# FROM IDEA TO WEB STARTUP in 21 Days

Creating bacn.com

## JASON GLASPEY WITH SCOTT KVETON

How three daring entrepreneurs challenged themselves to create an online business, complete with offline fulfillment and inventory, in only three weeks, by working hard and working



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Jason Glaspey with Scott Kveton

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#### FROM MICHAEL

To Susan for encouraging me along, even though she's a vegetarian and hated how the house smelled, and Hayes for being willing to go along my godawful experiments in bacon exploration.

#### FROM SCOTT

To Kami, for packing and shipping all that bacon almost every day, with the kids in tow the whole time.

#### **FROM JASON**

To my brother-in-law who taught me the "swirl" bacon cooking technique, and to Holly, for putting up with me telling her how to design things. This page intentionally left blank

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# **SELLING BACON?**

WHEN PEOPLE ASK us what we do, we tell them we sell bacon on

the Internet. There's usually a moment of confusion, followed by

semi-understanding.

"Wait. What? What do you mean, you sell bacon online. Like, real bacon?"

"Yeah. We sell packages of bacon."

"Like real bacon, you sell it online?"

"Yeah."

"Cool." Followed by a pause while they consider the facts.

"So, you just take orders, right? You don't ship it or anything, do you?

"Actually, we do. We have a fridge in our office—it's stuffed full of bacon right now. We get it from all over the country, but mostly from small farms with happy pigs."

"Wow... That's awesome."

It's also only partially true. The three of us—your authors, Jason Glaspey and Scott Kveton, and our associate, Michael Richardson—are the founders of Bac'n, an online bacon retailer located at bacn.com. It was a business started in three weeks, built in our spare time, and operated as a side project.

Side project or not, it was an experience we learned a lot from, and one that others can learn from, too. With agile web development and agile

business practices, almost anyone can start a business in a matter of days. While once you might have spent months refining your business goals and writing business plans, researching, talking to investors and banks, and getting loans, today you can almost launch on an idea and figure it out as you go. Money is no longer the barrier it used to be, and neither is time.

You truly can start a fully-functioning, this-is-really-a-business company, all while keeping it a side project and working full time at a "normal" job.

# WHY A BOOK?

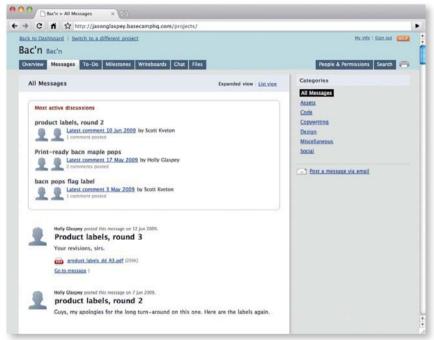
In the beginning, it was a simple idea—start a business around bacon and sell it online. But our approach to "launch first and ask questions later" resonates with people, and we're often asked about it.

Did we do everything right? No. But we did many things good enough (our editor begged to change this to "well enough" but this is OUR book!), and in the modern business world, good enough in practice is often better than perfect in theory.

We wrote this book to help you follow along our path, the lessons we learned, the software we used, our mistakes, and our good fortune. Sometimes, though, we'll just tell our story. We hope you'll learn from our experiences, avoid our mistakes, and be inspired by our results. And we hope it will help you start your own project, and that—as we did—you'll have a great time doing it, create a business you're proud of, and maybe even make some money.

## WHY 21 DAYS?

From the beginning, all three of us were committed to doing Bac'n using the approach of agile software development. The process focuses on launching fast and early, and adjusting on the fly. Agile software development is arguably most famous as the way in which 37signals works; they've built an impressive lineup of wildly successful online business software all without ever taking funding and keeping their staff at a bare minimum. Their most popular tool is Basecamp, which, appropriately enough, we used to manage our project, Bac'n.



Basecamp is where we managed all of our files, messages, and to-dos.

Looking back, our three-week deadline probably saved the project. If we hadn't had that timeline, we would have spent three months or more creating the site. It would have dragged on and on, and we would've worked on it much too slowly. Our artificial restriction kept us moving, gave us clarity, and required that we didn't spend countless hours debating one way to do something over another.

We've since worked on a few other projects and startups, and have passionately advocated this same method. Bac'n might not have come into existence had we spent three months building it, and if it had, it's doubtful it would have been a single ounce better. Until we had real customers, we could only guess what they really wanted. But on the web, we could add, edit, or change both the content and the business plan as we went along. We were able to adapt as necessary to better meet our customers' needs—right as we recognized them.

#### Remember, the web is never finished.

You'll never launch a site and be done with it, so don't worry too much about getting everything right the first time. There's always a chance to correct a path, but you have to be in motion to do so. Hopefully, this book helps you put aside your fears and get into motion.



# LOGISTICS (OR THE SITE ISN'T EVERYTHING)

**WE CARRIED INVENTORY,** and we shipped bacon, People didn't believe us at first, but we did. We stored it in refrigerators inside garages and in our office. We got it from supply centers and direct from the farms. We packed it in ice packs inside insulated cold shields and shipped it via USPS.

We could have used a shipping facility, or found a place that would dropship for us, but we didn't. We figured just selling bacon wasn't interesting. We wanted to create a brand and a product. And since we weren't making the bacon, we had to create something else.

So we shipped an experience. A wrapped-in-butcher-paper-goodness experience that people wanted to tell their friends about. An experience that, as with any excellent gift-giving experience, we wanted to receive in the mail ourselves. And in the beginning, the only way to affordably create this experience was not only to be in charge but to do every step ourselves.

When we started, we really didn't know what we were getting into by actually deciding to do inventory and fulfillment. And we really didn't know how it would work, we just figured, "Scott has a big garage, we can deal with it later." This *may* have been a bit naïve.

# SHIPPING SUPPLIES

When we saw what other people were doing in the bacon niche, it was obvious we could do better. Most of the products and brands were hastily thrown together, and few seemed to be shooting for true customer loyalty. And while we believed in our ability to create loyalty, we still had to get the logistics worked out.

For us to be successful, we had to figure out a) boxes, b) shipping material, c) actual postage, and of course d) delivery to point-of-shipping.

At first we went highbrow. We looked at companies that would make custom boxes for us, with our logos and message right on the side of the box. But that's pretty expensive when you're not buying in massive volume, so we had to put that on the "someday-maybe" list. Then we looked at offerings from FedEx and UPS, but they all seemed to fall short of our needs; they were expensive and kind of painful to deal with. Eventually we looked into the USPS and realized it was a no-brainer.

Did you know that USPS flat-rate shipping is amazing? It's cheap and you get free boxes. Let me repeat that. *YOUGET FREE BOXES*. It sounds trivial, but when you're buying all of your shipping products, and spending hundreds of dollars on things like ice packs and heat shields just to send someone something, free boxes are awesome.

USPS has a flat-rate priority mail shipping method that gives you three options for boxes. You can fit up to 70 pounds in them, although in practice we rarely put in more than 20. Once we saw this, we knew USPS was the way to go.

## WRAPPIN' IT ALL UP

We placed orders for many of the different bacon-themed products on the Internet, and found that most of the companies didn't put much time in their actual shipping experience. You got a box with a Mylar envelope, and inside was a bunch of bacon and cold packs. It was a little anti-climactic. We wanted to deliver something a little more fun, and more on brand.

In early conversations, Jason had mentioned the idea of offering a butcher-via-the-Internet experience to our customers. The idea was to take one of those Mylar envelopes (that we unfortunately really needed to keep our bacon cold as it shipped) and wrap it with butcher paper and then stamp it with a big Bac'n logo.

We felt it was something our customers would appreciate, mainly because it's how we would have wanted our bacon to come in the mail.

If you've never seen a Mylar envelope, it looks like a missing piece from some robot-from-the-future costume. It's terrible.



The unboxing of one of our competitor's uninspiring bacon packages

However, when you take the bacon, wrap it up in a giant sheet of butcher paper, and seal it with a nice big Bac'n sticker, you start to get closer to a true butcher-shop experience. Stamping our logo on top gave it a physical, old-school feel that we felt made the experience a bit more enjoyable.



Just think of us as your friendly Internet butcher shop.

## DESIGN EVERYTHING—EVEN PACKING SLIPS

We loved our logo and wanted it on everything we sent, so we formatted it for different stickers and sent them off to get printed at StickerGiant.com. We had two different stickers made, one of just our logo and another of simple instructions that helped our customers understand how to keep their bacon fresh and whether or not to be worried if their cured and smoked bacon showed up at room temperature. (Hint: You're fine. It's more aesthetically pleasing cold, but cured bacon can be stored at room temperature.)

We used these stickers as giveaways at events as well, and as a way to seal the butcher paper itself. Again, all part of the experience.



The stickers let buyers know their room-temperature, cured bacon was a-okay.

With most packages you get in the mail, it's common to see some plain white packing slip made with a generic template. It usually looks like it was printed on some default template from Word. However, we saw this as another opportunity to push the branding, so again, Jason's wife whipped up a great-looking packing slip that Michael was easily able to integrate into the fulfillment process. "YES! BAC'N IS HERE!" What a welcome sight. After all, who isn't excited about getting bacon in the mail? We also made sure to not include any of the pricing information (just what they got and the quantities) on the packing slip so folks could send it as a gift.

**NOTE** Looking back, we wish we had offered more tools for folks to send bacon as a gift, based on the feedback we got from customers during our first Christmas. Having tools to customize messages on the packing slip would have been a nice touch.



Our exclamatory packing slip

For all of our shipping supplies, we went to uline.com. ULINE was great for things like cold packs, butcher paper, Mylar envelopes, and so on. Not only that, since we had to order a bunch of stuff from the start, we gang-shipped a lot of it and lowered our initial shipping costs for our shipping supplies (ironic, we know). Ideally we would have sourced all of that stuff locally, because 1000 cold packs aren't cheap to ship, but it was hard for us to find those materials in large quantities where we lived, so we went with ULINE.

# **STORING THE BACON**

In the first few months after launch, we were keeping inventory of about 20 different types of bacon at any given time. We tried to stock enough of each type to be able to fulfill between 5–8 orders of any product at any moment. And to make the bacon last as long as possible, we wanted to keep it refrigerated. With an average order of around four pounds of bacon, that meant we always had to keep close to 600 pounds of bacon on hand.

In the early days, this was out of Scott's house: yes—a house with 600 pounds of bacon in it.

Fortunately, Scott had a two-car garage and was able to convince his wife that they didn't need to put both cars in there. So we had the space, we just needed refrigeration. Where do you go for cheap refrigerators? Easy. Craigslist.

Tips for getting refrigerators off Craigslist:

- Free refrigerators are never a good thing—most likely they'll be power-hungry, old, and, for the most part, already broken.
- Don't underestimate the value of frost-free when it comes to a freezer.
- If "Free Delivery" is included in the ad, it means "if you come see this piece of shit, you won't buy it."

That said, in no time flat we had three refrigerators and one freezer running in the garage right next to our ship, label, and manifest station, which consisted of everything we needed to get the bacon from the fridge to the customers.

# **POSTAGE: GETTING IT DELIVERED**

Four days before we were supposed to launch the site, we still didn't have an answer for actually printing the shipping labels. Scott had a "hack" of a solution that involved painful cut-and-pasting via the USPS website. It would work, but it wouldn't scale.

# Just Do It

**NIKE SAID IT** a long time ago, but it's as true now. Sometimes you need to just move forward. There was never a doubt in any of our minds that we could accomplish everything we needed to do by the time we were going to launch. Although we didn't have an answer to the shipping question, we knew we'd figure it out.

In the worst case, we knew we could hand-print the shipping information on boxes and take them to the post office to have them weighed and priced in person. That would have been a huge pain, but it would still get our orders shipped.

Had we focused on finding a solution before we started building the site—or even worse, tried to solve it ourselves with custom code—we never would have launched. The fact that we didn't have time or the means to build it meant we had to find an existing solution. Which we did. In the eleventh hour. But that's how these things work. Scott searched diligently for the simplest solution out there, and it ended up being even easier than we expected.

Something to keep in mind with this and any other problem that needs a solution is that you can almost always do it the hard way if you have to. With shipping, we wanted an easy solution, but we wouldn't let it delay launching, because we knew if we had to we would just do it the painfully slow and laborious way. We were fortunate that we found a solution before launch, but we could have survived if we hadn't. For as easy as their flat-rate shipping service was, the USPS website had to be one of the most complicated things in the entire universe. Even worse was trying to hook to their developer tools to be able to print postage directly from your own applications. We looked at stamps.com and a few other custom solutions and finally, through a total fluke and some random Google searches, we found endicia.com.

Endicia makes a set of desktop software and developer APIs that basically take all the pain out of creating postage. Not only that, it was relatively inexpensive (service charge plus a little markup) and it created fantasticlooking postage complete with our logo. It even worked on Macs. We looked like a totally legitimate and professional online butcher shop.

The best part was that we could use USPS priority mail and it would be delivered just about anywhere in the Continental US in three days. That meant we could ship on Monday, Tuesday, and Wednesday and still get bacon from Portland, OR all the way to Portland, ME with almost no problems or delays. Most of our bacon was cured, but not all of it, meaning three-day shipping was crucial. In the year we ran the business, we never once had an order that couldn't be delivered in those three days. Say what you will about the USPS, but they know how to ship boxes. (We're convinced that adding the "Perishable" label on the box made it move that much quicker, but we have no proof of that whatsoever.)

# **SHIPPING IT OFF**

So the bacon was packed, the shipping labels printed, the postage affixed, the boxes sealed. Now what? We had a bunch of orders going out on a daily basis and none of us wanted to wait in line at the post office. Here comes another bonus of the USPS: drop-off boxes.

With pre-printed postage there is a paper trail that reveals who is sending the package. This means the post office will let you drop off the boxes without standing in line. They have these great self-serve stations that you just drop the packages into, and off you go. They look like a giant aluminum monster with a steel mouth. You lower the handle, throw a few boxes in, and lift the handle. Clunk. The boxes fall to the bottom. (During the holiday season we filled up three of these in a row and pretty much pissed off everyone in the post office, on both sides of the counter.)

Scott lived close to a large post office (one hop to the regional station), so once a day Kami would good-naturedly load up her van with boxes filled with bacony goodness and drop it all off at the PO. Later on, when we had office space even closer to the regional hub, we scheduled next-day pickup from our mail carrier. He wasn't psyched about having to carry all of those boxes of bacon, but we kept him happy with a few extra packages for himself.

# **T-SHIRTS ARE REALLY EASY**

One of the most popular items on our site were the T-shirts, which didn't surprise us. \$20 worth of bacon is gone after one morning. However, a \$20 T-shirt with free shipping is something you may have for years to come, and they also make great gifts. Plenty of people bought our shirts as gifts.

One of the best things about shirts, though, is how easy they are to ship. With those, we didn't have to worry about cold packs, Mylar envelopes, or getting the product to the customer without the package waiting on a post office shelf over the weekend.

Due to their uncomplicated nature, we offered free shipping on our shirts, which we feel played a big role in their high sales volume. The actual shirts went into a Tyvek envelope that is pretty much indestructible. It's also almost the exact color and feel of butcher paper. So with the simple addition of a packing slip and a nice big stamp of our logo, the shirts were ready for the mailman (our postal worker was actually male, so no, we're not being sexist).

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# What We Did Right/Wrong

**IF WE WERE** going to start over again, we probably wouldn't pick a food that requires refrigeration to ship. Talk about making it hard on yourself. That said, we learned quickly and found the path of least resistance to getting the bacon packed and shipped off.

We also knew we weren't the first people to sell food online, so we worked hard to try and find stories, links, and posts from people explaining their experiences and techniques. If we were trying to reinvent the wheel, then something was wrong.

And while shipping bacon isn't easy, it's also a big reason the market wasn't saturated with other people doing the same. If you're trying to sell a dry-goods commodity like cellphone cases online, you are going to face a long list of competitors. However, start a bacon-shipping business, and it's you and the crickets out there. So, because we weren't afraid of the risks and complexities, we were able to do very well in the bacon space. However, we learned what maybe everyone else already knew—refrigerated shipping is a pain in the ass.

Selling bacon online was still rather novel, but people selling baconrelated items had a big head start on us. However, most of it was silly novelty items most people wouldn't buy twice, or bacon-themed T-shirts that were actually pretty lame. We did find some decent stuff out there, and some of it was worth selling ourselves. We assumed that if we could generate enough traffic to our site and then partner like crazy, we could potentially drive sales for products we didn't even own.

Before we launched, we talked several times with the people at Bacon-Shirts.com. They were a local Portland couple who had been selling baconthemed shirts online for a couple of years. Amy and her husband, Warren, designed and printed the shirts themselves, allowing for much higher margins. They had three designs, and they were 100% focused on bacon T-shirts and aprons—no other products, and all original artwork.

We really liked two of their designs, and so we worked out a wholesale deal with them. They provided us shirts and aprons at a discounted rate, and we sold their products on our site, carrying their products with our own inventory. This worked out great for everybody; we got to expand our product offering, and Warren and Amy were able to increase their retail exposure. We also partnered with them from the beginning, allowing us to launch with a broader range of products while we were still figuring out our own designs.

# When In Doubt, Partner

**THE KEY TO** a good partnership was making sure that the folks we got the artwork from got a piece of the action. The going rate was 15% of the gross sale of the shirts and the artists got to keep the artwork rights. It allowed us to have a great stable of shirts, and the artists got paid when their designs sold without them lifting a finger, nor us buying the rights to the artwork ahead of time.

But if you're not careful, managing all these micro-payments can become a pain. So try and create thresholds for payments (such as a minimum of \$50 per check) or agreements to pay every three months or some other designated interval. Never forget that you're partnering to help *alleviate* some of the work, not add more.

Obviously we wanted to have our own shirts as well. The margins on T-shirts are decent, but they're best when it's your own product and you're not paying licensing or product acquisition costs. Holly had plenty of experience designing T-shirts, so in addition to a black shirt with our logo on it, she designed a simple outline of our pig accompanied with the phrase "Bacon Tastes Good." Internally, it was nicknamed "Big Pig." I can't imagine a lot of women wanting to wear a shirt titled "Big Pig," so we kept that name to ourselves.



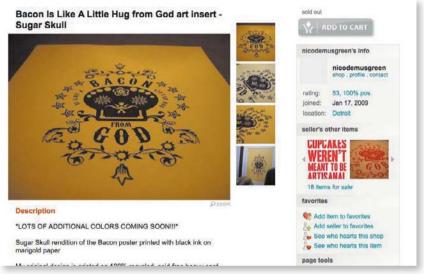
Shirt mockup of the Big Pig

Scott kept his eye out for anything bacon-related that could work as a shirt, or other people selling shirts that we thought would be a good complement to our offerings. Within a couple of months, we had deals for several other bits of artwork.

We were quick to make licensing agreements with different shirt- and bacon-designs, but we were slow to introduce new products to our site. We ended up with the rights to several designs we never used, which was just fine with us. If a design took off on another site and become popular, we had already secured the rights to print and sell that shirt design ourselves. But we also didn't want to offer too many designs at one time, and didn't want to have any products that weren't just awesome.

However, Scott did find a woman who was selling hand-screened, framed prints of a design entitled "Bacon is like a little hug from God." He immediately reached out to her asking if she had any plans to sell that design in T-shirt form. When she replied that she didn't, we worked out an exclusive deal for us to sell shirts screened with her artwork.

This turned out to be our best partnership, as we sold almost as many of this shirt as our Bac'n logo shirt.



#### Bacon is like a little hug from God.

The toughest part about selling T-shirts is the different variations that are possible. You have women's shirts, men's shirts, and different sizes for each. And you have this for every single design you want to carry. Then there are people who ask for different colors of each design. It gets complicated, and the inventory can be tricky to manage. The easiest way we found was having dedicated shelves for each design, with clearly marked areas for each size. So in one simple glance, you could see every style of shirt in every size. If you were running out of anything specific, it was easy to recognize, allowing you to order more in time. You have to have quite a big set of shelves, though.

The best part about selling T-shirts was that they never went bad. They could sit on the shelf for months and it didn't matter. This is (obviously) why so many people go into the T-shirt-making business. For us, we hoped

shirts would be a great addition to a bacon order, but the reality was most people bought either bacon or a T-shirt; they rarely bought both in the same order.

## GETTING THE SHIRTS MADE

There's no shortage of people who can silk-screen T-shirts for you, locally or online. But finding someone good, quick, and affordable can be a challenge. Jason had a previous relationship from a project a few years ago, and so we decided to do our first shirts with the same company, Phantom Chicken in Portland, Oregon. He remembered them as being really cool, highly recommended, and doing a great job. Again, we stuck to our theme: *Find the easiest solution to start with. Adjust as necessary.* 

Phantom Chicken is owned and operated by Greg and Gale Weiss out of their house/studio in NE Portland. And they are awesome. We may have gotten a slightly better deal if we had had our shirts printed online, but you often lose some of the customer service benefits when working with impersonal corporations. By working with people we already knew, and who specialized in small-batch runs, we got incredible service.

Before we had our shelving system in place, there were a few times when we didn't realize we were running short on a specific design until it was nearly too late. However, a quick call to Greg would result in his having more shirts ready for pickup in just a few days. Also, Greg and Gale allowed us to order shirts in a variety of sizes and colors without a minimum order for each, which is awesome and rare for companies who produce highquality shirts such as those Phantom Chicken produces.

Other benefits of working consistently with a local shop were that they kept our screens on hand and we could order new shirts by merely picking up the phone. When you silk-screen a shirt, you're actually pushing ink through a screen onto the shirt, and the screens have to be custom prepared, which adds cost to the process. If you work with the same person and have a relationship with them, they'll usually keep your screens around so they can be reused when you need more shirts, keeping costs down as you go. We would also pick up the shirts in person, and during that time we'd go over new printing ideas, ink styles, suggestions for ways to make the designs stand out, and so on. That sort of actual casual consultation helped make our shirts a great product of which we could be proud.

If you haven't had shirts printed before, it's a lot of fun to take an idea and turn it into a tangible item that you can wear. Clothing is often a conversation piece, and it's a big rush to put on a T-shirt for your own company. It's also not nearly as difficult as you'd think. Most printers will have very clear and simple instructions on preparing the artwork, and many will do all the hard work themselves.

With Phantom Chicken, Holly sent over the vector files and a guideline of the size we were looking for, and Greg made sure that the sizes were correct and that they'd get put into the right position. We also used a shirt mockup design that gave everyone a sense of how the shirts would look, and allowed us to play with colors and size of artwork before it was printed. (See the "Big Pig" image on page 71.)

Finding a Good T-Shirt Vendor

**PHANTOM CHICKEN WAS** locally known for its work with bands and musicians (both local and national acts). When Jason was originally looking for a printer, there were a lot of people in the community who could vouch for Phantom Chicken's service, quality, and the fact that they were really great to work with. Obviously, when getting recommendations, try to find people who have worked with a vendor themselves. And don't cut corners on some cut-rate vendor. The flexibility, willingness to help us out in a pinch, and general consultation and experience we got from Phantom Chicken was far more valuable than saving a few pennies.

## STICKING WITH SHIRTS

One of the decisions we made early on was what we *wouldn't* carry. Obviously, we were selling bacon, and we knew from day one that we would carry bacon shirts, but over the months leading up to our launch, dozens of niche and novelty bacon products started hitting the market.

Absolutely the most popular among all of the bacon-themed items was BaconSalt, with its growth and distribution becoming unbelievably huge. But there were also things like bacon band-aids, bacon mints, and bacon fridge magnets. Because the three of us were already known by our friends for our love of bacon, we had each gotten our fair share of these gifts.

They were fun, and we enjoyed their novelty, but they sort of made bacon a joke, which was what we were trying to avoid. So we made a firm and absolute policy: we would sell only bacon-related products that you would actually want. If the product's sole purpose was to make someone laugh, then we weren't going to sell it. Now, some may disagree with some of our judgments, but I really don't want bacon toothpaste or bacon mints. I want mint toothpaste and candy-flavored mints. I want my *bacon* baconflavored and that's about it.

In the end, our products became limited to bacon, t-shirts, and aprons (there was a deal with pillows at one point, and we shouldn't have done it, but it was a learning process and part of a bigger deal). We probably could have sold some of those novelty products, but gag gifts didn't really create the experience we wanted to exude.

# The Pillow Fiasco

**AS PART OF** our affiliate deal with BaconToday.com, we decided to take on the sale of some of their existing inventory. While in theory this seemed like a good idea, in practice there was one not-so-great twist: the bacon pillow.

One of the founders of BaconToday.com, whose father used to be in the fashion industry, had come up with the idea for a bacon pillow. It was easy to make and required only the money for materials. Sounds great. However, it turned out to be more of a pain than it was worth. And we didn't know this at the time, but shipping pillows sucks. They are relatively light, but they need large boxes, which are a pain to pack, and then add to the shipping costs. Not only that, bacon pillows are a niche item: people aren't scouring the Internet for bacon pillows, and they weren't exactly buying them when they found them.

We agreed to buy up the existing inventory (about \$500 worth) and then sell them on our site. When the deal was being made, the pillows seemed like a small issue and the larger affiliate deal was the focus, but it turned out that the pillows were a huge problem. Shipping them to Portland, OR from the LA area was prohibitively expensive and in the end, we just ate the \$500 and didn't get the pillows.

And because we straight-out lost \$500 on the pillows alone, the partnership never really worked out to our advantage. We learned two important lessons.

- Be careful of "add-on" details to a partnership. Scrutinize those details even more thoroughly than the rest of the deal.
- It's possible to use a partnership deal to get rid of merchandise you're not selling. BaconToday did it and it worked great for them, although not so great for us. But in a difference circumstance—say if they'd partnered with a site that was more appropriate for bacon pillows, such as one selling gag gifts—it could have been a winwin situation.

# **FINDING THE BACON**

There are all kinds of bacon out there, most of it cheap and fatty and from who knows what kind of pigs. We wanted to sell only the best bacon, so we went on a search to find the best-of-the-best bacon out there. This meant lots of Internet searches and trying to find information about farms that sold great bacon but had little Internet presence.

## **KINDS OF BACON**

In addition to the varied brands and qualities of bacon, there are many variations within bacon itself. You've got thick, thin, slab, jowl, back bacon, smoked, cured, nitrate-free, flavored, etc. You name it, there is a variation in size, cut, and flavoring that calls out to just about any palette out there.

As we mentioned earlier, we were going to be carrying close to 600 pounds of bacon at a time, which meant we had to be really picky about which bacon and variations that would include. Because of our inventory limitations, and the fact that bacon inventory is actually pretty expensive, we knew we weren't going to be a clearinghouse for bacon. We had to find bacon that was exotic enough that people couldn't get it in their local grocery stores, but not so exotic it would scare people off. None of us have actually tried jowl bacon, but honestly, it doesn't sound as appealing as thick-cut peppered bacon. We tried to imagine what would sell the best, while still being interesting.

## SMALL SHOPS

When it came to sourcing the bacon, we found lots of small farms that cure and sell their own bacon. And the conversations with the farm owners were almost always the same. We'd find their website or hear about their bacon on some random website and then track them down. We'd call them directly, and the people who owned the farm would answer the phone. A 20-minute to two-hour conversation would ensue, covering any range of topics from the weather to politics to favorite ways to cook bacon, and then a deal would be struck. Much like the T-shirts, we worked out deals for wholesale pricing on much of our meat. It was actually pretty simple.

One of the most fun encounters was with Beeler's, a farm in Iowa. Beeler's makes a line of uncured, nitrate-free bacon in a variety of amazing flavors. Garlic Pepper and Apple Cinnamon topped the list for us, but it was matriarch Julie Beeler who took the cake. Scott had filled out a web form on their website and within five minutes got a call from Julie Beeler herself. She's a charming and funny woman who knows the bacon business inside and out. She loved what we were doing and we actually got to know her and her daughter fairly well as we discussed our plans, talked bacon, and even offered them some help with their own website. It was one of the strongest relationships we formed during our time with Bac'n.



Beeler's bacon, along with the perfect BLT supplies

Our other suppliers came from a variety of different places: Kentucky, upstate New York, Wisconsin, Arkansas, and right here in Oregon. The trickiest part was getting the bacon to us and then on to the customer. Some farms had a great product, but just couldn't ship it to us cost-effectively, and so, even though we wanted to carry their bacon and knew it would sell, we had to pass on carrying that product. Sometimes you have to turn down sales because the margins are so small, you're not even paying yourself for your time.

Other sources of bacon came through local meat distributors, the kind that also provide grocery stores with their inventory. We got our Beeler's bacon from Western Boxed Meat. However, after about ten months of working with them, we just weren't ordering enough volume to maintain a relationship with their sales rep, and we lost our supplier of Beeler's right before the holiday. This was definitely a bummer, and it was the only way we could get that bacon cost-effectively, so when that avenue dried up, so did our supply of Beeler's.

## STORE-BOUGHT BACON

Fletcher's bacon is very popular in the Northwest, and is available at pretty much any decent grocery store here. It's not from the same small farms as much of our other bacon, but for a mass-produced bacon, it really is exceptional.

During our conversations with the folks at Fletcher's, we realized they didn't have national distribution or online ordering capabilities. But they regularly got requests from people familiar with their product and were now living outside of their distribution area, so Fletcher's quickly became very excited about the idea of us selling their products on our site, and thus to their out-of-market customers.

The same local meat distributor we were getting our Beeler's from also carried Fletcher's, and for a while, we were getting both brands from the same place. We had a few sampler packs of their different styles and flavors, and we moved quite a bit of their product. It was affordable, tasty, and a great complement to some of the other more exotic bacons we carried. It's always good to have a variety, especially when people were regularly asking for a recommendation on what to buy. We probably shouldn't share this next piece of information, but after about two months of getting our Fletcher's from Western Boxed Meat, we realized that we could get the same bacon at our neighborhood Costco, and amazingly, Costco charged \$3.50 less per pack. So we did what any savvy businessfolks would do; we bought our inventory wherever we could get it cheapest, which in this case was Costco.

## SLAB BACON

A company out of Kentucky called Broadbent Hams sold awesome, unique bacon. They had a variety of different flavors and form factors, and one of our favorites was their slab bacon. Imagine a one- or five-pound slab of bacon. In the end, it's just unsliced bacon, but when you look at a huge fivepound chunk of pork, it's so visually arresting that we never saw anyone *not* physically or verbally respond to it. Usually with some variation on "Oh. My. God. That's awesome."



Five impressive pounds of bacon

It's like a choose-your-own-adventure for bacon. You get to slice it to your desired thickness. And besides that, it's very uncommon in pretty much any grocery store, so it was novel while not being a gimmick.



Our cohort Michael Richardson used his slab bacon to make "The Bacon Tube."

We took advantage of the unique form factor of this slab bacon and wrote several blog posts about it. We also showcased some fun meals you could make with it, such as Michael's famous Bacon Tube. The slab bacon was such an entertainer, we got several requests from people making sure their slab would be there by the weekend, usually because they were getting it special for a big BBQ they were having, and wanted to show it off to their guests. We even had some people beg us to overnight it when they realized our typical shipping wouldn't get it there in time. This proved the value of carrying unique inventory.

# THE BACON FINDS US

Once we were up and running, we had several farms find us, usually hoping we would offer their bacon on our site. Mountain Products Smokehouse out of New York was a great example. They had these really unique bacon flavors, like chipotle, jalapeno-infused, and maple-cinnamon, that were just unstoppable from a flavor perspective. They shipped us a sampler pack and we fell in love.

The key to this was that we no longer had to be out looking for products to offer; suppliers were starting to find us. And once we had our T-shirts and bacon inventory covered, we were able to focus on improving the site.

Resources 

Phantom Chicken: http://www.phantomchicken.cor

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