

Raw Hide Gazette

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"Without question, the Raw Hide Gazette is by far the best and most informative and comprehensive Guild publications of all of them! You are to be commended for your very fine and professional efforts. Keep up the good work. With admiration"
/signed/
Al & Ann Stohman, December 1997



PSLAC Website
<http://www.pslac.org/>

Puget Sound Leather Artisans Co-Op

October 2018

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Our PSLAC MISSION is...

To further the enjoyment of leather and to help others learn more about the real joy of leather - working as a group and sharing ideas and knowledge of leather, its uses and how to use it. To pass on this knowledge to others and then have them pass it on to the new members who come later. A fellowship with peers, young and old, expert and non-expert, anyone who has the love of leather.

To show and demonstrate to people outside the Co-Op leather in all forms and try to help them to become interested in leather.

...to share...

time talent, with all others in the Co-Op, especially the young.



2018 Pendleton Leather Show

The Pendleton Leather Show was held in November in Pendleton, Oregon. The show consisted of a Trade Show and Classes. The vendors were from all over the Western US and are specifically related to the leather crafting industry. The vendors displayed a selection of goods such as leather, hardware, saddle trees, stirrups, fancy conchos, stamping tools, saddlery tools, bootmaking supplies, glue, conditioners, dyes and more, all available for purchase. The classes feature a wide-range of subject matter. Mark your calendar for the next show on November 1-2, 2019.

<https://www.pendletonleathershow.com/exhibiting-vendors/>



Journal/Album Class

From the advertisement: "Bookbinding is a nuanced craft that doesn't always dovetail well with the heavy leather used in traditional western design. In this fast-paced class, Instructor Roberta Lavadour will lead students to bind a small book, learning how to incorporate tooled samples into covers and spines in a way that highlights the leather worker's skill without compromising the sound construction of a good binding. Participants will leave class with a finished book and the skills to create journals and albums that can add interest and variety to their product line.



Students can bring small tooled pieces (2x2" approximately) they would like to incorporate into the book design

THURSDAY: Nov 1st, 2018, 12pm to 4pm, \$75.00"

We had a very small class, just two students, so lots of time for questions and expanded explanations.

Here are the materials to help make the journal..



UHU stic glue stick

Bob Stelmack
Richland, WA



Standard Snap-Off Knife



Reasonable bone folders (Caution, dropped bone folders will chip or break)



Expensive bone folders



Some sample pictures of journal already made to examine.



Scrap papers used to make the journal cover

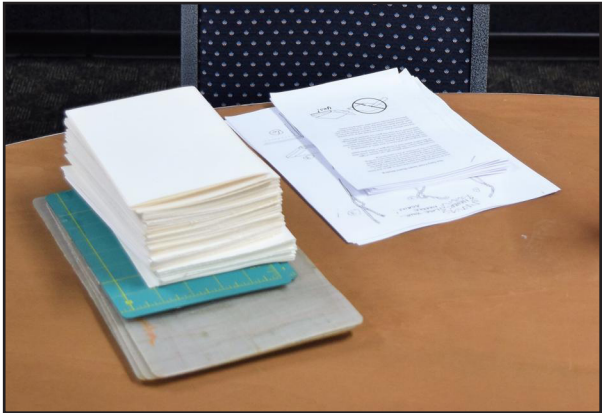


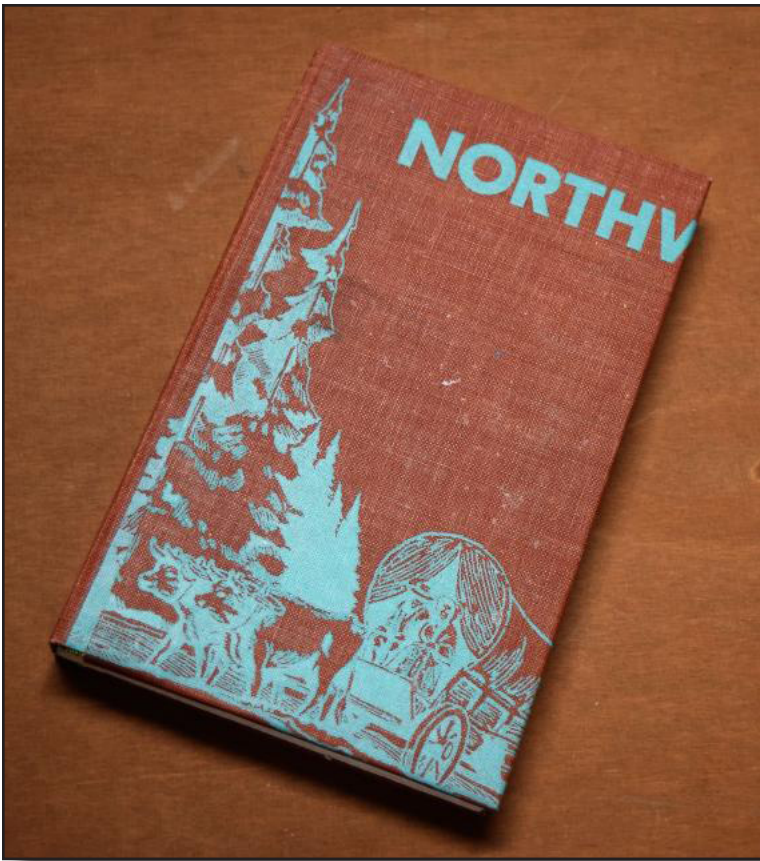
Instructor Roberta Lavadour



Pre folded folios to be sewn in signature for out journals.

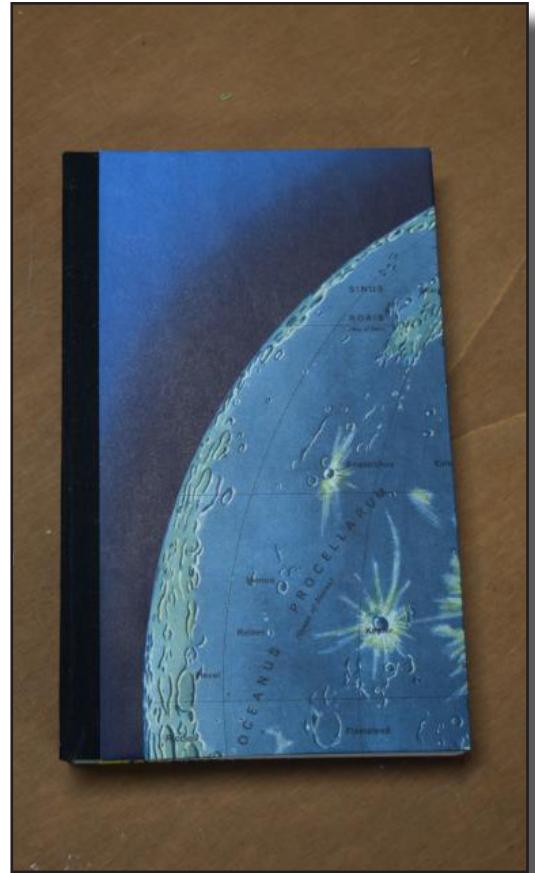
Instructions, papers and a cutting surface.





Completed Class Projects

Results of the journal Class at the Pendleton Leather Show)



Class room construction handouts are available here: <https://drive.google.com/open?id=1zlcY-9u5NCsimu4LtVhxI33vAna6LaUC>

Personal Entrepreneurship

On a whim, I signed up for the “A Lesson in Entrepreneurship from the Burns Generations” and dearly wished I had this information (*see a following page*) before I started my Desert Leathercraft, LLC business.

Braydan Shaw, the presenter of the **Lesson in Entrepreneurship** and his recently acquired **Shop Talk magazine** has a wealth of business knowledge he is willing to share. I strongly suggest you subscribe to the Shop Talk magazine and visit the <https://shoptalk-magazine.com/>

Since the magazine acquisition, the format and content has been altered and now includes some “how-to” articles.

Anyway, I digress. The presentation made me realize that I am not an entrepreneur and that I am selling my products at third rate hobbyist price with little thought towards growth or efficiency. I also lack plans for effective selling and customer support. And I have a unrealistic shop rate. Other than that, I am doing just fine ;-)

So, what did I learn to apply to my business?

Shop Rate Calculations

I am the sole employee/owner/receiver/manufacturer/shipper/sales and customer service limited liability corporation (Desert Leathercraft, LLC) that manufactures and sells slip-on leather book covers for recovery books. So, here are the duties that are performed that should go into a shop rate and I need to reevaluate my hourly shop rate and be sure to all activities included in that rate.

First, set an hourly wage rate, i.e. \$25 per hour

Also set the full time or part time hours worked per year, i.e. part time 500 hours per year (10 hours/week)

Now you can begin to calculate a shop rate.

The equation shown in each item is:

$$\frac{[(\text{HoursExpendedOnItemforOneYear}) * \text{HourlyWage}]/\text{HoursWorkedPerYear}}{\text{Year}} = \text{\$ShopRateAdditionPerHour}$$

Now explaining the equation in words: “Find the number of hours expended on each item NOT involved making the product for the entire year, then multiply (“*”) that number by what you consider a fair labor rate. Take that resultant number and divided (“/”) by the average number of hours you work in one year. That number (“=”) is the hourly shop rate that is added to your hourly wage rate.”

Often Over Looked Hidden Costs

- (1) Material ordering time
- (2) Material receipt, tagging for inventory, entry into materials spreadsheet for expense tax calculation and storage
- (3) Shipping (time on USPS website for labels, packaging, trip to post office, follow up e-mails to notify customers.)
- (4) Writing invoices and printing.
- (5) Answering order requests and preparing accurate quotations for review before purchase.
- (6) State tax calculation and submitting reports to the State.
- (7) State personal tool and equipment yearly inventory and report

submittal.

(8) Clean up/Reorganize work area (Janitor duties)

(9) Federal tax form schedule C preparation.

Office Supply Costs

- (1) Office expenses
 - Paper
 - Toner
 - Mailing labels
 - 5-year storage of invoice & receipts (binders, boxes, etc.)
 - Pens, staples, shipping tape,
- (2) Business Licenses
 - State LLC Bi-yearly renewal
 - State Business license yearly renewal
 - State personal yearly tax payment
 - City business license yearly renewal

Physical Shop Costs

Since I don’t have a workshop, if I did, I would need to account for the lease/rental costs of the work area. There are tax breaks to claim use of the home for business use that has advantages and disadvantages. Be sure to check with a CPA before exposing your residence through the business. Here is the sized area I would need for my business:.

- (1) Rental floor space (count home use because a business would need to rent) for work and storage.
 - Sewing/Tooling Room: 150sq.ft.
 - Book Press: 12sq.ft.
 - Type Cases: 35sq.ft.
 - Storage/Cutting/Sewing Area: 190sq.ft.
 - Storage: 21sq.ft.
 - Storage: 16sq.ft.
 - Shed/Mechanical: 48sq.ft.
 - Total area is 472sq.ft. and the rental rate in Richland
- (2) Heat/cooling, light, water,

sewer, garbage, hazarded waste fees, etc.)

Marketing Costs

- (1) Internet fixed costs
 - Domain fee
 - Hosting fee
 - Backup
- (2) Business cards
- (3) Business labeled pens
- (4) Maintaining two website (leatherbigbookcovers.com and Facebook page Desert Leathercraft LLC)
- (5) Gift book covers to treatment center (two covers each month)
- (6) Seeking out conferences and offering speaker gift book covers.
- (7) Local gifts to members in the area that obtain one-year sobriety

Calculate Hourly Shop Rate

Figure the total, with each item expressed in “item/hour”. For example: An item takes 4 hours each year, then the item spread over my part time (500 hours) would yield (\$25.00/500hours) \$0.05 added to the shop hourly rate. So, the current shop rate, including a labor rate (of item, in this case) is \$25.05

Repeat the additive process for all the other stop rate items (using the labor rate, if applicable, otherwise use the actual cost/hour, i.e. rent, utilities, materials etc.).

When complete you now have a shop rate and you can started working the materials cost.

Materials Costing Exercise

Most of the expense in making the leather book covers comes from the leather costs.

Since trying to calculate the square footage used to make the cover verses the waste occurred by cutting the leather around

imperfections is practically impossible. I chose to weigh and record each purchased hide and weigh again at the end of the tax year to obtain the difference. That difference is the cost used to make the book covers. It includes the scrap or waste used to make the book covers.

You can do that with each product you make at the time you make the product as a spot check.

Leather Calculations

When I first started, I was already making book covers, had the tools and materials, so it was difficult to start to use Quicken or other business applications for me. So, I created a few spreadsheets that maintain all my records. Each spreadsheet sums each column for use in federal and state taxes and provides documentation to the paper invoice records for proof of payments.

Here are some samples of the spreadsheets.

Journal Spreadsheet

Invoice No.	<i>Invoice, receipt, or some identification number</i>
Name	<i>Buyer or Seller</i>
ZIP Code	<i>Used for taxation</i>
Date	<i>Transaction date</i>
Description	<i>Short description of item sold or material bought</i>
Expense, Leather	<i>Cost and is inventory controlled</i>
Expense, Materials	<i>Cost of materials to make the Covers and are a direct expenses, (i.e. glue, dye, thread, etc.)</i>
Expense, Advertising	<i>Website, business cards, brochures, marketing samples</i>
Expense, Taxes and Licenses	<i>LLC, excise tax, etc.</i>
Expense, Office	<i>Paper, folders, binders, staples, etc.</i>
Expense Shipping	<i>Stamps, packaging, etc.</i>
Tools & Training	<i>Most likely not deductible. Used for WA Personal Property Taxes</i>
Expense PayPal Merchant Fee	<i>Merchant services for payments</i>
Income	<i>Monies Received from</i>

Personal Use	<i>customers Items used for personal use</i>
WA State Sales Tax Collected Refund	<i>Money given back to the customer</i>

Leather Inventory Spreadsheet

Year	<i>Year purchased</i>
Serial No.	<i>Sequential numbers</i>
Color Family	<i>Basic color</i>
Description	<i>Detailed description of leather supplier w/ part numbers</i>
Wt. Ounces	<i>Original physical weight</i>
Current Wt. Ounces	<i>Physical weight at inventory</i>
Inventory Reduction “X” Deleted	<i>Remaining weight Deleted (completely used) indicator</i>
Original sq.ft	<i>Original square footage</i>
Cost per sq.ft. plus shipping	<i>Invoice cost divided by sq.ft.</i>
Cost per Side	<i>Cost when size was not provided</i>
Cost per ounce	<i>Invoice cost divided by Wt. Ounces</i>
Total Cost of leather remaining	
Total Cost Current Inventory	
Total Original cost	

Don’t forget to include all items that are used to make the product that are included in the product (snaps, dye, etc.)

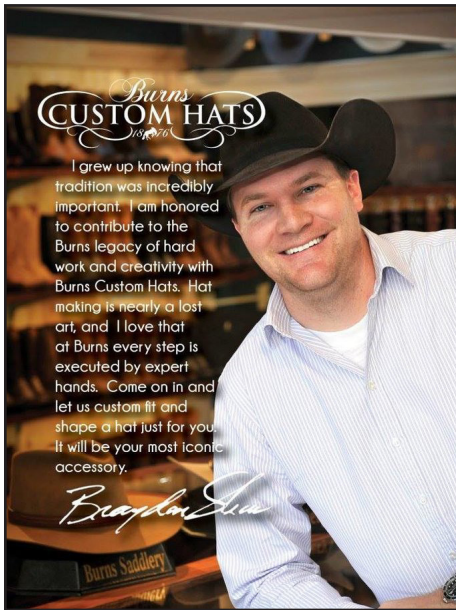
Final calculation

Now that you have the shop rate, then make the product, figure the man hours needed. Multiply the man hours time your labor rate, add the shop rate and finally add a 25-33% markup:

**Bob Stelmack
Richland, WA**

A Lesson in Entrepreneurship from the Burns Generations

From the Pendleton Leather Show Workshop description “Learn the basics of planning and launching a successful business from Braydan Shaw, of Burns Saddlery, Burns Hats & Burns 1876.



Introduction

Starting a business

Selling your products, your ideas, yourself

Business management

Building a team

Raising Money

The Pitch

In the website, Shop Talk (<https://shoptalk-magazine.com/knowledge/>), at the very bottom of lengthy and informative article, is the section: “**Is Entrepreneurship For You?**”, that raises these points to consider: Risk taking, independence, persuasion, negotiation, creativity and support.

...and asks several questions that might already be in your initial business plan, such as:

1. ***Why am I starting a business?*
2. *What kind of business do I want?*
3. *Who is my ideal customer?*
4. *What products or services will my business provide?*
5. *Am I prepared to spend the time and money needed to get my business started?*
6. *What differentiates my business idea and the products or services I will provide from others in the market?*
7. *Where will my business be located?*
8. *How many employees will I need?*
9. *What types of suppliers do I need?*
10. *How much money do I need to get started?*
11. *Will I need to get a loan?*
12. *How soon will it take before my products or services are available?*
13. *How long do I have until I start making a profit?*
14. *Who is my competition?*
15. *How will I price my product compared to my competition?*
16. *How will I set up the legal structure of my business?*
17. *What taxes do I need to pay?*
18. *What kind of insurance do I need?*
19. *How will I manage my business?*
20. *How will I advertise my business?”*

I think that every new idea I have needs the same questions asked before I undertake a new product.

There is another resource for questions to ask yourself before starting

your business and can help even after you’ve already started the business.

The U. S. Department of Commerce’s Minority Business Development Agency has their own page: “Want to start a business? 20 questions to ask yourself first.” and is located at: <https://www.mbda.gov/news/blog/2010/07/want-start-business-20-questions-ask-yourself-first>

If you are interested getting Shop Talk, then here is the contact information:

Shop Talk! Magazine

P.O. Box 6

Salina, UT 84654

435.565.6052

candace@burns1876.com

Bob Stelmack
Richland, WA

(**from the website (<https://shoptalk-magazine.com/knowledge/> cited from U.S. Small Business Administration (2017). 20 Questions Before Starting. Retrieved from <https://www.sba.gov/starting-business/how-start-business/20-questions-starting>)



Sea Leather Wear

Genuine Fish Leather Skins

403-689-4701

Excerpt from the website:
<https://www.sealeatherwear.com/>

Fish Leather Tanning

The tanning process for fish leather takes about a month, because every fish is different - saltwater, freshwater, northern, southern, and every one has a different oil content. None of these fish are on the endangered species list.

The fish skins are purchased from commercial fisheries and shipped frozen in 80 to 100 pound boxes. The secret is in the combination of chemicals that are used to remove all the fish oils so that there is no odor. Through an intricate 30-day chemical and mechanical process, the skins are churned, soaked, fleshed and vacuum dried. Timing is critical in the chemical soaking stage. If soaked too long, it will lose its strength and eventually fall apart. The flesher removes any "yuck" left on the back of the skin. The special tanning process prevents the fish leather from becoming stiff, once all the oils are taken out.

For over 15 years, the manufacturer has been testing and experimenting with every color, dye and chemical to create for you the best possible finishes and textures available.

The manufacturers are extremely proud of the Fish Leather. It is the newest, most exciting leather to have emerged in the fashion world in the last 20 years! They can produce so many different textures from every

species, that the world's greatest leather experts cannot believe that this can actually be fish.

The manufacturer can offer suede, silk, glazed, pearlized and high grain finishes all from the same species of fish. The suede can be water-proofed; the glazed is scratch/stain resistant and never needs polishing. The skins have either small or large scale pockets (of course, the scales have been removed).

Fish leather is the second strongest leather known to man. Three strips of certain fish, 1/2 inches wide, braided together, can pull an automobile.

Recent email from Sea Leather Wear:

The monthly special during November is a repetition of October's offer. A bonus 25 skin stocklot of suede carp in faded turquoise color, will be included on any order of minimum \$250. No discount code is required. There is a limit of 2 stocklots per customer.

Mailing address is:

*Sea Leather Wear
c/o Calgary Ecommerce Services
210 86th Ave. S.E., Unit 86
Calgary, Alberta T2H 1N6
Canada*

Telephone: 403-689-4701

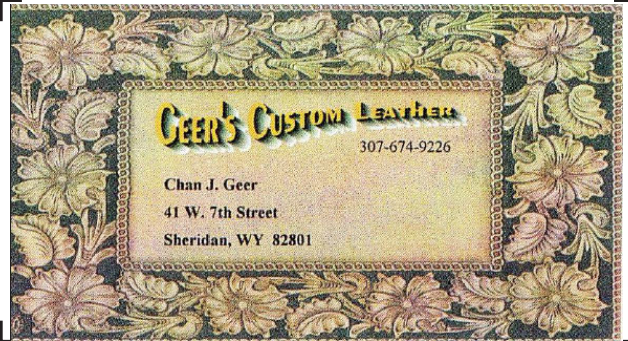
Bob Stelmack
Richland, WA

PSLAC Members Only Advertisement Page

Any PSLAC Member can advertise leather related products or services, subject to approval. Just send your text, picture and/or logo to stelmack@nwlink.com



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<http://www.knottylinda.com/>
 Email: knottylinda@gmail.com



Leather Companies & Sponsors Page



**Washington State Stores: Seattle, Tacoma,
Spokane**
(www.tandyleather.com)

Seattle, WA

14713 Aurora Ave N
Shoreline, WA 98133
Manager: Andy Stasiak
Phone: 206-417-6100

Tacoma, WA

13819 Pacific Ave S
Tacoma, WA 98444
Manager: Diana Vanwyck
Phone: 253-548-1100

Spokane, WA

1702 N. Monroe St.
Spokane, WA 99205
Manager: Jason Jones
Phone: 509-328-9939

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Secretary: Paula Marquis
Directors: Ken Erickson, Len Madison, Roger Kaiser, Paula Marquis & Norm Lynds
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PSLAC Membership:

- "a" Internet access to RawHide Gazette including Member only area & meeting attendance \$20/year. (1 Person)
- "b" US Postal Mail copy of RawHide Gazette including new Member only articles & meeting attendance \$30/year. (1 Person)
- "j" — Junior (16 and under) Internet access to RawHide
- Gazette including Member only area and meeting attendance \$10 per year.

All submissions are subject to editing for clarity and length.
All articles submitted must be accompanied by name, address and permission of writer

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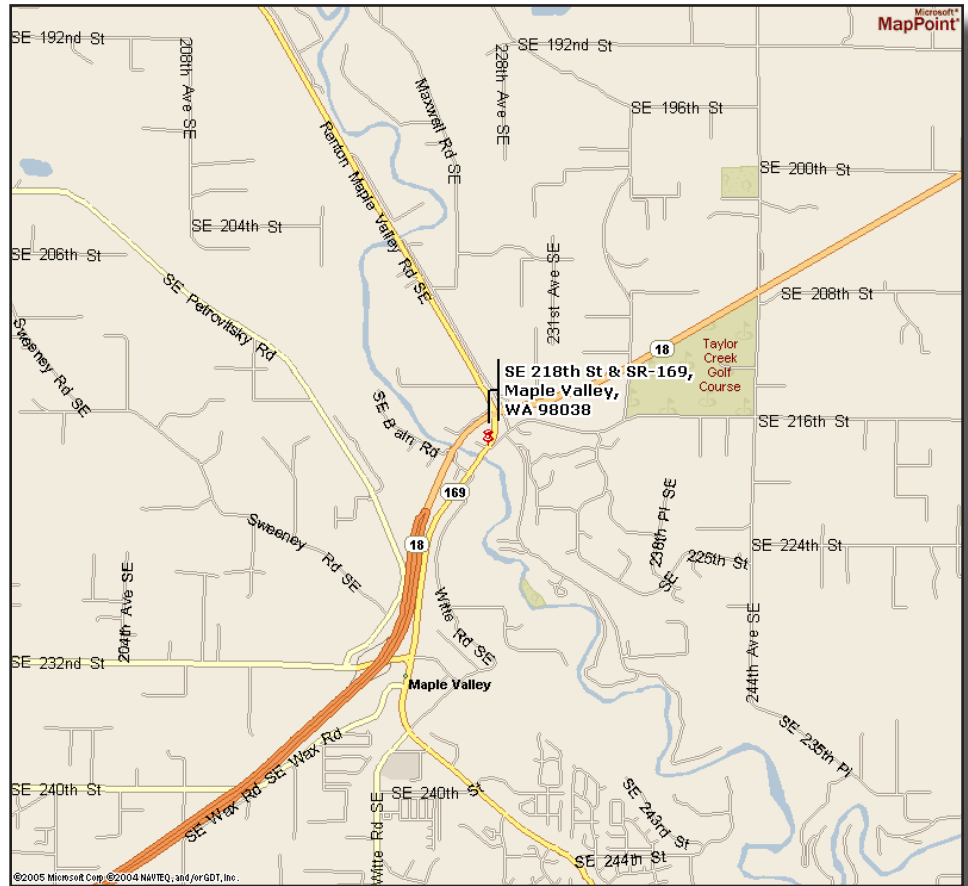
Email: bnatura@pacifier.com

Meeting Directions to Cedar Grange #534

From I-405 take the SR169 exit and proceed toward Maple Valley on the Maple Valley Highway. In about 10 Miles you will reach the SE 216th/SE 218th Street intersection. Turn Right onto SE 218th (the downsloping hill on the left next to the Maple Valley Market parking lot) towards the big white/gray building next to the bridge (the Cedar Grange). The parking lot is on the first left.

From Highway 18 take the SE 231st, Junction 169, Maple Valley exit. Proceed to the Highway 169 (Maple Valley Highway) junction. Turn North (toward Renton) on Highway 169 and go about $\frac{3}{4}$ mile until you reach the SE 216th/SE 218th Street intersection. Turn left onto SE 218th (the downsloping hill on the left next to the Maple Valley Market parking lot) towards the big white/gray building next to the bridge (the Cedar Grange). The parking lot is on the first left.

From Issaquah take Front Street toward Hobart and Highway 18. In about 10 miles get on Highway 18 West heading toward Maple Valley and Auburn. Follow the Highway 18 instructions.



PSLAC c/o Jeff Bement
3942 SW 329TH PLACE
FEDERAL WAY, WA 98023

