

Eureka Woodworks: A Woodworking Business on a Silver Platter

By Michael Dresdner

Imagine having a well designed, easy-to-operate wood furniture manufacturing business handed to you on a platter. Assume it will not only include everything you need



to know about what to build, how to build it efficiently, where to market and even how to sell, but will also come complete with the right tools, jigs and templates, and even an ideal source for just the right wood and hardware. If all this sounds too good to be true, then sit down and prepare to be shocked. I was, because not only does Eureka Woodworks offer everything I described and

more, but they do it for a song.

It all started because Harry Wilk tried to buy into just such an opportunity, only to realize he could do it much better. Of course, Harry had a lot of background on which to rely. "My grandfather started Wilk Hardware and Tool company in the early 1900s," he recounted, "and my father took it over. Both my father and grandfather were avid woodworkers, so I did woodworking as far back as I can remember, even as a child. After getting a business degree in college, I went to work in the transportation parts industry and stayed there until 1983, when I started my own import parts business. In 1991, I sold the company and went into insurance and financial planning.

"About that time, I was living in a beach town and started building Adirondack chairs as a hobby. I came across a Canadian gentleman who offered what he said was a complete business program to build Adirondacks. I saw it as a gigantic shortcut and

bought into his program in 2000. It looked to me like a great idea for someone to make money building outdoor furniture, something I was already doing as a hobby, and have fun doing it at the same time.

"I built and sold outdoor furniture for two years and had a blast doing it, in part because it was great for the ego. People were constantly coming up to me saying how wonderful, comfortable and well designed the furniture was. I also made a lot of money at it; although I did it only as a part-time endeavor, I made an average of 5,000 dollars a month net profit.

"It turns out that I was one of the first of very few people to buy his program. Shortly thereafter, he decided he really didn't enjoy the business of setting up others in business, and sold the whole endeavor to me in 2003. His was a basic program with an operation manual, assembly jigs, cutting jigs, templates, limited sales tools, a lumber source and a hardware source. There was no customer support or serious training. It had the basics, but was missing a lot of key elements to make it an easy path to success.

"When I bought the company, I was buying only a concept and the rights to materials. I could see there was a great profit potential for either a weekend or fulltime woodworker, but it needed to be updated. I quickly put together a marketing package, took out a small ad in *Woodworker's Journal*, and within a month had started selling producing partnerships.

"My son joined me in the business, and we immediately saw ways to improve almost everything about it. We set out to do just that, upgrading the manual and providing all the sales and marketing tools someone would need to get the business off the



ground. We also contracted with a much better lumber source and a better hardware source.



“With the aid of a fellow who was making my templates and jigs, we came up with a whole new design that eventually became known as our FactoryTrac™ jig and fixture system. This new system is easier to use, faster, more efficient and, most importantly, is complete. With our jig system, you can make an

Adirondack chair, start to finish, in under two hours. I’ve done it in as little as 45 minutes, including cutting, sanding and assembly.

“We grew the company to just over 100 producing partners by 2006, and continued to make improvements. Realizing the need to invest further, we added increased advertising, new machinery and a new facility in 2007. Now, a year and a half later, we have grown to hundreds producer partners, and

started getting from 500 to 2,500 inquiries per month. Anyone who calls or emails gets printed material, an email and a phone call from our business development department. We don’t put any pressure on anyone; instead, we answer questions and provide you with all the information you want. We’ll send samples, references, a business plan, financing and so on. You can decide if it is right for you, and which services you need.

“We also increased the product line. What started with Adirondack chairs now includes over 40 different pieces of high

quality, handcrafted outdoor furniture including gliders, rockers, tables, swings and even children’s furniture. Along the way we’ve grown to seven employees in a state-of-the-art facility with CNC machinery to make accurate fixtures. There’s also a complete training center in Dallas in which we can take a neophyte and have him or her building successfully in just two days, one of which is spent actually building the furniture. As part of our sales and marketing research, we continue to make and sell our own furniture, checking everything in the program to make sure it is working perfectly.



“We have what I think is a most unique business opportunity. Because this is not a franchise, there are no ongoing fees. It is a one-time purchase. The cost is relatively low, starting with as little as 6,000 dollars, and you get a tremendous amount for it. In

fact, we give our producing partners enough wood, hardware and supplies with the initial program that you can almost recoup the entire investment with the first run of furniture. Because we can keep a lid on the cost of lumber, we can almost guarantee that our partners can make good money even on short runs. You don’t have to produce thousands of pieces to make a good profit.

“To avoid waste, we design our furniture to use limited lumber sizes, and we supply all of it cut to two widths and three lengths. Every piece of lumber is visually inspected and comes to our producing partners defect-free. All of it is kiln-dried, furniture grade, tight knot Western red cedar.

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It comes one inch thick, not three quarter, which makes a big difference both in the strength and appearance of the furniture. You can continue to buy wood and hardware from us, and most people do because it is less expensive and of a higher quality, but you don't have to. We can even sell you any major tools you need, thanks to a recent agreement with JET and Powermatic. No matter what, we continue support to all of our producer partners."

Building furniture seems well within the means of *Woodworker's Journal* readers, but selling is another issue altogether. Apparently, Harry has heard that concern before.

One of the things we hear most often is, 'I know I can build it, but how do I sell it?' To that end," Harry explained, "we include advertising materials, advice on where and how to sell, a point of sale web site to enable you to sell online and even four color brochure blanks that let you embed your own information using a regular computer printer. We teach you how to sell retail, wholesale and even how to sell kits. In short, we have taken the guesswork out of starting a business. Everything you need, from training and marketing information to wood and fixtures, is all there.

"Of course, we also suggest selling price points for the furniture you make, which we feel are so good that if you show the furniture, it sells itself. However, to help create even more demand, we are setting up a national sales web site called EurekaChairs.com that will be among the top spots in online search engines. Through the web site, someone from any part of the country can order Eureka furniture online, and the order goes to the closest producer to where the order originated.



Another new option will be the ability to sell Adirondack furniture adorned with full-color college, fraternity and sorority logos, thanks to a marketing agreement we are working on. That can be a real boon for builders near college campuses."

From all indications, they've got an idea with widespread appeal. "Our partners hail from all walks of life," Harry pointed out proudly. "About 20 percent of our producers are women, and close to 50 percent are husband and wife teams. We see it as a perfect family business. One pair of brothers in South Carolina signed up to do a show even before they got their initial delivery. Based on a couple of samples they took with them, they accepted 7,000 dollars in orders, then had to go back and figure out how to build them. They now have a very successful business."

"Another partner, an optometrist, did his very first show in Galveston, Texas. He was worried about selling, but took 9,000 dollars worth of furniture to show. He sold out in three hours, then took another \$22,000 in orders, all during that first weekend. He was using our suggested retail pricing and told us that everyone felt his prices were very low, yet he was still making a healthy profit. For example, his cost to build an Adirondack was about 50 dollars, and he was selling it for just under 200."

The bottom line is that Eureka is offering woodworkers a turnkey business that itself offers a healthy bottom line. Perhaps even better is that it is one of those rare business

that can seem like more fun than work. I think Harry summed it up nicely when he told me, "If you'd like to turn your hobby or passion into a moneymaking business, and have fun while you are doing it, this is definitely the way to go."

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