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## **Dynamic Opportunities Along the Wasatch Front**

by John Catalano

The Wasatch Front is undergoing dynamic business growth, and you can take advantage of that growth now. People are moving into the area in record numbers. According to the Governor's Office of Economic Development, 2006 was the first year since 1945 in which Utah had more in-migration than births. People are coming to Utah for many reasons: quality of life, recreation, cost of living, health and medical facilities to name a few. But mostly, they move here for jobs.

More specifically, businesses are seeing opportunity here, and they are hiring and bringing in people to fill and grow those businesses. According to Global Insight, a well-regarded statistical and economic forecasting company, our 2.7% unemployment rate is among the lowest in the nation and just off the lowest ever recorded in Utah. The Bureau of Labor Statistics tell us that our annual employment growth rate of 4.5% for each the last six months is more than triple the national average. This growth means there are tremendous opportunities for new business ideas to take hold.

It has historically been accepted that many trends in the United States start in California and Florida, Massachusetts or Texas. Why is that? Because that is where the population growth has occurred: with more people come more businesses and with more businesses come more competition. With more competition comes a greater need to innovate to survive, as well as to distinguish your business from your competitors. This leads to more narrow market niches, and more specialization in business. For example, when a print shop's market is saturated with competitors, the owner has to look for other related niche businesses just to survive. What begins as a search for survival ends up as a growth opportunity for the business owner as well as for new competitors. Utah is now in that place.

The key to developing a new business idea is being able to identify market trends and activities. Large organizations hire staff and outside consultants to help them do that research on an ongoing basis. Smaller companies operate on the owners' gut feelings. Either way, companies can be successful in shaping their own futures. One of the best strategies is to identify benchmarks: competitors' actions, economic events, and societal trends.

Twenty years ago, a business magazine asked me to name some new business ideas. Here's the list I provided then: children's furniture manufacturing, downtown computer store, laser printer/bindery services, auto mall, lunch catering to businesses, an organization specialist and a drive-thru (no seating) burger joint.

The children's furniture business is still a viable opportunity, we now have several downtown computer stores, the laser printing business has undergone several iterations and is now known as Kinko's or AlphaGraphics, cities have zoned for auto malls all over the country, several local restaurants now deliver lunches to businesses, the organization specialist businesses are known as California Closets and Hold Everything, and the drive-thru burger joint is Checkers.

So what do we do now? In thinking of opportunities it is important to remember two things. First, if you have a need for some service or product, chances are so do a lot of other people; and second, there is always room for a specialized niche (i.e., a new competitor) in any existing business.

With that in mind, here's a short list of specialized business opportunities that I urge you to consider. Most can be established anywhere in the U.S.A.

## **1. U.S. Retro Products to Asia**

Over a 10-year period I sold and sourced products in Japan, China and Singapore, and made over 20 trips to Asia. The 70's are in. So are the 60's. As China becomes more affluent, as Japan has been for many years, many consumers are after "cool" U.S. products from the 60's and 70's.

Why not visit some garage sales and used furniture and collectible stores in the area, buy some cool-looking period items, and put them up on eBay-equivalents Japan or China? I think you'll find big demand for space-age ashtrays, clocks, small furniture items and the like. Shipping is easy: just weigh the packaged product and find the USPS and DHL or FedEx prices. If you question if the demand is there, just visit one of our local used furniture stores that specialize in that era and sells locally. You say you already own one of those stores? Hmmm.

## **2. Craigslist for Dummies**

Starting in a bedroom in San Francisco, Craig Newmark wanted a simple way for people to let others know about cool events around San Francisco. It started as a list server where people could view others' postings. He named it Craigslist and it has grown to be the major international jobs, dating, advertising, and general posting site. He takes advertising only for job postings. Everything else is free. The site is arranged by locale, and within each city into categories such as For Sale, Services, Personals, etc. It is quite extensive and very active with millions of monthly visitors.

The "For Dummies" series of books is a great success. Here's how they work: You bring your idea of a For Dummies book to them, and they help with the pub-

lishing and distribution. Check out dummies.com. Topics now cover everything from Skype to Infertility.

To date, there is not a Craigslist for Dummies. Do it. This is a huge opportunity.

### **3. Sell on the web without advertising**

There was a time when the world wide web was like the world wild west. You put up a web site, do some promotion and fill orders. But, my, how times have changed. If you go it alone today, chances are you'll spend more money on click-through fees than you'll pay yourself!

The sales model for the web is now one of working through the "big guns" who have established themselves as shopping portals: MSN Shopping, Froogle, Amazon, Buy.com, etc. This may initially look like trouble for the small businessman with a great new product, but it is actually a huge opportunity. Even most large consumer goods companies, who have their own established and successful web sites, sell through these other channels of distribution.

Here is your assignment for this afternoon: take your new and existing products and partner with the portals. Each has a "new product submission" link on their web site. They heavily advertise, bring in the customers, take a small cut and you have zero click-thru fees. Several years ago, I quit my own advertising (giving myself a \$60,000 raise in the process) and sold more than I ever could on my own.

### **4. Combined distribution/fulfillment warehouse**

There are thousands of manufacturers in China, India, Indonesia and other Asian countries who are dying for a way to get into the U.S. market. The standard business model is for an American company to buy their products, import and warehouse them, advertise and then fulfill orders.

I see an opportunity for one common centrally located U.S. warehouse, filled with goods from perhaps 50-100 manufacturers, located in a duty-free zone, taking goods on consignment and spending their money on marketing the products. This is not too different from the successful Overstock.com model of partnering with local businesses that warehouse their own goods, sell through Overstock and ship from their own warehouse. In fact, it could be a "next step" for Overstock's consumer products business.

Fulfillment warehouses could further be specialized, as in plumbing supplies, construction materials, and even seasonal products. When established, they could sell through the Amazons and Overstocks of the world.

## **5. Industrial supply virtual malls**

Along the lines of the fulfillment warehouses, industrial supply “virtual malls” can be developed. Many industrial businesses are located in industrial parks and each has their own ordering system and delivery fleet. Why not green things up and save money by combining delivery services? Additional ideas here would be the availability of one common one e-catalog and combined promotion. This is another example of companies working together, combining non-competitive talents.

How do you actually do it? Look around; think about it, and a need will present itself. Go with your gut. Begin by checking out the Governor’s Office of Economic Development at [goed.utah.gov](http://goed.utah.gov). This is a powerhouse organization staffed with very talented people whose sole mission is to grow your business. Your local banker has connections to GOED and other resources, and will get you in touch with the right people, at no charge. The Salt Lake Community College ([slcc.edu](http://slcc.edu)) has a well-established program to start and grow your business, including courses, seminars and training events. Plug into each (not just one) of these and you will be on your way. All you have to do is ask.

## **6. Real Estate “Teams” Training**

If you are a real estate agent, you have certainly heard of the Mike Ferry Organization and Floyd Wickam’s Sweathog program. These are the two best known of many professional training programs, aimed at individual agents. They are both highly effective and are used by successful real estate agents nationwide. Many other similar programs exist.

But I have not been able to find a well-advertised training program focused solely on real estate teams. This could be a huge opportunity for someone to develop. It could easily be a nationwide program. Are you a team leader or office broker? Have you been on a real estate team? Do you want to make even more money with a training/coaching program designed exclusively for teams? I suspect you’ll have a good reception.

## **7. Wasatch Front Topo Hiking Maps**

While it is true that many things are going electronic these days, maps don’t seem to be making the transition well. You can buy the (\$49.95 per year) Trails.com online maps, the Topo! and National Geographic area maps, as well as Wasatch Front Panoramic Hiking Maps and Wasatch Front Touring Maps, but even with these offerings, I think there is still opportunity for one more. The twist? Readability.

Your map will have 3D color-coded topo features, ground cover shadings, trails, UTM's, reference points, etc. Take a look at the Tom Harrison series of maps (available at most map stores), and duplicate those for the Wasatch Front. He does not yet have the Wasatch Front covered. Another map in that style is the "Rambler's Guide to Mt. Tamalpais" by Fred Olmstead. Both are available on Amazon, eBay and other places. You'll see the difference.

As an aside, the elevation changes on each of the existing maps vary: some seem to measure absolute gains (not taking enroute changes into account); some apparently provide the cumulative gain, and most all show different gains on many identical trails. On your map, the UTM waypoints will show the elevation.

I hope that's enough to get some people thinking. Any takers?

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