

Interviewee Name:

Christopher Welch (Baker)

What inspired you to start a business?

I always loved baking. From when I was a kid to now, I always had a passion for it, and wanted to share it with other people. Fast forward to a few years ago, I met two other people who also shared this passion, and once we started talking more about it we decided to open our own store together to share our passion of baking with other people.

What products does your company offer?

I run a baking store, along with two other people. We make breads, cookies, desserts, and all sorts of cool stuff. With that, we have to-go and in-house services.

How do you organize your business?

As a partnership. That means the legal responsibility and profits of the store are shared between me and two other people. It's a bit more complicated than just running it on my own, however it makes it easier as we get continue to get bigger.

What are the advantages and disadvantages of the way you organize your business?

Having our store set up as a partnership makes things easier to run, as we split the operating tasks among the three of us. I run the finance, while the other two take charge of employees and public relations. However, problems can arise if the store were to have problems. Since we all share liability, we all share the blame. If one person were to screw things up for any given reason, all of us would be held responsible.

How do you determine how much to sell and what prices to change?

We continuously run marginal cost analyses. These allow us to get an insight as to what quantity and price we will be able to best maximize our profits. We don't just do it one time, we are always doing it, as things are always changing. Doing it consistently allows us to always be aware of economic changes, and know how we can alter our prices and production quantity to hit that profit-maximizing point.

How does competition with other businesses affect your decisions?

Competition is definitely a factor that we always have to take into consideration. That means we always have to be thinking of how we can stand out to the consumers, so that we are the baking store that they choose to go to. Examples of things we have done to stand out include coupons for first-time customers, various offers we put out, and always innovating with current trends.

How do you determine whether your business is successful?

To determine if our store is successful or not, we have to look at our numbers. If we are bringing in lots of people and generating lots of sales, that's what we want from a business perspective. The big goal is for our profits to be higher than our marginal costs, otherwise we would be losing money as opposed to earning money. So at the end of the day, we consider ourselves successful if we are bringing in more money than what we are putting into the store.

What advice would you give a young person who wants to start their own company?

The biggest piece of advice I would give is to never give up. It's not an easy task to get a business going. You are going to have a lot of setbacks that you have to overcome, but that is part of creating/running a business. No matter what happens, keep your head high, and persevere through whatever setbacks you may face.

Reflection:

If you were to start your own business, what would it be and how would you organize it?

If I were to start my own business, I would run a computer repair shop. I would fix computers and other related devices, as well as sell products too. In terms of organization, I would set it up probably as a sole proprietorship, which would give me more control from the start. Maybe later on down the road if I were to expand I would look at some sort of venture(s) with other people, but from the start I would do it myself.