

Accountability is Everything!

So many businesses fail because they are not accountable. People want to know where their stuff is and what you did with it. After cash payouts in the store for over 25 years, we began the check mailing system and have used it for 10 years. Each month we mail a check with a list attached that tells the consignor which items sold, when they sold and the selling price. Even those who are only vaguely interested in the price, and really don't care what percentage split they are getting, still like to see that we know what we are doing.

They like to see you put their account number or name on the items they bring in. They also like to see you record in a notebook or something, that they came in and brought stuff. They like to see you separate their items from everyone else's with masking tape, a divider or some definitive object. They act casual about it but they are watching you to make sure you get their items on their account. Always have an ironclad system that promotes trust in you and your business.

If they want their items back, please give them the items that didn't sell and don't charge them. Yes, I have educated you to the fact that it costs about \$2 per item from start to finish to process an item and you have lost money on items that did not sell. Give them a nice descriptive list and head them in the right direction to pick up any unsold things. It isn't a wild, chaotic exercise with people running around screaming "where's my red dress?" We have our consignors trained so that about six people actually come back to retrieve things each month. If they are expensive items, we can reconsign them without any hassle.

Act with confidence but you can only do that if your system is a good one. Piles of clothes behind your desk or on a chair someplace does not instill confidence in the consignor. You must build trust and try not to be vague or secretive about anything.

I have seen many shops come and then go, strictly because there was a lack of trust and confidence when consignors couldn't get straight answers. Pay them what you owe each month. Don't keep their money because they forgot to come back and get it. That is unfair and dishonest. It is their money, not yours. Waiting for them to come back and then thinking you outsmarted them because they didn't, is just not right. By the way, the government frowns upon accounts payable that have been sitting on your books for a long time. Most states have "unclaimed property" laws—which includes uncollected monies—requiring you to turn money over to the state when an account has been inactive for a specific period of time.

If you run a straight-up business with no secrets, people will grow to trust you and your reputation will precede you. Accountability is incredibly important.



—Patti Acquisto
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Patti Acquisto owns *Patti's ReSale* in Owensboro, KY. With over three decades of resale experience, Patti is a frequent industry speaker and a NARTS Board Member.