

Handmade macarons



Paper decorations



Personalised gifts



Redundancy led Jacqui to start her own craft business



w&h NEW DIRECTIONS

YOUR

Christmas gifts

ARE OUR BUSINESS!

Three women who had a passion for cooking and craft explain how they took the steps to turn their talent into a money spinner

'We had a tough time launching in a recession, but now we've even had an order from Buckingham Palace!'

JACQUI PEARCE, 51, is married with two children and lives in Sussex. She owns Pearl and Earl, an online crafts business.

THE IDEA Since I was little I've always made craft pieces, but my career took me into fashion, first as a designer and buyer, and then as a trends analyst. But in 2008, both my husband, who worked in IT, and I were suddenly made redundant within weeks of each other. We decided to use our redundancy money to launch our own business selling paper craft items and kits. Our old house in Arundel, West Sussex, had a room at the front that, historically, had been a greengrocers, so we applied for 'change of use' planning permission (which cost about £300). I made bags, pictures and craft kits to sell, but the shop didn't do very well because there wasn't enough footfall, so it was time for a radical rethink. As a family with two children, we needed more space, so we shut the shop, moved to a bigger house in a less expensive area and tried to develop the business online.

BUSINESS IN FIGURES
LAUNCHED: 2008
START-UP COSTS: £5,000
TURNOVER: £1 million
WEBSITE: pearlandearl.co.uk

WHAT HAPPENED NEXT? Looking back, we were terribly naïve trying to set up a business during one of the worst recessions in history. We couldn't get a business loan, or even a personal loan, so everything was bought with savings or on credit cards. To save money, we taught ourselves how to create our website and do the book keeping. It was a struggle but we kept going because we didn't have a choice; there were no jobs around. I knew a bit about retail because of my previous job, so I picked up the phone and cold-called lots of companies, including John Lewis and Selfridges to see if they would take my products, which they did. It's only now I realise that that doesn't happen to everyone. I also

sent out free samples and networked like mad, getting to know people at shows, fairs and local magazines.

BREAKTHROUGH MOMENT We attended Top Drawer, a trade show at Olympia. We weren't sure which items would be most successful, so we took a selection, including mugs, rugs, throws, paper decorations, art prints and paper craft kits. Because we'd done our research and our USP was 'happy, nostalgic, chic and cheap', we'd priced everything well and walked away with an astonishing £35,000 of orders that day. The scale of the orders meant I couldn't do it all by hand, so I had to find factories

and workshops to fulfil them at the right price. Cash flow caused lots of worries because we had to pay upfront for the goods, wait for sales and then plough profits straight back into the business. It was incredibly tough, but we managed it and have been afloat ever since. For quite a while we only just covered our living expenses, but now we earn more than we did in our previous jobs, so it was worth all the stress.

GLITCHES Investing money and time in the shop was a painful moment. I've also had lines that simply haven't sold, such as ceramics and mugs.

WHERE I AM NOW We have a permanent staff of three, besides my husband and myself, and take on extra

fixed-term contract staff at busy times. I still design everything, then it's manufactured and we store it at our home premises. The business is growing every day and we've even had a product order from Buckingham Palace! We've branched out into weddings and our streamers, paper chains and retro Christmas decorations are used on film and TV sets, including *Call the Midwife* and *Downton Abbey*. We'd love to have a string of Pearl and Earl shops, so that's definitely something we're looking into. We're also currently researching going much bigger with the wholesale side of things.

TIPS Make the business look larger than it is. Give the impression of being established, but make sure that you can maintain it and deliver to your customers. It gives them confidence and boosts your revenue. Keep a careful eye on cash flow and don't overstretch yourself, however tempted you are. Having money to pay people can be what makes or breaks you. It is possible to start from nothing and grow a business gradually – it's hard work, but much better than having huge debts hanging over you. >>

FIRST YEAR BUSINESS BREAKDOWN
Materials: £1,000
Equipment: £2,000
Packing: £15,000
Postage: £500

new directions

'Selling macarons means I never stop baking, but now I can afford to pay a patisserie chef'

CLAIRE JURY, 42, is married and lives in London. She owns La Dinette, an online company selling handcrafted macarons, cannelés and other sweet treats.

THE IDEA I have an MA in arts and cultural management but ended up working in the tourism industry. Baking has always been my

passion – my mother is French, and she'd make amazing macarons from egg whites and then use the yolks to make cannelés (pastries with a soft custard centre and caramelised crust). My business started as a hobby, giving my friends my bakes in pretty boxes as gifts. I then did a farmers' market for fun, selling gateaux, madeleines and biscuits as well as macarons and cannelés, and sold out. After a few more markets, I started to get advance orders.

WHAT HAPPENED NEXT I completed a cordon bleu patisserie course in my spare time, which I loved. After talking to my husband and doing a bit of



Claire hand-makes all her mouthwatering macarons and cannelés

BUSINESS IN FIGURES

LAUNCHED: 2011
START-UP COSTS: £2,100
TURNOVER: £80,000
WEBSITE: ladinette.co.uk

soul-searching, I resigned from my job and took a four-month internship in a London patisserie. At weekends I was still doing farmers' markets and getting orders, so I started looking in to how I could post the delicate macarons. It was then that I realised it could work as a business. I used my savings to get a website set up, and started marketing on Facebook and Twitter. As macarons and cannelés were favourites, I decided to focus on these, and soon I was baking non-stop at home. I had to register with the environmental health department, which was free, and because I wasn't making high risk foods (with raw egg or meat) I didn't need an inspection. I'd also got my food hygiene certificates on the patisserie course.

BREAKTHROUGH MOMENT Last Christmas I did targeted marketing on social media to potential clients who followed French baking blogs, gave free samples to local businesses and sold through notonthehighstreet.com. My order book doubled for November alone and soon I was working flat out, with friends and family helping with the packaging and posting.

GLITCHES I took a large order for a wedding last year and then dropped

everything on the floor! It was hugely stressful and I had to start from scratch, working through the night. Luckily, I had a day's leeway so I delivered on time.

WHERE I AM NOW To develop the business, I had to get proper premises so I talked to the owners of a nearby café and they offered to let me share their kitchens for a fee, plus a supply of macarons. I'm also looking for a patisserie chef who can make macarons the way I want them done. I haven't found the right person yet, so at the moment I'm working nearly 14-hour days. I also want to employ an assistant to help with accounts, administration and packing. I cover my expenses but still don't take a salary as everything I make goes back into the business. Next, I'd like to get stocked in delicatessens – I'm not interested in supermarkets, as I want to concentrate on quality not quantity.

TIPS Be aware of what you're getting into with a food business. It's hard work behind the scenes and quite scientific.

FIRST YEAR BUSINESS BREAKDOWN

Ingredients: £50
Baking equipment: £200
Packing: £50
Postage: £300
Website: £1,500

Macarons are delicate and have to be mixed to exactly the right texture and cooked at a very precise temperature. They don't have a long shelf life either. Unless you have good staff, you'll have no holidays and work 24/7 at the start.

LYN ABRAHAMS, 46, is married with two children and lives in the Peak District, Derbyshire. She runs Squeak, Gift and Party, a textiles and gift business.

THE IDEA I trained as a textiles designer and worked in manufacturing, making and designing carpets and furnishings. I did enjoy my job but gave it up when I had my second child. While the children were little, I started making things at my kitchen table, including little party bags, decorated cushions, cupcakes, engraved wooden spoons and other bits and pieces. I didn't think about selling them at first, I just gave them away as gifts. But people loved them and were willing to pay me, so I made a bit of pin money.

WHAT HAPPENED NEXT As the children got a bit older, I did more and more and loved it. But I didn't have any experience of how to actually start a proper business or market it. A friend told me about Women in Rural Enterprise (WIRE), an organisation that gives practical support, including networking, to women who live in the countryside. There was a small joining fee and then I went to its events, which were brilliant. There were so many women there offering practical tips on creating a business plan, finding a good website designer and using social media and contacts to kick-start the business. Fortunately, we'd been living on one salary for a while and I used savings to pay for my website and business cards and posters. The group encouraged me and pushed me forward. I started to attend lots of shows and, because of the organisation, I always knew someone there and we helped each other.

BREAKTHROUGH MOMENT It was selling through notonthehighstreet.com that made my business take off. I had to



Lyn started her textile and gift business from her kitchen table

'I loved making craft gifts but had no idea how to turn it into a business until I joined a networking group'

send them samples of my goods and meet them, but luckily they loved what I did and wanted me to register straight

away. It cost me £600 as a one-off fee, and they take 30 per cent of my sales, but it easily doubled my profits and through that, I was able to increase traffic to my own website. As soon as my products appeared on the site, they flew off my shelves. I did struggle to meet demand at first, working in the evenings and weekends, but it was a wonderful problem to have. Now 60 per cent of my sales are through notonthehighstreet.com and 40 per cent through my own website.

GLITCHES Being in a rural area, transport and postage are often a problem. A couple of years ago we had heavy snow and nothing could get in or out of the village. Some of my orders didn't make it for Christmas, which was very stressful. Now I've put measures in place to prevent that – longer lead times and emergency stock in a city-based warehouse, which I found via WIRE.

WHERE I AM NOW I supply local shops and boutiques, and other online stores. I've also supplied Chatsworth House, a local stately home, with gifts for

BUSINESS IN FIGURES

LAUNCHED: 2011
START-UP COSTS: £3,000
TURNOVER: £40,000
WEBSITE: squeakgiftandparty.co.uk

their shop. I want to develop the wholesale side of the business. It would be great to have a shop, but retail is a very different ball game

and might take me away from the making and designing side of things, which is what I enjoy the most. I pay myself a small salary, but the majority of what I make is invested back into the business. I don't employ any staff, but I do take on freelancers now and again, and outsource some of the work to local craft studios and factories. A local IT support company runs the technical side of the website for me and I use an accountancy service to do my book keeping

TIPS If you start a business, do what you know. I tried to go into baking and sell bakeware kits, but I just didn't know enough about it. I still do a bit of that, but concentrate mostly on textiles. **w&h**

FIRST YEAR BUSINESS BREAKDOWN

Materials: £500
Equipment: £300
Packing: £200
Postage: £500
Website: £1,500



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