

By Erick Royer

START YOUR OWN BUSINESS

With A STEPCRAFT All-In-One Creation System By Erick Royer

STEPCRAFT, Inc.
733 East Main Street, Suite 3
Torrington, CT 06790
203-556-1856
www.STEPCRAFT.us



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Published by

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Editor: Michelle Spray

Cover Design: David Baker, www.davidbcreative.com

Layout Design: Sarah Wilson

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Foreword

STEPCRAFT, Inc. is in the business of helping people turn their ideas into reality. We do this by manufacturing an affordable universal CNC system that gives you the power to cut, carve, mill, engrave, plot, etch, 3D print and much more, all in one machine.

Don't let the term CNC (Computer Numerical Control) scare you. The term "CNC" implies that it is a machine that can produce things you design on a computer much in the same fashion that you print with an inkjet printer – it's computer controlled.

STEPCRAFT CNC Systems are reliable, rugged, very accurate and easy to use. You no longer need to have years of schooling to learn how to operate a CNC system. In fact, the average customer can go from opening the box to producing their first project in less than a day.

STEPCRAFT began in Germany in 2012, selling their first machines in 2013. STEPCRAFT machines are designed and manufactured to the highest quality standards. STEPCRAFT has an extensive dealer network providing sales and support in many parts of the world. The USA headquarters opened in Connecticut in 2014 and has sold over 1000 systems to date. With over 4000 systems installed worldwide, STEPCRAFT is a global leader in personal CNC solutions.

STEPCRAFT is redefining the market by not just selling you a machine, but by selling you the means to financial freedom with the ability to start your own business. STEPCRAFT can customize a turnkey system that will give you the ability to turn your product and service ideas into a thriving business. With world-class support, you can concentrate on growing your business, knowing you have a team of support personnel behind you.

In this book, I want to show you what's possible and how easy you can get started building and growing your business today.

So please grab yourself a glass of your favorite beverage, sit back and open up your mind and imagination. Let me show you how you can take your ideas and turn them into a part or full-time business.

Starting Your Own Business ... The First Step To Freedom

Take this scenario. You are walking down the aisle at your local big box store (or perhaps you are at a fair or flea market) and you see idea after idea with consumers eager to purchase item after item. Everything that we purchase started as an idea that someone had. That might start you thinking about all the ideas that you've had over the years. Before you know it you ask yourself, "What stopped me from turning my ideas into reality?" Why aren't your products on the shelves in the store or proudly displayed on a fair table? Or worse yet, you see a product for sale that was something that you thought of years before, leaving you frustrated because you did not take action.



For many it is not a lack of desire that prevents taking action, it is simply a lack of ability or knowledge on how to turn your idea into something tangible. Or perhaps it is a lack of capital? Investing money into something before you know if it will be a success is a scary proposition for many people, myself included. Getting a shop to produce a one-off sample can be very costly, but it is often a necessity before you invest thousands into a mass production run. The last thing you want is to get stuck with inventory of items that you can't sell.

Many people that I talk to often tell me that they wish there was an inexpensive way to prototype an idea to see how well it works and if there is a market for it. Well thankfully there is ... it's called STEPCRAFT!

In this book, I am going to provide you with information that will guide you to see if starting a business by turning your ideas into reality is right for you.

I will also cover the following:

- Is this a licensed, turnkey or franchise opportunity?
- What can I do with a STEPCRAFT CNC System?
- What do I need to start my business?
- What is the earning potential?
- Marketing my business

I encourage you to read through this book and as you do, think about all the ideas that you have had at one time or another. I am certain that if you had access to a STEPCRAFT CNC System then, that you could have made your ideas come to life.

This book will hopefully help you determine if owning and operating a home prototyping / manufacturing business is right for you. I will do my best to give you a better understanding of what you can expect and how you can flourish with your business. While this book may not answer all of your questions, I encourage you to make a list of additional questions and my team and I would be happy to help address them for you. Let's help get you on your path to starting your own business today.

Is This A Licensed, Turnkey Or Franchise Opportunity?

No. STEPCRAFT is not a franchise, nor do we provide a turnkey business. We do not license the business to you or take any portion of your profits. We are simply here to help get you into the System that is right for you and to guide you in the best ways to achieve your goals.



Maybe some of you prefer a turnkey business "in a box", but let me tell you why this is better.

Very Low Startup Costs

Many turnkey businesses or franchises charge a sizeable up-front fee to recoup their initial investment in developing the business. If you don't have the liquid capital to invest in high startup fees then you will be happy to know that we can help you with your new venture for much less than you think. If fact, with many of our financing options, we will do all we can to provide you with a system for your business with very low monthly payments.

There Are No Royalty Fees

Many franchise or turnkey businesses will require you to pay royalties, advertising fees and other expenses to their main company in addition to your large up-front investment. STEPCRAFT has no royalty fees; you just pay for the equipment and you keep ALL of your earnings.

Work On Your Schedule

If you work a 9-5, then you are part of a large group of people who live based on someone else's time schedule. To me, one of the best things about having your own business is that you control your time. Can you imagine never dreading Mondays again? You work when you want and take time for your friends, family and loved ones when you want. Now I am not going to tell you that starting a business is easy and that it does not require lots of hard work and sacrifice, because it DOES. But ... when you are doing what you love and you are doing it for yourself, it does not feel like work. Imagine loving what you do for a living every single day! Sounds awesome, doesn't it?

Start A Family Business

I have been an entrepreneur all my life and I have never had more satisfaction than when I can include my loved ones in my business. Rather than spending family time around a TV set, share your ideas and support each other as you design and then with a push of a button, you and your family can see these ideas become reality right in front of you. Teach your children early in life that nothing is out of reach and if you want something badly enough, you can make it happen. STEPCRAFT is here to help you do just that.

Is a CNC Business Right For You?

Only you can answer that question, but I can give you some questions to ask yourself in order to see if you think it's a good fit:

- Do you have creative ideas?
- Do you often wish you had the means to make those ideas a reality?
- Do you think that people will pay for your product or service if you can just have a way to create it?
- Do you like to make things out of wood, plastic, metal, paper, etc.?
- Do you like meeting new people?
- Do you like solving a problem that someone might have?
- Do you feel good when someone compliments you on something you've done or created?
- Do you want to make some extra money, or would you love to work for yourself full-time?

These are just a few questions that I hope will encourage you to continue reading this book. Don't let the term CNC or perhaps your apprehensiveness with working with computers or your lack of design skills scare you. In this book I will share some business examples and also share some ideas to take things that might have prevented you from starting your own business in the past. If sales, marketing, and customer service have been a challenge for you, then I hope to provide you with ideas and solutions to make this process a little easier. You can rest easy knowing you will have world-class support available to you for your STEPCRAFT All-In-One Creation System, no matter where in the world you live.

If you want it badly enough, then you can achieve it.

What Types Of Businesses Can I Start With A

STEPCRAFT System?

The question should actually read, "What can't I do with a STEPCRAFT CNC system?"



What makes STEPCRAFT CNC systems so unique is the versatility of the interchangeable system attachments to handle a large variety of tasks; from milling and carving to engraving and 3D printing.

I could sit here and type out an endless list of ideas for you to consider but I would rather raise your excitement level by giving you some examples of how other STEPCRAFT owners are using their machines for business.

Prototyping Parts and Ideas

Walter designs camera mounts and accessories for the motion picture industry. The cost for his units can exceed several thousand dollars. They are comprised of many precision parts that are machined out of aluminum with a pristine finish. The problem he had with his business is that there are a lot of custom applications for various components that are used with these cameras. So every time he needs a new bracket or mount, he has to send it to a job shop to prototype the part. This is very expensive and time consuming with average lead times running around 2-3 weeks. Walter realized that if he had a system that could 3D print as well as mill prototype parts, that he could have parts made to test fit and function in hours rather than weeks. The addition of a STEPCRAFT CNC system in his business has saved him a lot of money and has helped him expand his product line faster than he ever could in the past.

A Dog-Gone Good Idea

Ellen has a business selling custom clothing for dogs; yes, there is a business for that ... a large one! After months of selling doggy coats, sweaters and more, she decided to expand her offerings to other items that dog owners might enjoy. After polling her large customer base, she was able to come up with a list of items that people have a lot of interest in. Adding a STEPCRAFT System to her business allowed her to design custom wall plaques, carved wood signs, leash holders and more. The best part is that she is able to take a piece of wood that costs a dollar and turn it into a product that sells for \$35. This high profit margin is attributed to her ability to customize these items per order – something a big box store simply cannot offer.

Carving Up a Profit

James has been designing and handcrafting amazing exotic wood cutting boards, trivets and more for a few years now. The product is beautiful and very high quality with an average price tag of around \$55. With the addition of a STEPCRAFT CNC system in his business, he now has the ability to personalize his items, making them perfect gifts for weddings, anniversaries, and other occasions. He can now customize orders for his products and carve one side for display (with a family name or date) on a counter or in a curio while keeping the other side functional in the kitchen. So when you are not carving up vegetables, you can flip it over and proudly display it.

Leather Creations

Since when can a CNC machine work with leather? Well Diane was able to use a STEPCRAFT System along with a special drag knife and custom vacuum table to be able to turn her leather designs into products for gifts, fashion and more. Previously, she designed items on her computer, printed them out and traced the designs on leather, where she would then have to cut each intricate part out manually with scissors and other special leatherworking tools. With the system in place she can now simply go from computer directly to the STEPCRAFT and cut out her shapes in one step. This saved her considerable time, which she has used for marketing her business. Her business shows the extended capability of the STEPCRAFT system and sometimes, with the addition of aftermarket components, you can find new ways of accomplishing tedious tasks to further grow your business.

Quotes and Hope equals Dollars and Cents

Melissa has copyrighted over 30 inspirational quotes that she sells on t-shirts, coffee mugs and as framed prints. Realizing that she needed to expand into other types of products donning her quotes, she began to look at having engraved plaques, frames, and acrylic lighted signs made, as well as other creations that simply comprised of silhouette wall signs. By the time she got manufacturing quotes from suppliers, there would be little margin left to justify the investment in marketing and time. She realized that with a STEPCRAFT CNC System, she could easily make these items herself for a small fraction of the cost. While there was a small learning curve, it allowed her to get a feel for the capabilities of the system, which spawned many other ideas for future production. Items that were going to cost her \$21 to have made she can now make herself for less than \$3.

Unplug Profits with Model Cars

David has been selling custom-designed bodies for radio control cars for a while now and he has recently expanded into body parts for drones. His process, until he discovered STEPCRAFT, consisted of carving and sanding foam and wood to make plugs (a positive mold) that he would then use to vacuum form Lexan bodies. It would take him 4-8 hours per plug depending on the material it was made from and the level of detail. He turned to STEPCRAFT to use it for CNC carving. He could now take his design and have the STEPCRAFT carve the plug to tolerances that

he never could by hand in a small fraction of the time. The level of detail that he can introduce into his designs now, makes his product superior in his industry.

Custom Engraved Dog Tags

Lenny attends fairs and wanted to offer a product that he could customize for a good profit and add to his already successful offerings. He had the idea to offer military-style dog tags in a wide variety of fun and catchy colors. While they make machines specifically designed to engrave dog tags, the cost was similar to a STEPCRAFT system and with the added functionality of STEPCRAFT, it allowed him to not only produce the engraved dog tags but he can test out other design ideas as well.

Making Dollars with Drones

Charlie jumped onto the drone boom in a unique way; he designs and sells his own frame kits. The open frame design kits that Charlie produces are very common in what they call FPV (first person view) racing. There are a lot of Chinese kits that can be purchased very inexpensively but he wanted to focus on his unique design and keeping the quality very high. He sells about 20 kits a week and presently is cutting all of the carbon fiber frame parts on his STEPCRAFT CNC System. The ability to make frames to order keeps his inventory costs down and allows him to make customizations like engraving the pilot info on the frame as well as other specific design modifications.

Making Money with Scrapbooking

Laura has been very passionate in scrapbooking for many years now. She has owned and used machines that you can buy at big box stores that are specifically designed for the scrapbooking market. The problem was that she felt they were very limited. Sometimes she wants to cut materials thicker than paper, like foam and other materials and the other machines simply are not up for the task. She acquired a STEPCRAFT System and hosts a scrapbooking workshop every week where she charges an admission for the night. Each participant has full access to the STEPCRAFT to make his or her custom creations. Her STEPCRAFT system has increased attendance, interest, and cash-flow to her business.

As you can see these are just a few small examples of things that people have created with their STEPCRAFT CNC System to build successful businesses. Because of the flexibility of the various attachments and functionality, there are many different paths you can take with your business and ideas.

The possibilities are virtually endless and are limited mainly by your imagination.

Can I Build A Successful Business If I Have No Computer Design Skills?

Definitely, Yes! It never hurts to know how to design in programs like Adobe Illustrator, CorelDRAW or Inkscape or CAD programs like SketchUp, AutoCAD or Solidworks, but our software makes it easy for you to make countless projects with no design experience.



Additionally, there are thousands of designers online that you can hire from around the world to make custom designs for you. In today's business world, you do not need to be an expert in everything. What made Henry Ford so successful was not his ability to turn a wrench and build a car; it was his ability to surround himself with people that could do those jobs that he did not know how to do.

There are a lot of websites that you can go to and buy generic designs and then customize them with text or other graphics. Our software has the ability to allow you to import graphics that you can find online and convert them to vector paths that you can scale and manipulate for your designs.

There is a learning curve to being proficient with a STEPCRAFT system but with the tutorials, and other online support, most customers indicate that they are very comfortable with the system in a matter of days.

You will be learning things like manipulating images, working with various materials, the differences between a variety of cutting tools and more. But we strive to help make this an easy process.

You will be venturing into the exciting world of CNC and not just CNC cutting or milling, but with the wide variety of attachments that STEPCRAFT offers, you will have virtually limitless applications at your fingertips. You will be learning and building a profitable business at the same time – doesn't that sound exciting?

What Is The Earning Potential?

My first reaction would be to say that you have "limitless earning potential." I say this because it depends on you; your ideas and what your plans are for those ideas once you create them. However, I want to be realistic and set realistic expectations for your business.

For example, if your passion is making Christmas ornaments (cutting from wood or plastic and then painting), then maybe they will sell for \$5, \$10, \$20? Even if you sold hundreds of them, that is not an income that will be buying you a private jet any time soon. However, it could be enough to pay for your yearly family vacation or help with common household bills or maybe it's the down payment on a new car. Only you can determine what your definition of success is.

Now maybe you have the next great tech idea and the STEPCRAFT system is your means to develop a working prototype to test and prove the concept. Maybe your plan is to have that company be bought out by a much larger company in the future for millions of dollars. In that case, your next decision might be what color interior do you want in your private jet?

I am not the type of person to put limits on anyone. All you need is passion, determination, and the desire to do whatever it takes to make your business succeed, and there is no limit to what you can accomplish.

What I can tell you is that the STEPCRAFT CNC System will help you maximize profits on items you design. Not having to pay for job shops to make prototypes can save you hundreds or thousands of dollars. Being able to make something out of \$1 in material and sell it for \$10 or \$20 is a very high return on investment.

Whenever I start a business or consult for someone with his or her business, I always look at the quickest path to breaking even on your financial investment. The following business example will give you an idea of both the expenses and profits that you might see in your business.

Sample Business Plan

Example Business Idea: "Custom" Wooden Wall Signs

Business Summary:

This business will design, cut and sell custom wooden wall signs, which will comprise of 5 designs that are "stock" items as well as providing "custom" signs using wording that customers' request. They will be provided unfinished or painted black.

Marketing Summary:

These signs will be sold at local craft fairs, flea markets and community fairs as well as maintaining an online store at Etsy.com. Additionally, they will be sold on the company's website.

Initial Startup Requirements/Expenses		
Consultation with Lawyer	\$250.00	
Consultation with Accountant	\$150.00	
Business name Registration	\$25.00	
Setup Banking Account	\$50.00	
Domain Name For Website	\$20.00	
Simple Website Design	\$200.00	
Business Cards	\$30.00	
Brochures	\$70.00	
Laptop Computer	\$300.00	
Inkjet Printer	\$100.00	
STEPCRAFT All-In-One System	\$2,000.00	
Sandpaper (various types)	\$5.00	
Total Basic Startup Expenses:	\$3,200.00	

Raw Material Costs			
1/4" Sanded Birch Plywood	\$ 30.00		
Black Spray Paint	(Home Depot) \$6.00		
. ,	-		
Total Raw Material Costs:	\$36.00		

Assuming that all the signs will use a 12x12 inch blank piece of wood of which you can get 32 blanks from a single 4x8 foot sheet of Birch plywood. We also plan that we will use 1 can of black spray paint for 32 signs. We also want to factor in your labor, since your time is valuable and you need to be compensated, which is why you want a business in the first place.

The plan is to have 5 "stock" signs that you will have pre-designed in addition to offering "custom" designs; we have to assume it will take you 10 minutes to design the "custom" signs. The setup time on the machine and time to paint each sign is estimated at 10 minutes. Using an hourly rate of \$20, we know you can make 6 "stock" stock signs per hour or 3 "custom" signs per hour, which will average out to \$3.34 per "stock" sign and \$6.67 per "custom" sign.

Cost Per "Stock" Sign		
1/4" Sanded Birch Plywood	\$0.94	
Paint Per Sign	\$0.19	
Labor Per Sign	\$3.34	
Total Costs Per Sign (Time and Materials)		

Cost Per "Custom" Sign		
1/4" Sanded Birch Plywood	\$0.94	
Paint Per Sign	\$0.19	
Labor Per Sign	\$6.67	
Total Costs Per Sign (Time and Materials)		

Defining Your Selling Price

After researching online as well as attending some craft and community fairs, it was determined that the average price for "stock" signs of this type is \$21.00. When choosing a selling price, you have a couple choices to make. Is your quality/design better? If so, then you could price it higher than the average and sell based on the fact that it is a higher quality product. Typically in selling a higher ticket item will result in fewer sales.

If you are selling in the same space as the competitor (fairs, Etsy.com, etc.) then you might want to consider selling for a little bit less to be more competitive. This is a good strategy to

acquire customers that are shopping on price. It is also a good plan when looking for higher volume sales. Since this is our preferred model, the retail price per "stock" sign will be \$18.00.

With regards to the "custom" signs, research did not show any competition for this type of product. Since it is customized, people will expect that it will cost more. To keep things simple, we will keep the price for a "custom" sign to \$28.00.

Profit Per Sign

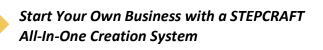
"Stock" Signs

"Stock" Signs		
Retail Price	\$18.00	
Time and Material Cost	\$4.47	
Total Profit (per sign)	\$13.53	

"Custom" Signs

"Custom" Signs		
Retail Price	\$28.00	
Time and Material Cost	\$7.80	
Total Profit (per sign)	\$20.20	

Now that you have your costs and selling prices worked out, we need to figure out how many signs you will sell per month. Considering all the channels that you have to promote your signs, including online, retail and fair/shows, let's estimate that you will sell 100 signs per month; 60 "stock" and 40 "custom".



Monthly Sales Projection

Monthly Sales Projection	
60 "Stock" Sign Sales @ \$18.00 each	\$1,080.00
Less Time and Materials	(\$268.20)
40 "Custom" Sign Sales @ \$28.00 each	\$1,120.00
Less Time and Materials	(\$234.00)
Total Gross Sales	\$2,200.00
Total Profit	\$1,697.80

In this example business plan you could be earning \$1,697.80 per month part-time out of your house thanks to having the ability to design and create "custom" wood signs with a STEPCRAFT All-In-One Creation system. When you factor in the initial investment of the STEPCRAFT plus other startup costs, you could be profitable in the second month of business. Think about what you could do with an extra \$1,500 - \$2,000 or more per month!

Basic Steps To Making Your Project On A STEPCRAFT All-In-One System?

Now that we have a basic business plan in place for the new Custom Wood Sign business, I want to show you how to design and cut the signs out on the STEPCRAFT.

The first thing you will need is a program to design the sign with. You could easily use a program like Inkscape, which is completely free, or you can use commercial programs like CorelDRAW or Adobe Illustrator. For this example, I am using Adobe Illustrator.

The key to making this kind of sign is knowing that the letters have to all be connected so the sign remains in one piece when it is done. The easiest way I know to do this is to choose a font that has an accentuated style. I love to use the Georgia font because the shapes of the letters allow for them to connect easily. Start by creating a new document that is 12x12 inches to match the black wood panels that are cut from a 4x8 foot sheet of birch plywood.



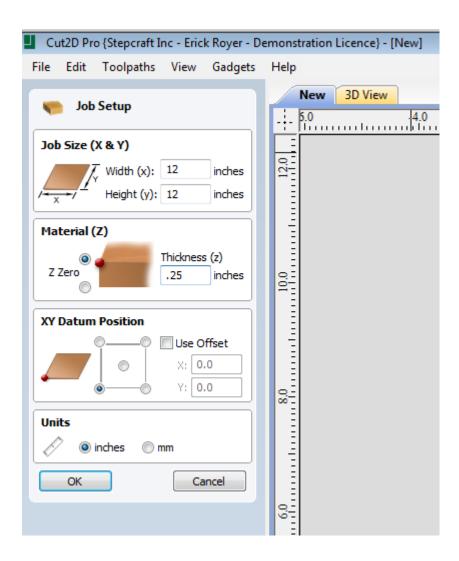
LOXE OUT OF THE PROPERTY OF TH

I make each letter individually and then move them together until they just touch each other. I also use capital letters for every letter, but I make the first letter of each word about 50% larger than the rest. It might take you a little while to get all the letters in the correct positions to accomplish the look you are after. Once you have it laid out, select all the letters and drag the corner to be sure it fills up the width of the work piece.

Save the file in the a compatible format (.ai, .dwg, .dxf, .eps, etc.)

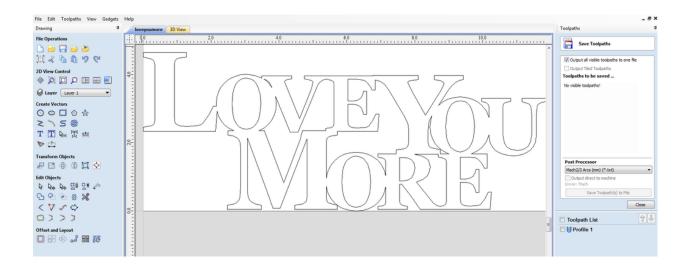


Next open Vectric Cut2D software. When you create a new job, you will enter in your work piece dimensions, which in this case is 12 inches wide by 12 inches tall and .25 inches thick.

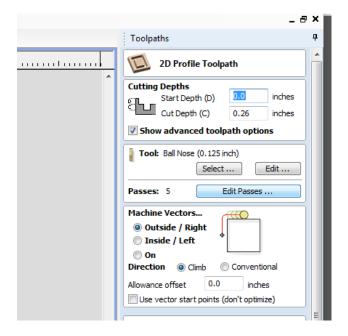




Import the file from the drawing program and it should look like the photo below.



Simply highlight all the text on the screen and then create a Profile Toolpath by pressing the appropriate button in the Toolpath window. Select the tool you will be using, which will be a 1/8" (.125") end mill. Assign how deep you want the tool to cut. In this case we want a clean bottom cut so we are using a scrap piece of wood under our work piece so the tool can cut a little deeper than the thickness of the work piece. Select Outside/Right from the Machine Vectors box to indicate that we are cutting outside all of the lines and then press the calculate button.

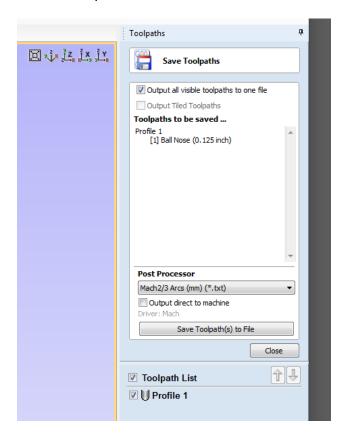




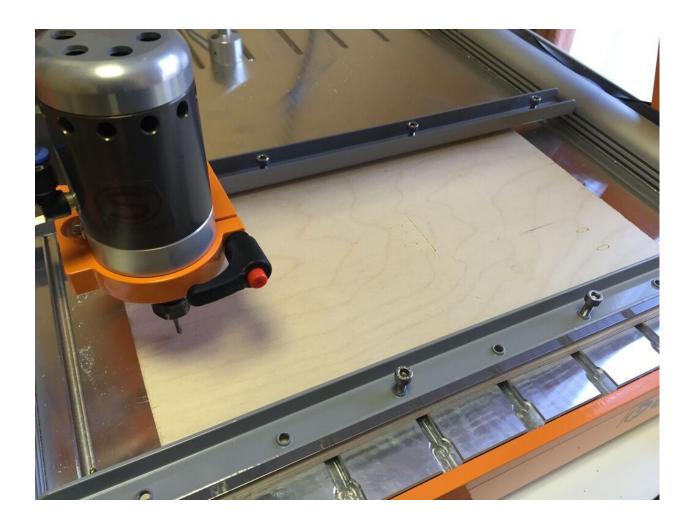
At this point you will be able to see a full 3D preview in the program. This will be 99% accurate to what your STEPCRAFT will cut out, so if it does not look correct here, it will not look correct when cut out of wood.



The last step in this program is to save the toolpath for the STEPCRAFT. To do this, select the toolpath you just created and click Save Toolpath(s) to File. Select the "Mach2/3 Arcs (mm) (*.txt)" post processor from the drop-down list and save the file.

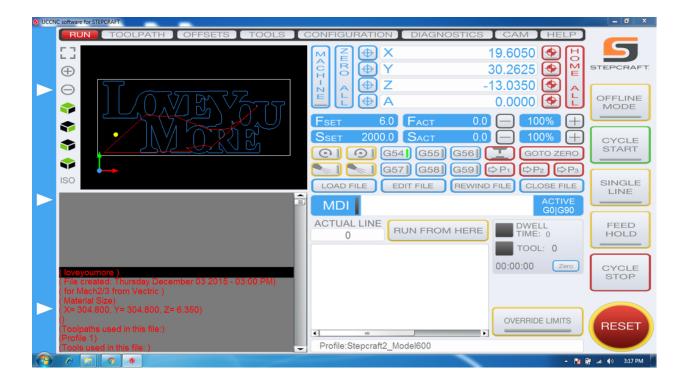


Load the plywood into the STEPCRAFT machine and secure with the included hold down clamps. Load the 1/8" tool into the spindle and set the start point of the job.





Load the file you just created into UCCNC and press CYCLE START to begin cutting. When finished, the final sign will be ready to paint.



That's it! As you can see the process is not that difficult and the more you do it, the more proficient you will become. The final sign might need some very light sanding before you are ready to paint it or deliver it to the customer unfinished.



What Do I Need To Start

My Business?

As with all businesses you really should have a plan; even a basic plan is a good start. I always recommend that people start with their personal interests and while you are thinking, be sure to ask yourself if you will enjoy doing this every day. If you have the passion and determination, then you have 75% of what is required to start a business.



A Name

Once you have decided on what you would like to do for your business, the next step is to come up with a name. Don't take this step lightly. It's like naming your child; once you choose the name you are committed to it.

I typically will write down some ideas of names that I like. Once I have around 10 names on my list I turn to GoDaddy.com and start to look for a domain name. While it is not critical to have a domain name that matches your business name, it is always better if you can make the two the same. Why, you ask?

Since the internet is most likely going to be one of your main sources of selling your product, you want to make yourself easily found amongst the billions of websites online. If your business name were Cool Creations, then the easiest way for people to find you (who already knew something about your business) would be to have coolcreations.com. Every day that goes by there are fewer and fewer names available but I still always find a happy medium and with a few minor adjustments, I can always find a domain name that matches the business name I like or I can adjust the business name to match the domain name that I found.

Another thing to consider with your name is SEO (search engine optimization). This is basically the process of making your website as easy as possible for the search engines to index, which will make it easier for potential customers to find you based on their searches. One way to start off this process of good SEO is to write down a list of the top 20 keywords that best match your intended business. Keywords can be phrases and not just a single word, i.e. "wooden ornaments" would be consider a single keyword. From those 20, choose 3 that you feel would be the most popular. If you can use one of those top 3 keywords in your name and/or domain name, you will have a leg up on the competition. As an example, if your business is making custom lawn ornaments, then a name like LukesLawnOrnaments.com would be a very good name with positive SEO results.

Once you have chosen a business name and have chosen a domain name, it's time to head over to Facebook and create a page for your business. Again, try and choose a page name that best matches your business name. Facebook will give you a URL like www.facebook.com/lukeslawnornaments (which would be ideal).

The last thing that you should secure is an account name on Twitter.com. Facebook and Twitter are the two major social media platforms that you can use to spread the word about your business.

If your business lends itself to video, then you want to create an account on YouTube.com. If your business will have a lot of pictures of cool creative ideas then you might also want to consider setting up an account at Pinterest.com. This is a great site for sharing of pictures and ideas. It is also a heavily female-dominated platform. So if women are your target audience, then you want to use Pinterest.

Conversely, if your business is going to target a younger audience, then you should have an account on Instagram as this platform attracts a younger audience with a mobile-based platform using smartphones and tablets.

Let's Get Legal

While I am not an accountant or business attorney, there are some basic things you need to setup to make your business a legal entity. I urge you to consult an accountant to ensure all of your books are setup properly and that you have filed all the necessary paperwork needed for your state, and local government as well as any paperwork that you need filled out for the federal government.

I also suggest that you consult a business attorney to discuss things like:

- Do you need for liability insurance?
- Should you copyright, patent or register your products for protection from being copied?
- Trade name issues to make sure you are not infringing on someone else's business name.
- Is your product infringing on anyone's copyright or patents?

Even if you are simply making small trinkets as part of your business, it is always good practice to consult legal and financial advice. It may seem excessive, but the goal here is to build a successful business and grow it to exceed your expectations. Starting off with the correct footing will save you a lot of headache later.

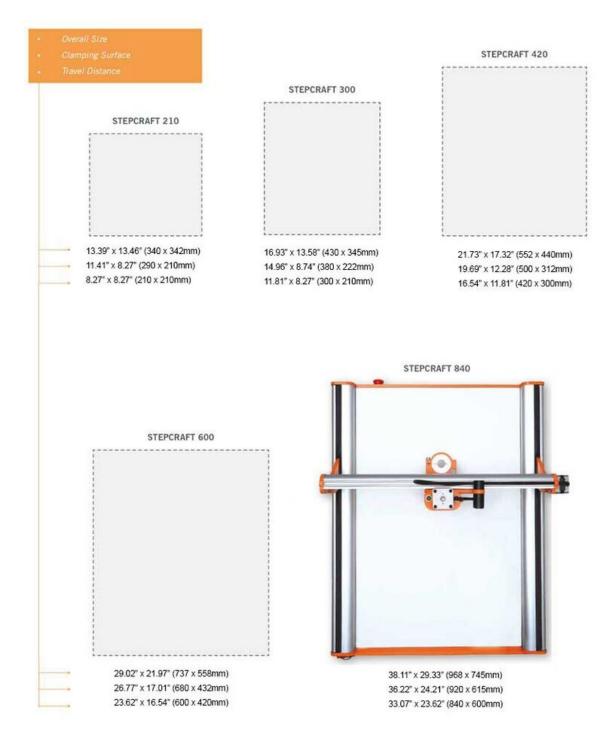
Tools of the Trade

Now that you have the basics for your business in order, it is time to acquire your STEPCRAFT CNC System with the appropriate attachments, tools and accessories to bring your product ideas to life.



There are a lot of options to consider here, including the following:

What is the maximum size of material that you envision using as part of your business? This is important because STEPCRAFT offers 5 different machine sizes and you want to be sure that you invest in the correct size machine so you don't find that you are limited in the future by having a work piece larger than your machine's capabilities.

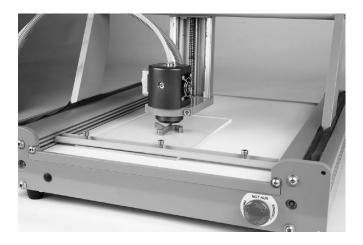


What types of materials are you going to work with? If you are going to cut wood only, you might consider using a Dewalt trim router as your spindle because it produces a lot of power, it accepts a wide variety of bits, and it is inexpensive. If you are going to

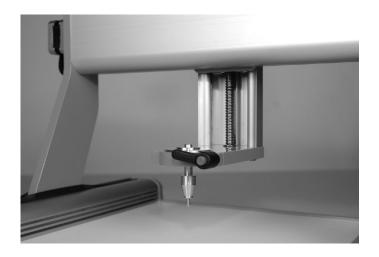


work with very light woods only, like balsa or hobby plywood, then using a Dremel as your spindle might be a good option, especially if you already own one. However, if you feel that you might be working with a large variety of materials, from wood and plastic to aluminum and brass, then you should consider the HF500 computer-controlled aircooled spindle, as it will give you the most flexibility for a wide range of materials.

 Are you going to need 3D printing capability? If so, you will want to add a 3D printer attachment to your system.



Are you going to be engraving (plastic or metal)? You would want to consider the Mini Engraving Point for this application.



Will your business require the cutting of material like card stock, paper, plastic film or vinyl? If so then the Drag knife should be considered for the ability to easily cut those materials.



Do you plan to work with foam? If so, then the Hot Wire Foam Cutter should be added to your system.



Once you have decided on the attachments that will allow you to produce your ideas effectively, then we need to take a look at other possible accessories that might help your business now, or as you grow. These can include:

- T-Slot Table provides a very solid base and the ability to secure material in a wide variety of ways.
- **Exhaust Adapter** will you be making a lot of dust? If so, then this device will allow you to connect to a shop vacuum and will provide you with a cleaner work area.
- Vices If you are working on a variety of hard to secure parts, then a vice might be necessary for optimal fixturing of material.
- 4th Axis Are you planning on working with engraving, carving or cutting round stock? If so then the 4th Axis system will give you this ability.

The last thing that you will want to consider is software. STEPCRAFT includes UCCNC machine control software with every machine. This program controls the machine and allows you to interact with it. However, UCCNC requires a file that has been run through a CAM (Computer-Aided Manufacturing) program that takes your design and creates G-Code, or machine code, that the system will understand to complete the job.

There are basically three types of software that the average STEPCRAFT customer uses: Design software (SketchUp, Adobe Illustrator, CorelDRAW, Inkscape, AutoCAD, or virtually any other graphic design or CAD software), CAM software (Vectric Cut2D, Cut3D, VCarve Pro, Aspire, etc.), and machine control software (UCCNC which is included).

It is important to note that both Vectric software and UCCNC are Windows-only platforms. They can be run from a Mac by using a program like Bootcamp or Parallels to run Windows within the Mac system.

Depending on what you want to do, some of the Vectric programs have a design feature built in that will allow you to create your designs right in the program. The three main programs that STEPCRAFT recommends are:

Cut2D

Perfect for 2D and 2.5D cutting, drilling and pocketing. Silhouette signs, drag knife applications, carbon fiber and hobby cutting are a few examples of what you can do with this program.

Cut3D

If you wish to mill or carve complex designs in full 3D, then this program is what you need. Keep in mind that it does NOT have the functionality of Cut2D; so if you plan to do both 2D and 3D cutting, milling and carving, you will need both programs.

VCarve and VCarve Pro

VCarve and VCarve Pro take the functionality of Cut2D and merges with the ability to incorporating 3D carving jobs. It also adds the additional functionality of performing V-Carve tasks. This is common in sign making where you use a 'V' Bit to cut beveled letters into material. VCarve also has the ability to wrap a design around a rotary surface (using the 4th Axis System).

Now that you have decided on a STEPCRAFT CNC system to invest in for your business, it is time to find an area for your machine and where you will run your business. Since most applications will make dust and noise, many times a common living area, like a kitchen or family room are not the best choices. It is recommended that you find a place in your home or workshop that is dry and will maintain an average temperature of at least 68 degrees Fahrenheit (20 degrees Celsius) to ensure the best possible performance of the machine. This area should allow you to run the machine without disruption of other family members (sleeping children) so that you can run the machine as you wish without worrying about mess and noise.

Marketing Your Business

This could be a whole book unto itself, but there are some marketing practices that you can follow for little or no money that will give you business a boost.

Word of Mouth

This is always the first way that I suggest marketing any new business. Start with your friends and family and let them know what you are doing. You will be surprised at how happy people who care about you will be to spread the word about your new enterprise.

Social Media

Get on your personal Twitter and Facebook pages and let everyone within your network know about your business. Keep in mind that there is no guarantee that every one of your friends will see your post, but you might reach 20% or more, and considering that the cost to do this is \$0, you have nothing to lose. Be sure to have a link in your post and include a picture of your creation. Don't let Facebook choose a picture from your website because it will not be as nice as one that you can post specifically for this application. Lastly, keep your post short (1 or 2 sentences max.). You want to grab the viewer's attention and many people will skip over longer posts.

Remember that many Facebook users are on a mobile device and check their page when they have a free minute here and there. Make it easy for them to LIKE your page and click to your website. You can even include "Please Share" at the end of your post and you might be surprised to see how many will share with their friends.

Wear Your Brand

Whether you have a simple name or catchy logo, get a couple of embroidered hats and shirts made and wear them proudly. A good tip for you with this is to make sure you put the URL of your website on the back of the hat and on the back shoulder of your shirts. This way when you

are standing in line at the supermarket, you are acting as a human billboard for your business. You might even be surprised how many people will tap you on the shoulder and ask about your business.

Your Driving Billboard

Just like your body, you should place your brand on your vehicle as well. Now you don't have to go crazy and get the whole thing wrapped with graphics; a simple white logo with your URL on your back window or side windows will be enough to catch attention. I will often walk through a parking lot and see a URL on a window and type it into my phone just to see what that person's business is all about ... I am not the only one!

Business Cards and Flyers

You should always carry your business card with you so you can quickly hand to someone. Remember business is all about networking and every time you talk to someone about your business, you should leave him or her with a card. And please, please, please, do NOT get free cards online. There is nothing more unprofessional than handing someone a card and they flip it over to see a logo from the printer. When I see that, it worries me about how little this person values their business that they could not spend \$20 on some business cards. Your cards should have all of your contact info and at least a one-line description of what your business is about. Keep them simple and clean.

Flyers are good to have as well. It can be a simple tri-fold brochure with some nice photos of your products. If you are in the customization business, then I would not put pricing as it may vary, but you could put "starting at \$xx.xx". Make sure your photos are taken on a clean background without clutter behind or around the product. I often see photos online where someone takes the picture of their product on a messy kitchen counter. Again, take pride in your products and display them proudly. I recommend using a company located here is Connecticut called Print Master (www.print-master.net) because of their high quality, low run requirements and very affordable pricing.

Craft Fairs and Trade Shows

Depending on the types of products you create, a local county fair or community craft fair would be a great place to sell products that you make and get the word out about your business. Booths/tables at these types of events are typically inexpensive and you do not need to do a lot of preparation. In fact, you could even bring your STEPCRAFT System to the event and make items right there in front of people ... it can be a real attention getter.

Trade shows are a little different. They are often specific to certain niches where the attendees are there for a single topic or purpose. There are trade shows for everything imaginable, from radio control models and trains to shows for dogs and cats. So if you make a product specific to a certain market, you should explore trade shows. They do tend to be more expensive to attend and are often held in larger metropolitan areas, so travel expenses may have to be factored in. But if you make products that are specific to hunters, then exhibiting at a hunting show could be the best marketing venture you do for your business.

Online Advertising

I usually split online advertising up into 3 groups: Facebook, Google ads, and banner advertising.

Facebook has an amazing ad program with the ability to target your specific audience with laser point accuracy. You can enter all the criteria of your target customer (age, interests, geographical location, etc.) Once you get the hang of it, you will see pretty strong results. The best part is that you can set the exact amount of money that you wish to spend so you will not have any surprises with high bills after your campaign Is over.

Google ads are trickier and if you do not do it properly, you can end up paying some pretty high CPC (cost per clicks). But since Google is the largest website on the Internet and the number one search engine on the Internet, you really can't overlook it. I actually hired a company called White Shark Media (see appendix) that manages all of my Google ads and they have given me a much higher ROI (return on investment) than I ever could. Sometimes it is worth paying someone who is an expert to ensure that your marketing dollars are working properly for you. Much like hiring a reputable broker to invest your retirement savings for you; you would not attempt to risk your life savings without knowing exactly what you are doing, would you?

Banner ads can be used in different ways. Google has a program where you can upload banners and they distribute them for you. There are other ad delivery systems out there that do the

same thing as well, but again this can be costly for a new startup business. My suggestion for banner advertising is to search around on the internet and look for blogs and other topic specific sites that you feel would be a good audience for your products and then contact the site owner and see if they would be willing to run a banner ad for you on their site. I would not expect them to do it for free, but sometimes it will be very inexpensive (~\$50 a month) or you can even possibly barter with the site owner. I often use the saying "fish where the fish are" when I discuss marketing. If the website has your target audience, then it won't hurt to reach out to the site owner.

TV, Radio and Print Media

I personally am not a fan of these types of marketing for new businesses. They are expensive and often the reach is very broad. Even a simple TV campaign can end up costing you \$500-\$1000 per week, which would be great if you were yielding 10 times the investment in sales, but this is often not the case. Your money could be better used in other places with a much higher chance of seeing a fast return.

Radio might be ok at a local community station. Often times the rates are not bad. My fear with radio is that in todays marketing with services like Sirius XM, Pandora, podcasts, and other mediums that people listen to in their cars and while they work, that you don't have the large audience that radio advertising once did. There is no harm in doing some research.

Print advertising is tricky, and coming from the print advertising industry, I know that you cannot always believe the "numbers" that sales reps give you. Magazine advertising is shrinking in favor of a lot of people consuming content, news, etc. online. There is often a delay from when you place the ad to when it actually hits the newsstand that could be 2 months or more. Magazine and other print ads also do not have any kind of analytics to track engagement with readers, so you often times have to plan to use a coupon code or special phone number or website URL so you can see if your ads are working.

Newspaper advertising? Do people still read those? I don't mean to sound crass, but I consume stories from my local newspaper from their website and I even get the highlights on my Facebook feed so I don't even have to go looking for it. I can't remember the last time I saw someone with an actual paper.

If you want to consider newspaper advertising, contact them and see if they have an online advertising program that works alongside the print campaign, so you reach a broader market. Some communities have local papers where people buy and sell stuff along with classified ads.

Sta All-

Start Your Own Business with a STEPCRAFT All-In-One Creation System

Here in Northwestern CT we have the Foothills Trader and the Yankee Flyer. These are two good places to consider advertising because they are filled with ads and offers from businesses to consumers. People that pickup one of those papers already know they are going to see ads and are often in a "buying" mindset.

Marketing your business can certainly be a gamble, but if you start with the marketing efforts that are free or very low cost, you can continually refine and test your message until you get the optimal results.

Customer Service

This is the world of social media! Why did I start off by saying that? Because it has never been easier for an unhappy customer to spread the word to hundreds or thousands of people with a simple keystroke. There are a lot of major sites on the net that allow people to review businesses; Google, Bing, 4Square, etc. Those reviews stick and, for many, have a huge impact on whether or not someone will even pick up the phone to contact you. This is good for the consumer but can be devastating to the business owner.

The best way to avoid this fear is to make customer service your number one priority in your business. Many experts will tell you that you cannot make everyone happy, but I am telling you that you need to do all you can to try.

This is a relationship-based world. Consumers have the ability to reach further and faster than any other time in history when it comes to buying decisions. They can buy from a next-door neighbor or from around the world in a matter of seconds. To get the business you need to earn the business. Show customers that you care, go the extra mile and most importantly... LISTEN! Every customer wants to be heard and a customer who is unhappy wants to not only be heard, but wants to know you care and will take care of them.

There is a book called "How to Win Friends and Influence People" by Dale Carnegie that I recommend EVERY business owner reads. It changed my life and in the last 20 years I have read it cover to cover (or in audiobook form) 18 times and every time I get something new out of it.

Make it easy for customers to contact you when there is a question or a problem, or especially if they have a buying question. Have a dedicated support@ email and check it frequently. There are even alerts you can set on your smart phone that will audibly notify you whenever there is a support or sales email. The worst thing you can do is instruct a customer to reach you via email and then take a week to get back to them.

Make sure you have a phone number that is easy to find. Its okay if you don't answer it after business hours, but make sure your voice message indicates the business hours so they know. We use Vonage for our business phone because it allows us to place and receive calls from anywhere as if we are in the office. They also have a service that transcribes the voice messages into text and emails them to you. I love this feature because if I am in the middle of something I can quickly scan the email and determine if I need to return that call immediately or if it can wait a few minutes until I am done with my task at hand.

Customer service can be proactive too. It does not always have to be reactive when someone has a problem. You can put simple things in place within your business to stay in contact with customers on occasions like holidays, their birthday, etc. You can include a simple hand-written card in every package thanking the customer for their business. Some of the best selling that you will do is when you are not selling.

Your customers are your most important business assets ... make sure they know it!

To Bulk, Specialize, or Customize?

A lot of people when starting a new business will offer a wide variety of products and services. It is a good way to see what the market is interested in and to see which products will yield you the best return. If you have a proper plan in place this can be a good course of action, however if you are spread too thin, then that can hurt your business too. Think about a store like Walmart versus a dedicated power tool supply store. Yes, you can buy a saw and cordless drill at Walmart, but the tool supply store specializes in one specific niche ... power tools, so you can be sure that they are going to carry a larger selection of higher quality tools.

Maybe you have 100 ideas for products and you can get them to market in a short period of time with no specific niche that you are working within, then that is great and your marketing and sales efforts will be focused on a much broader audience. There is nothing wrong with this bulk model if that is what you are looking for your business to be about. However, if all of your items that you create are dedicated to dog owners, then that is when you want to specialize.

Putting all of your efforts into a single specialty can really help you streamline your business and your production process. If you have 10 items that make up the majority of your business, then you can stock raw materials for those items along with hardware, finishing supplies and packaging. You can have CNC programs already done and stored along with jigs you can make to fixture material so it is in the correct place all the time, thus reducing setup time. It might take you some time to design and setup your first product to make on your STEPCRAFT System, but once you refine it then you can easily see what you can do to make it repeatable. A simple part holder that keeps the part in the correct position while you cut or engrave it will save you a lot of setup time. Having the files done and saved means you can simply ensure you have the correct tool in place, load the material and run the job.

Now maybe your business is going to be built around customized products, where most of what you do is considered one-off. The advantage of this business model is that you will find customers are willing to pay a premium for items that are custom. To make this model work efficiently you will be to be sure you are very knowledgeable with drawing programs and your CAM programs. You may not know what you will be working on from one day to the next and being able to quickly start working on a customer's project that walks in the door is going to save you time and increase your profits. Some people find this kind of work exciting and don't

like to do the same thing day in and day out. If this is you, then you might want to consider a business model that is built around customized products.

There is a hybrid there though. You could mass-produce an item and then offer to personalize it. For example, maybe you make a dog leash holder that someone would hang on the wall and it has hooks to hold the leashes. You could make the basic frames in bulk but offer a customer the ability to order them with an engraved photo of their dog, or their dog's name on it. Now you have a product that you might have charged \$20 for, that you could add customization and charge \$35. The trick here would be to make a fixture that you can quickly place the blank frame into and then run an engraving or carving job right onto it.

Don't Be Penny-Wise And Pound-Foolish!

Obviously, as you can tell in this book, I am really excited about how a STEPCRAFT All-In-One Creation System can help get you on your way to starting your own business by turning your ideas into reality. I write this book confidently knowing that this product is solid and the service that the company offers is our top priority. You can sleep soundly every night knowing that your business is in good hands should a support issue ever arise; that you not only have the company in Germany and the United States standing behind you but there are dealers in 12 countries and countless blogs and forums online where the community of happy customers will be there to assist you.

Why don't I just buy an inexpensive machine from a site like EBay?

Yes, you could most likely save some money by buying a Chinese CNC machine from EBay and yes, it will probably work for a while, but ... What happens when you get a large order from a client and the next day your machine breaks? Is there support? Parts? Can you pick up the phone and get someone to help you (in your language) easily? This downtime can cause you to lose business.

STEPCRAFT's pricing is very competitive in the market and there are no other machines that have the versatility of additional attachments to give you added functionality on the market. You are not just buying the system, you are buying piece of mind knowing you have a team of people that are here to help you support your business.

I have been looking at a CNC system that costs much more than a STEPCRAFT and I am concerned about why your machine is so inexpensive.

There are other companies out on the market that specialize in industrial applications. These machines are designed to work in high volume production environments under higher stresses. Maybe your business idea warrants this type of system. If you are looking to mass-produce aluminum parts or high volumes of wood or plastic parts by the 100s every day, then a STEPCRAFT system might not be for you. STEPCRAFT machines are very durable and designed to

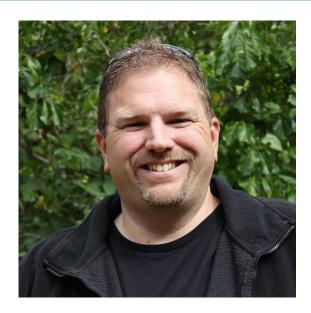
work under very accurate tolerances, but you can expect a \$2500 system to perform in high quantity production environments as you would with a \$50,000 machine.

STEPCRAFT systems are perfect for lower production applications, prototyping, customized items, and so much more. Many STEPCRAFT owners who are looking to mass-produce something will use their machine to design, test fit, prototype and prove out concepts and then when they are 100% happy with it, they will send it off to a high volume production shop to make in quantity at the lowest possible cost per part.

The bottom line is that only you know what you are looking for out of your business; the kind of products you want to make, the quality you want to deliver, the quantities that you need to produce and the security that you want in knowing that you will have all the support that you will need.

Good luck with your business. You may contact us at info@STEPCRAFT.us for more information.

About The Author



In my junior year of high school, the entrepreneurial bug bit me as I started my first business; a custom car stereo installation and fabrication specialty shop. Through the years, I built several successful businesses ranging from brick-and-mortar to online enterprises. When not running my own business, I held positions as Director of Sales and Marketing for several companies, including the largest community website for the radio control hobby with over 500,000 members worldwide grossing over 1.5 million dollars annually.

My success comes from taking things that I am passionate about and finding ways to create a business around them. From car stereos to radio control models and now CNC machining and 3D printing, I have a strong ability to identify what the market wants and then find solutions to fill those needs. My sales style has always been more of a consultant role, working in partnership with my clients to help them achieve their goals. I often label myself as "the idea guy" and I tend to have a unique ability to analyze a business and work with the owner to come up with new creative sales and marketing strategies.

As the director of STEPCRAFT, Inc., I decided to write this book with hopes of igniting your passion and creativity and with the help of a STEPCRAFT All-In-One CNC System, you too can be on your way to developing a successful business around your passion with the ability to turn your ideas into reality.

APPENDIX

Resources

Drawing/CAD Programs

- Sketchup Make (free) www.sketchup.com
- Inkscape (free) www.inkscape.org
- Adobe Illustrator www.adobe.com
- AutoCAD www.autodesk.com
- Corel Draw www.coreldraw.com
- Solidworks www.solidworks.com
- Autodesk 123D www.123dapp.com
- Rhinoceros www.rhino3d.com
- Fusion 360 www.autodesk.com/fusion360
- Vectric (Cut2D, Cut3D, VCarve, Aspire) www.vectric.com

Must Read Books

- How to Win Friends and Influence People by Dale Carnegie –
 www.stepcraft.us/winfriends
- The 4 Hour Work Week by Tim Ferris www.stepcraft.us/4hour
- The \$100 Startup www.stepcraft.us/100startup

Business Cards, Brochures, and Printing

Print Master – (860) 482-8152, www.printmaster.net

Custom Apparel and Embroidery

■ The Embroidery Wizard – (860) 379-3294, www.facebook.com/TheEmbroideryWizard

Google Ad Campaign Management

White Shark Media – www.stepcraft.us/whiteshark

Additional Learning

- The You Create Podcast www.youcreatepodcast.com
- STEPCRAFT Crafter's Club On Facebook www.stepcraftcraftersclub.com
- CNC Router Tips Podcast www.cncroutertips.com

I'd like to thank all of the STEPCRAFT customers for your business and for working with us during this past year as we setup and expanded our USA office. I would especially like to thank our

Kickstarter backers

for your tremendous support, which helped us launch STEPCRAFT, Inc. in a big way.

Thank you to *Markus Wedel* and *Peter Urban* for developing such an amazing CNC system that has literally helped change the lives of hundreds of people who use it as the heart of their business.

Thank you to *Dan Immohr* for your dedication and hard work to ensure that every customer receives the best and most timely support possible.

And last, but not least, I would like to thank

Michelle Spray

for all of your support, motivation and inspiration.

Start Your Own Business



It has never been easier to take an idea that you have and turn it into a product or a business! Stepcraft's All-In-One Creation Systems have been the centerpiece of many businesses and have helped bring countless products to life. The universal nature of the machine gives you the ability to do many different tasks, from cutting and carving to 3D printing and engraving.

This book was written to show you the possibilities that are within reach and to show you what you can create with a Stepcraft; whether it is a product or a business. I discuss everything from choosing a name to marketing and sales. I have included several examples of businesses that existing customers have started to help give your mind a jump-start.

If you have been thinking about starting a business but never had the ability to turn your ideas into reality, then *this book is for you*.

"The possibilities are virtually endless and are limited mainly by your imagination."

