

Audio transcript – ‘Wish someone told me’ with Nat Locke – Episode 1: Bedtonic

Male voice: The information contained in this podcast is of a general nature and is not intended to be nor should it be considered as professional advice. You should not act on the basis of anything contained in this podcast without first obtaining specific professional advice.

Nat Locke: Have you had that moment when you look back on an old business decision and think, I really do wish someone had told me about that. I remember when I was running my small business, I had those moments all the time. So, across the next five episodes, I'll be chatting to a bunch of small business owners about their experiences, what to avoid, how to get ahead and of course, what they wish someone had told them.

Nat Locke: Today, I'm sitting down with Julie Ramsay. She runs a very successful mostly online business. It sells top quality and absolutely beautiful French linen. We're going to be talking about ordering correct amounts of stock, developing practical and pretty websites, and very importantly, how marketing your business can cost you almost nothing.

Male voice: You're listening to ‘Wish someone told me’ with Nat Locke.

Nat Locke: Running a small business can be a lot of hard work. So, Bankwest has pulled together some tools to help you succeed. To download templates for your business plan, marketing plan and cash flow forecasting, and use online calculators to suss out your cash flow and loan repayments, just jump online to bankwest.com.au/connect.

Male voice: This is ‘Wish someone told me’ with Nat Locke.

Nat Locke: Welcome Julie Ramsay from Bedtonic.

Julie Ramsay: Thank you.

Nat Locke: Now, tell us first of all about Bedtonic and what your business involves.

Julie Ramsay: Okay. So, Bedtonic is my business which is 100% pure linen bedding and lounge wear. We sell duvets and sheets, and we also have a range of poets tunics, which are like a lounge wear dress/hang out at home type garment.

Nat Locke: You're predominantly online or do you have a shop front as well?

Julie Ramsay: Yeah, I'm 99% online, but I do have my stock down in a store in Darling and Domain and Kate's a school mum friend that...

Nat Locke: Yeah, right. Complicated, that's a good way..

Julie Ramsay: It's kind of nice, yeah.

Nat Locke: Talk to us about how you started and what your idea for the business and how you brought that to fruition? Because I can't even imagine how you would go from thinking, I really love linen sheets to having your own range. So, how did that process work?

Julie Ramsay: We'd come down from Broome. I'd been in hospitality for years. So, I haven't come from a textile background apart from my mum's a seamstress and I grew up with lots of fabric around me. But I was a bit washed up at 52 in hospitality and it was kind of difficult coming down here. I didn't want to get back into that business. I've got, at the time, a seven year old, my daughter Molly, wanted to design a business that I could run from home so I could still be a mum for her.

Julie Ramsay: I could see online being the way to go for the future as opposed to retail. I had a couple of ideas, and really, I guess organically I spent two years of my stay at home mum time just sitting there and meditating on the whole idea or coming up with different ideas. I'd slept in linen and it was amazing!

Nat Locke: Yeah right.

Julie Ramsay: I don't know why. I just thought I've got to investigate this fabric. It kind of started and it took off at 4 o'clock in the morning. Most mornings for about two months straight, I contacted manufacturers and it went from there.

Nat Locke: So, it's grown, the flax - this is how you make linen everybody, who knew! That it's grown in France, so, you had to find suppliers of that.

Julie Ramsay: Yes. So, I found a supplier. Our manufacturer is in Shenzhen just out of Hong Kong and China. They actually import the flax bales. So, it's certified French flax, which is obviously grown in France. Comes in a big hay bale to just northeast of Shanghai. It's milled there. It's spun and woven in two factories there.

Nat Locke: How do you even find a factory to make this stuff for you?

Julie Ramsay: I never would have found the factory. We actually Googled, I need a factory to-

Nat Locke: I know.

Julie Ramsay: Well, I did a bit of covert investigating. Nobody helped me, I completely did it all on my own.

Nat Locke: That's amazing!

Julie Ramsay: Yes. I didn't have the help of anyone. I really flew by the seat of my pants, so I don't know if I'd recommend that. It's very high risk I guess in some ways doing that. So, as it turned out, my manufacturers are a small family team in Shenzhen, and there's only six machinists, very small business but they actually own the spinning and weaving factories.

Julie Ramsay: When we went to visit them, we flew and we went on the bullet trains and we went and viewed and met all the makers behind the store-

Nat Locke: How amazing!

Julie Ramsay: It was incredible. So, they're a family businesses essentially like you are. That's nice, isn't it? They have some nice synergy about that.

Nat Locke: Yeah, husband and a wife and their son goes to a university in Adelaide.

Julie Ramsay: Oh, there you go!

Nat Locke: Yeah.

Julie Ramsay: Then of course, you have to develop a website that's going to be able to sell it for you.

Julie Ramsay: That was the next thing. I'm actually on my third website. It's funny because I went to a course on marketing or might have been something similar to that. The lady that ran it said to me, don't get fussy about your first website because your first website won't be your only one. You'll have that one then you'll have your second, then you have your third. Well, sure enough, I've been going just on two years and I'm on my third website.

Julie Ramsay: I think the first one it was a mates rights deal with a friend in Christchurch, my girlfriend's husband. But he got very busy and he didn't have time, and I wouldn't recommend friends of friends, favours and ...

Nat Locke: Yes, because that would be my instinct as to, how do I know who could help me with this, but sometimes it's better to actually stump up the cost of getting an actual professional who can dedicate their time to you.

Julie Ramsay: In hindsight, I would have done that. Of course, we're still friends, but it's hard because I then had to say, 'Hey, look, I've got to take this website to someone else now.'

Nat Locke: Yes, to go to the next level.

Julie Ramsay: That can give me the time. The other thing is, you don't want to feel like you're annoying people. Pay the price, and then you ask what you want-

Nat Locke: Then you get the level of service...

Julie Ramsay: It's all above board.

Nat Locke: That does make sense, doesn't it?

Nat Locke: I know. I find out these things along the way.

Julie Ramsay: I know.

Nat Locke: So, tell me about what it was like when you got your first order?

Julie Ramsay: Oh, that was pretty exciting. But of course, for a start the orders come in from your friends. It's funny when I think back now, I got my first 38 boxes arrived from the Shenzhen-

Nat Locke: Where did you keep them in the house?

Julie Ramsay: They landed at the house and I had once spare room. Tiny little spare bedroom. One of my girlfriends that shouted me some racks from Bunnings. Donald my husband had bought the other set, so we had the racks there. We threw all the linen in and I thought, great. I was singing to myself, so 38 boxes, I'll sell all that, I'll get this much money, X amount, and then I'll buy my next shipment.

Julie Ramsay: So, I was so new to retail that I never stopped to think that I'll constantly need stock. So, I can't sell everything and then [crosstalk 00:07:25] because it's a three month turn around. I hadn't actually quite factored all of this in.

Nat Locke: And I guess you wouldn't know how quickly you're going to sell 38 boxes either.

Julie Ramsay: No, I had no idea. Well, I was thinking three months. I'm obviously, I'm not ... It's quite funny looking back. My girlfriends

obviously were the first people to come and buy. That was a big curve, huge. Then I sat there and I thought, okay I've got to get out and market this now.

Nat Locke: That's the next thing isn't it. I imagine that online and social media marketing would be a big thing for you.

Julie Ramsay: Definitely.

Nat Locke: I followed you on Instagram for a while now because the sheets kind of sell themselves because they're so beautiful and the colours are so gorgeous. How did that process go about for you?

Julie Ramsay: I made a decision early on that I didn't want to pay for advertising. I just wanted to be organic. That meant then that I really had to get out and approach people, send emails and images to some of the glossy magazines and just be me. And just say, 'Hey, I'm Julie and I've started this business.' And send them some images and hopefully hear back from someone. But it was a big learning for me as well because I really didn't know what Instagram was. I had to teach myself Instagram, I think about at the moment 89% of my businesses is referred from Instagram because I don't advertise. I guess a lot of the interest comes from there.

Julie Ramsay: It was a lot to learn. Email marketing was another one. I had some competitions where I had people opt in to get the email addresses. That was another way to generate...

Nat Locke: To build a legitimate database.

Julie Ramsay: Also on my website, I've got coupons - sign up \$20 off the first ... It's a great way to gain some traction. I've actually just now talked with a girl yesterday about email marketing. I'm just starting to branch out now from not being able to do it all on my own anymore.

Nat Locke: That's exciting, because that is the big step for a small business, is to then be able to bring in other people to help you when you need them.

Julie Ramsay: Yeah. And to let go of some of the things and realise ... I did a Mastermind Marketing course just before Christmas with a lady in Fremantle. A lot of that was about looking at who you are and looking at what your skill set is, and acknowledging that you're not going to be the best at everything, of course. So, learning where to let go and where to hand over.

Julie Ramsay: I think because I've come from a labouring background. I've never been in corporate work or I've never done anything like what I'm doing right now, it's very easy for me to think I'll just keep packing. I'll pack and I'll answer the email queries which I get every day, lots of lovely emails, and I'll pay someone to do all of this. I'll pay \$75 an hour or \$150 an hour, whatever it is. But my accountant's been speaking to me as well and saying that you need to step up because you're running the business. Then you can get people in to do your packing. You can get people in to...

Nat Locke: And pay them \$25 a hour.

Julie Ramsay: Pay them \$25 an hour. It's all a really interesting learning curve. It's amazing where your mindset's at...

Nat Locke: That's right, it's like a change in perspective really isn't it? Because they think I can do these jobs. I'm very capable of doing it. But maybe that's not the best use of your time.

Julie Ramsay: That's right. As he said, work on your business, not in it. So, me packing boxes, I could actually have my niece could come and do that, or one of my friends' uni student daughters or something like that. Rather than...

Nat Locke: It makes sense.

Julie Ramsay: I know.

Nat Locke: It makes sense when they say it, but at the time you're thinking it might as well just do it. I know exactly what I mean.

Julie Ramsay: That's right. And being a home business still, it's easy too for me because I can still be packing boxes at 10 o'clock at night. I don't watch much TV, I don't have a huge social life. I'm very much a stay at home person I guess. So, I have my little happy hour and then I can just carry on packing if I need to 9 o'clock at night. But I do realise at some point the business will outgrow the house, and the boxes will hit the roof, which they're starting to...

Nat Locke: Then what happens? Then you need warehouse space...

Julie Ramsay: I know. It's all exciting.

Nat Locke: Yeah it is.

Julie Ramsay: I think I won't ever be retail. So, I won't be 9 til 5 although I've seen all these lovely 'for lease' shops around. But it's not really something that I want to do and it wasn't how I set my business up. I'm thinking a showroom that will be open by appointment. So, we can still have ... I get a lot of interior stylists coming in using product and things.

Nat Locke: Yes. I was wondering about that because that would be a great way to get your name out there is when people who also have Instagram accounts are showing your wears for free.

Julie Ramsay: Yes.

Nat Locke: So, how did you network with stylists, how did you get your foot in that door?

Julie Ramsay: Okay. Well, I had a really great start. Once again, it was just through me being brave. I was flipping through The Sunday Times, and I was looking for where I would go to advertise. I thought I'd always like STM and at different mags.

Nat Locke: I hear they have a great columnist. [laughs]

Julie Ramsay: Oh, amazing. Anyway, I was about to find the advertiser and then I saw this lady's face named Sandra Peterson. She looked really friendly and personable. I sent her an email and I just said, 'Hey, this is me. Like I said before, I've just started up a linen business.' Within an hour or two hours, I'd got an email back from Sandra and she'd looked at my about me story and saw that we ran a little workers cottage that we renovated.

Julie Ramsay: Anyway, that turned into a two page spread and really for me that was my first leg up. It gave me the confidence then that I could approach the editors of House and Garden.

Nat Locke: And you had something to show them as an example as well.

Julie Ramsay: Yeah, that's right. By then, I had the lift out that I could Drop Box and send to them. I had some lovely high res images from photo shoots by that stage. It's great. I noticed with the glossy magazines they're great because a lot of the older people don't do Instagram and social media.

Nat Locke: Sure, it's like hitting another market isn't it?

Julie Ramsay: Yeah.

Nat Locke: Do you notice the resulting spike in sales when the glossy magazine comes out and there's a story about your product, do you notice that in your sales?

Julie Ramsay: I don't notice an instant spike. It's funny, quite a few people actually contact me, and they might have read in the magazine that could be a year old and I've been in a hair salon or I've been in a dental waiting room.

Nat Locke: So, in about 10 years' time from the doctor's office.

Julie Ramsay: The I've changed colours by then. That's what I'm really worried about too. I feel like I can't change my colours because I've got people now saying that they really love this khaki and navy blue that I've been doing, and I'm starting to get a bit sick of it because

I've been looking at it for two years. But we're in these glossy magazines that people are still reading.

Nat Locke: Now, I remember, and this must have been a bit of a thrill for you, when your sheets were used on *The Block* last season.

Julie Ramsay: I know! That was really good.

Nat Locke: So what happened there? How did that come about? Had they seen them in a magazine?

Julie Ramsay: No, I actually approached *The Block*. Once I got all my confidence from being in *The Sunday Times*, I think somebody mentioned to me, 'Why don't you... *The Block* actually have a shop, and it's usually a pop up that just lasts for the season while we're filming'. I actually emailed them and they said, 'Yeah, we'd love to have your product in the shop.' Once it's in the shop, the contestants can use it. *Sticks* and *Wombat* actually used our chambray and seafoam duvet set.

Julie Ramsay: So I knew that it was coming up, and it was quite exciting. It was a really good buzz and lots of sales. I sold out, obviously, sold out straightaway.

Nat Locke: Okay, that's very exciting isn't it?

Julie Ramsay: Yes, very exciting.

Nat Locke: That must be very gratifying.

Julie Ramsay: It's a buzz, it really is. It's such a buzz when I hear that there's a glossy magazine that's featured some of our linen. I race out to the newsagent. I don't even wait on them to send a copy to mailbox. I'm straight up there, *Subiaco* newsagency, being, 'please, thank you'. Then I furiously flick through to find...

Nat Locke: Yeah, that's great, isn't it? Because that exposure, I think there's even more benefit to that than advertising even. Because it's like the magazine is endorsing it rather than you're paying for an ad. Yeah, that's right.

Julie Ramsay: I feel like it's organic. Then I like to think that then I'm not ... I've never paid for advertising and it's not something that I want to do. Yeah. It's the same with on Instagram, it's all completely organic. I'm not into the spying followers and...

Nat Locke: Oh, yeah...

Julie Ramsay: I just think you can see through it.

Nat Locke: You can sniff it out. I agree. How much time do you devote to your business? Is it still a side hustle, or is it...

Julie Ramsay: No, it just depends. I've got 17 boxes of linen arriving today at some stage. When that comes in, I get a little bit busy, because I've got lots of pre-orders I need to get out. So, I think it's 35 pre-orders sitting there that will go out today or tomorrow. But it tends to be a little bit quiet before the shipment arrives, and that's every three months or so. But in between all of that, there's photo shoots of those images that have to go out. So, those images go to everyone, I obviously send them out to people. Then they go on the website. There's always something.

Nat Locke: You obviously use accountants as well to help you with tax time, that kind of thing?

Julie Ramsay: Yeah. So, I've got a bookkeeper, Deb, who's lovely. Yeah, we've got an accountant now, a new accountant who I think that's another important thing. I've got friends who are accountants and obviously they're great, but they're not in the type of work that I do. We've just met with a new guy who's quite personable. Have a really good team of people around you. I feel like the support is really important.

Nat Locke: I think it does make a big difference if it is somebody that you can approach easily to... when it does come quarterly bank statements and those sorts of things, do you get your accountants and bookkeepers to do all of that stuff so you don't have to? I remember when I had my business, I hated that the most. It just seemed to be so far removed from my actual

business. I know it says integral part of it, but, oh my God, I hated doing that stuff.

Julie Ramsay: No, I wouldn't even know where to start.

Nat Locke: You're right. Okay.

Julie Ramsay: I wouldn't even know. I can barely do the Excel spreadsheet. So, Deb's lovely. She takes them ... She says to me, on the first day of every month, can I send my paperwork through and it's often anytime through the month that it arrives on her doorstep. But that's okay, we get it done. That's a nice load off too. It's nice to be able to know that someone's out there doing that.

Nat Locke: Now, this podcast is called 'Wish someone told me'. What is the one thing that you wish someone had told you before you went into your business?

Julie Ramsay: I guess for me I thought that I would need X amount of money to start my business, and like I said, I would sell that stock and then that would pay for my next shipment. You really do need some financial backing behind. I didn't start with a business plan. Luckily for me, we managed to get through with borrowing some money from my husband's parents, but that's not ideal and not always people have access to that.

Nat Locke: Yes, and it doesn't always end well.

Julie Ramsay: No, exactly. On that, we sold our house partly to fund the business. I guess for me it would have been more, if you're getting into retail, you need to be aware that it's not just the money to set you up, you need more behind you because...

Nat Locke: That cash flow to keep your momentum going.

Julie Ramsay: Cash flow and to move your business forward you will need more and more.

Nat Locke: That's right because with every big order and the orders are getting bigger, you have to pay for that up front.

Julie Ramsay: I know. And as I spread my colours out, and linen's not a cheap fabric. Linen actually costs twice the ... It's twice what cotton is here. Cotton bedding would be half the price had I got into that. But I've chosen linen because of its health benefits obviously, and I'm very passionate about it.

Julie Ramsay: The other thing if someone had told me would be that it can be lonely working at home. It's very easy to get into a spot, we feel really isolated. Then I reached out and I joined a Mastermind Group, which is eight ladies from all over the world. We're on a Zoom, like a Skype every Friday morning. It was all about looking at your brand. But the support that I got from that, I mean I blubbered my eyes out, I think for the first three hours of the first three weeks. But it was wonderful to have the support.

Nat Locke: So, that's essentially like a virtual business networking group is it.

Nat Locke: Oh, how amazing, I didn't know about that.

Julie Ramsay: She gets you to look at your branding, the story, the romancing of the customers. You look at the whole journey.

Nat Locke: Wow, what a great asset.

Julie Ramsay: It was really a great thing to do. Like I said, I think I was at that...

Nat Locke: It helps with that isolation.

Julie Ramsay: Yeah. And then from there, I've learned that you do need people around you. We've always got our friends but I don't talk to my friends about Bedtonic every time I see them, they'd go mad.

Nat Locke: No, and sometimes you need to talk about other things as well.

Julie Ramsay: Exactly, they don't want to hear about linen every day!

Nat Locke: Oh, well, thank you so much, Julie. That's just a great insight. I hope the business continues to go to great heights for you.

Julie Ramsay: Thank you. Yes, it's quite exciting.

Nat Locke: Onwards and upwards.

Julie Ramsay: Thank you.

Nat Locke: Don't forget, Bankwest has a bunch of tools and calculators online to help your business succeed. Head to bankwest.com.au/connect to check them out.

Male voice: Next time on 'Wish someone told me'.

Nat Locke: Now, next time on 'Wish someone told me', we'll be talking about starting a business with a mate. It doesn't always have to be difficult. I've managed to find two mates who have kept that friendship strong throughout the years of running a fitness business together. Given they're gym junkies, maybe listen to that one when you're going for a run so you'll feel better about yourself. We'll see you next time.