STUDY UNIT 15

GETTING STARTED IN YOUR CAREER AS A GUN PRO



STUDY UNIT 15

AND NOW, TO THE BEGINNING . . .

By this time, if you've studied diligently and retained much of what you learned (we don't expect you to remember everything), you're a walking storehouse of gun and ballistics lore. You've seen admiration and respect in the eyes of those who like guns and hang onto your every word (and the glazed looks when you spout off to the disinterested).

Now, when you browse reflectively through your Course and remember the long hours of study; when you reread passages that were once as clear as a Chinese cookbook; when you adjust a malfunctioning gun or install a recoil pad or scope, quickly and expertly; then you realize how far you've come since you mailed in your enrollment application.

Yes, you have traveled a long road and should now be well on your way to becoming a gun pro. And the completion of your Course marks a beginning. You're wondering just how you are going to translate your in-depth knowledge of firearms into a means of making money (Figure 1). What direction you take depends a lot on you: your interests, abilities, and obligations. You may be married, with dependents, substantial monthly payments, and a tolerable job that you would hesitate leaving until an adequate income is assured with guns. If this is true, a part-time job, working for others or for yourself in the gun field, is indicated.

It is just as possible that you are single and without heavy financial obligations; and that you don't require a high "guaranteed" monthly income. In this case, you can probably afford to "gamble" and spend the time necessary to locate a full-time job in the gun field that may offer only a modest starting salary.

On the other hand, you may already be quite adept at gun repair, stock finishing and checkering, or some other speciality (Figure 2) and would prefer to work as a gunsmith or

an apprentice smith. Possibly, you enjoy "talking guns" with customers, correcting their misassumptions, and selling arms and related products on the basis of expert suggestion. If so, then sales is undoubtedly your forte.

As you learned long ago, your Gun Pro Course covers nearly all aspects of the firearms field — some in depth, some on a necessarily limited basis. As a result of your exposure to this broad panorama, and discovering which subjects tie in with your interests and abilities, you probably already have a good idea of what your speciality will be. And specialization, in the gun field as in all vocations, is mandatory for real success!

Now let's talk about a number of ways in which you can start making money with guns. We'll present the "pictures" . . . it's up to you to "climb into" the one that best fits your needs and aspirations.

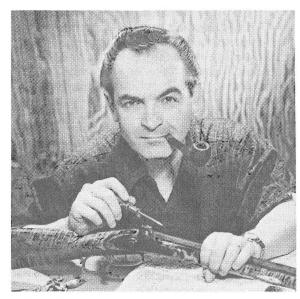


FIGURE 1 — There are more different ways to make money in the gun field than in most industries. Specialize in what you do best; it might be customer counseling.



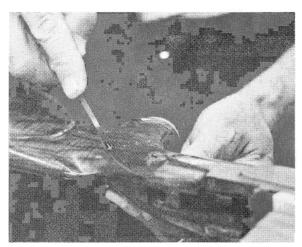


FIGURE 2 — There is big money to be made in stock finishing and checkering. If your talents lie in this direction, you're fortunate.

HOW TO GET A FULL OR PART-TIME JOB WITH A SPORTING GOODS, DISCOUNT, OR CHAIN STORE GUN DEPARTMENT

Stores in this category constitute one of the best opportunities for part or full-time employment. Most carry a good-size inventory of guns, scopes, ammo, and loading equipment and supplies. Sporting goods stores, the larger ones especially, hire only people who know something about guns — but the quality and breadth of their "education" is usually vastly inferior to yours. Reloading sales? Very few stores of this "general" type have sales personnel who can intelligently discuss the subject, much less give sound advice. What knowledge the clerk has is usually out of and limited by a loading manual (if he's even taken the time to read it).

Few sporting goods stores employ a gunsmith, although many take in and farm out (or would like to) malfunctioning guns and scope installation jobs as a courtesy to customers. This situation can create a real opportunity for you, as you'll soon see.

Discount and chain stores often inventory a surprisingly large assortment of guns and related products, but dispense these wares on about the same basis as Safeway sells groceries. If the customer doesn't know what he wants, there is seldom anyone around to guide him (Figure 3). There are exceptions, of course. A few discount/chain stores have been fortunate enough to find gun pros who can sell gun products intelligently; most, however, rely on sales people who are better equipped to sell jelly beans. It's a rare store of this type that offers gun repairs; some probably do exist in the smaller towns. We have never seen one with a gun repair set-up.

The point is, these "general" type stores (as opposed to custom gun and reloading shops) need sales personnel who know firearms and reloading. The combination of low discount prices and helpful, qualified sales people can quickly attract and build a customer following, and that is the name of the game with any employer.



FIGURE 3 — Chain stores often inventory more merchandise than even large gun shops. Few offer the quality of service provided by Wayne Stevenson and Harold Schlapia, of Reno's Alpine Reloading Room.

OPPORTUNITIES FOR GUN REPAIR ABOUND

Many of the stores just discussed, especially those that sell sporting goods exclusively, welcome the opportunity to have a gunsmith on tap — if not on the premises, then working elsewhere. A good gunsmith service always builds sales of other guns and related products.

Say you're hired in a sales capacity, part or full-time, by a store that doesn't have a workshop set-up. It shouldn't be much of a trick to arrange to do gun repairs, scope and recoil installations, etc. at home evenings and weekends. Generally, the store receives the customer's money and pays you for your work — then retains anywhere from 10% to 25% as its "commission." Be sure to keep a fair hourly rate in mind when determining your price schedule and the store's commission.

The suggested prices in Brownell's catalog provide an excellent starting point for negotiations. Emphasize to your employer that your gun repair service will be the most valuable to him in terms of selling other goods and in building customer goodwill. He probably knows this.

Remember, to sell or repair guns on the premises of an FFL dealer, you do not require a license. If you will repair guns for the store's customers in your own home or workshop, then you will require your own FFL (Figure 4). Incidentally, when licensed yet working for a store that sells guns, don't make the mistake of selling new guns to your buddies (secured through Shotgun News or from jobbers) on a cost-plus basis.

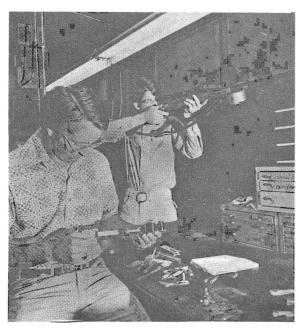


FIGURE 4 — You can repair guns for an FFL dealer on his premises, without being licensed yourself. Working at home on guns other than your own requires an FFL.

We can't think of a faster way to get fired than to compete with your employer in his own trade area!

There is no general rule as to how much you can make in a sales position working for a "general" type store, as policies and wage scales vary in different parts of the country. Ideally, you should get a base salary, say \$75 to \$150 weekly, plus a percentage of what you sell. Some stores extend as much as a 2% commission on gross sales, others as little as 1/2%. Generally, the lower the base salary, the higher the commission, and vice versa. Build a following and sales and you could easily make as much as \$250 per week. Some gun pros do.

Apply For a Job First With a Letter

It's always a good idea to preface your "in person" job application with a skillfully written letter outlining your qualifications and stating how you can build business for the store. Such a letter may result in the store owner, manager, or personnel manager calling you — which does a lot to "up" you psychologically so you will be at your best during the job interview. Even if you aren't called, your follow-up visit will probably ring a bell with the boss. The fact that you went to the trouble of writing a thoughtful letter stressing what you can do for the store takes you out of the usual "I-need-a-job" category.

Sample Letter No. 1, which you can modify to your own requirements, appears on the next page. If at all possible, your letter should be typed neatly and addressed to the owner or personnel director by name (a phone call can get you this information).

SALES JOBS WITH WHOLESALE FIREARMS AND SPORTING GOODS FIRMS

The world is full of people with a "sales personality," whose warmth, sincerity, and ability to make friends often compensate for a lack of real knowledge about the product. Many car salesmen are in this category, as are some "executive salesmen" whose main talent is the ability to quote from a wholesale price list and consummate deals over a martini luncheon.

In the gun field, few sales representatives can get by on charm alone (though it is helpful, of course) — especially if the selling is to custom gun shops (Figure 5). On the other hand, buyers for discount and chain stores seldom know their "ear from their elbow" when it comes to guns and related products. At certain times of the year they stock up (for Christmas and hunting season sales). Such stores seldom buy from jobbers; their volume is sufficiently large to warrant dealing directly with the manufacturer. Selling in such instances, is usually of the order-taking variety.

FACTORY-EMPLOYED SALESMEN

Long-established firms like Winchester and Remington in the firearms field, and the leading manufacturers of scopes, loading equipment, supplies, etc., customarily employ sales people to call on jobbers and sometimes on dealers (to help the local jobber and prove that the parent company "cares" about that dealer). Factory sales personnel require an in-depth knowledge of their company's products and those of the competition; they seldom possess wide know-how on related prod-

1000 Center Street Centerville, Ohio 43002 June 1, 1976

Mr. James Jones Sierra Sporting Goods 1000 Main Street Anycity, Ohio 43001

Dear Mr. Jones:

You're in the business of selling firearms and related accessories. I am confident that I can help you increase your sales.

As you know, the gun departments and shops that do the most business are those staffed by "gun pros" -- sales people whose knowledge of guns and reloading attracts a following and repeat sales.

As a recent graduate of the North American School of Firearms, I am seeking employment on a (part-time or full-time) basis. My training included firearms function and design; ballistics, both internal and external; reloading and working with a variety of loading equipment and components; and many related subjects, all of which qualify me to advise and sell to both novice and sophisticated shooters. I know guns.

(Optional paragraph) In addition, I have been trained in firearms repair and can install scope mounts, sights and recoil pads, and can handle most repair jobs. If you have a shop on the premises, fine; otherwise I could take in work for your store and do it at home on a mutually agreeable basis.

I am ____ years of age, (single or married), a graduate of (high school or college), and have resided in (city) for (length of time). At present (or in the past) I am (was) employed by (firm) as a (position).

As I intend to make a career for myself in the firearms field, I would enjoy discussing the possibility of working for your company and ways of increasing sales of guns and related products.

I am as close as your telephone. A call or note will bring me on the run, at your convenience. May I hear from you soon?

Sincerely,

(your signature)

(your phone number)

 $SAMPLE\ LETTER\ 1-For\ seeking\ employment\ with\ a\ sporting\ goods,\ discount,\ or\ chain\ store$'s gun department.

Unit 15

ucts. Many are of the "Johnny one-note" variety.

The really big companies usually operate regional offices, covering several states, at which a number of salesmen are based. Manufacturers' salesmen customarily receive a guaranteed salary against a percentage of sales, and reportedly earn as much as \$15,000 to \$20,000 per year. Regional sales managers usually make more, and their salaries are often based on a draw against total sales for a given office.

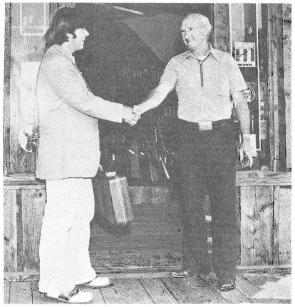


FIGURE 5 — As a salesman working for a manufacturer, jobber, or "rep" firm, calling on knowledgeable dealers, you had better know what you're talking about.

Some manufacturers and importers of firearms, like Weatherby, Inc., have their own sales organizations which call directly on dealers. By bypassing jobbers, these companies can "sweeten the deal" — offering greater quantity discounts and/or a longer credit period. The dealer may not have to pay for a given gun until that gun sells — with a three to six-month "lid." Manufacturers with limited production and/or a high-priced product most frequently go this route.

Salesmen working for firms of this type, as opposed to those working out of regional offices, do a lot of traveling. Areas of the country are "blocked out" and at certain times of the year the leading dealers in a given area are visited and, hopefully, loaded up on inventory.

Before going on, please do Programmed Exercise 1. Make sure you write your answers on a separate sheet of paper before looking at the answers on the page specified.



1

- 1. You're writing a letter of job application to a company. How should you address the letter? (a) "Sirs." (b) to the owner or personnel director by name. (c) to the attention of the general manager. (d) "To Whom It May Concern."
- 2. Chain stores do most of their buying from: (a) jobbers. (b) manufacturers. (c) distress sellers. (d) custom warehousers.
- 3. A factory sales representative calls mostly on: (a) dealers. (b) jobbers. (c) military installations. (d) custom warehousers.
- 4. A salesman for a major manufacturer usually works out of: (a) the company's headquarters. (b) the regional office. (c) his own home. (d) the NRA offices.
- 5. What sort of manufacturer is most apt to sell directly to dealers, by-passing jobbers? (a) a large-volume manufacturer. (b) a high-priced product manufacturer. (c) a shotgun manufacturer. (d) an accessories manufacturer.
- 6. A manufacturer's representative who calls directly on dealers may offer dealers all but one of the following benefits. Which one is he unlikely to provide? (a) greater quantity discounts. (b) a longer credit period. (c) year-round personal attention. (d) special factory deals.
- 7. True or false? The general rule of thumb as a sales employee is: the higher your base salary, the higher your commission rate.
- 8. True or false? Manufacturers' salesmen usually receive a guaranteed salary against a percentage of sales.

Answers on Page 6

7

'ANSWERS								
·		1						
1.	В		5.	В				
2.	В		6.	C				
3.	В		7.	False				
4.	В		8.	True				

JOBBER SALESMEN

Sales people hired by firearms and sporting goods jobbing firms, companies that handle a great many gun-related products, usually require a broader knowledge base than do manufacturers' salesmen. Just why is the new rifle the salesmen is offering better than other rifles in its price range (Figure 6)? Can he disassemble the bolt quickly, and convincingly demonstrate the gun's design superiority? Why is the new scope line he's introducing more advanced optically and mechanically than the old "Bauchfield"? Can he demonstrate the new neck-crimping feature on a just introduced loading press . . . discuss S. D. and B. C. intelligently, relative to a new line of bullets for the reloader?



FIGURE 6 - A wholesale salesman, when introducing a new rifle to a dealer, must know its points of superiority.

Yes, to be a good (successful) jobber salesman, calling on and selling to hardnosed and knowledgeable custom gun and reloading shops, you had better know your onions. Here, the ability to "talk guns" means acceptance and sales.

The jobber salesmen most often spends his time calling on established accounts, taking orders for staple items, and acquainting the dealer with new products his company offers. Now, because of the rapid increase in the number of new gunshops, a portion of his time is spent calling on new dealers. The experienced jobber salesman is extremely helpful in assisting new dealers in the inventory selection. By recommending only lines and products that the dealer needs for openers, and not loading him up with slow-moving items that tie up his limited capital, the jobber often makes a business friend who will be a profitable, long-term account.

Sales positions with jobbing firms usually offer more in the way of security than in income. The customary arrangement is a basic salary plus a small percentage of gross sales made by the salesman. Because jobbers inventory a vast amount of merchandise and assume the credit risk with dealers, they have to be conservative - in accounts accepted and in salaries paid (Figure 7). Jobbers work on a comparatively small margin (usually 15% to 25% of the sales price to the dealer), so they can't afford to pay particularly well except, perhaps, to salesmen who have been with the company for a long time and who have built a following. Ironically, many jobber salesmen who have built that following often start their own business — of the type we'll now discuss.



FIGURE 7 — Jobbing firms maintain a strict credit policy. New dealers are always checked thoroughly with a credit bureau before any merchandise is shipped "open account."

MANUFACTURERS' REPRESENTATIVES

The manufacturers' "rep" is usually fast on his feet, lives by his wits, and is the "wheeler-dealer" in the gun field. He most often works on his own or in connection with a few other salesmen who constitute a company which operates on a regional (usually one to four-state) area. Such individuals or

offices represent the smaller manufacturers and importers; companies which are new or with limited production and capital who cannot afford to extend the larger and conventional jobber discounts. Or a company may not be able to secure jobbers in given areas because the jobbers already carry similar products and won't take on competitive lines.

Manufacturers' reps work on less than the usual jobber commission, usually 7% to 20% of gross sales (this figure varies widely according to product and price), but they can make more money because they don't borrow or use their capital to stock inventory and they don't assume any credit risk. Reps call on their established dealers, show samples of new products, and simply take orders. The manufacturer then ships directly to the dealer. When opening up new accounts, the rep must be extremely careful that the new dealer is financially sound. He usually gets a financial statement and/or credit references which are sent to the manufacturer for check-out. The rep is paid only after the manufacturer receives his money. When an account fails to pay, the rep is out in the cold profit-wise.

Such reps are extremely knowledgeable about the products they take on, and of competitive products; they have the bright curiosity of a spaniel pup in nosing out products that will sell.

Any gun or sporting goods show, regional or national, where a large number of the booths are rented by new product manufacturers or importers, is attended by many "reps" on the lookout for a territorial exclusive. Most shows also have bulletin board set ups where reps post their cards — which the exhibitors study frequently.

Even though manufacturers' reps finance their own operations, and most often get paid only when the dealer pays the manufacturer, they usually make a good deal more than jobber salesmen once they're established. An income of \$30,000 to as much as \$50,000 annually isn't unusual when a rep has a complete line of fast-selling products and a following of dealers who are solid credit risks.

Some of the larger rep organizations hire salesmen. Salaries are usually low, but commissions are quite high. If you know your products and the gun field (which you do), and are good at selling, you can usually make considerably more than working as a jobber's salesman.

TO SUM UP ...

At this point, if you're interested in a sales position in the firearms field, you're probably willing to take what you can get.

Manufacturers and importers may not be located in your area, so unless you're willing to move you're probably better off contacting jobbing and manufacturers' rep firms — of which there are probably several in your general region. Check your local Yellow Pages.

Sample Letter No. 2, modified to your requirements, should do a good job of introducing yourself. If you don't hear from the company, follow up with a phone call or personal visit. You're going to discover that sales job applicants who really know firearms are rare. The fact that you completed your Gun Pro Course says a lot for your qualifications and ambition!

JOBS REQUIRING GUNSMITH-ING (REPAIR) ABILITY

So far we have discussed career opportunities in the sales field: jobs that do not require anything more than general knowledge of the firearms field, specific knowledge of given products, and perhaps the ability to quickly reduce a gun to its component parts.

If you're a man who feels more at home at the workbench than at the sales counter, and who perhaps scuffs his shoes when meeting strangers, then there is a different way to go — doing gun repairs, modifications and installation of accessories for a sporting goods store or custom gun shop, or working for a small or large firearms manufacturer.



FIGURE 8 — Custom gun shops often hire apprentice smiths, especially if they are able to "double" at the counter as a sales counselor.

The chances are, at this point, that you're not yet sufficiently experienced to work by yourself on the vast number and type of firearms that cross the average gun shop counter. Perhaps we're wrong. But unless you've had considerable experience, you should try for an apprentice-type position where you work with a journeyman gunsmith who has much to teach you. However, many competent smiths, especially the old-timers, are not very

1000 Center Street Centerville, Ohio 43002 June 1, 1976

Mr. Thomas Johnson, President Johnson Wholesale Sporting Goods 10000 Main Street Anycity, Ohio 43001

Dear Mr. Johnson:

As a recent graduate of the North American School of Firearms, and as a man who enjoys selling and meeting new people, I would welcome the opportunity to become a member of your sales team.

My training in firearms design and function, gun repair, internal and external ballistics, and in many other related subjects, including industry trade practices, provides the background necessary for me to do a good job of representing your firm and its products.

I have sufficient confidence in my ability to build business for you to accept a modest starting salary, providing you offer a reasonable incentive program. Income, at this point, is secondary to opportunity.

I am ____ years of age, (single or married), a graduate of (high school or college), and have resided in (city) for (length of time). At present (or in the past) I am (was) employed by (firm) as a (position.

I am as close as your telephone. A call or note will bring me on the run, at your convenience. May I hear from you soon?

Sincerely,

(your signature)

(your phone number)

 $SAMPLE\ LETTER\ 2-For\ seeking\ employment\ with\ a\ wholesale\ jobbing\ or\ manufacturer's\ representative\ company.$

tolerant or patient. You'll learn all right, but mostly by watching, then doing. The sparse, explanatory mumbles typical of many older gun pros are not particularly helpful. Watch, learn, then do it.

In almost any apprentice gun shop position, you will have to work the counter from time to time. The fact that you know, right now, more than do 99% of the customers who walk in should give you confidence. When your advice and recommendations are respected, you'll gain the confidence needed to make customer contact a pleasant experience. The fact that you know your stuff will do more to impress customers and make sales

than a toothy grin from a personality kid while recommending a .243 Winchester for elk.

If a gun manufacturer (small or large) is located in your area, you may qualify for a position as an apprentice. Many of these firms maintain training programs in both the metal and woodworking aspects of gun manufacture. The knowledge provided by your Course, plus an awareness of where your talents and interests lie (which you undoubtedly have by now), should give you an edge over many applicants.

Sample Letter No. 3 may produce results in getting this type of job.

Unit 15

1000 Center Street Centerville, Ohio 43002 June 1, 1976

Mr. Ted Whitaker, President Acme Gun Repair or Manufacturing, Inc. 2000 Main Street Anycity, Ohio 43001

Dear Mr. Whitaker:

As a recent graduate of the North American School of Firearms, and as a man who wants to make a career of firearms, I would appreciate your consideration of this letter of application.

I have been trained in firearms function and design, repairs and modifications, internal and external ballistics, and in many related subjects that should qualify me for an apprentice or trainee position with your company.

As yet I am relatively inexperienced, although I am capable of doing a good job of accurizing, scope and recoil pad installation, and can handle repairs on a large variety of firearms. My main interests and abilities are in (metalworking, woodworking, list what you're good at).

Salary is secondary to opportunity as I still have much to learn. My sincere interest in working for your company and my training will, I hope, warrant your interest.

I am ____ years of age, (single or married), a graduate of (high school or college), and have resided in (city) for (length of time). At present (or in the past) I am (was) employed by (firm) as a (position).

I would welcome the opportunity to talk over personally how I might fit into your organization. I am as close as your telephone. A call or note will bring me on the run, at your convenience. May I hear from you soon?

Sincerely,
(your signature)
(your phone number)

 $SAMPLE\ LETTER\ 3$ — For seeking employment as a gunsmith's apprentice with a custom gun shop repair service, or with a firearms manufacturer.

HOW TO GO INTO BUSINESS FOR YOURSELF

You probably have a job and would like to ease into guns, making money on a parttime basis at home until enough money comes in for you to break the "shackles." There are a number of ways to go about this.

By now you should have quite a following among your buddies and their friends—shooters of varying sophistication who look to you for the answers. Provided you have your FFL, about the fastest and easiest way to make a buck is to furnish your group with guns and other products on a cost-plus basis.

Make a habit of studying Shotgun News; in talking with your friends, you'll have an idea of what they need or could be talked into (Figure 9). Point out appropriate bargains, and offer to furnish the item at cost plus 10%. (Your discount is the standard 25% on guns—often more on "close-outs." Sometimes the seller (usually an out-of-state jobber) will ship C. O. D. with a small deposit; more often he wants the money up front. In return for the substantial savings, your customer should provide the needed cash for the transaction, which doesn't tie up your funds at all. If he doesn't, forget him.

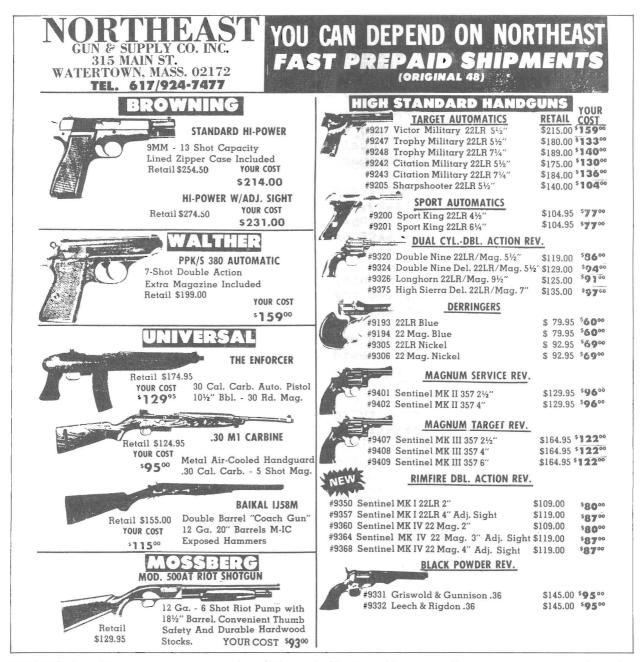


FIGURE 9 — Discounts on guns ordered through Shotgun News usually amount to more than the standard 25%.

You'll find practically anything any shooter would want, all bargain-priced, in *Shotgun News*. Your cost-plus policy won't make dealers in the area very happy, but everybody has to get started — and competition, as they say, is the "life blood" of business.

Your "following" and sales should build rapidly — and after a year or two, if you save part of your profits, you may be able to open your own gun shop. An ad along the lines of our suggested sample (Figure 10) may bring in additional sales. And remember, every shooter you sell has buddies, which means an ever-widening circle of customers.

It's always a good idea to contact your local firearms jobber. Many times a customer won't want to wait for an out-of-state shipment. As a licensed dealer, you'll be able to buy locally at a conventional dealer discount.

By law, your wholesale source can't dictate your retail price. If you wish to sell for costplus, that's your business. To begin with (unless you've got money in the bank), you'll have to pay on a cash basis. Again, your customer will usually put up the front money. Why shouldn't he? He knows you, you're giving him a bargain, and you can usually make next or same-day delivery.

When the time comes for you to open your own shop, your local jobber will be a big help. He knows the trade area and what is selling. The quickest way to go broke is to inventory expensive firearms, scopes, and loading equipment that because of the season or economy doesn't move. Build slowly, operate on a cash basis to avoid going into the hole credit-wise, and above all specialize (Figure 11).

HUNTERS! SHOOTERS!

I'll sell you almost any new gun, scope, loading press, or accessory at COST PLUS 10%. Let me save you \$\$\$

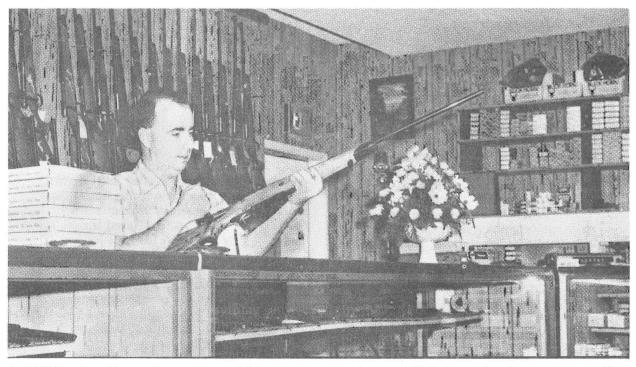
Specializing in:

- * Gun repairs and accurizing
- * Reloading equipment, supplies, components
- * Friendly, competent advice on any handloading or gun problem

YOUR NAME ADDRESS

PHONE NUMBER

FIGURE 10 - An ad like the above, scheduled in your local newspaper or advertising "throw away," may produce a lot of business. List the hours you'll be open if your operation is part-time.



FIGURE~11-Wayne~Stevenson~and~his~partner~started~on~a~\$750~shoestring~five~years~ago.~Now~they~have~the~largest~gun~and~reloading~shop~in~northern~Nevada.~Significantly,~they~operated~on~a~cash~basis~for~the~first~two~years.

Before going on, please do Programmed Exercise 2. Make sure you write your answers on a separate sheet of paper before looking at the answers on the page specified.

PROGRAMMED EXERCISE

2

- 1. A jobber salesman can most help a new dealer by recommending that he carry what stock? (a) limited. (b) wide-ranging. (c) high-investment. (d) big retail markup.
- 2. A jobber's margin is usually what percentage of the sales price to the dealer? (a) 5-15%. (b) 15-25%. (c) 25-50%. (d) 100%.
- 3. In what range is an average annual income for a successful manufacturer's representative? (a) \$12,000-\$15,000. (b) \$20,000-\$25,000. (c) \$30,000-\$50,000. (d) \$50,000-\$75,000.

All of the questions below are true or false.

- 4. A salesperson for a firearms jobbing firm needs less firearms know-how than a factory sales rep.
- 5. Your best bet for a high income in sales is with a jobbing firm.
- 6. One of the best sources of new business for a manufacturer's rep is a gun or sporting goods show.
- 7. You can make more money as a salesman for a manufacturer's rep than as a salesman for a jobber.
- 8. Gun manufacturers often maintain training programs for gunsmithing apprentices.
- 9. Your wholesale supplier has the legal right to set your retail price.

Answers on Page 16

Ways in Which to Specialize

One of the surest methods of getting your new part-time business off the ground is

to offer equipment, components, and knowledge on reloading - metallic and shotshell. Even on a cost-plus basis, you probably won't sell enough guns to make a decent livelihood and hasten the day when you can bid your full-time employer farewell. However, the shooter who is into reloading is a voracious cuss. Sell him a loading press and a basic die set and that's just the beginning. His (or his gun's) appetite for powder, brass, primers, bullets, and accessories can be awesome. As often as not a new and avid reloader will be in to see you every week or two. There's always something he needs, and most of all he needs knowledge to go along with his purchase. He might need a neck reamer; could be he's wondering if he should use magnum primers; or how about that new Sierra bullet? Advise him honestly, and it will pay off on a long-range basis. You can afford to pass up an occasional sale of items he doesn't need.

As we have said repeatedly, few stores that sell guns have any real knowledge of reloading, and in reloading sound advice and recommendations are really your "sales pitch." Become known as the fellow in your area who has the answers, and who sells the more expensive items on a cost-plus basis, and indeed you'll get business. We don't suggest that you should sell on a cost-plus basis indefinitely. Eventually you'll want to open your own shop. You'll no longer sell on your "foropeners" basis, but so what? You will have the following, and most of your customers will stay with you.

Shotshell reloading is a profitable specialization (Figure 12). Some shops deal in both metallic cartridge and shotshell loading; a surprising number concern themselves with only one or the other. There is no reason why you, with your training, shouldn't "cover the waterfront." The same holds true for blackpowder arms. "B. P." stands for big profits as well as blackpowder, and you should certainly look into this area. The guns themselves, bulletmaking equipment, flasks and accessories, powder, etc., all add up to big initial sales and valuable repeat business. A tremendous variety of B. P. merchandise is offered through Shotgun News and by most firearms jobbers.

GUN REPAIRING, PART-TIME

The nice thing about doing gun repairs, installing scopes and recoil pads, etc. at home is that nobody is breathing down your neck. Take in only guns and jobs you know you can handle. To begin with, you probably won't make as much per hour as you should, but it's better to do a good job and spend two hours than to do a lousy job in 30 minutes. Later, as you gain proficiency, you'll work up to the

point where your charge for a given job, based on Brownell's suggestions, will provide fair remuneration (Table 1). Time, of course, is money, and when you become adept at your trade you should be paid for every moment you spend at the bench. The preceding remarks are relative only to your beginner's status.



FIGURE 12 — Shops that specialize in shotshell reloading usually make extra money custom-fitting shotguns. (Reloads aren't "economical" if the shooter can't hit.)

When, through constant practice and working on many types of guns, you feel you're ready to broaden your market, talk to stores that sell guns but that don't have a resident gunsmith. Unless you're selling a lot of guns on a cost-plus basis (and they know it), they'll probably be glad to work with you as competent gunsmiths are not easy to come by. Police and sheriff's departments may also constitute an excellent source of repair work—as well as for custom handloads if you decide to go into the ammo-making end of the business. A visit to the local gendarmes may pay off handsomely.

CUSTOM RIFLES

Many students believe, mistakenly, that the ultimate goal for a gunsmith is to turn out custom rifles (Figure 13). This is seldom the case, because there are few people who can afford to pay for the hours the maker puts into a true custom arm. Generally, the only custom jobs that sell well (meaning the price is fairly low) and that adequately remunerate the builder are those which are made of mass-produced components. When a custom rifle builder buys, say, components for six rifles at a time — chambered and barreled actions,

Timney or Canjar triggers, 95% inletted stocks, etc. — he can generally come out rather well, providing he's skilled in blueing and stock work. Nevertheless, and in all honesty, the finished product isn't going to be that much better than a standard Remingchester — which probably costs less.

Probably the smartest and most profitable way to enter this market is to make up rifles in a popular wildcat caliber like the 6mm/.284, the .257, or 7mm/.308, etc. for which dies are available. Build a reputation for knowing your beans ballistically and many of your buddies who are already into handloading may want one of your super-duper custom creations (Figure 14). Later, you may want to develop your own wildcats (many gun pros do) which involve the cost of making up custom dies. Before conceding that your new cartridge is truly new, check the RCBS catalog's wildcat die section. You'll be amazed at how many wildcat dies Fred Huntington has as a stock item.

Specializing in custom stock finishing and checkering is usually much more profitable than custom rifle building, in terms of the return on your investment in time and money.

SPECIALIZATION IS THE KEY TO SUCCESS

The firearms field is vast and enormously complicated; for this reason, the most successful gun pros are those who specialize. It may only be specialized retailing of reloading and B. P. products; it may be turning out superb custom stocks, either from scratch or from commercially-inletted products. You may have a gift for checkering and carving or metal engraving; or your main talent may be the ability to do the fastest, neatest recoil pad or scope mount installation in town.

Your knowledge is broad. Find the area in which you excel, then develop that talent to the utmost.

A LARGELY UNSUSPECTED WAY TO MAKE MONEY AS A GUN PRO . . . OR TO GET A FREE HUNTING TRIP

Shooters are usually hunters, and most hunters look forward to and often save for a big game "safari" in the U. S. or abroad. Very often, travel agents book these outings and receive handsome commissions. Sometimes it's possible for a licensed gun pro to organize a group and make arrangements for such hunts. In return, he may receive a commission, a reduced rate if he goes along, or depending on the size of the group and the "value" of the package to the outfitter, maybe a free hunt (Figure 15).

BASE SHOP PRICES SERVICE CHARGES RECUTTING CHECKERING, other than by the hour on average, simple pattern ----\$16.75 \$25.50 Per Man Hour ----- \$6.50 \$11.50 Sling Swivels, Standard and Quick Detach-Per Man & Machine Hour ---- 7.50 13.25 For complicated pattern, average charge 25.50 49.00 able - does not include the special ones MINIMUM CHARGE PER JOB----- 4.00 6.75 which are charged for on hourly basis --- \$4.50 \$ 7.75 Big Head Safeties REBLUING FINISH INLETTING of Semi-inletted stock - 25.50 46.00 On all guns but the following ----- 3.50 8.00 INLETTING & FINISHING outside with aver-HUNTER FINISH: Above on Ithaca, Post War Browning, Rem Consisting of removal of pits and old age finish but no checkering, recoil pad, butt plate, grip cap or other attachments. Price shown is BASE PRICE. If better finish square stern & 720 Savage ---- 5.50 12.75 blue and gun finished off with #140 grit polish on loose wheel BUEHLER TYPE SAFETIES, attaching ---- 4.50 10.00 is desired, such charges to be added. Shotguns-----25.50 30.50 Rifles ----- 22,00 30.50 Charge ----- 48.75 100.00 TRIGGERS: (Attaching & Adjusting ONLY) Pistols------ 16.75 25.50 German Double-Set in Mausers ----- 16.75 30.00 ACRAGLASSING BARREL & ACTION---- 20.75 34.00 Dayton-Traister Single Stage ----- 6.00 16.65 Dayton-Traister Speed Lock ----- 12.75 20.70 Consisting of above and followed with Timney ----- 8.50 16.65 240 and 400 polishing grits with all screw holes and corners protected & square BARREL & ACTION WORK Jaeger----- 8.50 16.65 Sako----- 8.50 16.65 Shotguns----- 26.75 37.00 RECHAMBERING shotgun chambers to acc-Sako with side tang safety attached --- 11.50 25.50 Rifles ----- 25.50 37.00 omodate longer cases----- 10.00 25.50 Pistols-----25.50 34.00 BARREL DEVICES BARRELLED ACTIONS, custom made Attaching Muzzle Brakes on rifles ---- 10.00 16.75 Charge to customer, not including cost of Attaching Choke devices on Shotguns --- 11.00 25.50 barrel blank and action, for furnishing Consisting of the above finishing operation with all polishing marks removed, no sign of ripples in finish and finished off with 555 barrelled action, polished and blued, with desired chambering, ready for inletting SIGHT INSTALLATION Ramps, Band Type ---- 6.00 10.00 cake type polish to a mirror finish into stock. (using ready shaped barrel) This not to include special triggers, Ramps, Sweat-on Type----- 7.00 10.95 Shotguns----- 34.00 49.00 Ramps, Screw-On Type----- 6.00 10.95 Rifles ----- 34.00 49.00 scope mounts, iron sights or other attach-Front Sights, Open Type, and adjusting - 3.75 8.00 ments -- Special Wildcats are extra ---- 46.00 67.25 Pistols----- 30.00 55.00 Rear Sights, & Dove-tailing ----- 6.00 10.00 AS ABOVE but using straight blank con-RECEIVER SIGHTS: -DOUBLE BARRELS toured to customer specifications---- 58.75 100.00 When gun is already drilled & tapped = 3.45 6.00 Not blued by hot dip method but by one of (Above to include all proof firing tests) When gun must be drilled & tapped -- 7.75 15.25 the standard "Browning" methods----- 42.00 58.75 SHOTGUN SIGHTS:-CHECKING HEADSPACE ON RIFLES ---- 2.60 6.00 Attaching front, middle or rear, each 4.00 7.75 Where draw-filing is necessary to true up Shortening and crowning rifle barrel---- 6.50 16.75 surface of barrel for best blue job & looks -- 10.00 20.25 SCOPE MOUNTING: This includes all mounting charges, checking the scope and zeroing in. Ammunition and Reshaping Enfield Receiver----- 15.25 25.50 ENGINE-TURNING BOLT ----- 13.25 16.75 Radius Enfield Receiver----- 13.75 20.75 mileage to range (if any) to be paid by the Removing Enfield Belly----- 9.25 16.00 customer. In the case of special loads, loads Removing military sights from military rifles CLEANING & OILING CUSTOMER GUN to be furnished by the customer. and preparing barrel for attachment of sport-Consisting of completely stripping gun, ing sights----- 9.25 15.25 cleaning out all gum and dirt, cleaning of all parts and checking for wear and making WELDING ON NEW BOLT HANDLE, not insuggestions to customer of services needed MOUNTING ON GUNS cluding cost of new handle ----- 13.75 20.75 to put in A-1 condition----- 6.50 11.00 FORGING BOLT HANDLE ----- 14.75 16.75 NOT ALREADY DRILLED AND TAPPED Target base blocks ----- 15.25 25.50 Weaver, Redfield, Buehler, Leupold and INSTALLATIONS STOCK WORK Please Note: - The following charges are other two piece top mounts----- 13.75 20.75 HUNTER REFINISH OF STOCK for installation ONLY and DO NOT in-Weaver, Williams, Redfield, Buehler A quick, unfilled oil or lacquer finish on and other one piece top mounts ---- 12.75 20.75 clude the cost of item being installed ... the average gun stock ----- 15.25 30.00 RECOIL PADS Weaver, Pachmayer, Williams and sim-Same finish but on a complicated stock = 25.50 49.00 iliar side mounts------ 13.75 25.50 Attaching Pads to standard shotguns---- 7.75 12.75 Attaching Pads to Browning, Win. 12, Jaeger, Bausch & Lomb, Griffen & Howe GUNSMITH FINISH ON STOCK Beretta and foreign doubles----- 10.00 16.50 and similiar mounts ----- 16, 75 25, 50 Filled, rubbed oil finish on average stock 25.50 49.00 CURVED STEEL or Horn BUTT PLATES on Weaver "N" Type Mounts ---- 9, 20 16.75 Same finish but on complicated stock --- 37.00 58.75 rifle stocks----- 13.75 21.75 FORE-END TIPS TO RIFLE STOCKS ----- 11.50 18.50 MOUNTING ON GUNS LACQUER FINISH (SPRAY) ----- 16.75 37.00 GRIP CAPS, extra fancy attached ---- 7.75 16.75 DRILLED AND TAPPED BY THE FACTORY - 5.25 9.75 THE CHARGES SHOWN ABOVE ARE THE RESULT OF A SURVEY MADE OF 4,500 GUNSHOPS IN THE UNITED STATES AND ARE HERE PRESENTED AS A GUIDE TO ASSIST THE GUNSMITH IN DETERMINING ANSWERS TO GUSTOMER QUESTIONS, BECAUSE OF UNFORSEEN COMPLICATIONS, MANY PRICES COULD BE HIGHER THAN THOSE SHOWN, WE AT BROWNELLS DO NO GUN WORK ... REPEAT: WE DO NO GUN WORK BUT LEAVE IT ALL TO OUR GUNSMITH CUSTOMERS.

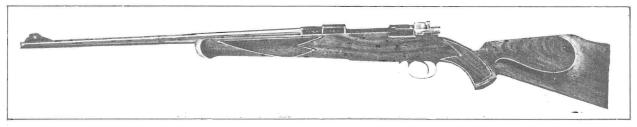


FIGURE 13 — Custom rifles may incorporate both new and old components. This rifle has a military (Mauser) action and "smoothed" barrel, a commercial trigger, and a fancy stock (which was 95% finished) by Fajen.



FIGURE 14 — True custom rifles, like this rebarreled and restocked Martini single-shot, are designed for a specific shooter and purpose, and are often chambered for a wildcat target/varmint cartridge. (Courtesy National Rifle Association)



FIGURE.15 — Some outfitters, especially if they're not booked solid, will extend a commission or free hunt to the person who booked the party. (Courtesy National Rifle Association)

There are guide associations. However, the best way to determine what "courtesy" (if any) will be extended to you as the "agent" is to write those guides and outfitters who advertise regularly in the various outdoor magazines. These firms are seeking business, are public relations-minded, and are more apt to work with you than the small outfitters who have had the same clients for years and don't have to advertise.

A letter patterned after Sample Letter No. 4, should bring a prompt reply. If favorable, talk it over with your buddies — post an announcement in your shop (or in the local gun club or sporting goods store) and you may be able to put that junket together, with your cost for the hunt either reduced or non-existent.

, , AN	ISWERS			
		2		
1.	A			
2.	В		6.	True
3.	C		7.	False
4.			8.	True
	False		9.	False
5.	False.			

1000 Center Street Centerville, Ohio 43002 June 1, 1976

Daniel Boone Guide Service P.O. Box 2108 Boondocks, Idaho 96134

Gentlemen:

I am a licensed federal firearms dealer, and a number of my customers are interested in hunting (game species) in your area next (fall or spring).

As you probably know, some guides and outfitters extend a commission to travel agencies or other parties who book groups of hunters. I am wondering if you work on this basis, the size of group necessary to qualify, and what commission arrangement you offer, if any. I would also like to participate in the hunt, therefore I could accept a "free hunt" in lieu of commission, providing my party is sufficiently large.

I would appreciate hearing from you, and receiving rates and full particulars along with your answers to my questions. I feel certain I can line up at least (number) experienced hunters for your services. May I have your prompt reply?

Sincerely,

(your signature)
(your FFL number)

SAMPLE LETTER 4 — To send to guides and outfitters to determine whether they will extend a commission or free hunt when you "book" a party of hunters.

SOME BASIC RULES FOR RUNNING YOUR OWN PART OR FULL-TIME GUN BUSINESS

Regardless of the size and volume of your operation, there are a few things you should keep uppermost in mind. We'll dwell on them briefly.

Keep Precise Records

As explained in your "How to Get Your Federal Firearms License" supplement, as an FFL dealer you must maintain records of all firearms transactions (purchases and sales of guns and ammunition). The FFL people aren't concerned about your purchases and sales of non-controlled items such as scopes, loading equipment, etc., but the IRS is. How to set up a bookkeeping system isn't properly within the boundaries of this Course. If you're not familiar with basic bookkeeping methods, have a local accountant set you up. It shouldn't cost much, and you'll learn how to make the entries yourself. Better this than a scatter of paper - receipts, forms, etc., all jumbled together when the Treasury or Revenue people come calling.

It Pays to Advertise

A small display ad like that shown in Figure 10, or even classifieds in the local "Big Nickle" or advertising throw-away (Figure 16), can create a lot of business for you even though you're working out of your home on a part-time basis. If you live in a small town, a 30 or 60-second spot commercial on the local radio station can bring a lot of business. A talk with your local rod and gun club officer (providing the club doesn't have its own FFL) sometimes results in sales and profits. In many areas, monthly hunting and fishing newspapers are published. The rates are low and the medium is excellent.

HUNTERS! SHOOTERS! I'll save you up to \$50 and more on many new firearms — save you big money on reloading equipment, components, scopes, etc. All items sold at cost plus 10%! Check my low prices on gun repairs, accurizing, blueing, etc. (Your name, address, and phone)

FIGURE 16 — Classified ads like this, which cost "pennies," afford a good way to expand your fledgling business.

You can't keep your light under a bushel and expect to succeed. Sell guns and accessories at cost-plus, specialize in reloading and B. P., offer a gun repair service, and there should be plenty of people willing and wanting to do business with you!

Where to Locate

For openers you will, of course, operate your new business in your own area. Later, when you become expert at your trade, you may think about relocating in hunting country. It is possible to jump the traces and establish yourself in an area where you would prefer to live — where bucks abound just over the hill and pheasants squawk it over down the road a piece.

Too often, however, hunting country is hunting country because there's nobody around. Some gun pros have successfully made the transition, and it can be done . . . especially when you relocate in a smallish but not tiny town close to the game population. Be extremely careful about where you settle . . . check out the location and prospects for having a successful business before you pack your bags. The local rod and gun club and the Chamber of Commerce (which has figures on hunters who come into the area) can provide a valuable guide to your prospects.

Continue Your Education

Like the doctor and lawyer who read trade journals to keep abreast of new developments, you, too, must develop the habit of reading. Subscribe to magazines like *The Rifle*, *Handloading*, and, most important, to *The American Rifleman* — all of which are splendid sources of technical information. *The American Rifleman*'s reviews of new firearms and related products are especially important (Figure 17).

Write the various manufacturers and request up-to-date repair and gunsmithing instructions, and make sure your FFL number appears on your letterhead. Some gunmakers charge a small amount for this material, others provide it free. We have covered a great many guns in this Course, but new models are coming out all the time. Get on the manufacturers' mailing lists, or write them after a new model debuts, and you'll always have up-to-date technical information.

Look over your School's listing of recommended and supplementary books; order those dealing with the subjects that interest you most or constitute your "speciality." As Bob Brownell puts it, "A gunsmith's study without books is like a room without a window."

Invariably, the study or den of any successful gun pro is loaded — with gun magazines and books, books, books. Generally, the more worn those publications, the more successful the reader is in his field!

DOPE BAG

Page

- 62 DATA AND COMMENT
 H & R Cavalry Model
 WPI Borescope
 Bonanza Powder Measure
 Birchwood Casey Perma
 Blue Kit
- 72 CARTRIDGE VARIATIONS
 New .25-06 Remington Load
 New 6 mm. Remington Load
 New .38 Special Load
- 73 BOOK REVIEWS Patents
- 74 QUESTIONS AND ANSWERS
 Zonda Pistol
 Triggers For Trapshooting
 Zip Chamber
 High-Low Pressure Guns

Scope Height
Hamilton No. 47 Rifle
10-ga, For Deer?
M1911-M1911A1 Serials
Extension Magazine For Mauser
Hardness Of Bullet Alloys
Vented Bodies On Chokes
Muzzle Flash By Daylight
Light Trigger Pulls
Old Shot Cartridges
Browning Shotgun Rib
Balle J.R. Shotgun Slug
Canadian-made U.S. 1911 45's
Top Safety For Rem. 1100?
Stevens "Autoshot" Pistol
Handloading BB's
.32-30 Remington Cartridge

- 85 IN MY EXPERIENCE . . . More On Compass Troubles Sighting-in Day Ambidextrous Hunter Firearm Safety
 - Ambidextrous Hunter
 Firearm Safety
 Spread The Word
 Butane Lighter
 Firearm Check In Safety Class
 Alertness Pays Off
 Steel Case .45's
 The .22-.250 On Big Game
 A Gun For All Seasons
 Sled Out Big Game
 Guns And Loads For Pheasant
 Bring Home The Shells
 Primer Accident
- 91 TRY IT THIS WAY

FIGURE 17 — The "Dope Bag," a regular feature of The American Rifleman magazine, is invaluable — for becoming aware of new products and their merits and broadening your general knowledge.

PUBLIC RELATIONS

You've probably already discovered that it's a terrible temptation to inflict your knowledge on others, especially big-mouthed shooters (and beginning reloaders) whose decible volume is in direct proportion to their ignorance. Putting people down isn't the way to win friends and make sales (Figure 18).



FIGURE 18 — Explanation, not ridicule, is indicated when a customer is dead wrong. One "put-down" by you can lose many sales — from the "put-downee" and his friends.

It is really surprising how many gun shops, even those staffed or owned by people

who know the score, insult customers as a matter of course. These shops still prosper because they're usually the only place in town where a customer can get the right answers, but they seldom realize just how much business they're *losing*. The average guy who loves guns may not know much, but he surely thinks he does — and there's nothing more deflating than to be crudely "corrected" in front of one's buddies or other customers.

We remember one instance where a mild little fellow walked into a custom gun shop and inquired about loading dies for his .308 and the cost of a reloading set-up. The salesman said, "What do you want with that hundred-yard .30/06? I've got a .300 Winchester magnum here that'll knock down deer at 500 yards — if you can hit at that range."

"Mister," the customer said, "I've killed maybe 30 deer with my .308 peashooter and never lost a cripple. I wouldn't take a 500-yard shot with any rifle, and you ought to know better."

The customer walked out. The store lost a potential big sale — press, dies, components, etc. What's more, that customer had friends, all of whom got the word and stayed away in droves.

How much better it would have been if the salesman had said, "That .308's a fine rifle, but game's getting scarce in these parts. Maybe you'd do better with a longer-range rifle." An opening like that offends no one; if the customer isn't interested in trading, then the store still stands to make the sale of reloading equipment and accessories. The thing is, try to change a customer's ideas (if he's wrong) subtly and gently, by persuasion. If he's set in his ways and wants, for example, to use blunt 180-grain .30-caliber bullets on small coastal deer when you've suggested 150-grain projectiles, okay — it's no skin off your elbow. The deer won't know the difference.

Too many gun pros are downright arrogant. Watch yourself and don't get into arguments. You may win the argument. You assuredly will lose a sale — then or later. As long as you're not going along with a potentially dangerous situation, go along with the customer.

It's amazing how sensitive and easily offended the biggest loudmouth can be. Remember, it's easier to guide a mule with a feather than with a club.

WORKING WITH YOUNGSTERS

An excellent way to build business and goodwill is to work with youngsters — teaching them the fundamentals of gun safety and gun handling (Figure 19). Most states have mandatory "hunter safety" training programs, and you may qualify as the "teacher" in your locality unless the job is already taken. (If it is, you may be next in line.) The small wages paid are unimportant; what is important is that you're "Mr. Gun Safety" to a new generation of hunters and shooters — which even now, through sales of firearms and accessories to parents, can bring profits and a good deal of personal satisfaction.

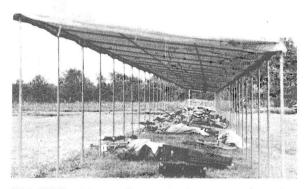


FIGURE 19 — Supervised target shooting should be a part of any hunter safety program. Too often it isn't, mostly because a range isn't available.

For full information on how to initiate and conduct a hunter safety youth training program, contact the National Rifle Association. This progressive organization will send you full details and a complete "blueprint" of organizational procedure, without cost to you. The NRA can be one of your best friends. Plan on joining soon.

INDUSTRY PRICING PRACTICES

As in any industry, general pricing policies exist in the firearms field. However, these policies vary widely according to the immutable law of supply and demand. Also, quantity purchase of a given item can bend or break any general policy.

Guns, for example, are usually sold to dealers at 25% off the suggested retail price; manufacturers can only *suggest*, they can no longer insist that a retail price be maintained. Some custom guns, like the Riedl single-shot, because of a high manufacturing cost, are available to dealers at only 15% of the suggested retail price. No matter, the dealer usually marks up the rifle to where he gets his usual 25% profit.

Often a custom gun shop will be approached by a manufacturer's salesman (when no jobber is involved) and be offered considerably more than 25% off — sometimes as much as 40% — when the dealer agrees to inventory, say, six to a dozen guns (Figure 20). At other times the factory salesman won't extend any more than that 25% off, but gives the dealer up to six months to pay *if* he orders a number of guns. The thought is (it's implied anyway) that if a dealer can't move a gun in six months, neither he nor the manufacturer really ought to be in business.

Sometimes a jobbing firm will be overloaded with a given item — gun, scope, you name it — or stuck with an item that is a slow seller or has been discontinued. In these cases, the jobber extends considerably more than the going discount. The dealer, in turn, often marks these items down for (hopefully) a fast turnover. Sometimes he doesn't.

CHAIN STORE COMPETITION

Concerning guns, there is nothing that irritates the owner of a sporting goods store or custom gun shop more than to have items he's inventorying suddenly pop up in the local discount store — marked considerably under his retail price. The big outfits like Winchester, Remington, etc. seemingly couldn't care less; the demand for their products is so huge that they can afford to sell their products indiscriminately.

It's a different story with the smaller manufacturing or importing firms to whom custom gun shops and sporting goods stores are prime outlets. Weatherby, for example, reportedly never sells to discount houses. If they did, they could forget about selling to gun shops in the area. For this reason, some manufacturers of firearms refuse to accept orders from discount and chain stores. Once the merchandise is shipped, the manufacturer has no control over the retail price. There is

no law that says you have to honor a first order from a discount retailer (or any business for that matter). Once, however, that first order has been accepted, the seller can't refuse to do additional business without running afoul of "unfair discrimination" statutes (and providing, of course, that the buyer pays his bills promptly).

The many bargain buys and "close-outs" listed in *Shotgun News* are usually surplus items that some jobber (or dealer) has to unload to remain solvent. Sometimes, however, the seller is willing to make a smaller unit profit because his "sales price" creates volume and a healthy overall profit picture.

DISCOUNTS ON RELATED PRODUCTS

Scopes, mounts, accessories, loading dies and equipment, etc., are generally discounted from 25% to 30% to the dealer; if he purchases in quantity, he may qualify for a jobber's discount, as much as 50% off. The manufacturer will not, of course, extend a jobber discount to a dealer in an area in which the manufacturer already has a jobber. In these cases, if the dealer wishes to order in quan-

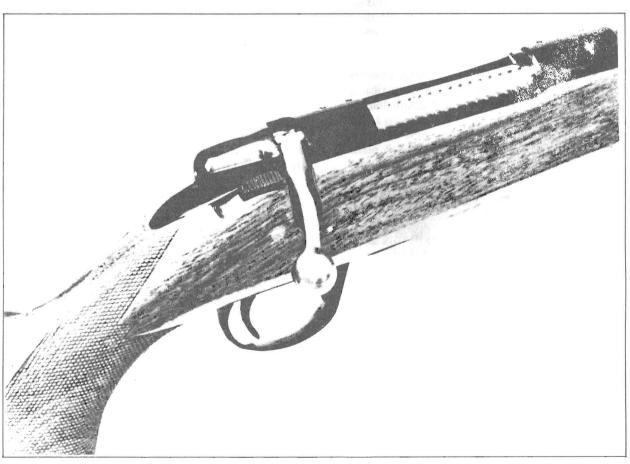
tity, then he'll usually get a much better than "standard" price break.

There is no iron-clad rule on what constitutes the jobber's profit margin, although most will not work on less than 15% of the sales price to a dealer. Many get 25%. It all depends on the item, its price, and how fast it turns over.

Probably the best way to lose money in a hurry, as many small manufacturers have discovered, is to ship open-account to a dealer in another state without checking his credit standing thoroughly. Some dealers with highly impressive letterheads operate on a shoestring; as often as not, the gun they order is for personal use. They may get around to paying for it in six months to a year, if at all.

THE "WHEELER-DEALERS"

Manufacturers' reps selling to dealers operate on lower profit margins than do jobbers. On high-priced guns, they'll accept as little as 7% profit (although 10% is the usual figure); on lower-priced items they may make as much as 25% profit. Again, there are no fixed rules.



FIGURE~20 — Some imported guns like the Carl Gustaf (Husqvarna) shown are sold to dealers through importer representatives and are often offered in quantity at substantially less than the usual 25% discount.

Sometimes a manufacturer will come out with a hot item that he feels should retail for \$10. He'll tell the rep to give the dealer \$2.50 and keep \$2.50 for himself. The rep, having been around the block a few times, figures the item is a cinch to retail at \$15. He's right. He gives the dealer a 33-1/3% discount (selling it to him for \$10), then pockets \$5. The manufacturer may or may not know about the price juggling, but as long as he's getting volume sales and doubling his money (his manufacturing cost is probably about \$2.50) he probably couldn't care less. This type of operation isn't "standard operating procedure," but it does happen!

Before going on, please do Programmed Exercise 3. Make sure you write your answers on a separate sheet of paper before looking at the answers on the page specified.

MANUFACTURING COSTS OF GUNS

Just what a given gun costs to manufacture is usually a closely guarded secret. The big companies with high production and sales can afford to operate on a smaller margin than a company producing and selling only a limited number of guns.

For example, let's say that a new rifle made by a small company costs \$100 in terms of labor and materials. The manufacturer figures that if he can't make about \$40 per rifle, there's not much point being in business. This \$160 is the figure on which the manufacturer pays 11% excise tax, which amounts to \$17.60. The cost of the gun to the manufacturer, including excise tax, is therefore \$117.-60. His profit - \$42.40.

The jobber wants to make 15%, so he marks the gun up to \$184, which provides him with a \$24 profit. The dealer, paying \$184, marks it up 25% (\$46), which pegs the retail price at \$230.

Higher-priced rifles, in the \$300 and \$400 retail bracket, don't provide as much profit to the importer or manufacturer as you might think. Generally, if the company makes a clear profit of \$50 to \$55 per rifle, it considers itself fortunate.

Although no figures are available, an educated guess would be that a big gunmaking firm works on a 15% to 20% profit margin. A rifle retailing for \$200, on this basis, would cost around \$65 to manufacture. And now that you've completed your Course, you're ready to step into the gun pro profit picture!



3

- True or false? Reloading is a better source of profits for the beginning part-time business than gun sales at cost-plus.
- True or false? Some shops specialize only in shotshell reloading. /
- True or false? The FFL requires you to keep records of your purchases and sales of loading equipment.
- True or false? When a jobber offers a dealer a larger-than-normal discount, the dealer must agree to retail the product at an equivalent markdown.

On firearms accessories, a dealer who orders in very large quantities may receive a discount of as much as 50%, provided that the: (a) dealer will feature the manufacturer's product in a window display. (b) dealer agrees to an annual minimum reorder contract. (c) manufacturer will receive free mention in the dealer's ads. (d) manufacturer has no jobber in the area.

Answers on Page 22



ANSWERS

3

- 1. True
- 2. True

4. False

3. False

5. D

NORTH AMERICAN CORRESPONDENCE SCHOOLS

Education Service Center Scranton, Pennsylvania 18515



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EXAMINATION FOR STUDY UNIT 15

When you have finished this Study Unit, complete the examination, then:

- 1. transfer your answers to an EXAMINATION ANSWER SHEET, and
- 2. mail your EXAMINATION ANSWER SHEET to the Education Service Center for grading.

KEEP THIS ORIGINAL EXAMINATION in your files. MAIL ONLY YOUR ANSWER SHEET for grading.

I.	MULTIPLE CHOICE QUESTIONS. Select the answer which best completes the statement or answers the question. Write its letter (a, b, c, or d) in the blank to the right of the question. (5 points each)		
1.	If you do gun repairs through a sporting goods store on a free-lance basis, the store will normally retain what percentage of the customer's payment as its commission? (a) 5%. (b) 10-25%. (c) 25-40%. (d) 50%.	В	
2.	You want to associate with a sporting goods store to do free- lance gun repairs. What point should you stress to the store owner or manager as the greatest advantage to his business in including your service? (a) your extra low rates. (b) your ex- perience. (c) the service will help him sell other goods. (d) you will send your friends to him for purchases.	<u> </u>	
3.	The general commission range a gun store will pay a salesman on gross sales is: (a) $1/2\%$ to 2% . (b) 2% to 5% . (c) 5% to $7-1/2\%$. (d) $7-1/2\%$ to 10% .	A	
4.	Manufacturers' representatives usually work for what percentage of gross sales? (a) $2-1/2\%$ to 5% . (b) 7% to 20% . (c) 25% to 40% .(d) 40% to 50% .	B	
5.	What is the greatest financial hazard to a manufacturer's representative? (a) the manufacturer's bankruptcy. (b) too low a commission rate. (c) an account who doesn't pay the manufacturer. (d) overstocking an inventory.	<u></u>	
6.	Salesmen hired by manufacturers' reps are usually paid: (a) a low salary and a low commission. (b) a high salary and a high commission. (c) a low salary and a high commission. (d) a high salary and a low commission.	<u></u>	
7.	You have an FFL and want to start supplying your friends with equipment on a cost-plus basis. You should: (a) check <u>Shotgun News</u> for merchandise offers. (b) ask a local dealer to order for you at cost. (c) contact a large manufacturer direct. (d) attend a gun show to make purchases.	_A	

8.	Out-of-state jobbers supplying you with arms will most often: (a) ship C. O. D. (b) ship C. O. D. with a small deposit. (c) require full payment in advance. (d) carry a charge account if you send a copy of your FFL.	_	C
9.	Which of the following is not a guideline to running a new shop? (a) build slowly. (b) operate on a cash basis. (c) specialize. (d) offer many accessories.	_	0
10.	Once you're proficient in gun repair, what guidelines can you use as a fair basis for setting your rates? (a) your local competitors' rates. (b) Shotgun News ads. (c) Brownell's catalog. (d) the cost of materials plus \$7 per hour.	_	C
11.	If you build custom rifles, you can normally expect the greatest number of sales if your rifles are: (a) original designs. (b) more durable than factory models. (c) made of mass-produced components. (d) uniquely finished.		C
12.	Which of the following publications should you check regularaly for reviews of new firearms and related products? (a) <u>Handloading.</u> (b) <u>Shotgun News.</u> (c) <u>The American Rifleman.</u> (d) <u>The Rifle.</u>	_	<u>e</u>
13.	Where can you seek out information on how to start and run a hunter safety youth training program in your community? (a) Chamber of Commerce. (b) a large firearms manufacturer. (c) rifle publications. (d) the NRA.	_	0
14.	A particularly high-cost custom gun is available to dealers at only 15% off the list price. What is a common dealers' procedure in such a case? (a) boycott the manufacturer. (b) settle for 15%. (c) retail over the list price to get a full 25%. (d) sell the item at cost as a loss leader.	_	<u></u>
II.	TRUE-FALSE QUESTIONS. Check the correct answer. If any part of the statement should be marked "FALSE." (5 points each)	ent is false	, the
		TRUE	FALSE
15.	You need an FFL to be employed to sell guns in a licensed dealer's shop.		V
16.	You need an FFL to be employed to repair guns in a licensed dealer's shop.		~
17.	You need an FFL to repair guns for a store if you do the work at home.	V	
18.	Blackpowder arms and equipment are a poor area of specialization.		V
19.	Custom stock work is usually more profitable than custom rifle building.	V	
20.	If a manufacturer has accepted one order from you and you've paid promptly, he cannot legally refuse to do additional business with you.	<u></u>	
RES	SURE TO COMPLETE THE COURSE EVALUATION AND UME OF YOURSELF, AND SEND THEM IN WITH THIS MINATION.		

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