BUSINESS

YOU DON'T HAVE TO GO BIG TO MAKE A GREAT LIVING

SHARON ROWE

FOUNDER AND CEO, ECO-BAGS PRODUCTS, INC.

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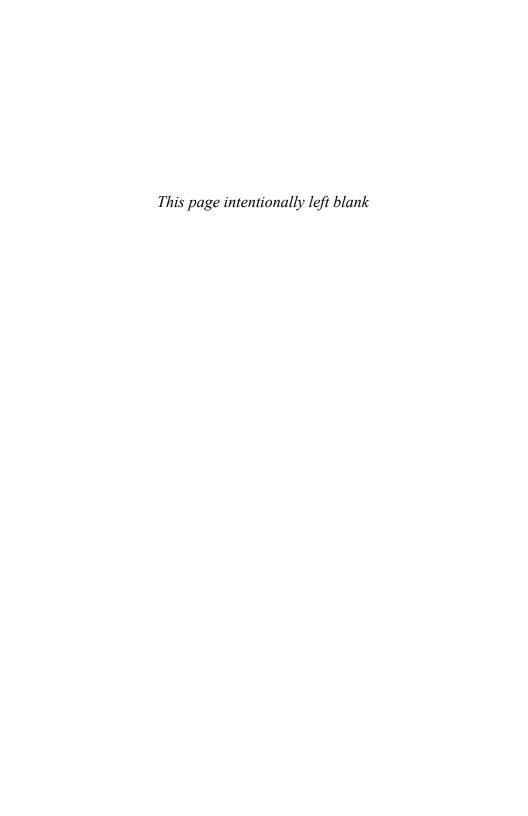
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Praise for The Magic of Tiny Business

- "This is the best business book I've ever read. It's *Essentialism* and *Start with Why* meet *Good to Great* with a sensibility for the way life actually unfolds."
 - -Caroline Duell, founder and CEO, All Good
- "Sharon shows us the magic that unfolds when we use business to serve us and are not servants to it."
- -Rose Penelope L. Yee, CEO, Green Retirement, Inc.
- "The Magic of Tiny Business is a compelling story of true entrepreneurship that is relatable, inspiring, and full of simple, practicable steps to living your desired business journey."
 - -Henry Cross, Executive Director, Hosh Yoga and Hosh Kids
- "There's nothing tiny about the vision behind this inspirational book that's part memoir and part how-to guide for dreamers who yearn to be doers and start up their own businesses. Authentic, transparent, and funny at times. So if you're itching to do something with your life that lights up your passion and provides a paycheck, settle in for a good read."
 - -Sandra Ann Harris, founder of ECOlunchbox
- "Sharon challenges the Wall Street mindset. This is an inspiring book for all entrepreneurs looking to embrace an alternative paradigm—where tiny businesses are sustainable, purpose-driven, and successful."
 - -Nona Lim, founder and CEO, Nona Lim Foods
- "'Begin with your life in mind' is the mantra that drives this book. The magic of the tiny business approach is the intentional commitment to grow our companies in a way that supports the quality of our lives."
- -Ellen Ornato, Founding Partner, The Bolder Company
- "The Magic of Tiny Business is a practical, hands-on guide to launching and running an impact business (so your business doesn't run you)."
- —Denise Taschereau and Sarah White, cofounders of Fairware
- "The writing is an appealing mix of Zen-like wisdom and practical, actionable business advice. The overall effect is honest, human, useful . . . food for thought, a manifesto for action, and a blueprint for success in one book!"
 - -Jonathan Peck, Dovetail Publishing Services

- "Craft the life you want—with a business to support it. It's the message we all need to hear."
- -Susan Danziger, founder and CEO, Ziggeo.com
- "Rowe proves it is not only okay to prioritize a high quality of life and an honorable vocation, but it is exactly this magic combination that makes it all worthwhile."
- -Shawn Berry, cofounder/worker-owner, LIFT Economy
- "If you're an entrepreneur, founder, or aspiring leader, Sharon Rowe will remind you why you love business and how much good you can do in the world—at any size."
- -Corey Blake, founder and CEO, Round Table Companies
- "Sharon shows you how to have a beautiful business that is a blessing to your staff and your community no matter how big or how small it may be."
- -Dr. Judith Wright, coauthor of The Heart of the Fight
- "A definitive book. Tiny business is big business!"
 - —Karen Sands, MCC, BCC, leading GeroFuturist, bestselling author, thought leader, and speaker
- "The Magic of Tiny Business is a welcome invitation to rethink how business is built and how we define success."
 - -Jessica Quinn, Managing Director, Civic Hall
- "Rowe's book is a refreshing perspective on entrepreneurship, reminding both new and experienced founders to take a deeper look at what it means to be successful, happy, and impactful in our work."
- -Desiree Vargas Wrigley, founder of Pearachute
- "The Magic of Tiny Business confronts the fears commonly faced by entrepreneurs who strive to change the status quo. Sharon Rowe shares pearls of wisdom on how to zero in on the mission while maintaining a balanced lifestyle."
- -Alisa Gravitz, President and CEO, Green America
- "In the constant-swirling mind of a business owner, Sharon's words are calming and a reminder of how to focus on what's important and define success in our own terms."
- —Rebecca Rodskog, cofounder of FutureLeaderNow and founder of 12@12

The Magic of Tiny Business



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You Don't Have to Go Big to Make a Great Living

Sharon Rowe

Illustrations by Julian Rowe



The Magic of Tiny Business

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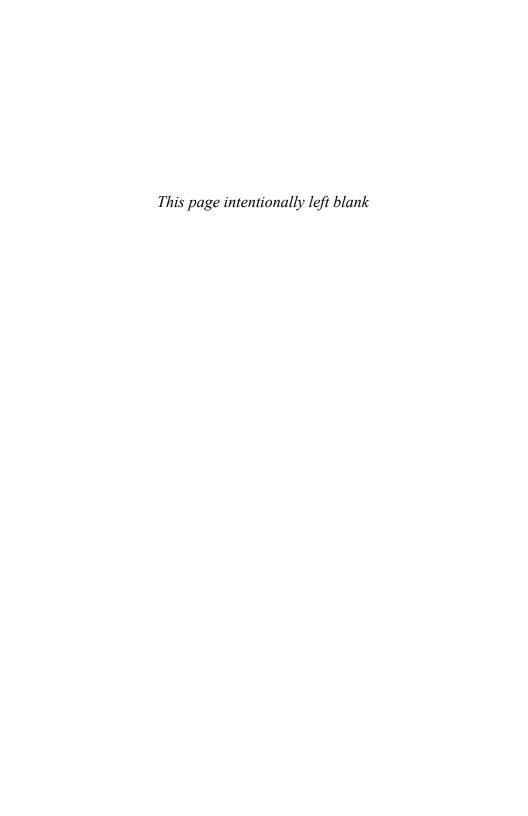
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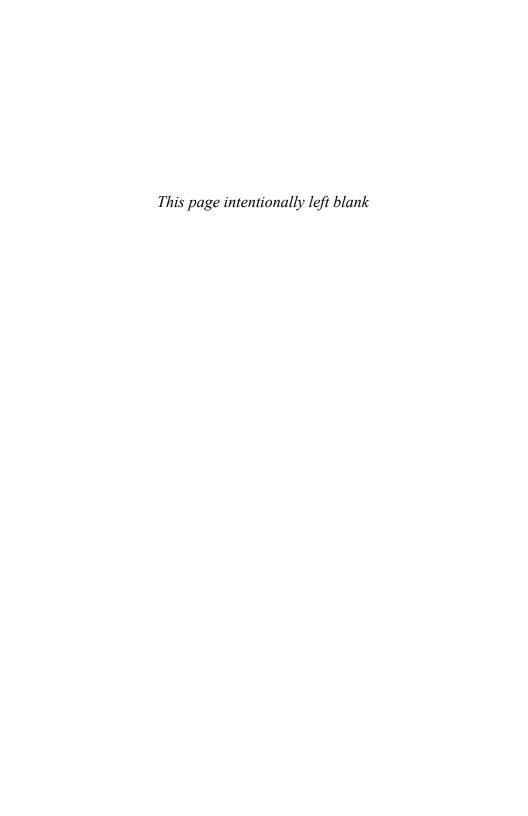
Dedicated to my family, who inspires me daily: Blake, Julian, and Eva

This book is for those who want to build a profitable business on their own terms by doing work that is meaningful—and still be home for dinner with family and friends.



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Preface

Here's the thing: If you're like most of us, you need to work and make a living. But more than that, you *want* to be part of something, to contribute, and to add value. You want to make a great living doing something you stand for. You may not know exactly all of what you want, but you know a lot about what you *don't* want.

What each of us needs and wants might look different, but there are common threads. I'm going to guess that you want:

Time: the freedom to choose when and how to use your time

Resources: the money to support yourself now and in the future

Relationships: people to share your life with **Meaning:** the knowledge that what you do matters

Maybe you're thinking of starting a business but the whole thing is overwhelming. I'm sure you have your reasons why it seems like too much—no money, no time, and no know-how are the usual culprits. I'm here to tell you that even if you start with nothing (by the way, nobody really starts with nothing) but your purpose and patience, you can build something substantial, measurable, and worthwhile. In this book I will pass along some advice,

guidelines, and access to community to help you get started.

Why not make your work life work for you—with a return? Why not build something and live the life you imagine? I'm not talking about finding fame and fortune through business. Not everyone wants that. I didn't. I'm directing you to a happy middle ground I call Tiny Business where business rules and personal choices are woven and work together from your center.

Just to be clear, this is not a book about having a one-person business that some might describe as "tiny." My definition of "tiny" has more to do with intention and purpose than size or income. Tiny refers to your focus on the essentials—and the compromises you won't make. My Tiny Business, Eco-Bags Products, does on average \$2 million in sales annually. I also consider Patagonia, with over \$200 million in revenue, to be a Tiny Business because it is so committed to its purpose.

Tiny Business, Big Purpose

Have you heard of the Tiny House movement? It is the growing trend of people intentionally downsizing their living spaces for a number of reasons, and the one that seems to resonate the most is the freedom and time that efficient and purposeful Tiny living brings.

Purpose Brings Meaning and Happiness

Like a Tiny House, a Tiny Business is built by keeping a laser focus on what you deem essential and eliminating what's nonessential—all the extra stuff. Tiny House advocates say it's about creating and living an intentional life with less. The first step is deciding when to say no. You have to get tough on what to include and what to throw out. By identifying what's important and essential, you make it easier to eliminate physical and mental clutter and experience life—and business—with greater ease and more abundance.

A Tiny Business is defined by your priorities and intentions, not how many employees you have. It has everything to do with your level of focus and not just how much revenue you bring in. It recognizes that growth is good—but not growth at all costs.

A Tiny Business approach takes a long view. It requires a disciplined mindset that breaks down problems into opportunities and encourages taking incremental, deliberate steps to keep you and your business healthy and vital.

This book is the story of my Tiny Business, Eco-Bags Products. It's about how I built a niche brand to solve a problem I was passionate about with persistence and patience, from a single idea, with very limited resources. It's how I intentionally grew a Tiny Business from a tiny idea into a profitable multimillion-dollar operation at my own pace, while prioritizing family and vacations.

Preface

Yes, you don't have to scrape by or sacrifice everything to make a great living!

Yes, you can build a profitable, million-dollar Tiny Business without working weekends and nights!

It can be done!

Tiny Business Is Business within Reach

But don't get me wrong: it's not easy. Building a Tiny Business requires great agility, creativity, and discipline. With decisions to be made at every turn, standing for something bigger than (but including) profit presents interesting challenges. That's what makes articulating your "why"—a clear and simple vision for what you want to create in life, business, and the world—so important. Tiny Business is about setting your intentions to create value and impact now—and for the future.

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When you take the time to get very clear on what you want, choose a direction, and remove all obstacles, you'll find yourself moving with a greater sense of ease and freedom, creating a kind of "magic."

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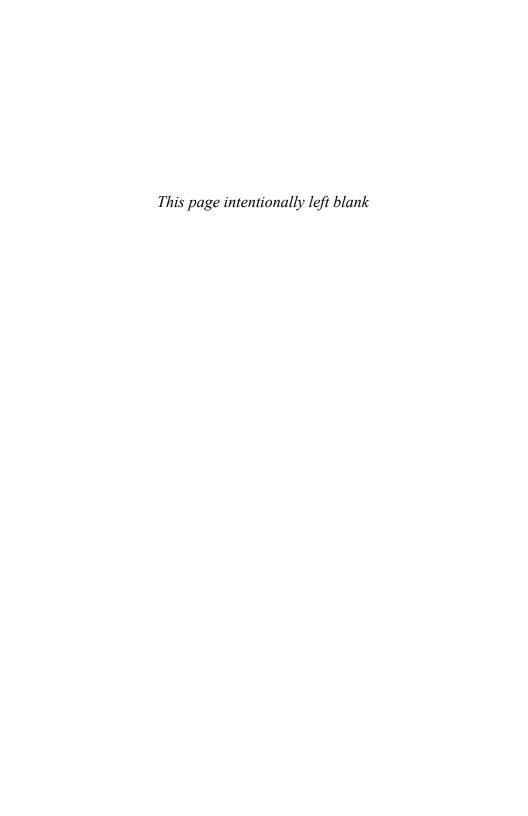
I'm defining "magic" as the freedom and joy you experience when you combine exquisite focus and consistent effort over time. When you know exactly what you want,

Preface

it makes it easy to push everything you don't want—all the clutter and noise—to the wayside.

Tiny Business Is Business on Your Terms—That Fits Your Life

Entrepreneurship doesn't need to be a competitive race to the peak, as popular myths and media want you to believe. It can be a pleasurable, educational hike, from point A to point B, step by step to the summit, where you arrive in healthier financial and personal shape than when you began. With a Tiny Business, you get to stop and smell the flowers (and have fun) along the way. You eventually get where you're going, and you're more whole when you get there.



Introduction

Almost thirty years ago, when my acting career filled seats but not my bank account and new responsibilities arrived in the form of a baby, I needed to change direction. I wanted to put my family first, generate a good income, and do something that would make an impact. I didn't want the pressure that comes with a competitive position and a dictated work schedule. Jobs in the corporate world with windows (and doors!) that never opened felt deadening to me. I naively thought it would be easier to start something myself.

I Call Myself a Reluctant Entrepreneur

Find success, take charge of my own schedule, and make money—as easy as 1-2-3!

I grew up in a retail family business: Milt's Army and Navy in Bloomfield, Connecticut. My father worked long hours, and I began working there when I was twelve—missing, by the way, every Saturday high school event, including the football games. I knew I didn't want *that* kind of business. Not for me!

I wanted something else, something that didn't exist yet, at least not to my knowledge. I wanted to have a voice, a way to share my ideas, contribute, make a good living, and manage my own time. I didn't want to pay to play, meaning I was unwilling to make compromises to work up the corporate ladder. I didn't want to sacrifice the present for the future. I understood that time is precious, that it is the one resource we can't make more of. I wanted to build something and have time to play while doing it. I was tired of making compromises. And so, as an experienced actor with years of dealing with rejections, I figured, "Why not?" Why not do my own thing?

I had an idea. A "tiny" idea that excited me. I wanted to introduce the concept of reusable shopping bags like the ones I'd seen in France years earlier. I was tired of single-use plastic bags and figured other people were probably tired of them too. They always broke. They got stuck in trees and gutters. Instant garbage. So wasteful. They didn't make practical or environmental sense. When I saw them littering the streets it made me sad and mad. I believed then, and still do, that access to a clean environment, air, and water is a human right.

I was an actor and a new mom married to a freelance musician living in a big city where making a living isn't easy or optional. Even with manageable rent it was a financial stretch. I made choices, designating strict working hours and healthy, reasonable income goals. I made up business rules to support my environmental goals (leave no trace) and social priorities (fair wages for fair labor). I diligently researched and picked the first suppliers who were a good match. They weren't perfect, but I needed to get started.



"I know, sweetie, but the environment doesn't make daddy any money."

Choices available to me:

VS.

Choices I made:

What I did was very practical on many levels:

I found something I was passionate about (my "why").
 I was determined to rid the world of its single-use plastic bag habit and make my living doing it.

2. I started a business that was a solution to a problem (more of my "why").

I manufactured and sold a responsibly made, environmental lifestyle product to replace wasteful, environmentally unfriendly plastic bags.

3. I used my own resources (my "how").

I bootstrapped using my own savings. I hit the streets and juggled credit cards for cash flow. I made it up as I went along. I made a lot of mistakes, and I learned what I needed.

What was less practical? I built a company from scratch with no formal business training. I didn't wait to create a master business plan. I jumped in, willing to take a long view.

I had a vision for cleaning up the planet and making a very good living without selling my soul. I made up my own rules guided by my own sense of what was important for my business and my young family. Without a backup plan or the luxury of time, I figured out how to create sustainable growth and healthy profits without big business plans and big capital—and without working 24/7.

And in addition to building a healthy, profitable enterprise, my Tiny Business helped me:

- Set a good example
- Attract the best people to work with me
- Enjoy the work that I do
- Grow in community versus in isolation
- Inspire others
- Build the life I imagine

Isn't that what we all want?

"Pick yourself."
—Seth Godin

I bet on me, and I believe you should bet on you.

If you have what some think are conflicting ideas—you want your work to matter and you want to make a good living, or you want to build your own business while keeping family and other life experiences a priority—then a Tiny Business is for you.

If your measure of success is making a good enough income to lead a rich life and being able to do what you want when you want to do it, then what I share in this book will resonate.

I'm writing this because I know the magic that happens when you get very clear on the life you want and you take deliberate, disciplined, informed steps to create it—when you create a Tiny Business.

Tiny Business Is Business on YOUR Terms—That Fits YOUR Life

- I. It is driven by consciously chosen limitations that increase your focus on the things that matter. *Tiny means how to say no.*
- II. This focus helps you prioritize your "why"—the things that matter to you and that you want to create—in life, business, and the world.
- III. These priorities guide every decision in your "how"—
 the business realities and practices that get things done.

IV. Focus, priorities, and clarity create a magic that let you enjoy the process. You remember to breathe, and you thrive through it all. *Tiny means how to say yes.*

The Magic of Tiny Business encompasses all the lessons I learned and the time-tested Tiny Business insights and advice I want to share so that you can have a smoother journey.

In part I, I go deeper into what a Tiny Business is and what it means to consciously choose your limitations—whether it's leaving work at 5:00 p.m. every day without fail, having a positive environmental impact, or enjoying a flexible schedule. I help you take inventory of what you have to start with (trust me, it's enough!), what you will need going forward, and the steps you can take to get it.

Part II is about getting clear on your "why." What do you want for your life, your business, and the world? Why do you want to start your own business? Why are you passionate about selling this particular product or service? Breaking down the answers to these questions will help you get clear on your brand and your story—the unique value you are adding to the marketplace.

In part III, I get into the nitty-gritty of starting and growing a Tiny Business—from cash flow to accounting and anticipating growth and slowdowns—all the while keeping your "why" front and center.

Part IV is about keeping *you* whole throughout the process. A Tiny Business is about making a good living and a great life. You need to be able to stop and smell the

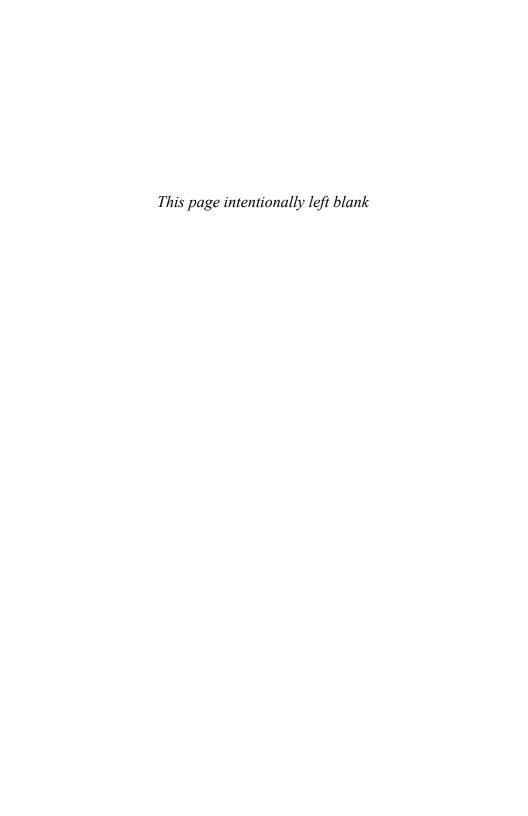
Introduction

flowers, or get a glass of water, or take a walk when you feel like it—you need to enjoy the journey. This section shows you how.

This is not an exhaustive guide to creating and sustaining a Tiny Business, but it does highlight some of the key and creative approaches that worked for me. In every chapter, you will find takeaways with guidelines and guardrails from my own Tiny Business journey. I include advice on how to navigate and use the noise to your best advantage, and how to leverage being in a community and standing for something. I share best practices on working collaboratively, managing growth, and managing cash. I may even be the bug in your ear that keeps you going when you want to quit, though quitting can be a good way to reconnect with what you want. More on that later.

I share my mistakes in the hope that I can spare you from making the same ones. But trust me, you will find others!

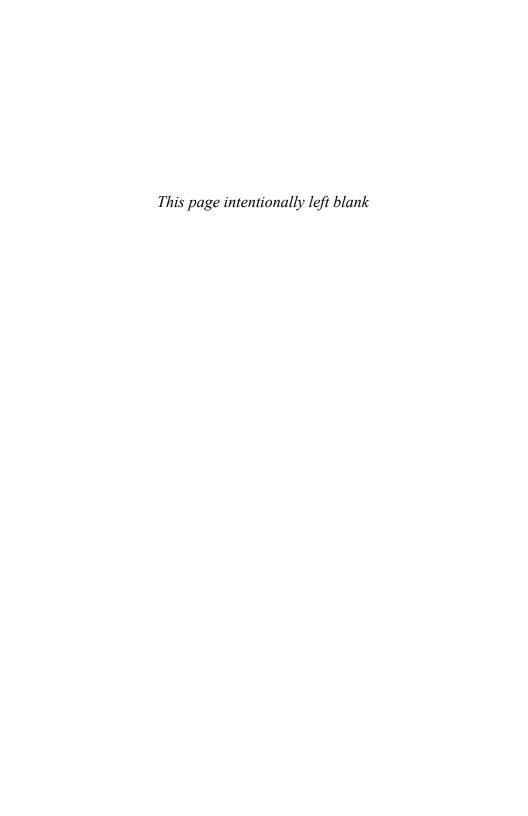
And if (when?) you do skin your knees along the way, remember that it's only skin. And when you've got skin in the game, you stick with it.





Choose Your Limitations

This Won't Hurt a Bit ...



Chapter One

What Is a Tiny Business?

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Go big or go home is a prevailing but tired and misleading cultural myth.

"

Risk everything. Don't even bother to try otherwise.

Fight your way to the top.

Be aggressive.

And If You Don't Succeed . . .

You're done.

You're ruined.

You lose.

You'll never be successful.

No one wants to be your friend (aww).

Have I scared you? Going big is not for everyone. It wasn't for me—not like that.

But what if someone asked you: What sparks, excites, invigorates, or inspires you?

And what if I showed you a way to be different in business that also led to success? A way that allowed you to take one step at a time instead of risking everything all at once while leaping into the unknown? A way that lets you intentionally build what you want, going slow and steady, and only picking up the pace when you're ready?

You can have your cake and eat it too. With a Tiny Business, you can make a good living and have a great life.

What a Tiny Business Is

- 1. Born out of crystal-clear priorities for what you want out of life.
- 2. Makes you a living and still gives you the space to live.
- 3. Puts your energy into something that matters exquisitely to you.
- 4. Grows at your own pace and in alignment with your life priorities.
- 5. Business on your terms—that fits your life.

What a Tiny Business Is Not

- 1. Born solely out of the need for a paycheck.
- 2. Requires you to push aside everything else important in your life.
- 3. Puts all your energy into making money.
- 4. Grows for the sake of growth without consideration for your other life priorities.
- 5. Business on business's terms—that you have to work your life around.

Building Market Value with YOUR Values

Tiny is a laser-focused, disciplined approach centered on making your work work for you. It is rooted in your priorities and supported with tested business acumen. It's a way to start, run, and grow a business where you can stand for something and create a scalable working asset without working 24/7. Tiny Business is a big opportunity; it's your opportunity to drive the bus. You get to build market value with your values.

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Tiny does not define the amount of revenue you generate—that can be as big as your aspirations.

99

Like the Tiny House movement, the first step is getting clear on your priorities. What do you want in your life and your business now and with an eye toward the future? Like a Tiny House, there are things you need to have and things that are nice to have. If your Tiny Business is a journey and you have one small bag to pack for one full year, what needs to be in it?

What's most important to you?

What are you working for really?

What is your "why"?

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Tiny Business is how you make a living, not a killing.

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With a Tiny mindset, you start with what's most important, both personally and professionally, and you regularly visit those priorities for all decisions. You practice discipline by setting a schedule, sticking to it, and getting to work. You build something you are connected to—emotionally, psychologically, and physically—something that feeds your energy.

You select what's essential and then you intentionally remove the obstacles, noise, and clutter—real or imagined. You consciously limit your business and your life to only what you need and want. This is how you create and live an intentional life with less.

"Rich . . . It's about having enough money to live your best life."

—Amy Adeyemi, Toro Communications

What I wanted was

- A flexible schedule
- Nights and weekends free plus at least four weeks of vacation
- To put my family first (e.g., not missing school plays)
- Time for self-care (daily swim and meditation)

- Financial security
- To believe in what I'm doing 100 percent
- To solve a problem without creating new ones

Yes, I wanted it all. It took a lot of work and a lot of discipline, and I got it.

Tiny Business is serious business. It's complex. It's not an easy, by-any-means-possible, get-rich-quick approach. It is weighted in your values and takes a long view requiring patience and persistence. But once you get clear on what you want, commit to it, and roll up your sleeves, you will begin to see the abundance of resources available to support you and connect you to a like-minded community.

What Matters Most To You?

Here's a picture that maybe describes you . . .

You've got an itch to do something bigger, but you also need to make a living. There's probably a lot of fear around changing things up, depending on what (and who) you're responsible for. I'm certain there's a lot of excitement bubbling around your passion too. Tiny Business is an opportunity to embrace and focus this energy to support you.

If you feel like you're ready to start but you can't put your finger on what's stopping you, that means you need to take a break and unpack what you're asking of yourself.

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