further from the truth.

There will be others coming in the market. It would not surprise us to see a comparable business competing with us. The fact that we are the first in the market with this concept is definitely a plus, but it does not assure our continued success if we do not ruthlessly pursue new applications for the laser engraving machines.

P. Graham Dunn will keep its ear to the ground in a couple of ways in pursuing new products. One of the principles will be to move into more functional giftware as opposed to strictly decorative giftware. You can see this reflected in the July 2009 products where we morphed into children's toys, jewelry, and other related items.

We will continue to listen to our laser centers suggestions for new products. We regularly receive calls on new products that we should consider. We also have contacts around the world that continue to develop new product concepts for us. However, not all of these will work for us as we have a sifting process that these are put products through.

Twice a year we will be looking at new additions to the line, while at the same time we will be removing certain components from the line. If we continue to add and never delete the product line becomes too cumbersome to effectively manage.

VARIOUS MATERIALS THAT LASER EFFECTIVELY

QUESTION: I understand that lasering works on a number of different types of material. Can you specify the types of mediums our CO2 lasers effectively engrave?

ANSWER: Initially all of our lasering was done on wood products. We have since been lasering on painted metal surfaces such as pens, jewelry, and dog tags. The laser actually removes the paint leaving behind the metallic surface, which contrasts well with the paint. We have discovered that lasering on glass, whether lead crystal or glass on a purse holder, works subtly yet effectively. We offer products where we laser on polished granite. The laser breaks the polished surface of the granite and leaves behind a legible imprint. Lasering on leather products also works well.

Finally, we have implemented the process of laminating lithographs and fine prints onto wood. After it is covered with a layer of liquid acrylic, it makes for an excellent lasering surface for personalization. You will find multiple applications of this in the catalog.

LASERING P. GRAHAM DUNN COMPONENTS ONLY

QUESTION: In the contract that we signed with P. Graham Dunn we agreed to only laser components from your company. Why did you require that stipulation?

ANSWER: We made this a requirement because we had to get a return on the investment of the laser machine, POP displays, training, and tech support that we provide. If we did not put in this stipulation, we would have customers from all over the country wanting our machines, displays, training, and tech support after which they would use them without P. Graham Dunn getting a return on our investment.

Our stipulating that you must use our components will not keep us from continuing to introduce creative and contemporary new product. For us to succeed you have to succeed, and we actively look for what we describe as customers for life.

ENHANCING THE LEGIBILITY OF THE LASER CUT

QUESTION: The laser beam is powerful in engraving onto multiple surfaces, but sometimes we feel the image could be enhanced to contrast more with the background and thus become more distinct and legible. What tips can you offer?

ANSWER: There are a few ways to enhance the engraving. We will give you a couple of examples.

First, after the item has been lasered, if the item is not touched or moved in any way after the laser has completed engraving, the operator can simply press the green button again which engraves the same marking over again. This will increase the depth of the cut and proportionately the legibility of the cut.

One needs to be careful on which surfaces you do this to. For example, if you were to do this to the wood pens in our product line, you run the risk of burning completely through the wood, the middle of some letters would drop out, and the pen would be ruined. You must use your discretion when implementing this.

A second way to enhance the contrast of the laser cut on finished wood is to use shoe polish. We use a dark brown liquid shoe polish, which, after application, is wiped off with a rag. The polish stays in the laser cuts, but wipes clean off of the finished surface of the wood.

We have noticed experienced operators, when lasering on large wood plaques, will apply the shoe polish over the entire surface, after which they will let it soak in, and dry. They then will reapply the shoe polish a second time. When dried, it is difficult to wipe off – so simply add some moisture to the rag, and with the damp rag wipe off the residue that is clinging to the finished surface.

A wax-based metallic finish is used if one is lasering into select surfaces and want to change the color into a gold or black. We have seen the gold used effectively on various wood surfaces such as pens. We also have seen it used very effectively on the fashion jewelry that we offer. The technique is very simple—squeeze the paste from the tube, rub into the lasered surface, and wipe clean.

NECESSARY SKILL SET FOR THE LASER OPERATOR

QUESTION: What types of people should be considered for operating the laser machine?

ANSWER: It is one thing to invest in equipment, but when it comes to retail, it is the qualities of the people that you hire that make the world go around.

The ability to operate a computer and having an extensive background in working with computers is imperative. Through the training sessions that we have conducted, we have observed that the younger the student, the easier the learning curve. Younger people have grown up in a generation where operating a computer mandatory. It is more effortless and intuitive for them. For the older generations, operating computers is something that needs to be learned.

Another skill set we look for is a basic eye for graphics, which includes an appreciation for aesthetics, symmetry, balance, and coordination. A key ingredient in graphic design is creativity—the ability to think and design outside of the box. Design skills can be acquired and enhanced. A great way to enhance them is to repeat layouts, but each time look for an innovative way to improve over the previous design.

Another quality is customer service, being able to gracefully guide customers who do not know what they want and being able to manage the impatient customers are all equally important. A good operator has good people skills.

A good laser operator is also inspired and energized by working with the laser machines while at the same time satisfying the needs of the customer.

A good laser operator is organized, keeps all of the jigs in order, keeps an eye on the inventory, knows how to open and save files, remembers what has been learned, and is able to pass this knowledge on to other operators.

INFORMATION ON THE TWO-DAY TRAINING SESSIONS

QUESTION: I understand that you require training on the equipment before you will ship out the laser engraving machines. Can you tell us about the training sessions and all that they entail?

ANSWER: The training sessions are held at P. Graham Dunn headquarters in Dalton, Ohio. We have up to two sessions a week with each session lasting two days. We encourage you to arrive the day before to be well rested for the following morning.

There is a lot of information to be covered—more than actually can be covered in two days. What we attempt to do is to cover the basics of what is required to get you operational. We do not get into the complicated applications. We discovered that in doing so, we simply confused and lost some of the people that needed to stay with the basics.

Our primary instructor is Joe Knutson. He is a Norwegian from the Dakotas, has a great sense of humor, knows all the Norwegian jokes, and makes the training sessions enjoyable.

We start with an overview of the laser operations, after which we have break out sessions where the trainees actually start lasering product on our training machines the first day. However, we are careful to pace the progress, recognizing that a trainee can only absorb so much information.

We recognize that some of the first things you will need in your store are samples that represent the laser products. We start having you make your own samples while you are in training. You take them home with you, which allows the start of the process of equipping your store with lasered samples.

While at the P. Graham Dunn facility, you will have an opportunity to see all of the applications of laser engraving. Visiting the facility gives you a greater understand of and a greater appreciation for how limitless the lasering potential can be for your store.

We tell our laser center customers that for over three decades P. Graham Dunn has been building product for you. Now we want to be able to equip you to build product for yourself and for your customers.

USING THE LASER MACHINE TO MAXIMIZE SALES DURING PRIME SEASONS

QUESTION: A lot of retail stores exist primarily to make well during special gift giving occasions. Many of us stay in business for 10 months so we can make money during November and December. How does the laser engraver adapt to special gift giving seasons throughout the year such as Mother's Day, Father's Day, Sweetest Day, Valentine's Day, and last but not least—Christmas?

ANSWER: The first thing a laser operator needs to do is have samples on the floor that are representatives of gifts for the occasion. This may require making special lasered items that are only used during the special time of the year and then stores until the same time next year. The laser samples need to reflect the holiday being celebrated.

This is very simple to do. For Valentine's Day put out products that would be appropriate for one sweet heart to give to another. It takes some simple creativity to create a display of this nature. Do the same thing for Mother's Day, Father's Day, Thanksgiving and Christmas. We have a few different styles of lead crystal ornaments, at least a half dozen wood ornaments, and wall decor with poinsettias—all for personalization that compliment these special occasions well.

Just remember that, *unseen and untold is unsold*. How appropriate the saying is for the laser center. You have the tools, the blanks, and the concepts but you can't hide it under a bushel—you've got to let it shine—and the way to let it shine is to get it out for your customers to see, resonate with, and then come up with their own concept for a Christmas gift.

MAINTAINING YEAR AROUND SALES ON THE LASER

QUESTION: Do I have to wait for a national holiday to host a lasering promotion in my store?

ANSWER: Absolutely not! The laser center is a stand-alone business concept that with a little creativity can be turned into an annual event, biannual event, or quarterly event independent of government imposed holidays! Once you are an established P. Graham Dunn retailer, you are authorized to use our logo in your promotions—whether they are newspaper, direct mail to in-house lists, billboards, or any other type of print media. The same promotions that you bring to other events you can bring to a P. Graham Dunn laser event.

MERCHANDISING AND DECORATING THE LASER CENTER

QUESTION: How important is merchandising and decorating when it comes to making a P. Graham Dunn laser center successful?

ANSWER: It is very important. Even though our products are attractive, it is the way in which they are presented to the customer that makes them appealing. A successful retail environment is all about displaying, accessorizing, lighting, dusting, and the tasteful use of fixtures. We have seen our products do well in the basement of a department store and in the basement of a restaurant, but the rule of thumb still applies—the rate of sale of our products will be directly proportional to the attractive way in which they are presented and the positioning you give us in your store. The effects of a well-merchandised display are subliminal. The consumer is more willing to pay a higher price for a product that is attractively presented.

MAKING PRODUCT SAMPLES ACCESSIBLE TO THE CONSUMER

QUESTION: Many of P. Graham Dunn products need to be touched, handled, taken apart, put back together, opened and closed. This cannot be done if the products are displayed behind a locked glass cabinet. Other than knives should all of the other products be displayed in a way where the consumer can handle them?

ANSWER: Absolutely. You will quickly observe that the most of our products need to be looked at closely to fully appreciate their value. Lasered gifts need to be picked up, handled, and felt! It is all a part of the sale! Keep this in mind as you accessorize your P. Graham Dunn boutique!

SUGGESTIONS IN MAKING SAMPLES FOR YOUR LASER CENTER

QUESTION: One expense we cannot avoid is making up the samples for our laser center. Are there ways we can minimize this expense?

ANSWER: Yes, there are a number of creative ways to make this fun and at the same time get some bang for the buck that you have put into the samples.

The easiest way to make the samples is simply to pull up the files that we have provided for you and reproduce them. In this case the easiest is not the best. For one thing, you are not using the God-given creativity you have been blessed with. Secondly, you are passing up on the opportunity to develop your laser operating skills. Thirdly, you are missing the opportunity to produce samples that are relevant to your community.

What we suggest is that you make all of your samples using names and dates of friends, loved ones, employees, and customers. On the photo frames take out our pictures and put in the pictures of the loved ones that you are honoring with the sample. The time will come when you will want to change out the samples with something more contemporary, and when you do so, you can then give this as a gift to the ones you designed the sample after! They will be thrilled.

TIPS ON MERCHANDISING KNIVES IN OUR DISPLAY

QUESTION: Knives are a strong category for us in our store. We recognize that for safety reasons we cannot leave these out for customers to play with. What is the best way to mount these in the POP that you supply us with?

ANSWER: The system that we have devised is using Velcro in the knife POP. We supply you with Velcro tape, which you then adhere to the back of the knife. However, there are two precautions that you have to take for this to work effectively.

First, you need to apply the supplied tie downs and tighten these around the knife and the Velcro. If you do not do this, the Velcro will eventually pull off of the back of the knife, and the knife will fall to the bottom of the cabinet.

Secondly, we strongly recommend displaying the knives with all of the blades partially extended so the consumer can see the whole knife. However, extending the blades presents another challenge. If the blades are sticking out to either the left or the right of the body of the knife, the cantilevered weight of the blades will still pull the Velcro away from the back of the POP. Our solution to this is to have the blades extended down towards the bottom of the cabinet, so the gravity pulls straight down (as opposed to twisting the knife if the blades are extended out either side). This keeps the knife positioned where you want it.

THE VERSATILITY OF MERCHANDISING KNIVES THROUGH THE USE OF VELCRO

QUESTION: Why have you chosen Velcro to merchandise the knives, instead of a cabinet where there is a preset location for each knife in the cabinet, in which case Velcro would not be needed?

ANSWER: We have chosen to use Velcro because each year we phase out old knives and bring in new knives. If we had fixed locations for each knife, we would then need to re-supply you with a new POP each year.

CREATING NAME TAGS FOR ALL YOUR EMPLOYEES.

QUESTION: We currently have generic nametags for our employees. Can the laser machine be used to make nametags for our employees?

ANSWER: We strongly recommend this. One of the first things your customers will notice when interacting with your employees will be the tasteful, decorative name tags that you have made for them. This in turn will lead to a discussion about the laser machine and what it is capable of doing. It will not be long before an employer, employee, or another company enters your store and inquires about the possibility of your making nametags for them!

MAKING YOUR OWN PRICE TAGS

QUESTION: During the two days of training, we noticed that P. Graham Dunn has made extensive use of the laser machine to create alder price tags for larger wall décor pieces. Additionally we noticed that gold metallic material was used to make price tags on the laser engraved products. Are these procedures that we can implement in our own store?

ANSWER: Blank sheets of alder and gold metallic are available for purchase in our catalog. These materials are great for raster engraving and vector engraving. They dress up the store and we very much encourage you to create this type of pricing and signage in your store with the use of the vector tray.

VECTOR CUTTING AND RASTER ENGRAVING

QUESTION: Could you explain the difference of vector cutting verses raster engraving? Is the laser machine capable of both operations?

ANSWER: Vector cutting is the process of using the laser beam to cut through a material, whether it is alder wood, Plexiglas, plastic, or leather. Raster engraving is the process whereby an image is engraved into the surface of the materials.

To raster engrave you do not need to purchase any additional equipment. To vector cut you must purchase a vector tray which is available in our catalog. To be able to make your own employee badges or to cut price tags out of the gold metallic material, you will need the vector tray to complete this operation.

Without the vector tray, the laser beam will pierce through the material being cut, then reflect back off the bed of the laser and ruin the material that is being cut.

CARRYING FIRE, THEFT, AND FLOOD INSURANCE ON THE EQUIPMENT

QUESTION: Should the machine that you loaned us be damaged or destroyed through fire, flood, being dropped, gross negligence of a customer or employee, or stolen, who is responsible for either the replacement or repair of the machine under these circumstances?

ANSWER: Unfortunately, you are. However, all of that can be avoided through insurance. Under the terms of our agreement you are required to carry this insurance and have a copy of the insurance on file with us in our offices at P. Graham Dunn. Should you cancel that policy or allow that policy to lapse and something goes wrong with the machine, you will have our sympathy, but you will also be liable!