



Simple Steps For Setting Up Your Embroidery Business For Success!

Module 1 Organizing Your Information



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Learning Objective:

- Show you how to Organize all of your Paperwork and get ready to set up your bookkeeping system.

Organization is the first step



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Simple Steps For Setting Up Your Embroidery Business For Success!

- Organize all of your Expense and Income receipts
- Create Price lists for each area of your business
- Create a list of all of your Customers
- Create a list of all of your Vendors or Suppliers
- Create a list of all of the services your offer



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- Install QuickBooks
- Set up your Chart of Accounts
- Import all of your Lists of information into QuickBooks
- Start adding your Orders into QuickBooks
- Add each job to your Scheduling System
- Create an Invoice as soon as the job is completed
- Deliver your job and collect your money!



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In This First Module I Will Cover:

- Different versions of QuickBooks
- Gathering your Year-End figures
- Different Areas of Service
- Customers
- Vendors
- Pricing



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Year-end Figures:

- Banking information
- Credit Card Info
- Accounts Receivable
- Accounts Payable
- Loan or Lease Payments
- Expenses



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Part 1

Which Editions Of QuickBooks



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Which Edition of QuickBooks to Purchase

- Desktop Version-Pro
- Desktop Enterprise
- Online Versions



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Which Online Version of QuickBooks

- **Simple Start** -Limited Low Cost option
- **QuickBooks Essentials** – Limited features
- **QuickBooks Plus** – Most of same features as Desktop Pro- My recommendation
- **Employees** – Add Payroll Module to Plus



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Part 2

Gathering Your Year-End Figures



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Gathering Your Year-End Figures

- Expenses
- Banking Information
- Credit Card Information
- Accounts Receivables
- Accounts Payables
- Loan or Lease Payment Information



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Part 3

Organizing Your Information



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Different Area Of Service

- Embroidery
- Screen Printing
- Vinyl
- Heat Transfers
- Sewing & Alterations
- Twill Applications

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Different Area Of Service

- Banners
- Digital Printing
- Sublimation
- Rhinestones
- Promotional Products

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Customer List

- Contact Name
- Company Name
- Email Address
- Phone Number
- Mobile Phone Number

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The EMBROIDERY COACH

Customer List

- Fax Number
- Website
- Physical Address
- Opening Balance – Invoice Date
- Resale Number

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The EMBROIDERY COACH

Customer Information Import List

[illegible]

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The EMBROIDERY COACH

Vendor List

- Contact Name
- Company Name
- Email Address
- Phone Number
- Mobile Phone Number

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The EMBROIDERY COACH

Vendor List

- Fax Number
- Website
- Physical Address
- Opening Balance – Invoice Date
- Tax ID Number

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The EMBROIDERY COACH

Vendor Information Import List

[illegible]

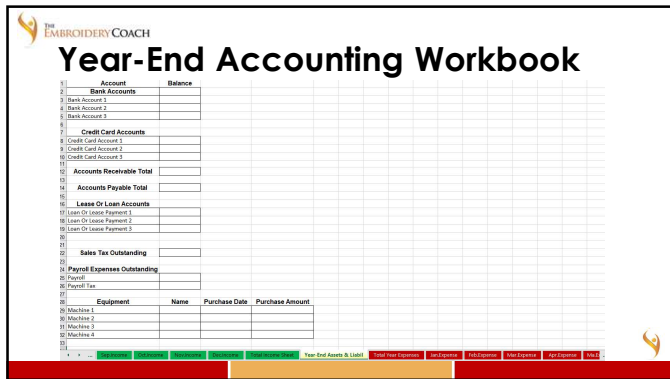
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The EMBROIDERY COACH

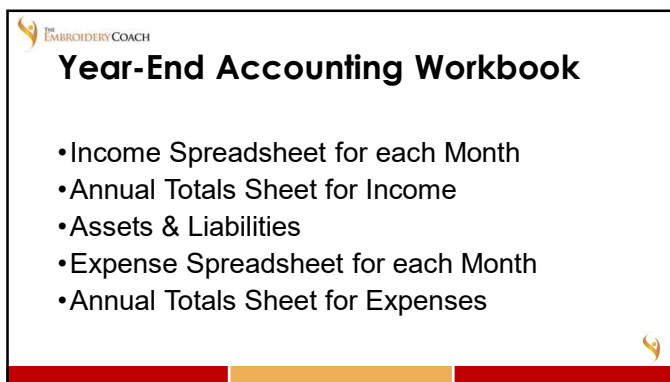
Part 4

Basic Pricing Information

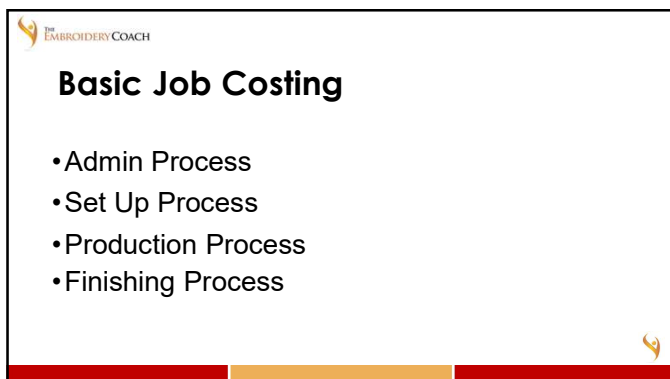
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Breakeven Cost Per Minute

- How many hours per day or week of running your business
- Divide breakeven point into amount of hours
- Divide breakeven point per hour into minutes
- Gives you true cost per minute

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Admin Process

- Waiting on the customer
- Taking the order
- Opening up box of goods & laying out and counting them
- Planning your production
- Waiting on customer again
- Creating Invoice
- Multiply total time for Admin process by cost per minute for running your business

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Set Up Process

- Loading Design into the Machine
- Setting up Colors
- Hooping the first item
- Loading it into the Machine
- Multiply total time for set up by cost per minute for running your business

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Production Process

- Time out sewing the design including trims, starts and stops
- Write it down
- Multiply the time that it took for the design to sew out by the cost per minute to run your business
- This is total cost of running the design



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Finishing Process

- Time how long to remove backing, trim, remove Solvy, steam and package
- Write it down
- Multiply the time that it takes to finish the garment by the cost per minute to run your business
- Total cost of finishing design



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Total Cost of Job

- Admin Cost
- Set up time
- Production Time
- Finishing Time



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 **Final Price List**

Stitch Count	1 Piece	2-5 Pieces	6-35 pieces	36-71 pieces	72-143 pieces	144 pieces & up
4000	\$17.52	\$9.12	\$6.47	\$5.09	\$4.86	\$4.79
6000	\$19.59	\$10.99	\$7.40	\$6.05	\$5.80	\$5.72
8000	\$21.46	\$11.83	\$8.33	\$7.01	\$6.73	\$6.66
10000	\$23.32	\$12.77	\$9.27	\$7.97	\$7.66	\$7.59
12000	\$25.19	\$13.70	\$10.20	\$8.93	\$8.60	\$8.52
14000	\$27.05	\$14.63	\$11.13	\$9.89	\$9.53	\$9.46
16000	\$28.92	\$15.57	\$12.07	\$10.85	\$10.46	\$10.39
18000	\$30.79	\$16.50	\$13.00	\$11.81	\$11.40	\$11.32
20000	\$32.65	\$17.43	\$13.93	\$12.77	\$12.33	\$12.26
22000	\$34.52	\$18.36	\$14.87	\$13.73	\$13.26	\$13.19
24000	\$36.39	\$19.30	\$15.80	\$14.69	\$14.19	\$14.12
26000	\$38.25	\$20.23	\$16.73	\$15.65	\$15.13	\$15.05
28000	\$40.12	\$21.16	\$17.66	\$16.61	\$16.06	\$15.99
30000	\$41.98	\$22.10	\$18.60	\$17.57	\$16.99	\$16.92
32000	\$43.85	\$23.03	\$19.53	\$18.53	\$17.93	\$17.85
35000	\$46.65	\$24.43	\$20.93	\$19.97	\$19.33	\$19.25
40000	\$51.91	\$26.78	\$23.26	\$22.37	\$21.66	\$21.59
45000	\$55.98	\$29.09	\$25.60	\$24.76	\$23.99	\$23.91
50000	\$60.65	\$31.43	\$27.93	\$27.16	\$26.32	\$26.23

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 **Combining Garment & Embroidery Pricing**

- Figure product cost from distributor
- Add on Shipping
- Add a markup to product cost & shipping
- Add price of embroidery

Total price of product & embroidery

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 **Items Brought In By Customers For Embroidery**

- Add a higher profit percentage to your embroidery price
- You are not making anything on the garment so you must have a higher markup on that embroidery

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 **Action Steps:** 

1. Download all of your forms & Complete them
2. Complete the Year-End Accounting Workbook
3. Go into the "How To Price Embroidery" program and complete the Cost Analysis
4. Create your Price Lists for Embroidery
5. Purchase QuickBooks if you do not already have it



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 **Next Lesson**

- Set up your Account
- Set up Chart of Accounts
- Set up Products
- Deciding if you will carry Inventory or not!



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