

ReUse Business



Basics of Launching or Expanding a Reuse Business

The classic thrift store model has been around for decades: individuals donate unwanted but usable items to an organization, usually a nonprofit. Often the proceeds from the sales benefit social service, community or environmental operations and/or provide employment opportunities for disadvantaged individuals.

In a perfect world, all usable items would end up in reuse businesses. However, if anyone has spent one day at the landfill, they'll understand that Americans throw away countless items that are still in good condition and could be easily reused. This begs the question, why? It is simply an issue of convenience. Making two stops (one to the thrift store and one to the landfill) is often too much for many Americans in today's busy world.

A simple solution could be to work with your solid waste facility to determine if it's possible to locate a reuse center donation box at the local transfer station and keep useable items out of the landfill. Another option is to partner with local solid waste managers to ask them to set aside a particular item. For example, the Chain Breakers Collective, a member based organization that works to expand access to affordable transportation and operates the Bicycle Resource Center, partnered with the Santa Fe Solid Waste Management Agency (SFSWMA). Now SFSWMA sets aside any bikes that make it to their tipping floor for the Chain Breakers team to pick up, repair and donate. If you live in a community with curbside trash pickup, consider working with your local municipality to organize a special reuse collection day each year.

Business practice to consider:

- Clothes, kitchen wares, books and shoes often make it to reuse stores, but what about items that are not diverted? Work with local solid waste teams to help bring in more items.
- Your waste stream is valuable. After you've cut down on waste removal costs by repurposing or upcycling as many items as you can (see second page), consider selling the rest. Some recycling organizations will pay modest amounts for electronic waste, fiber waste, textiles or plastic.
- As your business expands, consider hosting repurposed workshops, such as turning unsealable, torn sweaters into fashionable new scarves or hats with the help of a local upcycling

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How to Obtain Inventory

- Private donations
- Government or Institution donations
- Estate sales
- Yard sales
- Salvage (be sure to check with your local solid waste authority on the laws and policies surrounding salvaging)
- Partnerships with local solid waste entities and/or local nonprofits
- Consider collecting items from residences/businesses

Equipment Needs

- Storefront space
- Warehouse space (may not be necessary at first)
- Trash and Recycling Services
- Cash register
- Vehicle to collect donations (not necessary at first)
- Applicable licenses and insurance
- Start up costs vary widely based on location and business model. Please contact your local NM Small Business Development Center to determine actual costs (www.nmsbdc.org)

Materials to Collect:

- Useable clothes, shoes and apparel
- Housewares
- Furniture
- Books
- Antiques
- Music
- Art
- Office Supplies



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Opportunities to Consider

Thrift Store Expansion

Reuse retail establishments are already familiar with managing recycled materials with an eye towards gleaning value out of that material. Could the thrift store add a repair service as a new service offering? Perhaps you can look towards upcycling some of the materials into new saleable products. Investing in some sewing machines and hiring a few creative seamstresses could create a whole new line of upcycled clothing that can be sold as part of the thrift store offerings or in other specialty clothing stores.

Consider having a designer on staff that scours items not fit for sale for upcycling. This could include turning old belts into cuff bracelets, melting and casting crayons for new multi-color art wands, using laser engraving or cutting machines to turn old vinyl records into jewelry, and more. Find local gift stores to sell the upcycled items and help cover the cost of the designer. Telling the story of the project is an important step in marketing. If the funds from sales help support a non-profit, make sure potential customers are aware of this.

Consignment Furniture and/or Clothing Store

Consignment is when a shop sells goods for an owner. A consignor who consigns goods to a consignee transfers possession but not ownership of the goods to the consignee. The customer keeps ownership of this item until it sells, if it sells. This idea puts the consignor, or shop, at more risk because you do not own any of your inventory. Therefore, it's important to research other store policies and the local market to make sure that your policies cover all the bases.

Shop-owner and sellers of items split the revenue on all sold items and return or donate any unsold items. It's standard to have a 30-, 60- or 90-day cycle. If the item doesn't sell within that period, some shop-owners will discount the item or sellers will need to pick it up. Some shops offer higher percentages to the customer if they take in-store credit instead of cash for their consigned items. With the money going to the store and the original owner, it's often a situation in which everyone wins.

Reuse or Repurposing

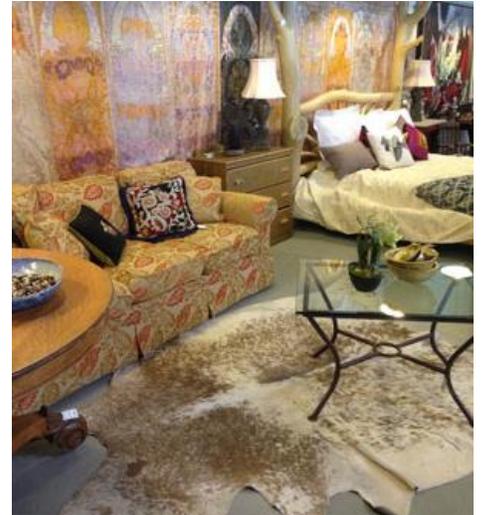
repurposedMATERIALS, out of Colorado, is a company which focuses on creative re-use. They acquire and sell industrial material byproducts that will have value to a second, unrelated industry. If an industry has byproducts or waste from operation, one can simply send a photo in for consideration. Freight and pricing is handled on a case-by-case basis. Customers may then purchase the items "as is" from the website or directly from the warehouse in Denver, at a fraction of the cost of new items.



There are four types of second-hand shops: Consignment, Pawn, Classified and Thrift.

The difference between each one comes down to:

- When you relinquish ownership of the physical possessions
- When you are paid
- Whether someone helps you sell your items



Items on consignment at Congeries Consignment in Santa Fe.

As the owner of a consignment shop, you must keep careful track of all items because you do not legally own any of your inventory. Below is a sample inventory tracking form.

	Seller: 123 Item: 97	Item Name: 59.50
-- Pin or Tape Here --		
Children: Decor		
Item Name		
Size: Item Size		
\$9.50		
Item Description		
Seller: 123 Item: 97		
*** DO NOT TAPE OVER BARCODE ***		

"We love our customers and the smart ways they solve problems with used materials." From repurposedMATERIALS newsletter.