



Library podcast

The Business Of Books: How To Start A Book-Related Business: Session 2

00:00:01 Stesha

Well hi everybody, I'm Stesha and I have the pleasure of working at The Seattle Public Library and with Seattle City of Literature. And as we get started today I would like to acknowledge that we are on Indigenous land here in Seattle. They are the traditional unceded territories of the Coastal Salish people. We honor their elders past and present and thank them for their stewardship of this land. Welcome to the second session of Business of Books. These workshops are for folks who want to start a book-related business but don't know where to start... and are any of you already entrepreneurs?

00:00:36 Various Speakers

Yeah... yes.

00:00:44 Stesha

Maybe we can hear a little bit more about that in a little bit and... you're just business curious? Excellent. So today's session is going to include a presentation from Susan Paroles, thank you, on how to start your business and then panels on financing and hopefully on book selling and there'll be an opportunity to (inaudible) and chat with folks as well who can offer resources as well. And I wanted to take a minute to thank all of the people who were involved in the planning and the presentation of the workshops. We are grateful to the African American Writers Association, Business Impact Northwest, Hugo House, Indigenous Peoples Institute, Langston Seattle, Pacific Northwest Booksellers Associations, Seattle City Literature, Seattle Credit Union, Seattle Office of Economic Development, Seattle Urban Book Expo, and The Seattle Public Library. We're also grateful for the support of The Seattle Public Library Foundation, the Gary and Connie Kunis Foundation and 4Culture. And thanks as well to our media sponsor at The Seattle Times. First up we have a presentation from Susan Parales from Business Impact Northwest. Susan is the Vice President of Programs at Business Impact Northwest and prior to joining Business Impact Northwest, Susan earned a doctorate in Business Administration and spent the majority of her career as a serial entrepreneur and senior management positions in the professional beauty industry. As a business ownership which I had to pull the handy to start and run business and her extensive business experience, interests and academic training prepared her to coach business owners in a broad range of areas including business administration, organizational leadership, entrepreneurship, operations management, distribution, marketing, sales, strategic management and international business. So

Susan completed her doctorate in business administration degree from University of Phoenix and her master of business degree from Regus University. Her doctoral dissertation "Relationships between Leadership Styles and Organizational in Woman-owned and Led Small Businesses" was the study of micro enterprises in the service industry sector. A motivation for pursuing her doctorate was to assist others to achieve their business and entrepreneurial aspirations and in her role as with Business Impact on the student and honored to contribute to the success of the next generation of entrepreneurs and business leaders. So let's give her some applause. (applause).

00:03:22 Susan

First, I'd like to thank Stesha and the Library for inviting me to the BIPOC workshop series and I'm going to make sure that you get the smaller, the shorter version of the (inaudible). Well, thank you so much for being here today. It's a gorgeous day for those of you who are hearing this recording. So we want to give a special thank you to those who have decided to come especially time with us today on this beautiful Saturday afternoon. So before we begin, just by a show of hands, how many people are already in business and have a business life? How many are in is the business in the literary field at this time? Okay, great. Well, one thing that you're going to like is that unlock what you already know about running a business. Apply. That's a life part. So we're not going to ask you to forget about what you've learned. We want to make sure that you can apply it in a way that makes sense for you to be successful in whatever aspect of business that you're going to pursue. So before I begin, I also just want to ask you how many people are familiar with Business Impact Northwest? Business Impact Northwest is a nonprofit. They are a community funder as well as we offer coaching and training. So think of it this way. We are a one stop shop. If you are looking to start a business, you need help with your existing business and you're looking for funding. And so we are a mission lender, which means we are working with we focus on working with an underserved community. And so we are celebrating our 25th year. So this gives me a little information about since 1997, we've closed over 1600 loans at value of \$77 million and we are at the micro loans, that's all loans and more than 2700 jobs. And we support anywhere. Sorry, I'm sorry. I'm going to say more than 2700 jobs. And then they said more than 3960 jobs supported them so big. So I'm going to have to just I'm going to go with higher number. I don't know this screen, but anyway, bear with us. And so this is who we serve. So these are self-reported numbers. So we have this really, truly helps, I think, inform where we want to spend our time and how valuable we believe it is that entrepreneurship for many people is the door to economic security. It's the door to being able to build wealth for their families. But it's also the way that you can express your passion, your joy and live a life hopefully doing exactly what you want to do and get paid for it. If we can achieve that, then the whole community is improved no matter who we're working with. And so we offer classes which are available over at no cost to help you launch grow your business. We offer three, one on one business coaching and then we are a mission based lender. And so we are currently an SBA resource partner, which means that some of our programs are partially funded by the Small Business Administration. And so these are the programs we have available. So we have the Veterans Business Operating Center working with the military related communities, the Women's Business Center, focusing on working with women entrepreneurs. We are launching on this coming Tuesday the Alaska Women's Business Center. So we'll be offering the same services in Alaska. We have a food business resource center for food related businesses and a loan readiness center for those that are getting loan ready for funding for their business. And the main

thing to keep in mind is we have all these programs just come to our door. We provide you with the services that you need. And if we're not your best resource, we want to connect you to the resources of the community because it is a wonderful community we have here in Pacific Northwest for entrepreneurs, and Seattle Public Library is obviously one of those resources. And so what I'm going to do today is just walk you through the steps of planning your business. Do you have an idea already? And for those of you who aren't a business, do you have an idea what business you'd like to start or you're just business curious? I'm not sure they make it a little bit of both in the road. So we're just going to walk through the process of planning your business and then what most people really want to know is, okay, how do I get my business license in Washington State? So that's a very practical aspect of what we're going to do. And so the first thing, we work with potential entrepreneurs to say you have to identify a need or a want. Is there a problem you're solving or is there a need that you're feeling? Because probably someone else is out there already doing this and maybe the solution that is out there isn't really meeting the need or you've identified, boy, this is a solution to this problem, but boy, it's lacking and I can do it better. I know a better way to do this. So it doesn't have to be like the most original idea in the world. Chances are if you've identified a problem or a want, someone is already filling that. However, they ignore the better solution. And so then if you like to do like a Mad List thing, you can fill in the blanks here. So you really want to identify what it is you offer. This is kind of the thing that's going to make you stand out. So you're going to say my company offers and you're going to say whatever your solution is to help the target market, whoever that person is that has it launched that problem and through however, you're going to be the best solution. So we have it for Business Impact Northwest. So Business Impact Northwest offers small offers business skills and financing to aspiring and established entrepreneurs to help them navigate more easily. Navigating to say, business ownership through coaching classes and financing options. And it takes a long time to get that concise in your idea. So as you're working through this, you're going to have some of the other iterations so you can get down to, okay, now I can identify my solution, who my target market is, and how we help that person. And so very often you hear, oh, I need a business plan. And we definitely do believe that is true, and we're going to talk about it a little bit later. But initially you might just want to think about how can I sketch out my idea? I have an idea and I don't want to take all this time to write a business index. I'm really just thinking about it. So this is what we call a business model canvas. And it's really designed for you to take seven aspects or 69 aspects of your business idea and think about how you're going to achieve this, what your business model will be. And so the first thing is what we call a value proposition. What makes you unique, what is it that you're offering? And what will make you stand out. And again, it doesn't have to be that. It's not being done by anyone else. Maybe it's your experience, maybe it's a special skill that you have. It's a talent that you have. Obviously, if you're a writer or you're in a literary field, though obviously the business side of the blurry business, but we'll do that. I'm going to make a contractor and creative side. I'm trying to make the business information you need. And so think about what it is that you offer that makes you unique, different, and how you're going to be the better solution or the desired item that someone's looking for next is going to be your customer segments. Because ideally though, you may have something that everybody could use, not everybody does. So you need to narrow down who is your target market, who is most likely to give money to you for whatever it is you're offering. And so if there's already a solution out there, think about who is already paying for the solution that's out there. And now that is your target market. And then one of the wonderful things about writing a business

plan is that you can work with someone such as Jay here in the audience or Jeff from BlackBerry, and they can really help you find out, are there enough people that I can actually have contact with so that I have enough fabric? Because you can have a wonderful idea, a wonderful but if you can't reach those people and there aren't enough of them, then you have to adjust your model to think, well, maybe I need to broaden things a little bit, but how do I do that? And then we're going to go into the key activities. So what must you do to be successful in the business? I can give you an example of if I have a quilting store and I do have sell quilting slides, I have quilting classes and then I also have custom quotes available. Music fits that way. I have to be very good at obviously I need to be a good retailer. I'm going to online and in person. I need to have somebody who can teach classes that's not me. So I'm going to picture someone's on my staff and I have to be able to contract people who can quilt at the level that people want to pay for those books. So those are the three things I must do, those key activities to be successful. So think about the activities you must do to be successful. And then from there we want to look at our customer relationship. Are you going to have a relationship where people are you're working in close proximity to your client? Is it going to be offered where everything is done online? So as you're thinking about how you're going to deliver that product or service, what kind of relationship are you going to have with that client? And then we want to look at the channels. How are you going to deliver your product or service? We're going to have downloads available, we're going to sell, we're going to actually have printed books and we're going to sell through these booksellers, whatever. How are they going to deliver that product or service? And from there your key resources. What must you have in order to have this business operate? And so in my example, I need quilting machines. I'm going to have everything to build out a store. I'm going to have to have all the other things that are needed to be able to ship my products, et cetera. So very often for a creative business there is a lot of cost here. These are those things you really have to purchase. So maybe you already have everything you need because you're already creating this wonderful creative product that you're doing right now. Maybe you don't need to purchase anything. Maybe that may be blank for you. But the thing to keep in mind is most small businesses are solo pros it's you. And if those people in the audience, that may be true for you. Very often small businesses, business owners don't necessarily want to have employees. They like the idea of being a sole owner and creating their product or service and then having that freedom to run the business as they would like. And so not everybody has a goal of starting a business to grow. And so if you're thinking about starting a business, one thing to keep in mind is what's motivating you. If not having employees is one of the motivations, you are going to have key partners. So these are the people who are not on your payroll per se, but they are the key partners that help you run your business. So they're going to be your bookkeeper, your insurance agent. I know this sound very sexy but yes, you need insurance, you may need a lawyer from time to time. You are going to have an accountant for tax purposes or a banker. So you're going to have to do your web hosting for you. Maybe you're going to bring someone on to do your social media marketing. So they may be people who pay for the service or they may be people who provide services to you. They're all there to help support your business, they're just not employees. So think about those key partners that you have and then we want to do the cost structure. This is the nitty gritty of what do I have to pay day in, day out. And think of it kind of like your household. You have a budget, you have things, you pay every month no matter what. Your business is going to have the same thing. Now the scandal, that depends on the type of business and the size of your business, but that's going to be the taxes and utilities and internet. And if you have

employees, you have the wages and your rent, you have rent and insurance. All of those things that need to be paid month by month. And then lastly, this is the best part is revenue streams. What are all the ways that you can receive revenue from your clients? And it's helpful to have more than one revenue stream but it's not unusual when you start a business to have one. I think this one item and this is what I have, this one service and that's what I tell the people that will take me to do this and that's my registration. But chances are there are other things that people want that might be related to what you're selling or the service that you're providing or you may find that there are other things that you know eventually you're going to add for a product that you're going to sell. And so think about all the ways people can pay you for what you do. So in my example, they can pay me for custom quotes, they can pay me for their coaching supplies, they can pay for lessons. Those are three different revenue streams. And the nice thing about revenue streams is that when one is a little slower, has to never kick up. So you have some seasonality to what you're offering. And so if you can fill in those seasonal gaps then you can have a much more steady revenue stream. Because when we talk about those cost structures, you're going to have a monthly expense and it usually is about to say month to month. So this is something you know you're going to have to cover no matter what the revenue stream, if that's happening at that time. So if you're seasonality you may need to find another revenue stream to help make you have that nice income throughout the entire year. So the business model canvas is something that you can just do bullet points, and it kind of shows you what you know, but it shows you what you know. And that's really helpful. And what's nice is the chances are it could take you maybe 30 to 40 minutes to do this. You're just kind of sketching out with what you immediately know. And you can do this for all sorts. You have more than one idea. You can do it for whatever many ideas you have. Or if you say, hey, I'm going to add a new product or service, let's do it again. Let's see, how does that fit in? Do I have everything that I need. So you can go back to this time and time again? What's nice is all these things plug into a business. If you decide to proceed, and I will let you know that if you follow up with me, I have my cards on the back, and I've also given you a checklist. We do have these available for download, and I could just send you the information so you can download it.

00:18:56 Speaker 1

Just a quick question on the way it's laid out, as opposed to the numbers going back and forth.

00:19:01 Susan

Yeah.

00:19:03 Speaker 1

Ever asked why it is that way, right?

00:19:05 Susan

Yes. Okay, well, I will tell you because most people know what it is they want, and they think they're going to buy it. That's usually where most people say, I have this, and these people want it. So that's kind of the flow of it. You do not have to fill it out in this manner. It's just that tends to be the way that most people think about it. There's a problem, and I'm a great solution. I know who needs it, and I know how to do it. That's how they came up with this. And this is why the strategizer, the company

that came up with this concept, and the thing that people are less likely to know about are my cost structure. I have not in business yet, and a lot of people don't even think, how am I making money? I mean, that seems kind of odd, but in the end, it's like, wow, what are all the ways that I can generate revenue? And only once they come through here, then they start, oh, these are all these different things I can do. So that's the reason why there. But you could go in and start anywhere where you feel you have the information. Because I know it seems like why couldn't they just go across the I agree. Numerically, it could probably be a little more simple than any other questions on the canvas or anything that we've talked about. So far, all I talked about, it's less conversational at this point. And then it's getting out there and refining your concept. And so it's really thinking about, you know, maybe you need to interview some people who might be potential customers and say, what do they think of this idea? Are they satisfied? So that could be something that you need to do and just try to feel out is there a market for us? And then we do want you to reduce risk because chances are you investing your hard earned save money in this idea. So this is where you can do a little bit of research and this is again, I want to say first library will have business librarians and you can do one on one coaching. I want to get one of my friends with them and they will help you understand there are databases that are out there and when you're evaluating risk, the quality of the source that's helping you make a decision is huge. So you say what is google this? You know, you can what information comes up and how valid it is. This is where I'm working with a library which has a database that they can help you navigate and you have access to them with your library card. However, I recommend all of our clients that they do in the library because it does have someone as a guide. It's guided tour of the information. And so you want to look at the industry that you're in. So we're looking at the whole literary industry and where you fit into that. As you look at that, how big is that market and where do I fit in? And when you look at the industry, it also helps you understand what phase is it in, are things going to be predicted to slow down? And if they are, is it still a great idea? It doesn't mean it's not, but you're going to keep your eyes wide open. The other part of that is that you also can see who could be a potential vendor for you and who could be a potential customer as well because you're looking at how the industry all works together. You want to look at the target market again, who's your ideal client, are there enough of them that you have asked? And then you want to look at their buying habits and how frequently are they going to be purchasing. If they buy you twice a year, that means you're going to have to be doing a lot of generation of new clients because you've got someone buying twice a year instead of buying monthly. So it's really important to understand that because it helps you understand how you're going to continue to generate clients and get more sales. And then you want to look at your competitors because again, unless you super unique, someone's already doing something very similar and you want to look at what they're doing, you can look at their good information on revenues so you have a cost for doing the business. Those things are there for you to look at, especially if it's supposed to be a new area for you. And then you also want to see what are they doing well and what are some gaps that you see, look at opportunities, and they can also give you some ideas. Oh, that's I can add that industry onto my business as well. It's all designed to reduce the risk so that you are going to be better prepared to decide. And then you want to find out you're going to develop a marketing strategy. It's all about how am I going to get clients into personally build brand awareness and then how do I take these clients and these potential clients and turn them into clients? And then how do I continue to work with them? So you're going to have to understand how you're going to communicate, how you're going to market your pricing of your

products. All of those things are going to have to be considered as your marketing strategy and how you're going to operate your business. What's the day to day? And you say, Well, I meet up, I write it, and then when I read it, publish online and people can download, maybe that is your operation. And that sounds really cool, that works. So writing part for me, not so much, but for me it might be good. But how are you going to function as a business? Okay, it doesn't have to be a very complicated process, but you really need to understand how the business will operate because that also wants to identify costs or any staff that you might need or any services you might need to contract. And then if you're not alone in this, what are the responsibilities of the key members of this company? Who's going to be responsible for what? It's generally, each member is going to have their strength and we want to obviously let everyone be tight of their strength so that you can have the best success possible and financial protection. We already mentioned about the expenses that you're going to operate, and you're going to want to predict all your costs for starting your business. You want to look at what you want to sell, and you're going to work out on testing strategies and you're going to try to project how many units or ignorant south and then what the cost is to produce this, which if you're creative, that's the cost of obviously your time. This is not the big thing, but if it's a product, you have to purchase and then where your operating costs? And then in the end, are you starting the business? You live enough money and you're going to have the profit margins that are the expenses. The costs are reasonable enough that you can be cash flow positive every month. And what cash flow positive means is that you're not having to put money in. You're not going to invest money every month to cover the expenses of your business. And you determine how much money you need to operate your business, and you determine how much money you need for your households. And does this all financially make sense for you because if it doesn't, then it's easier to adjust this stage or decide maybe not now, maybe it doesn't affect me, but it's really important because one of the main reasons that a business will close in the first twelve months is not the fact that it can be successful. It did not stop with enough cash to be cash flow positive to make it like they're building their business over finance. They may not have more money to invest. It doesn't mean they couldn't be successful, it just means they could not get there. And that's a sad place to be. You know you have something. So all of these things go into a business plan. And a business plan doesn't have to be a 40 page document. And what's really nice is you can actually go to the library website and you can look at table business plans. You are probably not the first person to write a business plan for this type of business. You might want to go, what would that plan look like? And it's really nice. So you're going to go in and this is going to be on the online resources on the businesses and your library card to get to it. But in the end you can search for all different types of business plans and just look at what does it look like. And then there are business plan templates that we have available at Square has available so you don't have to search for them, they are available to you. And it's really this is your proof of concept. Especially if you're investing your own money, you're investing your time, maybe you're investing family money, whatever that's okay, you want to this is your proof of concept. Does this work? I've done my research, I understand. And if you're looking for funding, a funder or a lender, they're definitely going to want to do this because you're proving to them you are the expert in this area and you know how the business will run and you've done your research and you know you can be profitable. But you know you need this much money to get started. So it doesn't have to be this thing, this cloud hanging over here. This is planned. You should be actually exciting time because you're planning something that you want to do, right? I mean, this should be exciting. Here we are

with a Liberty Group here. We showed some great writers in there. There should be some beautiful businesses. So we've already talked about a little bit about financing. So this is just an aspect. This is a Nigerian thing. There is no free money out there. Generally most grants are for nonprofit businesses and so there might be some. SBA does have a couple of programs that's the SBIR and (inaudible) into what that represents. They're usually very technical, that's the area solid technology and it's very competitive. But if you're in that area that there may be an opportunity. You may be more likely to find opportunities that were impact pitches. We just had one, our annual pitch was actually this last Thursday and we offer this every year and we give away \$30,000 total

00:30:01 Susan

to that various stages all the way to the impact pitch winners. So you can look for business pitch competitions generally. I think that's really good about this competition is that you're working on your business and there are going to be things that you must do to advance every stage and you're actually going to be working on your business and looking at your financing, maybe looking at marketing all these things to advance in the contest. And in the end the money that you win you get to keep, you have to pay it back but you are going to have a time commitment. So different organizations have those as well. But yeah, there is really no there's no government right set aside for minorities or women etc. The veterans there just is not kind of money there. So as I mentioned, most people are self-financed. We call Bootstrapping, which anybody have any of what bootstrapping is? Yes, I have a retail space and I need these cabinets. Whatever I can do, I'm going to repurpose, reuse upcycle, whatever you want to call it. You're finding ways to make do with what you have or ways to put in some equity into all my store furniture. So that way it's basically any way to avoid spending money but still getting what you need for your business. Now friends and family, that can be very useful. It can be a definitely way to fund your business. We do recommend that if you're going to do that in writing, you're lending money. They're lending money put in their writing. Do they expect that they're going to be part of the business as like hey, I want to help you with your business or they're lending you money and you're getting interest and you're paying back. So you want to keep your friends and family? Friends and family probably not that I can keep it. So there's some control in this and then crowdfunding is very popular. But if you want to do that fortunately the crowdfunding site, there are so many of them but they do have a lot of information on how to do, how to make a successful crowdfunding campaign. And the thing to keep in mind is it is work, it is going to be over a period of time and there are going to be certain things that they know that if you post and you offer the free perks, etc. If you follow the formula that they know to be successful, it may be an app for you. And if you're a writer it could be that someone get day free, they get a first download of whatever you're creating, your book, your whatever that item might be. And then after that we go into commercial loans. Most startups will go to a company or a mission lender because they are going to have the ability to lend but they do have some flexibility in the booking is five seats of credit and their mission is to help startups as well. You're looking at a more traditional lending source. There's the bank or credit union. Generally they're going to want to have a couple of years' worth of successful operations in business. They want to make sure you have good cash flow so that might not be your best choice. And then just to let you know, SBA guarantee program, that means that the SBA is guaranteeing to the lender that they're going to have is going to take away some of the risk. So they're not guaranteed that you will get an SBA loan. It is a risk protection for the SBA lender and

then there are some grants out there that may be specific for what it is that we're going to be doing. So we have about 15 minutes left. Just want to keep in mind. So you're either looking at debt financing, we all know what debt financing is, we all have loans and we have to pay them back. You gave them back no matter what. And so that's what your bank's credit means family. On the other side we have equity and that means you're going to actually give up a part of your business equity investor. And so if you are looking for startup lending, again there are many organizations that do have the capability of helping those startup lenders because especially if your credit isn't great, you don't have a collateral and you're looking for smaller loans as well. And so now this is what most people want to know how to actually get your business license in Washington state. And so you're going to have to have a name for your business and so you're going to search and actually you have a handout so they give you some ideas of where you can search for and you're going to start I'm telling you guys, you're going to name a name. So you're going to have to check the Secretary of State. You visit the listing service, you can Google for the name, you can look at the US Patent Trade Office and you want to make sure that name is available. And if not okay, I've got four business names up here. We have Pete super submarines, PCs Limited, relentless. And Brad's drink. Now I bet you know Zoom are not familiar with you. These are who you know them as. You know the best? Subway, Dell, Amazon and Pepsi. So if your all-time favorite name is not available, Don't let that stop you. They started as Relentless just how to say ring a bell button so you can see Brad Drink. So you can change your name at some point if you need to. Don't let that stop you. And then you run a business structure. And so we do recommend that you do go to a professional like tax accountant, a lawyer, someone that can help you understand the implications both of tax control, what is best for your individual situation. And so these are the four basic structures. Sole proprietorship is very simple and the thing to keep in mind is that if the sole proprietor passes away then the business is dissolved and doesn't mean your family can't continue on with it. They just have to start another business, create their own business. But you do have unlimited personal liability. So there's a little more risk involved in that. And basically your income goes onto your personal taxes. Very simple partnership, you're going to be with you and your partner or partners, that agreement will be for that partnership. And I just say choose wisely because whatever the partner does, the partnership is responsible for. So they choose, your partnership is in depth. So there is unlimited personal liability still. And the way that in your partnership agreement you determine who has what percentage of ownership and that's how the proceeds will be distributed to the partners. C Corporation will go their next status where the A corporation is its own entity. And so he does take away the personal liability for the owners. And you can raise money as a corporation and there are other types of corporations as well, but they're more cost and more complex. And then what's become very popular is the solo LLC and so it is LLC but as a solo you can be an LLC and it does give you some liability protections and you can take your income either like a self-employment, a self-employed person does or like a corporation. So that's why it's really important to talk to someone who's knowledgeable about business structure. And so you're going to plan your business, then you need to have your business structure because that's going to determine how you are going to proceed. And so if you need a lawyer, these are just three organizations that are places where you can search for a lawyer. You want to get that unique name. So this is where we can search the Secretary of State, the Department of Revenue, business license database, US trademark, Google, search all over things, make sure you've got your name. And then if you are going to be a corporation or LLC or a partnership, you are going to go to the quick period

date and you're going to get your UVI number. You the unified business Identifier number, that's your number for your business to the Washington State. And if you're going to be a sole, I should say a sole proprietor you're going to go to, you don't need to do that because it's a business license. Everybody goes to the business license or the Department of Revenue in Washington State. And that's where you're going to sign up for your Department of Revenue. And then if you are in Seattle. You find out what requirements are for the Seattle license. Wherever you are going to be conducting business, you want to make sure you have that business license for that particular entity and then any other license that you might need for your type of business. And so thing to keep in mind is that there are business coaches. This is what we provide, we charge it and help you navigate this as well. So they're not expecting you to do this on your own. But the reason these are in order is because one thing can't be completed till the next. Until the next, and in the end when all is said and done, then you can go and open your business account for you. And we want you to do that. We don't want you to come in to leave. First rule, he doesn't especially if your sole proprietor, your accountant, will tell you it's very important to make sure that you are doing that for all businesses. So that is a business startup checklist. And then after that there are many other things you might need to do if you're going to have employees. So those are all things that again, as you move forward, you will make sure that you're meeting up requirements and then but again, you are not alone. There are many different SBA resources as well as community resources that are available to help you. So what I'm going to do right now is just, I mean, I mentioned we have our coaching, we also have a lot of education, majority of which is no cost. We have all our various programs available. However, the thing to keep in mind is that if you find a resource partner, go through their door such as ours and they can help connect you to the people who provide the resources that suited for your needs. And you can work with more than one resource partner. You're not limited. So what I'd like to do we have about ten minutes left, so I wanted to just open up if there are questions, if someone has shared their idea and I'm going to see if there's anybody any questions about there's a lot of information that we went through. It is being recorded today, but we also have it available on our website. You can go to visit...

00:42:13 Stesha

Anyone want to share. Yeah, share your business. Would you like to share, please?

00:42:18 Speaker 2

I'd love to start a coffee shop at one point.

00:42:20 Susan

Okay, very good. Do you have a particular ask what will make your coffee shop? What's going to make it a little unique?

00:42:33 Speaker 2

I don't know. Maybe it supports BIPOC individuals who are also looking to start businesses, providing space with providing space to meet business plan.

00:42:48 Susan

Absolutely, yes. So it's nice to see one of the things will be your location. We'll certainly draw, but also yes, what do you want to be known for? And what sort of seems to keep to make you stand out? If you can find a way to build something you're passionate about into it, then that's even better. Yeah. Wonderful. Anyone else want to share?

00:43:19 Susan

All right, any questions? I'm going to be here after we have a little bit of a networking. So if you have some one-on-one questions you prefer to do that instead of being recorded presentation, I understand so well, I really want to thank you for being here. Thanks to the San Francisco library and please we are a resource for you. So please go to our website, look at what we have to offer, if you need something that you don't see, you can contact us and we will see if there's someone out there providing that resource or maybe you expose something that maybe is something we need to address. So we're always looking to offer new programs to meet the needs of the community. All right, well thank you very much. I appreciate being here.

00:44:13 Stesha

Hi, Ray. Thanks so much. Thank you. Susan. And Susan's sticking around. So folks and you were talking with folks, if you have questions or submissions here. Next up we have a panel that's going to be around I'm just saying financial planning as a shorthand and so we have a panel and a few guests here. Michael Wells who is in the middle of panel here, is a small business advocate with the City of Seattle's Office of Accounts Development. Michael has the serve as the Mayor's small business Advisory Council, served on city's minimum wage tax fort and responsibility to small businesses in need of support in navigating the city Seattle policy and programs.

00:45:02 Various Speakers

(inaudible) (laughter)

00:45:09 Stesha

Michael specializes in storefront, neighbors of brick-and-mortar businesses and operational lease. And prior to his time in the city of Seattle- dramatic pause- he was the executive director of the Capitol Hill Chamber of Commerce, a neighborhood business support nonprofit. Working life was spent as a manager and owner of Bailey Coy's Books, an independent bookstore on Broadway and it's our hard scale Capitol Hill. And from 1989 to 2009 he backed up even 20 years as an independent bookseller in Seattle. And while serving the small business community in Seattle in his current position, he still considered himself a bookseller. And then to Michael's left, right, Stephanie Walkman. Is that how you say? Stephanie Wachman is a business lender at Craft Three in Seattle and is passionate about supporting small businesses and helping underserved communities gain financial independence. This year Stephanie moved back to Seattle and was previously a business lender at a CVFI in Denver. She also has experience in international development, working for three years in Africa versus a community development volunteer with C score and then with Captain Three services supporting development and microfinance teams. Stephanie received her MBA with a focus on social impact and sustainability from Colorado State University and MPA from Washington State University. So Michael and Stephanie are going to be talking with SPL's Jay Lyman, who is the

person that I've not yet produced more dramatic having beforehand. Jay is a supervisor, librarian and the supervising Librarian for the Business Program, which helps people find discovery information, skills and connections that they need to succeed in business. Jay and his colleagues help people market, industry, company and consumer research, and they offer workshops and services to help people make connections and build their business skills. And as I mentioned, you can make appointments. It's amazing. They are so knowledgeable and so helpful. So let's give Jay, Michael and Stephanie a kind welcome.

00:47:35 Jay

Thank you. Thank you, everyone. Well, I've got some questions that I'm going to throw your way, but the questions are really there to guide the conversation. So I hope that we can kind of lead them to more conversational and there'll be opportunities for questions from everyone that's here in the audience as well, too. (inaudible) And Stesha, I hope you keep us on time too. All right, well, let's get started and I'll throw this out to both of you. Maybe Stephanie go first and then Michael. How does financial planning work? What tools do people use? And why is it even important? Like, why should I plan financially?

00:48:29 Stephanie

I can get a little overview of what a CDFI is. I don't know if you got that from the Business Impact Northwest. We're also a CDFI It's a community development financial institution. So we're a nonprofit loan fund. We serve the communities where we're placed. We serve small businesses, large businesses, nonprofits in Washington, Oregon. We are not a deposit or institution, so we're not a bank. We get money from foundation grants and other banks that you don't want to lend to the people that we are focused on. So we're primarily focused on people that can get a bank loan or we're a little bit higher than a bank loan, but we're able to take more risk. So looking at startups, looking at small businesses who have primarily been underserved by banking communities as well as nonprofits, and we have loan sizes for 25 \$5,000. We've got nonprofit loans. Conservation loans in our prefocused areas are by pocket underserved small businesses, green and sustainability businesses. And then lastly, so as far as financial planning, that's something. Again, if you think that a loan is right for you, which is not for every small business, then we really need to see the plan. And what we a lender needs to see is the past repayment. So that's usually within financial protections. Your historical financials how have you shown your business has the ability to repay that before? So that's planning. If you're buying a big piece of equipment because you're expanding your business, getting more space in your business, you really need to see, are you prepared to take on that growth? Do you have staff? Which is a huge issue right now is small businesses deal with faster businesses, and you have a potential plan to support that growth. And ultimately, again, underneath would be the pass-through statement.

00:50:38 Michael

Yeah. Let's see quickly. So I started in the book business when I was 70. My first job at school, I started in a place called Old Main Books in Normal, which is the town I grew up in. So I've been involved in books since I was a teenager. In the business of books, as much as bookselling world is about art and ideas about art, and working with books is about art, it's a business. And you have to

have a certain amount of business acumen to survive and survive and exactly the things that Sam is talking about, exactly the things that you need to talk more about those tools. So to get funding, if you're looking for capital, which almost everybody is, to start a small business, you need to have a business plan you can talk to a partner about. CDFIs are incredibly great partners. They're different than banks. They're often places where people can't get banks must go. So I would encourage you to check out all of them. And just so you know, I have a handout on the back table back there that lists a lot of the financial programs that we have available for free at the city of Seattle. So Technical West is one of our partners. We certainly work with Craft free dentures nonprofits. We work with Other Kings Green Business Consulting, and then we work for a very small group called county who actually helps you set up your own bookkeeping systems and QuickBooks and things like that. So those are all free services. We're available to offer those because of the Air director, federal panel, actor, we have tasks. We have those three services people. So please take a look at that. And my cards are back there, too, so please feel free to pick up cards. I can answer any questions further on any of those things. But the point is, everyone who starts small business has a dream. And that dream is about what they have a passion about. The reality of running any business is that every day will have a financial challenge every single day. And you have to have the tools to be disposable to different types of things unless you agree with it yourself. Your own financial acumen in place. I've never met any bookseller who brought all of that to the table from day one. Right? Yeah. So I was lucky. That might start to have a bookkeeper that's not an expense that most people can have, especially when I'm sorry. I took over ownership of really Good Books in 2003 after managing the store for about 15 years. Barbara Bailey's, the original owner, and Barr had a very different relationship with money in life. If Barr was a woman that came from life and came from background with money, I did not. And the only reason I was able to own it for it was because Barbara had created a system where I could take over when she decided to retire. It was in many ways, a family business within the LGBT community. And so I had a huge advantage on my start up there. And I quickly learned I knew the business of books, and I had learned the business of books since I was a kid. I certainly learned all about Barbara. Barbara had an innate financial understanding about money and how money worked. She grew up with money and had less intimidation about money than I did. I did not. And so I learned a lot of hard lessons by making a lot of bad mistakes. I could have used some expertise. And some of the services that we're talking about today, it would have helped a lot. We closed the store in 2009 during the recession the last two years. Shannon, my manager at the time, she's here with us today, it's actually Shannon's fault the store closed... (crowd laughing).

00:54:11 Michael

But the last two years are rough, and it was a recession, and banks were closing. And no one was getting loans and at our highest profit. I'm telling a long story here, Jay, so I'm pretty windy. At our height, we were making a million by a year. And we had a Waldorf books down the street, which at the time, we thought it was a big competition. We were very worried about that. Now it seemed so ridiculous that we were worried about Waldorf. This is pre Amazon. Amazon came out in 1994, changed the entire system. We didn't have any Barnes and Nobles or the chain stores in Seattle until the late 90s. So up until the mid-90s, being a bookseller in Seattle was a way to make a living. It was a solid career. The chain tours came to town. Amazon came to town. That changed all the dynamics. And then the recession hit and Washington Mutual closed. You couldn't get bankrupt to save your life.

People were coming into my store every day and taking pictures of ISBNs or the back of books, and they're going home to buy on Amazon. All bookstores saw different reactions. Some booksellers just kicked people out of the store. I know some of the booksellers, and I accept it, but I shouldn't take that one. But I just couldn't find a way to get on top of that. And so we ended up closing. And that was, quite honestly, the hardest thing that ever happened to me. But by the time we were in the recession in 2007, 2009, I did not yet have the tools I needed to have to be able to understand how to manage the crisis. The crisis really pulled up right from under because I had not built the foundations for financial acumen that I should have. And I would just say, you have got to engage on this front, you're in big trouble at the US. It's not why anyone gets into the literary careers. It's not why you get into books on it. But these are businesses and you have to have a basic amount of business action. Luckily, there are tools that can help you and we'll talk about those things today. Some of the tools that I talked about, some of the tools that Susan talked about, the city office tools, there are lots of great nonprofit summary tools. There are lots of bookseller organizations. Specifically Bookseller Association is a great resource that anyone should know about their thinking about the books or institute. And again, my information is back there. Feel free to email. We can talk about any other thing more in detail. I guess my point is you cannot avoid talking about finances and you shouldn't avoid talking about finances. And you will be better positioned for success if you make a commitment to understanding what the science tools are, if you're able to.

00:56:45 Jay

Michael, follow up on that one.

00:56:50 Michael

If you could go back in time and tell your younger self what would be the first tool of those that you would kind of like start with this. Start with this. Yeah, I understand enough about the nature of both selling, financing, what the discounts were, what the return process were. I understood that I did not understand enough about credit and loan and I did not understand the importance of having a relationship with my banker. A relationship with a banker or a relationship with a lender of CDFI is extremely important. Trustworthy, open relationship with someone who has a financial active and that you don't is a huge benefit. I did not have that and I didn't know that I needed because I bought the story into Golden Days. I didn't know what was coming down the pipe. And if I could look back one more time. The first thing I would do would set up a relationship. Set up a meeting. And find the right person to work with and the right person to help me when I had the kind of questions. Would you say?

00:57:51 Stephanie

Yeah. I hear some bankers from CDFI. When you set up your banking accounts. Get to know people that are business bankers. There again, banking might not be the best option for you. They might not be able to find your business, especially if it's in the early stages, but they have relationships with CDFI and they can refer you to somebody they know or you can directly to the CDFI. But obviously having those relationships and being candid with these people and telling them I'm struggling with staffing or I'm struggling to, or if my rent is really high, I need to COVID rent, obviously that's super important to be aware of. So yeah, it's a relationship. Again, the more you share with your bankers

and for your lenders, the more they're going to either say, okay, maybe this is not the right time but they're trying especially as a CDFI we're always trying to not burden you with a loan. So maybe a decline would mean that it doesn't look like you're ready at this time because we don't want you two years down the road to realize like oh my plan, it wasn't stable, it wasn't sustainable, this growth. But now I have this burden that I have to pay off whether I'm on a business or not. So again we're trying to protect you and make sure that we get our loans paid back but also that you're not left with a high debt payment for something that's not business anymore. Yeah the only other thing I offer is that everyone needs basic financial, literacy, ABCs and if you don't have before you open the door of your enterprise you need to have to know it. It's a language that everyone needs to be able to speak about how comfortable you are with it. And I was extremely comfortable. I can't have to it was not my poor day. Right maybe that's understanding in the book sense how many books you need to sell to cover your utilities, your rent, your employees as simple as that. Like we need to get this many books out the door. This is how we're going to be able to do that. And these are conservative projections because bankers lenders are always going to if you have kind of estimates of what you think are going to make they're probably going to break us down a little bit. Just be conservative having entertaining those breaking points. Super important.

01:00:12 Michael

Yeah, I certainly don't want to discount passionate for you 90% of the work that's true but the other 10% is rocky and you really need to have some basic at your fingertips and you need to have that available to you at the moment you need it and not when you're in trouble. Yeah

01:00:32 Speaker 3

Can we ask some questions again?

01:00:32 Michael

Yeah, please do.

01:00:34 Speaker 3

Again in the sense of lending, how many years of positive income generating business do you need to do in order for a loan financier to say, okay this is the same risk?

01:00:50 Stephanie

We will run.... Startups banks might be a little bit more hesitant to do that but a CDFI will look at a startup loan maybe not for half a million dollars or maybe so it depends kind of on for us for craft three. The more missionized your business is if you're serving a community, if you're serving an underserved community, if you yourself are BIPOC immigrants and you're starting kind of a different point than other people in the small business field again, the higher the mission fits the more risk that we're willing to take. So a bank may say they will may say the same thing but usually again they need to see some kind of cash flow or see that you're working another job. So if this loan goes bad you have to fall back on. So especially for a startup. Equity super important. If you told me come to me instead of me half a million dollars but I can definitely get the banks put in you know, we're going to probably say go back, save some money because we need to see that you are committed to this

project as well. It doesn't have to be again, it's committed as to what you're asking for. If you don't have a lot of cash it might just be a less that we're able to lend but we need to get a fee that you are putting some of your student fees as well understood my actual next question yeah. Just one thing that's absolutely true and you can get startups on this but it's a little more complicated and there are different folks that do some of those different things. This moment in time is particularly unique because the government has put so much money in and through the American Rescue Act so the government puts so much money in about trying to recover our economy after COVID you combine that with civil unrest and awareness after the police brutality and killing there's an awareness right now of being able to financially support communities that have not been supported before and a lot of the products that are on the sheets I talked to you about a lot of other products that were developing we were never able to develop before. So this moment is ripe for people to follow their dreams, especially for minority communities, women owned businesses, minority own businesses there are dollars available now that were never available in Pass. So right now with particular opportunities like that skin if it is that you were to bring your own capital in order to ask for a half a million dollars loan beyond except in my process what it is that I could do but how much would it be that you need to be able to bring to the table? She repeat the question. Yeah, the question was what percentage of the loan in equity that we usually like to see for banks? If we usually ten to 20% again, we can be flexible. The more mission aligned, the more flexible we can be but we've had businesses starts come to us recently who've crossed funded that kind of equity friends and family have been able to support them. I would count other kinds of funding getting a grant if you're able to focus in Seattle they're able to get you a \$10,000 grant. We count out of that. So it can be flexible, it can be okay, I have 20,000 in the bank, I don't necessarily want to put all of that in but we can say okay, you've got some savings, you've got a little bit of cushion so it doesn't necessarily have to be easy to see that money upfront. Again, it can be flexible and again I would encourage crowdfunding, especially at a time like this getting out to your community if you know you have support for the small business you want to start. Yeah. Ask people to just put in a couple bucks and speak a little can go a long way. And that can show again that you have support, that you have people that are going to come to your business and then also start your marketing, too, at the same time. And then, you know, it does. My goals needed for that grand funding.

01:04:46 Speaker 4

Yeah. I would say as a real good example is the bookstores call Theater in Los Angeles, black women owned, and it's focused only on books, but black women female. And it was this groundswell that I think was about two years of crowdsourcing and social media. So that by the time she actually opened up the bookstore in Los Angeles, people nationally knew about it wasn't just a localized sort of promotion, it was national. And so people nowadays import books online.

01:05:22 Michael

Yeah, I think there are a couple other models, too. This is all to use. It body. Books are, I think, in Kansas City. There's another place in New York or New England, and there have been models, particularly black women, starting to crowdfunding sources to create spaces that have been kind of excited. That's a new thing in the past few years, I think.

01:05:41 Stephanie

Shout out to Christina Park from The Loving Room.

01:05:46 Michael

I have not yet been in The Loving Room, but I talked to Christina before she opened and sort of centered all of our research schools that we have available. So I can't wait to see the space. She called me and said, I have this opportunity, real estate, I have to build my business plan. Do that business plan for each time a week. I just want you to be careful. So I sent her all the tools that we could to get together. But that's Christine's model. Christine wanted to create a space that was a community space and a bookstore, and she did it via Tasmania, and now it's open and running around that's here open location.

01:06:37 Speaker 5

So I'm not interested in trying to own a bookstore like that. I don't even know what to know, but I'm launching a book. So does funding work the same way, or when you're coming with an idea versus coming with, like, a brick and mortar, how does that work? And then my second question would be for you and your bookstore experience, and you see someone that's like, yeah, I'm going to write a book. How does the relationship work with the store and the author and all of that type of stuff?

01:07:09 Michael

Yeah, I'll let you start with the funding.

01:07:13 Stephanie

Yeah. I personally never funded an author for a book. We would still need some kind of plan of how you're going to get the book sold independent, I'm guessing independently, financial projections. And again, like any other business, you need to see a past three payments. I don't know. And we get businesses from all different kinds, so that would probably just be something that you would need to research. You would have to educate either a lender or banker of how you plan to pay for it, how you see the money coming in, when it's coming in, because I'm not super familiar with it. I don't know if you've had experience that I hope. But yeah, I think it would be. If you are a business, if you have a business entity set up, we can always explore that. And again, financial protection, seeing when you're expecting that income to come in.

01:08:12 Michael

Yeah, I can't tell you I have any experience with it as a startup offer. I can tell you, about bookstores for startup offers. There are a handful of different things that I think are important. And I could spend another hour talking about this today in 2009 and the world has changed in drastic ways since 2009. But there's self-publishing and then there's publishing through a publishing company. And there's two very different things with two very different energy dynamics. If you are picked up by a publisher, oftentimes you're working for a literary agent. And so if you're interested in going that route, developing a relationship with Literary Agents in town Alyssa Wales, a local literary agent, does a lot of great work. There are a lot of Literary Agents in Seattle, but there are some on the West Coast. Most of the sources look at the East Coast. But that agent will help you promote that book when you

go sell it to publishers. And there are many publishing companies that are getting more and more galleries into one giant publishing company now, I believe. But many different publishers with many different audience bases, children's books, multilingual books, fiction, nonfiction, memoir, all of them have kind of different pieces and editors and different kinds of things. So it's a great idea if you wanted a traditional publishing route to look into some of the publishers and some of the other books they publish. If you have books that you like and think, oh, they did a great job here. This publisher seemed to do a lot of the kind of work that I'm looking at. Take a look at what they have. And developing relationships in the bookstores early on is great. Walking into a bookstore and say, hi, my name is Michael and I've written this book. Or in the middle of writing this book, getting yourself into those bookstores for reading and developing author as developing audiences and word of mouth is really great. I would say go to as many public readings and as many public opportunities. You have to read your text in front of an audience so that you have the experience of seeing what their experience is like. Open mics, lots of places have them. Hugo House in Capital Hill and lots of opportunities. Those are important things. And then let's say you have the book in hand. Self-publishing a very different thing. Self-publishing. I couldn't tell you how self-publishing works anymore. It's a different animal now, a lot of people do it, and it's attractive to a lot of people because they can subvert and be more direct. However, it doesn't give you what a publishing company does in terms of marketing, promotions, distribution, all of those things that come in publishing companies that don't come. If you do that to yourself, you're going to send a lot of books on the truck of your car and you can do a lot of driving around. So that's something to think about. There have been success stories. Elon Harris is the one that comes to mind. He became a huge bestselling author and started selling books from his parking lot in malls, right? But if you're going to be doing that kind of self-publishing, you're going to have to be really prepared to self-market the hell out of yourself and your product. So that's the time to think about. Those are some things to think about when you're thinking about how you want your book to get out in the world. My tendency as a book seller, I would get approached by a lot of people to have a self-published book when you take a look at it. That would happen every week. At the time, a lot of them didn't work for me, didn't work for my store. I knew I wouldn't be able to sell them all. There were times when they were just right and they knew my store and they knew my customers would like what they were selling.

01:11:26 Speaker 6

What makes them not right?

01:11:26 Michael

Depends on your customer, where you are, who your customers are, what they're looking for. I was in the heart of Capital Hill on Broadway, so I obviously got a lot of queer authors who are interested. If I had a memoir from a local person, a queer person with a queer point of view, I was going to be able to sell that book, even if it wasn't good for I was going to be able to sell it for real. But if I got a cookbook about Norwegian foods, it wasn't something I was going to sell. It wasn't going to get to my audience. They would not know the book until they walked across it in the bookstore. And I think they had a big customer base for that kind of book. So I would say, I don't think this is for me. Now, sometimes you can take a book on consignment book author.

01:12:06 Speaker 5

I was going to ask. They walk into your store with a box of books and then... what are the... laymen break it down for us.

01:12:19 Michael

I'm willing to sell consignment. So you take five books and then you pay me for what you sell at the end of 30 days. So you set up some kind of term, some kind of arrangement with the bookseller on how you want to do that. They can buy them outright, which is rare for a new author. Because with traditional publishing, I think this is still true. With traditional publishing, there's return policy, which means if you don't sell a book, you can send it back to the publisher and still gain some profit. You lose some profit, but you don't lose all of your money. If you buy everything upfront and you don't sell them, then they end up on a secondhand, remain stable, trying to get any money out of it at some point. So generally it would be a consignment, and a lot of people would want you to take 20 books. 20 books? I don't waste any books for me, it's not the size of my store. So I might take five to start with, I might even take three to start with. And I put a recommend note out and any marketing that you can provide. If you have bookmarks to talk about you as an author, if you have a blurb, if you have any reviews, you can give them. If you have anything other people who've read the book or know your work that you can support, you need to be able to sell that bookseller, your book, and why we work in that store. And that's a pitch. You have to make a pitch. Does that make sense?

01:13:34 Speaker 5

Yeah, absolutely.

01:13:37 Michael

The last one of these was like, make sure you get reviews. Anytime you can get in front of a group of people who are potential readers, that's going to help you get your word out and make sales. And not all authors are comfortable being in front of crowds, but I would say the most successful of it is find a comfort space there because you need to be in front of people to be able to study work. Does that help?

01:14:06 Speaker 5

Yes.

01:14:09 Jay

Other questions?

01:14:13 Michael

I'll go back to my... listen, this is fantastic. Thank you. So I'm going to think about it. Like, even just the term financial model is scary. Like, how do I... the good thing is it's October. So where do I even begin to learn about what a financial model is? Or where do I get the numbers to go into it? How do I even think about that?

01:14:45 Stephanie

Yeah, I mean, if you're running a business and if you're applying for a loan, again, I can say a million times, we're always looking for that past repayment. So if you don't know how your money's coming in, that's something that's your financial model. What money is coming in? How are you covering your costs? How are you going to pay for a loan? How are you going to pay yourself if this is your form of income? And so obviously for a bookstore, it's pretty transactional and just pretransactional you're purchasing books, are you selling them above what you're buying them at? Like, it's very basic kind of math, but again, there could be an expected cost. You can't just break even every month. You got to make sure you have some cushion. I'm trying to think of other literary I mean, again, Amazon has an interesting financial model because obviously they haven't been profitable. But as we're talking about huge corporations, when you're talking about small businesses, again, especially if you're trying to get capital, if you're applying for a loan, you need to see that there's enough revenue to cover all your fixed expenses, have some room and be able to afford a loan. And so it's your business plan, it's if your financial projections is how are you earning income? But maybe you decide as a bookstore, as a writer, like maybe I don't need big money in the center, that's fine. We do have profit loans as well. But again, we still as not profit. We also need to see that we can cover the cost of that loan as well. But we do fund a lot of nonprofits. And I think it is hard when you want to serve a community, you want to be there for people, you want to have events and that's great. But are people going to come with the cost \$20? Are they going to come to the cost \$30 and is that enough to cover your cost?

01:16:35 Michael

Yeah. And I guess I would say just based on that, there are nontraditional models. It doesn't always have to be straight transactional retail. I watch straight transactional retail and that's what I was comfortable with. But there are lots of other models now about a combination of nonprofit and for profit and community events. There are lots of different kinds of models to explore these days. And the world has changed drastically since COVID and how people spend their money, where they spend their money, when they need their homes to spend their money. All of those are a whole new ballgame. So those are all things you have to think about. But the one thing I would say is yes, financial planning. What was the term? Financial planning.

01:17:10 Jay

Financial model.

01:17:11 Michael

Yeah, financial models. Terrifying. And someone said that to me when I purchased the bookstore. I would have read, in fact, someone did that. But there are sources who will help you that are not intimidating and who are there specifically to help you manage the conversation. And Susan knows about that. We know about that. The city knows about that. There are people there who want to help you because they have this conversation and that's a thing to remember. You're not alone. You're not alone in this conversation. I would say, too, as far as the lingo, I mean, I talked to bankers sometimes and I don't understand what they're saying. There's acronyms, there's financial speak consultants that already need to know about. So again, you might need to understand that word and not be afraid of it, but you can explain it in layman's terms. We have events, we're charging this much and we have space for this many people in our facility. So that's why I'm estimating there's a few hundred people

there. And again, breaking down in simple terms, of how you're getting those people in the door, how many books you're selling, what your hours are. That's ultimately what I want to see is really the basics of how this is running.

01:18:29 Speaker 7

I do have a question around percentages. But percentages will work in this sense. For your financing models if you know the percentage of individuals that can improve the financing that have nine to five businesses versus the percentage of individuals that receive funding that are nine to five jobs versus individuals who do not have nine to five jobs but have either capital or equity or some other form of funding. Like is there a percentage model of getting accepted rates for those?

01:19:06 Stephanie

Yeah, I think a bank would probably have a more statistics around that because we're so flexible and see people from many walks of life. I mean we have small businesses that come to us or medium sized businesses and it's all family run. They're not necessarily paying their daughters or their sisters or a family member, how they would pay an employee. And maybe that person has other money coming in. Most banks and most lenders you have to have a spousal guarantee as well. If you're married, maybe that person has money coming in. We can take that into account. Again, I don't think there's clear statistics on this... more people get funded if they have a full time job. It definitely helps. And I don't know if you guys do this presentation on The Five C's of Credit: Character, Collateral, Capacity, which is equity... um there are two more....I'll think about in a second. But we look at those holistically. So if your business is risky... restaurant for example, it's a super risky business in any place, especially in the Seattle area. And so if there's other income coming in, that helps us get more comfortable with the loan. But if you have ten years of restaurant experience, you've worked in many restaurants, you had a space and you did Crowdfunding Campaign. We recently did a restaurant in Pioneer Square, very risky place at a restaurant. But she was super experienced, had a crowdfunding campaign had supported her community and so we were able to get comfortable. So it's again, looking at holistically, what we're looking, we are not really a collateral based lender, but that might be something that will come up. If you apply for a loan, maybe you're buying a piece of equipment and we can put a lien on that equipment. So basically because if something were to happen with this business we can collect on that equipment and sell it down a loan. A bank will look at a lot of that, especially for those large dollar loans. They'll look at a personal house, they might put a lien on a personal house. We're not a cloud based lender. Especially for I put a paper in the back for eleven or two or 50. That's not necessarily going to be a high priority for us, but it's something that we consider if maybe the other pieces aren't strong is that you're doing this for your fulltime job and you're really committed to this, and maybe you would feel comfortable for more collateral in your personal assets. So it's yeah,

01:21:42 Michael

I just wanted to test quickly on the personal guarantee piece. It's important to understand that there's a difference between the Community Development investment funds CDFI... Community development, finance institutions. Yes, CDFIs. We have some fantastic CDFIs in town now. They're interest rates are a little higher because they're taking different risks to the bank. If you have a

relationship with your banker, if you have a relationship with a business banker, that's always something I would recommend first. However, they're going to have less flexibility when they think about things like collateral than a bank will. It will be very difficult to get lending products from a bank without sending personal guarantees. A personal guarantee means if you can't pay your debt, you personally will be responsible for it, and that will personally access your own personal assets. So I was on the phone during the early days of COVID with the Office of Economic Development. I talked to people every day. They were terrified they were going to lose their houses because they had signed personal guarantees and they couldn't make any income. The city pivoted as quickly as we could to get money out the door as soon as the federal government made available. It was a very scary time for a lot of people. But personal guarantees are something you have to take very seriously when thinking about business and when thinking about what kind of collateral you're willing to put at risk in case that you don't in case a capacity happens, like the economic shutdown of COVID in 2020. So that's just something I just want to point out that everybody has to spend some real quality time thinking, am I willing to make that? If I'm not, there are other options that may have a payoff that looks a little different, or maybe the interest rate is higher, but maybe I don't put my house on the line if I'm talking to these people. So I think that's a really important thing to think about in terms of traditional bank lending, CDFIs. So I just want to put that out there. And Susan, you guys can talk about those much more extensive than I can. But the people I have listed on the reference I have had on the back table, all of those people have their conversation with, I talk way too much, but I'm a kid at this device. So I remember Mr. Rogers neighborhood very clearly. And the big method I got from Mr. Rogers Neighborhood is to look for the helper people. And in this world of financial acumen and starting up new businesses, especially in minority minimum businesses and communities, there are helpful people available. And this particular use moment in time, those helpful people are paying specific attention to what they can do for our own social justice and financial crisis. So the kind of resources that we're talking about today, they are there and they're there and they want to help you. Now, sometimes they're not available because bureaucracy is a big animal and nasty but they are looking to help you with exactly these kind of questions and decisions. So utilize them, please.

01:24:39 Speaker 8

I have a different kind of question and either of you please jump in. As an artist, it can feel kind of weird to ask for money for my work. And can you share some perspective about you or maybe those you have worked with that our artists have figured out have found that economics of art and just share how they made it come to terms or not come to terms?

01:25:16 Stephanie

I think I'm maybe going back to the helper people. If you know. This is not your area of expertise and you know. You might have to hire a bookkeeper because your business is complex. You know there's going to be a lot of expenses and income to track get those people. Create a line item in your budget for those people. If you don't feel comfortable talking about that or wrapping your head around that user resources. There's free resources in the business that request. There's free resources that have free offers. So I would say definitely use those resources. And if you are... again, the way a lender talk, the way a banker talks, they want to know that tax repayment. So if you don't feel comfortable and you're not quite ready for that, I would say that that's a good sign that maybe you should wait,

you should figure out your business a little bit more. Understand again that income financial model, income generation revenue model so that you can kind of feel confident talking about it. I think it's not about understanding all of the words but asking questions. It's telling somebody bring this down for me. I don't understand all of these collateral. What does that mean? Really dumb it down for me. Use your resources.

01:26:32 Michael

Yeah, absolutely. Again, every bookseller I've ever known feels that they are in the commerce of arts, right? We were a sore of art when we sold books and I thought of myself as a member of the arts community in a business. That was not a natural inclination for me and I don't know what I was very good at, but what I knew was I wasn't going to be able to match my attention, my books on my own. We had a bookkeeper who had been at the store before I was at the store, who started with Harper before I even showed up. And we kept her and I kept her and it was expensive. She would pay more than I was. She was dealing with the store and my bookkeeper made more than I did. But it was an essential service that I had to have I could not possibly have done on my own. So I had to invest on some of the tools that I wasn't comfortable with because I was a guy who loved to talk about books, but I was not a guy who loved to do a profit law sheet and I wasn't any good at profit law sheet. It would be wrong if I did it and I wouldn't know how to read it anyway. So I had to invest on some of those things that weren't my skill set. And I think as an artist, you have to accept that you are engaging in commerce in some way. And if you don't have those skills, you need to find resources together as the resources are there. What's the one thing that you learned that was like, I do this then as it relates to not running the store? Because again, I have no idea. But as far as it relates to just the art business, I guess I didn't know how to get access to capital if I didn't have enough money to do what I needed to do, I didn't know how to get it. I didn't know where to go to get it. I didn't know how to set myself up successfully to get it. I didn't know the right relationships to tap into. I didn't know what government services were available or what industry services were available. I was a complete down transitional nature. If you came in and bought books in my store, I had money until at the end of the day. And if I didn't have enough money, I did not know pathways to find resources for money. I didn't know that I wasn't brought up in a business community or business world or I didn't have a business education. I wasn't comfortable talking to lenders and banks. And if I had everything starting over again today, that would be the first thing I would try to force myself to learn, is force myself to get comfortable having those relationships and asking those questions and figuring out what funding sources look like in all the various levels. I wanted to go to work every day and sell a book and I wanted to pay my employees on the books that I sold. And for a number of years I was able to do that. But when they got hard, I couldn't do that. And by that point I didn't know otherwise to find money or otherwise get by. And that was the biggest mistake where I was the biggest regret of my life, what I was doing,

01:29:18 Speaker 9

Actually, I wanted to share my experience because she's talking about art. I used to sell art online and one of the things that I learned but I started to do it to experiment and see what people thought of my art. And this is like 2005 and I thought people were looking at it and then before, you know, they started building, so I started creating more. But what I realized is when I sold three, I had to pack it. I

said okay, I'll pack it. Then I started putting ten to 50, and they were all getting this amount. So now I'm going to the post office with 20 packages that I had to pack. And the packing was the hardest part for me. It's easy to pack one, but to pack 20 is like, oh, my God, I don't want to do this. So now I have to think about getting somebody to help you with the package and also with the emails to the customers, because then they were talking to me. They wanted to know more about it. They wanted to probably see what was coming up next and why am I not putting enough? And they told

01:30:23 Speaker 9

me, me, and can I put more paintings instead of doing drawings? Then you have the same people building on the same stuff, and I get you new customers, but you want to get new customers, and then you got the same people getting in on it. So I'm like, oh, my God, I wish this doctor would just get off for a while so I can get a new customer, even if it's only for half the price. But it wasn't working. It doesn't work. So here I was going to the post office with more packages and keeping track of it. What I learned was that I wasn't enjoying it because I wasn't doing the art. I wanted to do the art. And then another thing. Somebody asked me to do a copy of an original that I made. Didn't say I did it, but let me tell you, it didn't take me three days like original. It took me two weeks because I was just dreading having to see the same drawings and trying to get the expression the same stuff. And so now I continued because I was gaining money, which allowed me to buy more supplies for what I was doing. I was getting new easels, new pencils. I was trying out these beautiful pastels that were like each steak was, like, \$5. And so I was getting 2030 of them. Said I was just enjoying. I said, wow, they're paying for my supplies. But before you know it, I was actually getting a lot more income that I was able to put in my part time job when I was going to college. But like I said, though, he became a pain when I traveled to Peru to visit family climb or keep asking for our work. Try to do it from there. If you want to travel, you got to keep in mind also the bank, my bank wasn't working when I was overseas. And so all of a sudden, the next time I traveled, I open up two different banks. So I have one of the backups for eBay for PayPal. So you think, I want to sell ours, but if you want to do it online, there's a lot of responsibility to come with it. You're going to have a lot of responsibility of the brick of mortar store too, just different kinds. Those are operational costs. That's part of what comes with trying to business. And that's why talking to one of the CDFI lenders has a business plan. Those are the kind of things that hopefully they can point out to. They can say, well, what's your plan for your warehousing? Or what's your plan for your selling and mailing? Or what's your plan for your employees? And so those are the kind of things when you're starting a business with a dream, you're not always thinking about. And hopefully that's the place where I think and you can talk more about this. But those are things that you can bake into a plan so that they aren't surprised when they come out and you can get the plan for those in the video. If I'm beginning to sell them to make this much money that's going to my production, this is going to be up my main. So how am I going to manage that? Does that sound right to you?

01:33:18 Stephanie

Yeah, for sure. Financial predictions are super important. Not just putting stuff together yourself, but having some assistance that you've never put together. Financial projections, having somebody for a look at them or run a similar business where you want to start look at them and say, yes, this looks realistic, or you think you're going to be able to get employees and you're only going to pay them \$15

an hour. Like you're not going to be able to those people around. And again, realistic costs and okay, maybe need to find a smaller space, but less employment, employees to pay at first. The scale is super important. There's a lot of people who haven't done their research come to us and say, I want a loan, I want a million dollars. I think I could do this and this and this. And you said that's great, you have a passion for that, but we need you to do the training. We need a bad business plan, work with somebody who knows the business well, who can mentor you through the web. I also wanted to say one last point towards the end, something else to consider probably for Michael to as far as access to capital is understand your personal credit that goes along with the personal guarantee. Understand what it is if there's something on it that's a question, something that doesn't look good to understand why it's there. And for us, for CDFI, we are very flexible with credit score, but we also want to if there are issues with the credit that you can explain or that you can because it's always hard when you go to the process. There's tax lien on there. There's things that we need explanation for. We can't just give you the money. So understand your personal credit, understand what that score is and just know how to manage that. It's super important. And again, if you have things that you're still working through, I would encourage you to kind of work through those get out of payment plan, understand how to deal with those issues before going to a bank, having a banker. Because again, that first relationship, if you say, well, I have something in the credit port, but I don't know how to manage it or figure get that underway before you go to a lender to start funding.

01:35:24 Michael

Yeah, and I'll just quickly add the sheet I have on the back are that many departments are working with right now around financial tools and products, all of those free services, all of those free consulting services. So there's no price to you to talk to any of these people. So Jay, some of the people we're working with specifically we're working with Jay about some legal consultation for small businesses. Again, it's something we never been able to pre-COVID, but now we are able to offer some legal support for small businesses, which is fantastic and much needed. Again, all of those services are free. They're not charging you things. They're being paid for by the city, they're being paid for by nonprofits, but use them for all of these questions. And my car is back there, too. If you have any more specific to any of the products that I'm talking about, feel free to contact me.

01:36:09 Jay

Yeah, I'm so glad that you said personal credit because a wonderful opportunity that everyone here has this Wednesday, we have Tierra Bonds who teach in a class on personal credit, which is wonderful in itself. But in addition to that, we have credit consults where you can meet with Tierra for a half an hour walk through your credit report.

01:36:41 Michael

She's amazing. She's able to say, oh, you got that, and really just help you with these three actions that you can do to improve that credit score. So we have, I think, seven of those personal credit consults coming up in the next month and then in November, we have more too. So thank you for operating.

01:37:02 Jay

Yeah, really quick pitch, too. We also have legal consultants. We have one on one legal consultation with lawyers from all of the firms that had their pro bono work with a group called Community Drive. We started that specifically about commercial leasing questions for small businesses. And that's kind of an incredibly important tool during the eviction moratoriums, as we first quoted it. So we were able to offer support through that and we just feel after that, I can tell you more about those things too. So those tools are there and we are working hard to make those available broadly as possible. So don't hesitate to call us and ask.

01:37:47 Stesha

They will be here to chat with you, too. We're going to take a five minute break. We'll get started, but now we're going to have a conversation about bookselling. I'm using a Michael because we are recording. If you do get questions, you could version them for the recording. So next we're going to have that conversation about bookselling. And as I mentioned, we've got Kalani Papahua here on the right hand side there. Kalani is a bookseller from Seattle. He studies prewriting at Kinesia College in Buffalo, New York and graduated from the University of Denver's Publishing Institute. And he currently works as a store manager of Third Place Books in Ravenna. He was previously a featured playwright at the American Regulatory Theater's annual Young Therapy Festival and served as a judge for Washington State court awards. And he was also on our what was he called and is currently a contributing reviewer at the International examiner. And he's going to chat today with Edwin Lindo. And Edwin is the Cofounder of Estelita's Library, which is a social justice library report in community space that opened in 2018 and his background is in law and critical race theory. And do you still teach at the University of Washington and Family medicine to that story and he has also been a big advocate for Lens which has been a really important local Black woman before that was the transition because owner hacked away and helped do some important so let's give Kalani and Emily a warm welcome.

01:39:46 Kalani

Yeah, thank you. Thank you to Seattle City Literature. Thank you to The Seattle Public Library for putting this event on. I always love being a part of events like this. This is very much where I view my own inspiration to become a bookseller at something like this. This is back in 2014, I attended the AWP conference that happened to be in Seattle with the association of Writers and Writer Writing Programs.

01:40:13 Jay

I was going to ask, What is AWP?

01:40:15 Kalani

Yeah, it's a big one. It's all writers and writer programs from across the United States, They hold that event annually. And that year happened to be in Seattle. I had just finished an undergrad program in Creative Writing. I just moved back to Seattle. I didn't go there, so I actually took vacation hours from my day job just so I could attend the four days on France in Seattle. And in there it says like some record of time. That's gonna be 10,000 people there. And it was then when I really had that AHA moment like these are my people being around other writers, being around writing programs,

publishers was like that moment where it's like I'm doing the wrong job and I was working at Property Evaluation, not loving it, ready for something new. And all these people are making a career in books work. I quite literally quit the job and like six weeks later got a part-time job at Third Place Books. And it has been worth it back to me ever since. I started as part time and I worked my way to the coordinator role managing some of our off site programming. And now for the last two years, I've been our store manager at the Ravenna Location, which is our second location. So that's kind of my origin story. And then it's great to hear a little bit more about your origin story, I guess, and what drew you to career books? Did you have an ah-ha moment? Yes I need to be working with books.

01:41:58 Edwin

Yeah, that's interesting. I will argue, though, I don't work with books, I don't get paid. So that's interesting. I love all the questions that y'all had, and I don't know who here is looking to sell books or have a bookstore, but the truth is, when we're talking about this is I remember we were thinking of this idea, the beginning of the idea of Estelita's Library is how can we create the most radical space or the most liberating idea to share? Because I hadn't felt that. I hadn't moved to Seattle. I grew up in the Bay in the Mission District, and I remember just sitting with my dad and raising by himself and go to a local hole in the wall Bar wine spot. And it would be immigrants from across South America and from Africa who are explaining the movements of justice, the social justice movement that were going on in their country. The way. The US. Is intervening and governments and I'm ten years old and I'm like, Wait, what? This has happened. I'm not learning this in school. But it was over wine with tea and coffee, and I said, where do we get to do that here? Because in many ways, our government, our spaces aren't necessarily set up to do that. I remember coming to the library and I'm going to preface this. We have a great partnership with The Seattle Public Library, which is funny because we're also a library. So people would be like, no, I was in a competition. And the truth is, no, people say, well, how is it different? I'm like, it's not really different. In the library, there's a section that's focused on social justice. That's our entire space, right? That when you walk in, you see Malcolm, you see liberation literature, you see works on identity, the black folks in Russia, and it's an exploration. There's no order. There's no we mark the book and I felt it was really antithesis of both the library and the bookstore, because the librarians who go to the city dev come to our library to say, oh, we'd like to learn what you all do. How do you order your books? What's the order? Because we don't have them. We want you to explore the possibilities that exists that are interconnected in all the books that are here, because we do believe there's a thread that exists. It's not alphabetical, it's not by theme. And so you have books about natural medicines in South Africa to native folks studying their native herbs and trees in North America, and all of sudden a people take these books off and you see them laying them. There's a trend, right? And it's a beautiful thing to see. So what was that for us is that we wanted to have a space, that our daughter at seven was able to have a community around her. And it was me with no job, and we were in Beacon Hill and I would sit at The Station coffee shop and I'm just going to read, and I would read to her the old station coffee shop that they had, they still had the lease there. And I talked to Luis who owned The Station, and I said, hey, I have this crazy idea of starting a library of radical literature. He took the keys out and he said, sure. And that night I went to Rose. I got shelves and I hung them with a close friend on the wall. And I took all the books from my house that I had and dropped them on the shelves and said. If these are the books that helped me get to where I understand my people. My struggles. My identity. Why should it be that someone has

to pay \$70,000 to get a PhD in 70,000 a year when they can disconnect an eva and know that these are the books that helps someone get to that level of consciousness? Now, he said, well, where do you sell books? You don't. He walk into our library. There's two books that are for setup 1619. And Robin DJ tells the book, just because we have extra copy, but it's a library. You walk in, you look at the book, you can read it, you can hang out. Others say, well, how do I check it out? Well, if you are in community, if you come and visit us and you converse with us and you know, a sellout we built relationship, then you can check the book because you are connected. You're tethered. And people say, what if they steal it? Two things. One, either they needed the book, there is something special about that book that they needed. Let them have it. Two, if they did do it with malicious intent, then they broke the trust of the community. And that's worse than going to jail. You lost the trust of the community and you're going to have to earn that back. So when I say where the antithesis is, you walk in and someone was mentioning this earlier, our hope is that you walk in and you realize, wow, I don't feel like I have to spend anything to be in the safe. I am enough. I can just sit down, I can look at a book and read it, not say anything to anyone, or I can talk to everyone that's there and spend as much time as I need. I was mentioning that we're offering this to everyone in this room, and whoever's listening is if you show up and we're not there because we're a volunteer around and you have two kids, my wife is a Cofounder. Our volunteers have made it work for the past five years. But we've always said that the space is an attempt to decolonize the idea of what we need to have space. So when you all show up and you see in the books close, you call the number, say, hey, we're outside. I was wondering if we can get in. Absolutely. I take up my phone. I will open it remotely for you. You can go in, and you can take as much time as you want. It's yours. It's ours, if anything. But how do you make money? Where's the money part of it? If you notice, this whole time, I haven't mentioned money. When we first started, we had a membership model that helped sustain us. We then were selling some food, just literal appetizers. And our goal is just to keep the door open so we make enough to keep the door open. We still have our 9 to 5. We still do. But then we saw, as was mentioned, the opportunities from different city organizations, different nonprofits that are saying, we want to support the cultural work that exists. And I believe we are cultural workers. The work of justice is building culture that can sustain an idea of humanity. We've lost that. It's gone. How can we bring it back? And it's a struggle. We would have people say, can you get us 50 books for this event? We had no do that. How do you get 50 books? And you call up a publisher, and they're like, do you have an account with us? Like, no. Why do I need an account? The word \$50, it actually does it, but still doesn't make sense. And they're like, well, you can get an account, and it looks like it's on old fax paper where they email it to you, and you got to print it out and write it by hand and send it to them and have the preparing side. And I'm like, Can I just fill out a form online? He's like, no, we have to do it this way. And they're like, do you want a 30 day? Do you want net 45? Is it on credit? Is it cash? Do you want to pay upfront? These are returnable. And all of them like, I just need books for this event. And they said they want 45. Give me the price, I will sell it to them. And I'm assuming we can charge more than you charge me. They're like, yeah, that's why. And it sounds like, ignorant. Because you're like, yeah, everyone who's in books are like, ignorant. It's a whole process. And they give you I'm gonna tell the secret. There's a 40% to 50% discount on the books, but the only way that our bookstore survive is because of the 40% to 50% discount, which doesn't consider the overhead to get those books here, to have the space, to have someone pack in, to have someone go to the event, to pay them hourly, it's a lot. And so the margins start shrinking from many of these bookstores. And I

tell folks like, yeah, I want to start something. I want to start a book. So I want to sell these books and be like, seeing you do it. I said, I want to be very clear. We never got into this to make money. Because when folks were talking about what are the economic projections, they looked terrible. They were not good. And so we said, maybe the way we sustain is because what we do is we create culture. We hold and sustain culture. And what is interesting when I say this part as actually, I say we don't sell a book online. We do sell books, and it's through bookshop.org. And our model is helpful. If you can come in and you can look at books, all the books that are here, you can find them on bookshop. And so that model is now flipped, right? The space is a reading room to get folks interested, if they're interested at all. They don't have to be obligated to buy a book, but if they do, they go online and purchase it and go straight to their home. In the time of the Pandemic, Estelita's Library was one of the top ten booksellers on bookshop in the world. We didn't even know that. We decided we're like, oh, this book thing is not that hard. What are you all talking about? But there was something about the culture that we were I think that is what organizations people say, what is this bookstore? What is that book? If you're like, oh, we're just a bookstore, then it isn't different. Folks want to be able to embrace a community of people. I love this book. I'm committed to that. But how do you build that with me? For example, I was mentioning giving books for events. We would show up to your shop, and I remember calling me, I need this book in three days, and I need 45 of them. I don't even know who to publish it because I can't find it online. And what did you all do? You all said, no problem, we'll give it to you at cost. That event fell through. The bookstore is still at your place, and so I'm going to pay for those and give them up. But that showed to you. When I stopped them, they say, oh, yeah, here's the full price. And they're like, no, we really love what y'all do. How many do you need? We'll get them for you. And they usually take one to two business days, and they can rush them because you all have many of the bigger bookstores. They have the automatic dial every publisher. And it's a strong relationship because they keep ordering. We do it maybe once a month. And it just doesn't make sense to constantly have to spend hours building these relationships with folks. But they help us sustain the book selling side of things to make it work. So we're super grateful that you've always had anything we can do to help you. Go ahead.

01:53:45 Speaker 10

Yeah. I have a question, and it's for both of you guys. How do you start those relationships with a big publisher? Like, how did you start it and yours is a different experience? And then how do you continue to cultivate those relationships and then how many are there when you're like, these are our top five publishing clients. Are they your clients or are you their clients?

01:54:12 Edwin

So the question goes, listening is how do you start or maintaining relationships of the big publishers that you will purchase book books from? I'm going to let you answer that.

01:54:25 Kalani

Right? Yeah. I can't really speak to how we started, but how we maintain that. It's just through our continued highlighting of big publisher books in our store. And basically we do lots of different things to promote new release stuff. That big Penguin Randomhouse, Shuster and all those we'll have certain displays that they give us. We'll feature some books like that. I know the Barnes and Noble

model. They would pay Barnes and Noble to get placement in the front of their store. But I mean, it's all curated by staff in store. So we are ultimately deciding what gets those prominent bosses out with bookshelves. Author events are a huge part of this, too. They will send touring authors out our way and we can guarantee so many X amount of people to attend an author event and sell books. And that also furthers that relationship. We've got a number of sales reps that we see on a fairly regular basis and communicate with and just kind of building on what they believe our store will sell well and are engaging with those conversations with the sales reps. And yeah, you're right. I believe this title is perfect for our Seward Park neighborhood. Or this cookbook would be great in the Forest Park.

01:55:49 Speaker 10

So each store has their own like...

01:55:51 Kalani

Yeah, I mean, with the way our Third Place Books, all three stores are located in very different neighborhoods. And because of that, there's very different clientele and different markets and just different books sell. I spend a lot of time at the Lake Forest Park store, which is like, suburban. It's located in a shopping center north of the city, or I worked at that location for about six and a half years and I just went up for event location for two and a half years. And there is a big swing, surprisingly. I use cookbooks as an example. Like, I guess it was a very suburban type of hot seller. We had a lot of those events. A lot of keto diet books were like a big trend for a number of years. I probably hosted every one of those keto authors. I know way more about the keto diet than I thought I would. But yeah. And then working at the events for last couple years. Closer to university, a lot more academic, a lot more literary. Poetry is a huge seller for us. So again, that's something we'll tell our sales rep, hey, poetry is going well. What titles are coming out? They'll let us know which ones we need to get eye out for and just like just kind of give and take in your neighborhood, knowing what we develop that relationship.

01:57:14 Speaker 11

But it ain't cheap. How much is rent?

01:57:16 Kalani

Yeah, bro. Yeah. I got to tell you that. And that's why I'm not the financial person listening to the session before me. That's why I'm not a bookstore owner. It's not my forte. The money side of things. I don't know yet. It's more the management side. I'm certainly aware that the numbers where we're at our database or so. But I couldn't even tell you.

01:57:49 Edwin

For us, our motto was for anyone who's looking to start any business, what is the lowest barrier you can overcome and have the greatest impact over time? Because sometimes you say, no, it has to be visual. Oh, speaking of. I'm sorry. This is Estelita, named after her library. Yeah. And so the way we approached it was, okay, we have these books in our library. We buy books so great, we didn't have to come up with the initial cost to do this library thing. The next part was we negotiated something with the owner, and we said, can we just pay you percentage of what we make from membership and

from selling the food? It might be zero. And he's like, yeah, that's cool. I mean, we're not using the space anymore. And it actually worked out. And for the longest time, we were able to survive source the money. And then folks saw the cultural benefit and started placing us as a cultural center, which allowed us to apply for grants. We fast forward. We now are in the Central District at the moment and in a partnership with the City of Seattle and the tiny cultural space grant. We now have the land and the tiny space that was built on it in partnership with Solvorce Revolution that teaches high school and how to do architecture, building construction. And these students designed it with us, built it with us, and we didn't come out of pocket. They advocated for us when the city came in and said, we're going to make this happen. We are now expanding with another grant from of the Department of Neighborhood, where we're getting a permanent bathroom in bringing water and an extension to our deck to have the events that we've had in the past. And you start to realize that the difference between how we want to approach it, which is, again, it's a battle against capitalism is it hit us that if we try to battle against capitalism, lose because we're not big enough, we're not scaled enough. Not offense to the lenders here. I don't want to go to a lender. I don't, because that terrifies me. You're telling me I'm going to put my child's education on the line because our loans are starting business for our community. We're not doing that. And so how do we bootstrap it with close to nothing and it blows up to where it is now a building? I haven't said there are community. That said because it's

02:00:58 Edwin

an institution, we are now in the next phase of I think our attention was looking to get back into Beacon Hill and we are in a purchase agreement to purchase land. It's actually across from The Seattle Public Library. It's an old mechanic shop. To not only have our headquarters, but to build affordable houses.

02:01:17 Speaker 12

Beautiful.

02:01:18 Edwin

Right? It's foundation. It's different and it's not a critique on other businesses, but the business model for a bookstore is like we sell books. Our model is we bring culture. And I think folks can rally behind that, right? They can get around it. And that's why I'm so impressed with folks that take me in my mind. It's like jumping into the deeper, not knowing how deep it is. And they're like, yeah, I'm going to start this business. And I say, there's enough people. And you said this and you thought, there's enough people. When you can get the free legal consultation, the free commercial real estate, I'm going to have to call up and say, hey, can we talk about this? But all those free resources, because I'll tell you, they add up. \$500 an hour for an attorney is no joke. 250 for a financial advisor consultant is no joke. You can get that for free. They help you get your business license. Is it a lease that you can negotiate with an owner? Is it a bank account with a bank that they built in an immediate relationship? Because you're right if you have a relationship with a banker, we do have a credit union. We go to them and there's no question as we come with the check because we had a big event say, hey, we need to cash it because we need to pay for some earnest money to pay for this property we want to buy. I've been to bank of America. My wife and I, we showed up for a check that was \$25,000 and they said, I'm sorry, we've never seen you before. We're not catching this check for you. That's

racism and it's ugly. And we never went back there. And any time we went to a bank we would say, look, this experience is not one that we are going to allow. Then who's going to be in the relationship that helps us grow and helps us win and tell everybody was like, we're in. We show up. There's no excuse me, where did this money come from? How did you get it? What is it for? Estelita's library. Let us not be anything else. I'm also sure that if we asked, they would give us a loan because they see the money coming in. I'll just be honest. I'm terrified of business loans because of the idea that it isn't just the business, it is personal. And if we can make it without it wonderful to the point where the assets and the resources are sufficient if the business came back and guaranteed that loan or that money that comes in. But I know folks who do it, and they are bold and ambitious, and they're like, no, it's going to work. And I support them. I just think I'm a bit risk averse in that situation.

02:04:09 Kalani

So one question I just want to ask. You have your family here. You guys stay here. I know you got your other job, and I don't feel like my question....

02:04:27 Edwin

I already know your question. Go ahead.

02:04:27 Kalani

Time management. How are you making this work? I couldn't imagine.

02:04:38 Edwin

Yeah. So he says there's just one part. I'm also a co-founder of North Star Cycling, which is the largest black and brown cycling club in the West Coast. I'm an assistant dean at the School of Medicine, where I teach critical race theory to make sure that our black and brown community doesn't get harm when we walk into a hospital. And so it feels like it's just so spread out, I think, from the outside. But what I and Estel have committed to is that everything we do has to revolve around the nucleus so that it feels close enough and said, okay, we're not actually doing something that's left field. It's part of the work. And what the work is for us is justice. Get us closer to justice in this place. And we're willing to commit the time to it. We're willing to bring our family to it. We're willing to sit at the library when no one else came on Saturday. This whole space now, when the second kid came, there was less opportunity for that. There was a lot less time. And what we decided was it was a conversation earlier, how do you scale? And I'll be honest, I'm one who said I'd rather just do it myself because I don't know someone else to do it the same way. And as a business owner, there's a similar element to it where you're like, but I know how I want this to look, and it's a letting go of saying it's also okay because folks have a vision and a goal, because there are people who committed to that, that you created. And that's what we did. We built a solid team of five, a grant manager, a program manager. We have volunteers from UW groups who have committed their quarters and say we'll come and keep custom leases open from Wednesday to Saturday. And we're able to kind of step back a bit and kind of do the bigger work of envisioning the future, but it is letting go. And then the second part is being the keeper of a vision and just saying, I'm holding it, but I'm holding it knowing that you all have an amazing skill that can help us do something even greater. And it's always a negotiation of what that might look like, but it's a beautiful thing when the community steps up and

says, we're in. Let us know how we make this work. I was reading a few times that I profile on last year, and you shared one of the great highlights of a little boy for a piece of paper and pen who could take notes.

02:07:30 Kalani

Okay, I could close the doors right now. I feel like I succeeded in what I want to do just for myself. What other highlights can you share with that?

02:07:42 Edwin

Yeah, thank you. I remember that. So the story book I read was an announcement that came in at the old location, and we had the people's History of the United States by how he's been on Michelle. And he's about nine, so he can read. His parents are heavily involved in him learning, such as history. A young black kid, he pulls the book, and he gets to the first chapter, and the folks that have read the first chapter of that book, it talks about CRISPR Columbus tyrannical killing, the torture of native folks in Hispanola, which is now the Dominican Republic of Haiti, and how he terrorized it. And this little kid kind of straightened up, and he asked me, can you give me a paper in a pen? Because we're talking about Chris diplomas at school, and they are not telling you about this, and I need to write this down so I can take it back to school. And he did, and they got in a debate, and the teacher hadn't read the book, and he came back and he debriefed, and he was asking, how do I respond they made this point. How do I respond to that point? Now all of a sudden, critical thinking that's taking place just from a book. That's why I love books so much. I'm so here to ask why. Someone told me elder in the black community said, Edward, books is where they keep the secrets that they don't want us to know. Damn, I got to read the book, and I want everyone else to be able to read the books. If they're rare or new or obscure or hidden, how do we get that access to them? And the most recent one, which was I don't say it's more, but it was just equally embracing of the heart, was we had just opened a new location. The doors are open, all of a sudden, they're cleaning up, and this young black girl strolls in, and my wife, being a phenomenal motherly figure, was like, your parents are here. And she's like, yeah, I saw my grandma. I saw my grandma coming, and she was this she said, but I was told, this is my library, that you have books about me too. They're all about you. You can pick whichever one you want. And I'm crying because I cried when she said that because she looked at the book and she said, oh, like this one. Oh, and like this one. She took three books off the shelf, and she's like, Can I take this home to read? He said, of course. This is your library. And we talked for a bit. She played with Estella and she I think she would call the fella her sister, and she was going to come back and play. We said, all right, great. We're about to close up. We can walk you back home. She said, okay, this is the fun part. We started walking around the corner and all we hear is a grandma screaming for her grandchildren. And we said, hey, Grandma. She said, yeah, why is she screaming for you? I don't know. And we said, Excuse me, man, I think this is your grandchild. And she's like, oh, my God. I thought she laughed, and I thought she someone had taken her. Where did she go? When we told her about the library, she asked me she's like, she didn't ask me to go to the library. But that's just something even more powerful, because young child was willing to sneak away to come to the library that she thought before, and that inspired us. And we say people say, what is your projection? What are the P and L? How did you make this survive? At the end, we said this was day one. The only goal is to keep the door. Even if no one walks in, the goal is to keep the door open because people know

that it's still there. And that's the difference, I think, for us, because it keeps a very clear North Star, even when you get custody. We also don't have grant average house because we own the building. We do take garbage, we pay light, but that gets covered because the folks on a monthly basis donate to it, who said, we'll make sure that your life don't. It's a beautiful thing. I wish bookstores were able to do that as well. And you say, hey, we can do the little help with that. I really think I remember talking to a few books sold internationally, and they're like, we don't understand you. How does this actually work? And I said, to be honest, imagine if your space was just a communal space and the book sales were ancillary to it will happen inevitably, but if it was answered to the purpose, it might be an opportunity. They're like, no, that ain't going to work here. And I said, I'm just trying to push the boundaries of what might be possible, because what I don't want to happen is the book shortly to have to shut it. So how do we become malleable enough to where the purpose is still there? Because another big part of why we started this is the most radical groups that sought freedom and liberation for black and brown and oppressed. People in this country started out of the back end of a bookstore somewhere in the Hill Room because they allowed the Black Panthers to go there, because they allowed the Student Democratic Society to build it because no other place is going to let them have music. But the bookstore did. And that autonomy is a powerful place and you all still have it. Right? I'm sure if I came and asked, can we do this thing? There'd be a conversation and for some there might be a push back. Well, how does it help certain things? It doesn't. It helps us. Right. And that's okay too, but those are the most recent things that have been happening.

02:14:02 Kalani

Yeah, that's interesting. I don't know if anyone has been to the third place. This is my fourth part. But there is a giant common area, third place commons. And we do try and like, emphasize that the point is third place that the concept behind is the name is the sociologist Ray Oldenberg who said, these are three places to live a happy life. We do have that gathering for the community. And it's not like you can make a purchase or anything. (inaudible)

02:14:55 Speaker 13

...more of an alignment statement or an ode to the missions as well as the ideologies that you bring to the space that you created or the space that you create. A lot of what it is that we as people of culture, people of cultural identities that are other than white, it's 90% of what it is that you receive. The development comes directly from the community that surrounds you. And I realized one is white supremacy from the community that it is that we hold and find ourselves within. Trying to learn, trying to create financial opportunities, trying to create ways to sustain ourselves within society to other people. We don't necessarily have spaces that identify with us in host space that's free, that's not very special, that will allow our existence without trial to tribulation or question. And the reason why I'm saying this is because both of you have mentioned the fact that your spaces are spaces where it is that people can meet or people can just show up and exist without the necessity of purchasing. I very much remember multiple times that in corporate locations like Barnes and normal Starbucks. We could go down the line where it is that I simply did not have the money in order to be able to purchase the services. But absolutely did need the space in order to be able to further myself through education or further myself with my own. How should we say. Chaotic world or trying to manage within the system and was told to leave. And I remember even meeting groups in order to be able to further

ourselves economically. Multiple individuals that identify themselves, but also, again, Latinx individuals or BIPOC individuals, more specifically around women. We would try to meet these faces, but again, without making a purchase here, not welcome here. So just that action of rebellion to what this form of systematic oppression is that we experience on a day to day basis. It's very liberating. It's very liberating. It's liberating the ears, liberating the witness, liberating to be able to commit to a space and don't understand that. Absolutely. This space was created for my demographic. This space is open. And welcome to, again, my identity groups, even most specifically, my identity group that is furthest away from, how should we say furthest away from, not equity, from whiteness, from what is seen as the standard for what our society is supposed to be. Even the LGBTQIA community. Having a bookstore somewhere to be able to see identity. See their identity. See their lens. And see other individuals that look just like them. That identify just like them. And then having a space of safety to be able to begin to learn that's the value that it is that 100% of our society is missing at this point in time. Which is why I see and understand why I understand why there's so much financial backing for those of us that are trying to create space. But yet there's still a divide in how it is that we can access funds in order to create more spaces. In order for these spaces to be accessible to us. Juan Martins. That's my brother. Beautiful. These are all principles that ideas that we were raised in, pride into our existence. Understanding Black South Africa film again, Joaquin, the Garrett family, absolutely all instrumental the time of my own development, but I see and understand what it is that we're trying to do, but I constantly see the pushback from what it is that we're attempting to do in creating space for all identities to be able to have belonging in space. We know what it is that we're trying to do, but how is it so difficult to make it happen.

02:20:21 Edwin

Thank you for sharing, that's a powerful one. I liked hearing from you in this way where it goes from asking questions to now, you are part of the learning you have taught us. Get to here as well. And in my teaching, the way I work in this space is that I just had another comment. I had to give him a while. Paul Jackman came on Thursday, and we sat for an hour, and we just started thinking and imagining together about a future that we never witnessed. And he said, Are you trying to take me deep today? And I said, yeah, let's go there, because we get stuck here. My dad always told me, son, the only thing I want to make sure is that you don't get limited by reality, because he understood that our reality is fundamentally different, but it's not real. Again, what are you talking about? You are here and protected indefinitely for the rest of your life. So just do what it is that you need to do to do better. But if you don't have someone, you don't have a community, you don't have people that can tell you that reinforce it, then we do get limited, and it gets frustrated, right? And so I tell folks, like, whatever the idea is, if you need a space, come, go to Estelita. You want to sell something on the street, come onto our property. It's ours. You trying to sell food, pull up the truck. I don't know if you've heard Po'boy Things in the truck. Sean started at Estelita's. Needs to say needs to sell. I'm at party and whatnot. But every Friday in 2018, he would show up in the setup shop and he was selling 50 po'boy. He's like, damn, man, I didn't know I could do that. And every week it was more and more and more. And now he had a truck that he pulled around Seattle and was selling out at every major event. And it was just an opportunity. It was like, show up. Come on. And that's why I would say the lowest barrier, let's just see good. And then we build some. That if it's a thing and you're like, the only space I got in my living room because what I don't want to do is ask for support from the dominant culture that says,

okay, we'll help you, but it's going to have to look like this. And we decided we weren't going to do that. We said we're only willing to negotiate from a position of power. So now when we come to the table, we can easily say, actually, we're good. I don't want your money. Yeah, go ahead.

02:23:23 Speaker 14

Yeah. So going off of that. So you mentioned a term, I think he said social something. Oppression. I think it was social oppression, inequality, something like that. I never thought about being kicked out of a store as a kid. I always assumed it was because we were young. I honestly never assumed that they were like, you can't be in here because she didn't buy anything. I know they would say, are you buying anything? But I just thought that was generic question. I never thought, oh, it's actually a social economic divide to go to a bookstore if you're not buying anything, but what if you're just looking to see what you might buy? And I'm curious from both of your perspective when someone's like, I don't want to buy anything, but I'm going to spend an hour and I'm just going to be here. I think these are two different answers, I know, for both of you guys. But how do you feel about the systematic oppression of having to buy something in order to gain the information that's in that piece of literature?

02:24:21 Edwin

Yeah, I think there's multiple questions there. One is access to knowledge and another is access to space. And what capitalism does is effectively tax you to have access to space. If you're coming in here, you need to spend some money. That's why libraries are a beautiful thing. They're one of the only free spaces that you can come into. Now, I say that with the caveat, and critique and I mentioned our relationship with The Seattle Public Library, I critiqued that up until recently, they had continued to have fines on folks who were borrowing books. The reason I didn't go to a library for a decade from ten to 20 years old was because I had fines on my record.

02:25:08 Speaker 15

Bro. Oh, my God.

02:25:09 Edwin

For \$750. I was 16 years old. And do you know how that made me feel? It made me feel like a criminal. And that's not an accident. No one in the room probably like, oh, sorry, you can hang out, but I can't let you borrow this book. There's probably some red thing on it says, stop, you can't check out because of fines. And I would beg. What did I end up having to do? I ended up having to steal books from the library so I can read. That is not the society that I wanted to be in, where folks feel that they have to steal just to get the basic knowledge, because I loved the library, and I felt like I don't have that space anymore now. Another reason why I'm crazy artist. There are no late fees. There are folks who still have books that they borrowed five years ago, and they're probably going to give it to someone else, and that book is going to live a life that we'll never know. But it's a beautiful thing to know that it's going to exist somewhere, and so it isn't. As you could probably tell, I critique our financial models in society very heavily because they are not conducive to portraying and embracing humanity. Right. And it's incredibly difficult. So I'll let you answer.

02:26:35 Kalani

I mean, working in indie bookstores, most independent bookstores that I know, I wouldn't really believe that someone would kick you out if you're not buying. That's the point of their place. Like, that community, I've never had to do that. Like, the bigger chains... Barnes and Noble. I mean I bet they still do things like that. But that's what we're intended for is browsing. Either a book is calling to you or not calling to you. When Amazon had their bookstore, they were calling it 'showrooming,' and they were encouraging people to go into bookstores and then go online and buy cheaper on Amazon. That would be the problem. I mean, (inaudible)

02:27:51 Speaker 16

I don't go into bookstores. So even as an adult, when I go past the half price books on Broadway, I'm like, really? Whatever. And I keep going. There's not a positive association with those places. And it's Barnes. Like, I literally think about it. It's Barnes and Nobles that planted that seed for I know me and a lot of my other friends, even as adults, when I'm at a bookstore, I'm literally like, okay, you got to get in. You got to know what you look for, and you better do. And I don't think it's ever even been said, like, no, you can be in here and just walk around.

02:28:26 Edwin

The geography of space. Also, in many ways, I've been to a few of your spaces. I think there's a lot of places to sit down, but there's an intentional geography to not let you sit down, right. To enjoy the book. And so it kind of forces like a supermarket. It forces. It's not an accident that the most high fructose corn syrup things are on the end of the aisle. They're going to get you in and out for the things that most people buy and get to the front and the gum and the candy and the soda, and it's sculpted. How do we freeze the moment and say, actually, the first thing to do is... there are folks who walk into Estelita's, mostly white folks, and they won't say anything to anyone. And they look around at the books. And I was like, I'm sorry. Hi. And they're like, hi. And I'm like, this ain't a bookstore. This ain't the thing that you think it is. So if you're going to walk into my living room, I'm going to ask you to say hello to me. And so a culture is like shifting the mindset of like, wait. My first job is to actually engage with you, not as customer service rep, as we're sharing space. You came into our home. We'd like to engage with you. And I think every time I walk into a third place, it's always someone who says, hey, how's it going? Like, it's very chill. I enjoy it.

02:30:01 Speaker 17

Compliment to the way you do your invitation to anybody to sell stuff outside your store or to come in and show stuff, to read stuff. Because I remember I was telling a friend that I wanted to come activity for kids, and she said she actually had pitched that to various book stores where she will read books and show puppets or something. And I said, well, why do you need to do it? She said, because each place that I went to, whether they sell novels or even the library, they always say, you have to fill the form. We have to approve it. You have to go through this, you have to go through that. And they said, I feel a bunch of kids get sitting there, and I want to read to them, and they're telling me I have to do this or I have to be part of this. It's not worth it.

02:30:56 Speaker 17

It's nice that you are very optimized with how you offer what you have. I think your businesses see what you're doing. They probably have better process, too.

02:31:09 Edwin

Yeah, it might. And if you think about it, the concept that I've always had is, why do we close? Why do things close? No one's there. Well, then what is the logic that no one's there? Therefore what? We get into this carceral idea that we don't want anyone to take anything. Oh, so we don't trust folks? Oh, come on, everyone. You know what we mean. Like, something bad is going to happen and we don't want that. So we have to have someone monitoring. I get it. Some of this at least. They call their eleven at night and they're like, I just need a place to sit down. Yeah, sure. They're also clear that we're not going to be necessarily liable if something bad happens to them. But you are welcome, enjoy. And I just think, for example, of office buildings, like major office building, downtown, dependents, show very clearly how both inefficient and unnecessary they are. They were empty for two and a half years. What does that say about space? Right? I think that's important and also a story about the library is I remember as a child be in the children's area and it doesn't happen. I sat around many of the branches and I'm listening, but I remember folks with hush ups and say, be quiet. And I'm like, okay. So now I would associate the libraries. This is a place where I go and sit down and be quiet. I can do homework or read a book that's not cultural in texting, right? That's okay. There's an extension of school. I'll sit here and wait for my dad when he comes and picks me up all week. How do we make a place? And I see it now as kids on the computers and talking and engaging. They're now building relationships. I remember a librarian who would always look up for me. He would let me take some of the books that I was allowed to take. He would make sure that I had help with my homework. He even gave us a laptop that he said, all right, look, this is a library. I'm going to let you borrow it, just bring it back. I'm not saying... (laughter). And did he break the regulation? Yes. But let's be very clear that many of the policies that we have were never intended to be equitable. They were just intended to provide an equal treatment to everyone. And when you're providing the equal treatment to everyone, to people who have been mistreated and we're not actually helping, and having worked with the library quite a bit, I see how they have moved. The moment I saw in the news that said, we are wiping all fees away. I remember folks in the library thing, the burden off my shoulders. That's a debt that is released. That's powerful. How do we do more of those bold things. Even in bookstores, right? How do we do the bold things where let's say one day a week you say, this is going to be open to any community organization that wants to have an event, no fee, no cost, not to put you on the spot.

02:34:45 Kalani

(inaudible) of consignment books. And that's always been a big challenge just because limited space is really sort of I mean, you can't say yes to everything you have to have. And I've actually been kind of managing a lot of consignments for a number of years. So I always try to say yes to as much as I possibly can because of that. Because you just never know. Let's take one copy, small stuff like that. That we're just trying to open up things. That speak to equity. And I mean, opening up at night for an event that's really possible. I think we talked about that a little bit here and there. How will this work? Who's going to show up? What is the event?

02:35:55 Edwin

That's a lot of questions. When do we start from yes? I always say I'll start from yes. And we'll figure it out. Mostly because we will analyze our way out of doing it because the questions not that you ask, but the questions that we know our institutions will ask of us to answer. They're not congruent because they'll say, well, who's in the show? I don't know. And that's okay.

02:37:08 Speaker 18

Things like that, that were of interest, that I could do work. But I can also witness what's occurring inside of this demographic, this region demographic opportunity to learn. Again, you would start a very young age with those lines, how they would negatively impact you. Absolutely. No shade to the public library. I have a honed in love space inside of my heart. I threw up in a library. But absolutely, it was the same thing for me with the fines. It's beautiful that it is that you say that those fines were taken away or dissolved, that it was also an equity measure that supported those further away from societal justice. Absolutely. But when I was a kid and I had those funds, those funds were let it be sold to credit agency. We showed up on your credit report. So now they affect your credit history, which negatively impacts my credit history. As a child, I had a negative credit score. I didn't even have a chance to build my own credit score. It was already negatively impacted as a result of what the society had been a standard conduct that they would judge its citizens upon. So you are trying to start out as an adult taking credit to be able to leverage opportunities again, capital now you're negatively impacted us. That was inequities towards you and your financial position at the time. Those books were lost as a result of chaos that exist inside of the world for you as a person of color, what conditions are around, what punitives, what support needed?

02:39:12 Edwin


Absolutely. The message that I'm hearing that exists within your form of library and I'm like society, we embrace these processes.

02:39:42 Speaker 18

Thank you for that. I'm going to say it on here to make sure it comes from here. But the story was that the library and at that point is still allowed initially credit score as a negative impact and to see the progress. And so how do we, we have that reconciliation, give you the support from the community and say, let's not have that impact you again. Let's have you thrive, let's have you win. Because it's a necessity of our community injustice.

02:40:47 Edwin

That's why leave us here we've given out thousand dollar treasures to folks who have just got out of jail. It's not a thing we put on our Instagram. Oh, look at our program. It's a thing you have to do, period. Young man was shot in the 21st in union. Let's go do the work. Right? And it's underground. It's not the work that you can go apply for a grant for. They can't just give the kid money. Why not? It just saved his life. So how do we fundamentally change that I really think is important. If the conversations are necessary, the building isn't necessary. Movement in space. The other thing I talk about, capitalism is where community has the power, is that capitalism can't create culture. It doesn't have culture. I say that because we negotiate with the owner of that property. We don't have the



money. We're applying for grants to get the money to buy the property. He turned down a cash offer from a part of the developer to take our offer with \$0. And when I asked, Why did you do that? He said, because that's one of the things that that private developer can never do. And I want my legacy to be that new space that is our upper hand. It could be all around the time of crushing a lot in the field and sometimes us being humble enough to ask for help, enough to find the resources to see who's there, who's available. And when we start peaching those together, you realize we can do this. The wind is right there. I can see the time. I can see the light. And we'll have enough folks because I think even in this room there could be a successful business that started with access to things that exist. So I'm also offering whatever we have as an opportunity.

02:43:01 Jay

What a good note to end on. Thank you everyone, for the conversation.

02:43:08 Edwin

Thank you to the library. Will be around to ask additional questions here. Thank you.

