

Capitalization
By James Patiño
"Business Consultant for the Creative Soul"

What is the #1 reason that businesses fail?

Answer: **CAPITALIZATION**

I'd heard this from several different sources, but I really began to understand it when I started running Sinclair Stratton Studios. I quickly realized how much money is needed to run a business and to keep it growing. Our business, just like any business, requires a constant injection of capital. Cold hard cash! It seems like there's no end things that need to be purchased. I've listed some capitalization areas that I consider important for a visual art business. Other types of artistic endeavors (writing, music, etc.) required other types of investment, but the key is to make a list, check it twice, and start capitalizing.

Art Supplies are an obvious one for starters, however I will add this. Don't allow your work to suffer, because you don't have the right supplies. Invest in the proper brushes, paints, clays or whatever you need to produce your highest quality work.

Body of Work:

In order to sell art, you need to show it to a bunch of people. The idea is by putting in front of different sets of eyes, you'll eventually find that sub-set of the art buying public who will like your work, and like it enough to spend their hard earned cash on it. That requires quite a bit of capitalization, and ties right into another area that I cover other essays, "name recognition and marketing."

As for a body of work, you need to have one. You should have several quality pieces of your artwork that you can utilize in displaying and market yourself and your art. Art pieces that you are proud of and can presented at various locations and events.

Initially, this may require quite a bit of capital investment. In some cases, like watercolor art, it might require framing, which will also add to the expense. The good thing is that many artists can slowly develop a body of work over many years as they develop their talent. As your business grows, you may need several different bodies of work that you can simultaneously display in different locations around town. In the early stages of an art career, it's really about getting your art "out there" for people to see it. Many artists are timid about displaying their work, but if it's just sitting in your living room, it's going to be difficult to sell. There are always exceptions, but I'm talking a proactive approach to getting your business going. Not sitting around, waiting to be discovered....

Full Time Artist Consulting

- ☐☐ Presentation easels are very handy and are relatively inexpensive at most office supply stores. They are very handy to adding a few extra pieces to any art show, where you don't have all the wall space you need to display a body of work.
- ☐☐ **Signs** and banners are excellent for getting your name seen and remembered at different events or shows. They can be professionally made, or you can make them yourself, but it helps to reinforce and imprint your name. One tastefully placed sign is recommended.
- ☐☐ **Display racks** are a great investment if you're selling prints, greeting cards, etc. A spinning greeting card rack is worth its weight in gold in the world of greeting card sales. It's almost impulsive to come up and spin the card rack to see the ones on the other side. This creates a much different energetic interaction between your art and the potential client, as opposed to having them laying out on some table.
- ☐☐ **Portable lights** are good investments and come if very handy. Art festivals don't always provide the best lighting to showcase your work.

WEBSITE

In today's high-speed internet society, starting an art business without having a website, is like having a store at the mall, but not having a window front. It just doesn't make sense. Considering that websites are relatively inexpensive, it's a very important investment.

I recommend having one **professionally** built, and I discuss this in more detail in my essay titled, "the Artist Website".

Professional Photography

This is very important! You should always photograph all of your original artwork. Having it professionally photographed can expensive, but don't think of it that way. Think of it as capitalizing your business!

Here's an example: We spend well over \$100 on photography, for every painting that Sinclair finishes. Our minimum photography package includes:

- ☐☐ A high resolution glossy photograph of the piece
- ☐☐ Slides (2 or more is best) (required for most juried shows entrance applications)
- ☐☐ 4" x 5" transparency – which can be used to reproductions, prints, giclees, etc.
- ☐☐ Professional Web Scan – both a high resolution web scan and a lower resolution scan (for emailing).

Office Equipment

The need for office equipment will become apparent when your art business gets rolling. Running to the nearest copy center to make copies, really get old, very quickly. A sample listing includes:

- Computer and software
- Office furniture
- Internet access, preferably with a high speed connection
- Printer
- Copier
- Scanner
- Paper cutter
- Digital camera
- Overhead projector (may be required)
- Files for each of your clients
- Filing cabinets
- Lots of supplies

You're running a business and I feel it's important that your business is represented in a professional manner. Everything that leaves your office is a direct representation of the love and energy that you put into your work.

Marketing Materials

Business cards are essential for any artist and for anyone who represents an artist.

Postcards size business cards are excellent and can have several added benefits:

- The added size will allow you to better showcase your art.
- They often end up on refrigerators, as opposed to in a pile of business cards on someone's desk.
- You can include more information on them.
- Are excellent for show or event mailings.

NOTE

These are just some of the things that you may or may not need for your business. You will need to determine the things that you will need to keep your business going. This may sound like a lot of money, but it doesn't need to happen overnight. You can slowly capitalize your business and buy things as resources allow. I recommend making a prioritized master list of all the things you need to purchase. Keep that list handy, and when you come across some extra cash, buy something off of the list. Eventually, you'll have everything you

Full Time Artist Consulting

need. I don't recommend going heavily into debt to capitalize your business. Financial discipline is far more favorable.

What's the bottom line? Money is energy. By capitalizing your business and spending money on the things that you need, your business will receive energy and it will grow. Your business will become easier to manage and you will be more productive. Be smart about the things you purchase, but don't be afraid to energize your business by capitalizing.