Transcript: $41K/Month Selling Honey from His Garden?!

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**[00:00:00]** - Do you ever wonder how much  
you can make farming honey?

**[00:00:03]** Watch this guy as he reveals everything

**[00:00:06]** from starting with less than $500

**[00:00:08]** to building it all on the side.

**[00:00:10]** - This year, we're six  
months into the year

**[00:00:12]** and we're already at a quarter mill.

**[00:00:13]** - Wow.

**[00:00:14]** In this episode, we dive  
into the inner workings

**[00:00:16]** of a successful honey farm.

**[00:00:17]** - You know, if you're not careful,

**[00:00:19]** you'll be working two jobs  
for the rest of your life.

**[00:00:21]** - Uncover the free money

**[00:00:22]** almost every new entrepreneur overlooks.

**[00:00:25]** - [James] And that's a $40,000 forklift.

**[00:00:27]** I had to pay a service charge of $500.

**[00:00:29]** The F-350 there was a thousand bucks.

**[00:00:31]** - And at last, discover the unconventional

**[00:00:32]** marketing strategy to boost your sales.

**[00:00:35]** - This is where the money's made.

**[00:00:37]** - And quick thanks to Tailor Brands

**[00:00:39]** for making this video possible.

**[00:00:40]** Alright, Jim, it is  
great to be here with you

**[00:00:42]** in this hot, humid environment.

**[00:00:45]** Let's talk about a little  
bit about your business

**[00:00:47]** and what ultimately got  
you into beekeeping.

**[00:00:49]** - So this is Secret Garden  
Bees. We started this in 2020.

**[00:00:52]** I got into this as a way  
to cope with the PTSD

**[00:00:55]** that I picked up during my  
time in the Army bomb squad.

**[00:00:57]** - Oh wow.

**[00:00:58]** - I had some medication I was  
on from the Veterans Affairs

**[00:01:01]** and it made me feel funny,

**[00:01:02]** you know, didn't like the way that worked.

**[00:01:03]** So a friend of mine who's also a beekeeper

**[00:01:06]** and has similar pieces as a veteran,

**[00:01:08]** he said, "Jim, try some bees."

**[00:01:09]** I started doing a little research

**[00:01:11]** and I found the Veterans  
Affairs had done studies

**[00:01:13]** on how it calms people with  
PTSD down and is good for 'em.

**[00:01:16]** So I said, "Alright, I'll give it a go."

**[00:01:18]** I was working full time  
as a corporate executive

**[00:01:21]** and I needed something.

**[00:01:23]** So I got into beekeeping  
like this back in 2020.

**[00:01:25]** Got two hives with the sole  
purpose of just trying it out.

**[00:01:28]** It went really, really well for me.

**[00:01:30]** - What about the bees  
that you think is calming?

**[00:01:33]** Just curious, if you can  
elaborate a little bit.

**[00:01:35]** That's very unique, very interesting.

**[00:01:37]** - Yeah. People say there's  
something about the sound of 'em.

**[00:01:39]** You have to stop, focus, calm yourself,

**[00:01:43]** move slowly, move deliberately,

**[00:01:45]** be in that moment while  
you're working the bees.

**[00:01:48]** - So is this where it all started?

**[00:01:50]** Give us a little background  
behind the name maybe as well.

**[00:01:52]** Secret Garden, what is that from?

**[00:01:54]** - So when I started this, I  
told my wife I wanted bees.

**[00:01:57]** She was really not on board.

**[00:01:58]** And so what we did was I  
got those first two hives

**[00:02:00]** and I put 'em on the very  
back side of the property.

**[00:02:02]** It was kind of hidden away.

**[00:02:03]** It was a little secret garden of bees.

**[00:02:05]** - And how many hives do you have?

**[00:02:07]** - [James] 62 hives today.

**[00:02:09]** - So four years ago, what  
did you need to get started?

**[00:02:12]** What was your initial investment?

**[00:02:13]** - About $500.

**[00:02:14]** - That's it?  
- Yeah.

**[00:02:15]** A suit, some gloves, you  
know, hive tool, smoker,

**[00:02:18]** and the two hives themselves,

**[00:02:20]** plus the bees that I had to buy.

**[00:02:21]** Now you can also order  
'em by mail, they come in-

**[00:02:24]** - What?

**[00:02:25]** - Yeah, they come in the post office

**[00:02:25]** - Like in a box. Just buzzing in there.

**[00:02:27]** - Yeah. Yeah.  
- No way.

**[00:02:28]** - Three pounds of live bees and a queen.

**[00:02:30]** - Give us a quick rundown  
of year over year revenue.

**[00:02:32]** So 2020 and through 2024.

**[00:02:35]** And then what are the margins

**[00:02:36]** that you're shooting for in this industry?

**[00:02:38]** - Year one we made  
$1,000, which is not much,

**[00:02:41]** but that was enough to hit our goal,

**[00:02:43]** for getting some tax benefits

**[00:02:46]** for being a qualified  
farmer in North Carolina.

**[00:02:48]** Year two we made $10,000,

**[00:02:49]** which helped solidify some of those goals

**[00:02:51]** and set us up for real growth.

**[00:02:53]** Year three, $100,000.

**[00:02:55]** - Whoa. Quite a leap.  
- Yeah.

**[00:02:56]** - Is it because of the growth  
of the colonies and so on?

**[00:02:59]** - Yeah, and the marketing that  
we did in year one, year two,

**[00:03:01]** branding, marketing, labeling,

**[00:03:03]** figuring out how everything was gonna work

**[00:03:04]** and figuring out our production models.

**[00:03:06]** Year three we're $150,000

**[00:03:08]** and this year, we're  
six months into the year

**[00:03:10]** and we're already at a quarter mill.

**[00:03:12]** - Wow. Good for you.  
- Yeah.

**[00:03:13]** - Incredible. What about the margins?

**[00:03:14]** - In the beginning it was about 20%

**[00:03:16]** because I didn't have scale.

**[00:03:17]** Now that I've reached scale,

**[00:03:19]** we're upwards around 40 to 50% margin.

**[00:03:20]** - Not bad.

**[00:03:21]** - We spent those first two  
years getting the label right,

**[00:03:24]** getting the bottling right,  
getting the pricing correct.

**[00:03:26]** Understanding our backend  
office infrastructure

**[00:03:29]** to be able to go out and market  
to the large grocery stores.

**[00:03:32]** That was always the goal.

**[00:03:33]** The large grocery stores

**[00:03:34]** are where you're gonna make  
your money in this business.

**[00:03:37]** That was the year that I was able

**[00:03:40]** to get into the Fresh Market grocery store

**[00:03:42]** and be able to begin  
expanding throughout them.

**[00:03:45]** - What is your advice for  
those who are struggling

**[00:03:48]** to go full-time or not?

**[00:03:49]** - You know, if you're not careful,

**[00:03:51]** you'll be working two jobs  
for the rest of your life

**[00:03:53]** and you'll won't do either one of them

**[00:03:56]** as well as you would like.

**[00:03:57]** And understand that when you  
leave that nine to five job,

**[00:04:00]** you're gonna struggle that first year

**[00:04:01]** because you lost that  
other source of revenue.

**[00:04:03]** - Well said.

**[00:04:04]** - But on the other side of that,

**[00:04:05]** it's amazing how much  
faster the business grows

**[00:04:08]** when you can commit  
all of your time to it.

**[00:04:10]** - Master one thing. Yep.

**[00:04:11]** - Master one thing, get after it.

**[00:04:12]** You've hit your goal, your  
risk is low. Go do it.

**[00:04:15]** - Okay, awesome. What do you guys think?

**[00:04:16]** Is there ever a quote unquote  
right time to go full time

**[00:04:20]** or is it always a leap of faith?

**[00:04:22]** Comment below, we'd love to hear from you.

**[00:04:24]** Let's go check out the hives up close.

**[00:04:25]** I think you guys are gonna love it.

**[00:04:27]** What is your monthly overhead  
just to keep things going?

**[00:04:30]** - We run about $7,000 a month.

**[00:04:32]** Yeah. That pays for two  
full-time employees.

**[00:04:34]** - Okay, that makes sense. Labor expense.

**[00:04:37]** - And then our overall sustainment cost

**[00:04:38]** of maintenance and labor.

**[00:04:40]** - Gotcha. So this is kind  
of like the skyscraper.

**[00:04:42]** What's this level?

**[00:04:43]** - This is where the bees live.

**[00:04:45]** These are called the brood chambers.

**[00:04:47]** - So this is their home.

**[00:04:48]** - Yeah. This is a really good frame.

**[00:04:51]** So what we can see here is,  
see all this brown stuff here?

**[00:04:54]** - [Paul] Yeah.

**[00:04:55]** - [James] Those are capped  
brood, what we call,

**[00:04:57]** there's larvae in there that  
are gonna become new bees.

**[00:05:00]** So that means the queen has laid an egg

**[00:05:02]** and they're becoming larvae.

**[00:05:04]** And then all this around  
here is all honey,

**[00:05:07]** which they will use to  
feed those young bees.

**[00:05:09]** - Let's talk about  
sourcing different bees.

**[00:05:12]** How many different types are there?

**[00:05:14]** How do we source them?  
What have you learned?

**[00:05:17]** - There are no native  
North American honeybees.

**[00:05:20]** They're all imports.

**[00:05:22]** So the ones that are used most commonly

**[00:05:24]** here in America are Italians,

**[00:05:26]** they're calm, they're gentle,

**[00:05:27]** you can see 'em here and  
they make a lot of honey.

**[00:05:29]** - What does it cost to buy a bulk of bees?

**[00:05:32]** - It's about $150.

**[00:05:33]** Or you can buy what's  
called a nucleus of bees.

**[00:05:36]** What I've got here are  
some nucs or nucleuses.

**[00:05:39]** These are baby packages of bees

**[00:05:41]** and what that'll come with  
is five of these in there

**[00:05:44]** with a queen and some honey and some larva

**[00:05:47]** and everything ready to go.

**[00:05:48]** And you put it in your new hive

**[00:05:49]** and that starts the  
hive a little stronger.

**[00:05:51]** - Gotcha.

**[00:05:52]** Alright, well now that  
we've checked the bees,

**[00:05:54]** let's go and check out

**[00:05:55]** and show our audience  
kind of all the equipment

**[00:05:57]** that you need to operate a  
successful beekeeping company.

**[00:05:59]** So I'll follow you.

**[00:06:00]** - Great.  
- This bee's got me.

**[00:06:02]** (upbeat music)

**[00:06:05]** I mean it's a pretty simple setup here,

**[00:06:06]** But what does this all cost, Jim?

**[00:06:09]** - We're running about $10,000

**[00:06:11]** for the equipment that  
you see in front of you.

**[00:06:12]** One of these here,

**[00:06:14]** you know, you can pick  
these up for less than $500.

**[00:06:16]** You know, with one of these,

**[00:06:18]** a five gallon bucket and a simple filter,

**[00:06:21]** you can begin pulling  
your first honey crop.

**[00:06:22]** - Can you give us a flow  
through of extraction?

**[00:06:25]** Unfortunately we can't do it today

**[00:06:26]** 'cause we're out of that season.

**[00:06:27]** Right. But what does that look like?

**[00:06:28]** You put those frames in here.

**[00:06:30]** - Yeah, so what happens is we  
will stack this entire area

**[00:06:34]** over here with those small honey supers.

**[00:06:37]** - Then we'll take each individual one,

**[00:06:38]** pull those frames you saw out,

**[00:06:41]** come in here and we  
have to uncap the honey.

**[00:06:43]** And then we'll take those frames.

**[00:06:45]** We put 'em in the extractor.  
This is just a spinner.

**[00:06:48]** And then it spins the honey out.

**[00:06:49]** - And does it fall at the bottom

**[00:06:51]** and then ooze out somewhere,

**[00:06:52]** - Falls and runs out over here

**[00:06:54]** and goes into this  
piece of equipment here.

**[00:06:56]** What this is, is a honey sump.

**[00:06:58]** - [Paul] What's the purpose?

**[00:07:00]** So you're filtering anything  
you don't want in there.

**[00:07:02]** - Yeah. You wanna get rid of  
the wax that came out with it.

**[00:07:04]** You want to get rid of  
any, you know, random bees

**[00:07:06]** that happened to be in there  
when you were spinning.

**[00:07:09]** Well, and then there's  
a pump that gets hooked

**[00:07:10]** to the back that hooks that  
pump and then pumps it over

**[00:07:13]** into this thousand  
pound holding tank here.

**[00:07:15]** And from there we use that tank  
to fill five gallon buckets

**[00:07:18]** for long-term storage.

**[00:07:19]** - How often are you  
extracting on a yearly basis?

**[00:07:22]** - Twice a year.

**[00:07:23]** We harvest once in the  
spring around the 1st of June

**[00:07:25]** and then again in the fall  
around the 1st of October,

**[00:07:27]** depending on how the seasons are.

**[00:07:29]** - So what do we call this officially, Jim?

**[00:07:31]** - Well this is a hive.

**[00:07:33]** This is what you need to back.

**[00:07:34]** You know, we've got the big  
ones here on the bottom,

**[00:07:36]** we call it their deeps.

**[00:07:37]** This is where the bees live.

**[00:07:38]** And then these small  
ones on top are mediums.

**[00:07:40]** They're, we use these as honey supers.

**[00:07:42]** That's what it's called.

**[00:07:43]** This is where the money's  
made in the honey business.

**[00:07:46]** You know, each one of these  
will be filled with frames,

**[00:07:49]** withdrawn, honeycomb in 'em

**[00:07:50]** and the bees will fill  
those up with honey forester

**[00:07:53]** and the normal honey flow.

**[00:07:54]** These are the real heart of the operation.

**[00:07:56]** - How much does a box  
cost to put it together?

**[00:07:59]** - [James] We're around roughly 50 bucks.

**[00:08:00]** - 50 bucks. Okay.  
- Yeah.

**[00:08:01]** With the frames.

**[00:08:02]** We buy pallets of these  
frames. Ready assembled.

**[00:08:06]** That's what we use the forklift for.

**[00:08:08]** Because when you start  
unloading, you know,

**[00:08:10]** 1,000 of these at a  
time, you need a forklift

**[00:08:11]** to get 'em off the truck  
and bring 'em in here.

**[00:08:13]** - Quite heavy. Yeah.  
- And we'll go through

**[00:08:14]** 1,000 of those a year.

**[00:08:16]** - So if you were to build one hive, Jim,

**[00:08:18]** in terms of output, what  
are we talking about?

**[00:08:21]** Do you measure per honey jar?

**[00:08:22]** Pounds.  
- Pounds.

**[00:08:23]** So one of these honey supers,

**[00:08:25]** will do anywhere from 30 to  
50 pounds during the flow.

**[00:08:27]** - Per year or per harvest?

**[00:08:29]** - Per year.

**[00:08:30]** - Gotcha.  
- So if I'm getting 50 pounds

**[00:08:31]** per super, you know, a hive in a good year

**[00:08:34]** will produce 100 pounds,

**[00:08:35]** in a bad year is 60, 65 pounds per hive.

**[00:08:37]** So if we're selling at  
an average of $20 a pound

**[00:08:40]** and you do that out, I mean that's what?

**[00:08:42]** A thousand bucks a hive.

**[00:08:43]** - Wow.  
- So that's a good day.

**[00:08:45]** - That is a good day.

**[00:08:46]** I'm sure any of the  
multimillion dollar businesses,

**[00:08:49]** entrepreneurs and founders  
that we've met over the years

**[00:08:52]** would agree that launching  
a successful venture

**[00:08:54]** isn't just about the big ideas.

**[00:08:56]** It's about having the right  
tools at your disposal

**[00:08:58]** to turn those ideas into reality.

**[00:09:01]** So if you're looking to give life

**[00:09:03]** to a business idea of your own, listen up,

**[00:09:05]** because we're about to make  
that daunting first step

**[00:09:08]** so much easier with the help

**[00:09:10]** of our friends at Tailor Brands.

**[00:09:12]** Tailor Brands is a business builder

**[00:09:14]** which gives you the tools  
to kickstart, expand,

**[00:09:16]** and manage your business venture.

**[00:09:18]** No more tangled webs of paperwork,

**[00:09:20]** legal fees and bureaucratic roadblocks.

**[00:09:22]** With Tailor Brands all in one  
business building platform

**[00:09:25]** simply follow the guided prompts

**[00:09:27]** and check off all the  
little to-dos on your list

**[00:09:29]** before launching, all  
on one convenient site.

**[00:09:32]** From creating an LLC and EIN registration,

**[00:09:35]** setting up a business bank account,

**[00:09:37]** a suite of financial  
management tools and much more.

**[00:09:40]** Getting your business off the  
ground has never been easier.

**[00:09:43]** Thanks to Tailor Brands.

**[00:09:45]** Don't let your big idea gather dust.

**[00:09:47]** Click the link below and  
receive a 35% discount

**[00:09:50]** on all LLC plans and turn

**[00:09:52]** your entrepreneurial dreams  
into a reality today.

**[00:09:56]** Alright, rocking, literally  
rocking on rocking chairs.

**[00:10:00]** Let's do Blitz.

**[00:10:01]** Thank you guys for  
submitting your questions.

**[00:10:03]** Jim, first one, what's  
the most surprising thing

**[00:10:06]** you've learned about bees  
since starting your business?

**[00:10:07]** - Each hive has a personality.  
They're all different.

**[00:10:10]** You can go from one hive to the next hive

**[00:10:12]** and they will be completely different

**[00:10:13]** in how they react to you

**[00:10:14]** and how they produce  
honey and do everything.

**[00:10:16]** - That is cool. Okay.

**[00:10:17]** What's the best thing about  
being an entrepreneur?

**[00:10:20]** - The ability to make my own decisions

**[00:10:21]** and make my own money versus  
making money for someone else.

**[00:10:25]** - Well said.

**[00:10:26]** What's the worst thing  
about being an entrepreneur?

**[00:10:27]** - Not having any money when  
you first get started. (laughs)

**[00:10:31]** - The irony, huh?

**[00:10:32]** - And there's always more work to do

**[00:10:34]** versus, "Hey, the day is  
over and I'm going home."

**[00:10:36]** - Good point. When was the  
last time a bee stung you?

**[00:10:39]** - Twice this morning while  
we were doing this interview.

**[00:10:41]** - (chuckles) So it's almost a daily thing?

**[00:10:44]** - Yeah, it's a daily thing.

**[00:10:45]** - Is it?  
- Yeah.

**[00:10:45]** - Okay, what's the best piece of advice

**[00:10:47]** you received about running  
a beekeeping business?

**[00:10:49]** - The best piece of advice for  
running a beekeeping business

**[00:10:51]** is in general to any business,

**[00:10:54]** and I keep coming back to  
this, it's risk management.

**[00:10:57]** If you're not doing a  
risk management worksheet

**[00:10:59]** for your business and  
understanding and mitigating those,

**[00:11:02]** you're setting yourself up  
for some real challenges.

**[00:11:03]** - What's the biggest misconception

**[00:11:05]** people have about beekeeping?

**[00:11:07]** - That you're gonna make a  
whole lot of money upfront

**[00:11:09]** with not a lot of hives.

**[00:11:11]** You gotta hit scale.

**[00:11:12]** - If you could collaborate  
with any brand or business,

**[00:11:14]** who would it be and why?

**[00:11:16]** - Savannah Bee Company.

**[00:11:18]** The saying is you can sell  
a lot of honey for a little

**[00:11:20]** or a little honey for a lot,

**[00:11:21]** unless you're Savannah Bee Company,

**[00:11:23]** and then you get to sell a lot for a lot.

**[00:11:25]** And no one can understand  
their secret sauce-

**[00:11:27]** - Really?  
- Of how they've done it.

**[00:11:29]** - Last one. What's your  
favorite way to enjoy honey?

**[00:11:31]** In my coffee and oatmeal in the morning.

**[00:11:34]** - Nice.

**[00:11:34]** If you could go back and  
start everything all over,

**[00:11:37]** what would you do different?

**[00:11:38]** - The major, major  
error I made in starting

**[00:11:42]** was I am a sole proprietor.

**[00:11:44]** Because I didn't plan on scaling this

**[00:11:46]** to be a large business  
that supported my family.

**[00:11:48]** That was a simple way to do it.

**[00:11:50]** I should have started  
as an LLC or an S corp

**[00:11:53]** from the beginning.

**[00:11:54]** If I knew then what I know  
now, I would've done that.

**[00:11:57]** And now-  
- What does it boil down to?

**[00:11:59]** - Liability. Tax advantages.

**[00:12:02]** The ability to do certain  
other things with my assets.

**[00:12:06]** It would've made things so much simpler.

**[00:12:08]** Now that I'm so far down the  
road as a sole proprietor

**[00:12:11]** and I've gotten a lot of grants,  
I'm in a lot of programs,

**[00:12:13]** I'm all registered as a sole proprietor

**[00:12:15]** and it's extremely  
difficult to unwind that

**[00:12:18]** and change it over to an LLC or an S corp.

**[00:12:21]** - Okay. So the tip is don't  
wait just LLC right away,

**[00:12:24]** whether you're making zero or a 100,000.

**[00:12:27]** - Yeah, that would've the smartest thing

**[00:12:28]** I could have done  
upfront that I didn't do.

**[00:12:30]** - Good advice.

**[00:12:31]** What are some of the biggest mistakes

**[00:12:32]** you made when you first started out?

**[00:12:33]** When it comes to like maybe extrusion?

**[00:12:36]** - I would say the biggest  
mistake I made is,

**[00:12:38]** and I don't know why  
this didn't occur to me,

**[00:12:40]** is that when I start taking the honey,

**[00:12:43]** when I started extracting the honey,

**[00:12:44]** I tried to do it in my  
barn. I didn't have this.

**[00:12:47]** And I did it during the day

**[00:12:49]** 'cause it seemed like a good idea.

**[00:12:51]** So I started pulling their honey  
out and the bees showed up.

**[00:12:53]** - [Paul] Uh oh.

**[00:12:55]** - Not just one first,  
you know, one or two.

**[00:12:56]** And then went and got all their buddies.

**[00:12:57]** Within about an hour I was  
extracting in my bee suit

**[00:13:00]** because I was surrounded  
by at least 100,000 bees

**[00:13:03]** who were very upset.  
- Geez.

**[00:13:04]** - I just had to stop.  
- Impossible.

**[00:13:06]** - I just had to walk away and let 'em have

**[00:13:07]** what I had already taken  
out and then rethink it.

**[00:13:09]** - Wow.

**[00:13:10]** - So with this trailer, we  
do everything at night now.

**[00:13:13]** We start about nine o'clock  
at night work all night long

**[00:13:15]** while the bees are asleep

**[00:13:16]** and when they start waking up  
in the morning, we're done.

**[00:13:19]** - Let's go check out the kind  
of the heart of the business

**[00:13:21]** and that is where you  
fill honey into jars.

**[00:13:22]** I'd love to do that and help you out.

**[00:13:24]** - Great.  
- Awesome.

**[00:13:26]** (upbeat music)

**[00:13:28]** - So welcome to the Secret  
Garden Bee's world headquarters.

**[00:13:31]** - [Paul] So this is not a lot of space,

**[00:13:32]** but this is really  
where the magic happens.

**[00:13:35]** - Yeah, this is the heart  
and soul of the operation.

**[00:13:37]** This is where we package  
the honey for shipment

**[00:13:39]** to go out to customers for sale.

**[00:13:41]** This facility is nowhere near adequate

**[00:13:43]** for what our requirements are,

**[00:13:44]** but we operate debt free  
and this is paid for.

**[00:13:47]** - Maybe walk us through the machine first.

**[00:13:49]** Like what are we looking at there?

**[00:13:50]** The fill master.  
- Sure.

**[00:13:51]** So all these come in,  
they get labeled by hand

**[00:13:53]** and then we set 'em out for filling.

**[00:13:55]** What we've got here is the most important

**[00:13:56]** equipment on the entire farm.

**[00:13:58]** This is the tanks and  
the filling machine here.

**[00:14:01]** These two tanks hold 25  
gallons of honey each,

**[00:14:04]** that's 600 pounds.

**[00:14:05]** And they keep the honey  
at an even 104 degrees

**[00:14:08]** so that it'll move for packaging.

**[00:14:10]** Otherwise the honey gets like concrete.

**[00:14:12]** - Yeah, makes sense.

**[00:14:13]** - And then it comes into this  
Daytan fill master machine.

**[00:14:16]** All of this here are about  
$20,000 for these three

**[00:14:18]** pieces of equipment.  
- Wow.

**[00:14:20]** - Huge, huge expense for us.

**[00:14:22]** But one of the first things  
I did when I went reached out

**[00:14:26]** to that mentor who runs a large facility

**[00:14:28]** and told him what I was doing,  
I said, "I wanna buy this

**[00:14:30]** equipment and I wanna to  
start with growth in mind."

**[00:14:33]** He said, "Jim, this is what you buy.

**[00:14:35]** Number one, you buy this machine."

**[00:14:36]** he packages 2 million pounds a  
year and this is all he uses.

**[00:14:40]** And it's one of the very  
first grants that I got

**[00:14:41]** because that was a lot of money.

**[00:14:42]** So I applied for a small farmer grant

**[00:14:45]** and yeah, there were  
several grants out there

**[00:14:47]** that just wanna help  
small businesses do that.

**[00:14:49]** - So this is here without  
any money out of your pocket.

**[00:14:52]** - About $2,000 out of pocket  
for a $20,000 of equipment.

**[00:14:55]** - It's 20 grand. Yeah.  
- That's not bad.

**[00:14:56]** - Now you said labor intensive before.

**[00:14:58]** What were you doing before?

**[00:14:59]** - So what we did before  
was this five gallon bucket

**[00:15:03]** that you see right here.

**[00:15:04]** This is the bucket.

**[00:15:06]** You would fill it with honey.

**[00:15:07]** So you had to pour from  
a five gallon bucket

**[00:15:09]** into a five gallon bucket.

**[00:15:10]** - And then you take this little bottle

**[00:15:12]** and I'm guessing something  
comes outta here.

**[00:15:14]** - Yeah. And you would open the honey gate.

**[00:15:15]** - (laughs) Are you serious?

**[00:15:16]** - And let the honey pour  
out of there into the bottle

**[00:15:19]** and then get it absolutely  
perfect and close the gate

**[00:15:22]** and then wipe up your mess.

**[00:15:23]** - Wow. And how long did that  
take you to do back in the day?

**[00:15:26]** That's must be 60, 80 hours a week.

**[00:15:28]** - Yeah, it was about 80  
hours to do 1,000 pounds.

**[00:15:31]** - Wow.

**[00:15:32]** - Versus we can do 1,000  
pounds in eight hours

**[00:15:34]** now with this machine.

**[00:15:35]** - Incredible.

**[00:15:37]** So the difference the right equipment

**[00:15:38]** makes in the business, right?

**[00:15:39]** - Yeah, That is the only  
way we've been able to scale

**[00:15:42]** is with, you know, these here.

**[00:15:43]** These have made us so much money.

**[00:15:45]** We took that initial $20,000 investment

**[00:15:48]** and that's the year we made a $100,000.

**[00:15:50]** And it was just with  
that that we did that.

**[00:15:51]** - Wow.  
- So five times

**[00:15:53]** return on investment in the first year,

**[00:15:54]** just from that piece of machinery.

**[00:15:55]** - Do you need a massive machine like this?

**[00:15:57]** - [James] When you take a  
delivery of a tractor trailer

**[00:15:59]** full of bottles, you  
gotta have the forklift

**[00:16:01]** to unload it and move it around.

**[00:16:02]** - Well let's go check out

**[00:16:03]** the other piece of equipment there.

**[00:16:04]** And I most importantly wanna talk about

**[00:16:06]** how you acquired them.

**[00:16:07]** - You know, all of this  
equipment you see around you,

**[00:16:09]** all these containers, that  
golf cart, the forklift,

**[00:16:12]** the truck, this trailer  
that we're walking over to,

**[00:16:14]** were all acquired as government surplus.

**[00:16:16]** There was a law passed in  
2018 that allows veterans

**[00:16:20]** to get government surplus  
directly transferred to them.

**[00:16:23]** That's been the key.

**[00:16:24]** A good example there of how this builds

**[00:16:26]** a business fast to doing that.

**[00:16:27]** And that's a $40,000 forklift.

**[00:16:29]** I had to pay a service charge of $500

**[00:16:31]** for the paperwork to go get it.

**[00:16:32]** - That's what it cost you.  
- Yeah.

**[00:16:34]** The F-350, there was a thousand bucks.

**[00:16:36]** This trailer here, which we're using

**[00:16:38]** for our extraction trailer.

**[00:16:40]** You could see NASA right on the  
side from launch operations.

**[00:16:42]** I had to drive down to Cape Canaveral

**[00:16:44]** to get this thing from the launch area.

**[00:16:45]** You know, we picked it up  
for a couple hundred dollars

**[00:16:47]** and that gives us a, you  
know, an enclosed wired,

**[00:16:49]** climate-controlled trailer that  
we can do our extraction in.

**[00:16:52]** So, you know, as a business  
owner who wants to grow

**[00:16:54]** and grow quickly, it's the equipment.

**[00:16:56]** That's where the expense comes in.

**[00:16:57]** Well if you can cut that cost out

**[00:16:59]** and get stuff from the  
government, you should.

**[00:17:01]** - Alright, so we're gonna demo one.

**[00:17:04]** - Yeah, so we pre preset this machine

**[00:17:06]** to exactly eight ounces

**[00:17:07]** 'cause that's what we're filling today.

**[00:17:08]** And all we gotta do is click a pedal

**[00:17:09]** and then it auto fills up  
to that eight ounce level,

**[00:17:12]** exactly the same amount every single time.

**[00:17:15]** Quick, fast and it's precise and clean.

**[00:17:19]** - And then I do this right?  
- Yeah.

**[00:17:21]** Then it comes over here, then we cork it.

**[00:17:24]** We cork everything.

**[00:17:25]** These are cork directly from  
Portugal where cork trees grow.

**[00:17:28]** - Wow.

**[00:17:29]** - So we ordered them from there  
to get a much better deal.

**[00:17:31]** - That's awesome.

**[00:17:33]** Since we have these two samples here,

**[00:17:33]** what do you sell retail this  
bottle for and the 16 ouncer?

**[00:17:37]** What do you think?

**[00:17:38]** - These little small ones  
will go anywhere from $10

**[00:17:41]** to $14 depending on the store.

**[00:17:43]** The large ones will go anywhere from $20

**[00:17:46]** to some stores sell 'em at $40.

**[00:17:47]** - Wow. So you have a a  
really premium product.

**[00:17:49]** - We do.

**[00:17:50]** It goes all the way back to

**[00:17:51]** you can sell a lot of honey for a little

**[00:17:52]** or a little for a lot.  
- That's true.

**[00:17:54]** What does it cost to  
make you one of these?

**[00:17:57]** And like your costs, remember  
we talked about that earlier?

**[00:17:59]** - Yeah. So, you know, these  
days we've got this down

**[00:18:01]** to around $6 a bottle.

**[00:18:03]** And I've got this down  
to about $4 a bottle.

**[00:18:06]** - So what role does packaging  
play in attracting customers?

**[00:18:09]** Right? Especially for a premium product.

**[00:18:11]** This package versus something else.

**[00:18:12]** You have a pretty  
simplistic approach, right.

**[00:18:14]** Talk to us about kind of your setup here

**[00:18:17]** and why it looks the way it does.

**[00:18:19]** - So I intentionally targeted selling

**[00:18:21]** to upscale customers and upscale markets.

**[00:18:24]** And so to do that you have to have

**[00:18:26]** a premium well placed  
product that looks good.

**[00:18:29]** Now we use a glass bottle that's corked

**[00:18:30]** and then shrink wrapped on top.

**[00:18:32]** That's labor intensive  
to put that together.

**[00:18:34]** And then the glass bottle itself

**[00:18:36]** is so much more expensive  
than just a plastic one.

**[00:18:39]** - And then this design here,

**[00:18:41]** who helped you come up with that?

**[00:18:42]** And did it evolve over time?

**[00:18:43]** Or you kind of just hit  
the nail on the head?

**[00:18:46]** Walk us through a little  
bit of that evolution.

**[00:18:47]** - We took a little over 18  
months to get this design.

**[00:18:49]** My wife worked with a graphics designer

**[00:18:52]** trying it out on the bottles,  
trying it out on customers

**[00:18:54]** to see which ones they liked better.

**[00:18:55]** We settled on this right here.

**[00:18:57]** (upbeat music)

**[00:19:00]** - It's great to see that your product

**[00:19:01]** is in many local markets,  
which is awesome.

**[00:19:04]** How much percentage of sales is retail

**[00:19:06]** versus direct to consumer so far?

**[00:19:08]** - [James] You know, about  
20, 25% of our sales,

**[00:19:10]** tops, run those things.

**[00:19:12]** - How do the margins differ  
when it comes to retail?

**[00:19:14]** - We'll make about 30% more selling retail

**[00:19:17]** versus wholesale.

**[00:19:18]** - Well, let's check out this  
store here. It's really cute.

**[00:19:20]** I know my wife would love it.

**[00:19:22]** (upbeat music)

**[00:19:24]** How important is it to have a stand

**[00:19:26]** where people can show  
up, do it themselves,

**[00:19:28]** and be on their way,

**[00:19:29]** - Surprisingly, more than I thought.

**[00:19:32]** - Talk us about that. Why,  
why was it a hurdle for you?

**[00:19:34]** - I just didn't think

**[00:19:35]** that people would come  
out here and use it.

**[00:19:36]** But it got to the point where I had more

**[00:19:38]** and more people coming to the farm

**[00:19:39]** and I had to stop what I  
was doing to go help them.

**[00:19:41]** - Right.  
- And every time I stopped

**[00:19:42]** to do what I was doing, it cost me money.

**[00:19:45]** - Yep.  
- So I finally said,

**[00:19:46]** "All right, let's build this out."

**[00:19:47]** And the response has been  
just really, really good.

**[00:19:51]** - So it's a no brainer.

**[00:19:52]** - Yeah.  
- Right?

**[00:19:53]** Build it as fast as you can.  
How much did this cost you?

**[00:19:55]** - Oh, I built this for under $1,000.

**[00:19:57]** - Yeah. And it's generating  
500 bucks on average per week.

**[00:19:59]** So we're talking two grand a month.

**[00:20:00]** - Right.  
- Right.

**[00:20:01]** Pays itself within-  
- Very quickly.

**[00:20:03]** - Very quickly.

**[00:20:04]** Like Jim, if you're looking  
to learn from the best

**[00:20:06]** active business owners out there,

**[00:20:08]** you need to check out the UpFlip Academy.

**[00:20:10]** It's an incredible resource  
that will help you start

**[00:20:12]** and scale any business.

**[00:20:14]** Check it out for yourself  
at upflip.com/academy.

**[00:20:17]** (light music)

**[00:20:20]** Thanks for bringing us over here, Jim.

**[00:20:22]** Everything honey is here.

**[00:20:23]** Are you the only honey product here?

**[00:20:25]** - We are. Proud to be partnered with them.

**[00:20:27]** They were one of our first  
retail sales customers.

**[00:20:30]** - What was your biggest  
wholesaler order ever?

**[00:20:32]** - Yeah, my biggest wholesale  
order was about $46,000.

**[00:20:36]** That came from when the  
Fresh Market grocery store

**[00:20:39]** decided to expand me from  
60 stores to 170 stores.

**[00:20:42]** - Wow.  
- So that was a good day.

**[00:20:43]** - Can you give us the  
backstory on how you got

**[00:20:45]** into the store to begin with?

**[00:20:48]** - Yeah. So persistence.

**[00:20:50]** I kind of figured out the  
stores I wanted to be in

**[00:20:52]** and then I went and  
talked to store managers

**[00:20:55]** who then gave me some  
corporate numbers to call.

**[00:20:57]** And then I just kept calling,

**[00:20:58]** until one of 'em returned my voicemail.

**[00:21:00]** You know, I find that  
these large corporations,

**[00:21:02]** they want to do business  
with small business.

**[00:21:04]** They just can't find  
reliable ones to work with.

**[00:21:07]** - That's a good point.

**[00:21:08]** - What the Fresh Market did

**[00:21:09]** and what Harris Teeter's gonna do for me,

**[00:21:10]** is they gave me six stores and they said,

**[00:21:13]** "Here's your six stores.

**[00:21:14]** You deliver, you invoice,

**[00:21:16]** what sells you send us a bill for."

**[00:21:18]** And what they were trying to do there,

**[00:21:20]** is one, see if it sold,  
and two, test me out

**[00:21:23]** to see if I was a real business.

**[00:21:24]** And then they came back and  
they said, "Alright, you know,

**[00:21:28]** you're really doing this,  
let's go to 60 stores."

**[00:21:30]** - Wow.  
- And now we're at 170 stores.

**[00:21:33]** - [Paul] Why do you think  
you've been so successful?

**[00:21:35]** Not only selling here at the gift shop,

**[00:21:37]** but the other retailer stores as well?

**[00:21:39]** - When we look at some  
of the grocery stores,

**[00:21:40]** I targeted the produce  
sections of those stores.

**[00:21:44]** Honey can be in the grocery section

**[00:21:45]** or it can be in the produce section.

**[00:21:47]** It can count either way.

**[00:21:48]** And I find that in grocery stores,

**[00:21:50]** people who go into the produce  
section are usually willing

**[00:21:54]** to spend more money 'cause  
they want to buy healthy food.

**[00:21:57]** - That's an interesting fact.

**[00:21:58]** - And so our honey is  
right there in produce

**[00:21:59]** and it's just a natural fit  
that way from a volume of sales.

**[00:22:02]** - Yeah, as opposed to  
somewhere on the shelf

**[00:22:04]** in the middle of the store.

**[00:22:05]** So you've trained a lot of  
employees and apprentices.

**[00:22:07]** What kind of qualities do  
you look for specifically?

**[00:22:10]** - I'm looking for someone  
that can take direction,

**[00:22:13]** can learn quickly, and then  
that I can give guidance to

**[00:22:16]** and they'll go out and  
operate on their own.

**[00:22:17]** One of the things we've  
done here on this farm

**[00:22:19]** is this year I hired a  
agricultural apprentice

**[00:22:22]** as a veteran, disabled veteran.

**[00:22:24]** And by using that program,  
I was also able to get

**[00:22:26]** some compensation back from the state

**[00:22:28]** to offset their first year salary.

**[00:22:30]** - Oh wow. What amount is that?

**[00:22:33]** - Yeah, so, and this is  
available to all businesses

**[00:22:36]** in the entire country  
through a federal act

**[00:22:38]** called the Workforce  
Innovation and Opportunity Act.

**[00:22:40]** If you hire an apprentice, you  
can qualify that apprentice

**[00:22:43]** for on-the-job training funds.

**[00:22:45]** And they're paying me 75%  
of his first 960 hours.

**[00:22:49]** And then because-  
- That's incredible.

**[00:22:50]** - And then because I  
hired a disabled veteran

**[00:22:53]** and I encourage everyone  
to hire a veteran,

**[00:22:54]** I am then able to take the  
work opportunity tax credit,

**[00:22:57]** which is a federal tax credit,  
which qualifies me for 40%

**[00:23:00]** tax credit on their salary  
at the end of the year.

**[00:23:02]** - Wow.  
- Yeah, for my apprentice,

**[00:23:04]** that's like $29,000 I'm  
gonna save this year.

**[00:23:06]** - Geez.

**[00:23:07]** I mean there's so many programs out there

**[00:23:09]** that I just wish it was  
more clear to people

**[00:23:12]** that it's available to them.

**[00:23:14]** - So now I just wanna show people

**[00:23:15]** and tell people, hey,  
hire a disabled veteran.

**[00:23:17]** They always qualify for  
on the job training funds.

**[00:23:20]** Hire a disabled veteran,  
you will always qualify

**[00:23:22]** for the work opportunity tax credit

**[00:23:24]** and you can save your  
yourself a tremendous amount

**[00:23:25]** of dollars on that first year salary.

**[00:23:27]** - Wow. Is that federal or state paid?

**[00:23:29]** - Those are federal payments.  
- Gotcha.

**[00:23:31]** Did you guys learn something new

**[00:23:32]** or simply enjoy the episode?

**[00:23:34]** Do us a huge quick  
favor, like and subscribe

**[00:23:37]** because it lets us know  
you love the content

**[00:23:39]** and helps us bring more amazing guests.

**[00:23:41]** What are some of the  
most important lessons

**[00:23:43]** you've learned so far from  
your failures specifically?

**[00:23:46]** - Failure is absolutely  
100% going to happen

**[00:23:49]** when you're running a small business.

**[00:23:51]** If you have identified all the risks

**[00:23:53]** that you can possibly think of

**[00:23:54]** and then thought about  
how to mitigate them,

**[00:23:56]** when that failure happens.

**[00:23:58]** 'cause it's just going to,  
you're not stressed out about it.

**[00:24:01]** If you don't do that, it's gonna  
be crisis mode all the time

**[00:24:04]** and you won't get anything  
done for the long run.

**[00:24:07]** Last winter we had that arctic  
freeze that came through

**[00:24:11]** for about a week and a half here.

**[00:24:12]** But that's a real problem for us,

**[00:24:14]** because what happened is I lost 14 hives

**[00:24:16]** that froze to death.

**[00:24:17]** - Oh wow.

**[00:24:18]** - And so over winter losses  
from either disease or cold

**[00:24:21]** is one of the things that's  
on my risk assessment.

**[00:24:23]** And so I had that insured  
through USDA for those losses

**[00:24:27]** and so I just filed an insurance claim

**[00:24:28]** and they helped me offset  
some of those losses.

**[00:24:30]** - So what's your general  
advice then to entrepreneurs

**[00:24:32]** who are, you know, facing some challenges

**[00:24:35]** and having a hard time overcoming them?

**[00:24:37]** - Sometimes you have to understand

**[00:24:39]** that when these things  
happen, it's for a reason.

**[00:24:42]** Sometimes that reason is  
okay, maybe I just need

**[00:24:44]** to slow down a little bit more in order

**[00:24:46]** to build resiliency into my business plan.

**[00:24:48]** Maybe you were pushing  
the edge a little too far

**[00:24:52]** in what you could do  
and how you could do it

**[00:24:53]** from a risk management standpoint.

**[00:24:55]** So maybe slow down a little bit.

**[00:24:56]** In the military we say slow  
is smooth and smooth is fast.

**[00:25:00]** - Thanks to Tailor Brands  
for sponsoring this video.

**[00:25:02]** Make sure to check them out below.

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# Full Text (without timestamps)

- Do you ever wonder how much  
you can make farming honey? Watch this guy as he reveals everything from starting with less than $500 to building it all on the side. - This year, we're six  
months into the year and we're already at a quarter mill. - Wow. In this episode, we dive  
into the inner workings of a successful honey farm. - You know, if you're not careful, you'll be working two jobs  
for the rest of your life. - Uncover the free money almost every new entrepreneur overlooks. - [James] And that's a $40,000 forklift. I had to pay a service charge of $500. The F-350 there was a thousand bucks. - And at last, discover the unconventional marketing strategy to boost your sales. - This is where the money's made. - And quick thanks to Tailor Brands for making this video possible. Alright, Jim, it is  
great to be here with you in this hot, humid environment. Let's talk about a little  
bit about your business and what ultimately got  
you into beekeeping. - So this is Secret Garden  
Bees. We started this in 2020. I got into this as a way  
to cope with the PTSD that I picked up during my  
time in the Army bomb squad. - Oh wow. - I had some medication I was  
on from the Veterans Affairs and it made me feel funny, you know, didn't like the way that worked. So a friend of mine who's also a beekeeper and has similar pieces as a veteran, he said, "Jim, try some bees." I started doing a little research and I found the Veterans  
Affairs had done studies on how it calms people with  
PTSD down and is good for 'em. So I said, "Alright, I'll give it a go." I was working full time  
as a corporate executive and I needed something. So I got into beekeeping  
like this back in 2020. Got two hives with the sole  
purpose of just trying it out. It went really, really well for me. - What about the bees  
that you think is calming? Just curious, if you can  
elaborate a little bit. That's very unique, very interesting. - Yeah. People say there's  
something about the sound of 'em. You have to stop, focus, calm yourself, move slowly, move deliberately, be in that moment while  
you're working the bees. - So is this where it all started? Give us a little background  
behind the name maybe as well. Secret Garden, what is that from? - So when I started this, I  
told my wife I wanted bees. She was really not on board. And so what we did was I  
got those first two hives and I put 'em on the very  
back side of the property. It was kind of hidden away. It was a little secret garden of bees. - And how many hives do you have? - [James] 62 hives today. - So four years ago, what  
did you need to get started? What was your initial investment? - About $500. - That's it?  
- Yeah. A suit, some gloves, you  
know, hive tool, smoker, and the two hives themselves, plus the bees that I had to buy. Now you can also order  
'em by mail, they come in- - What? - Yeah, they come in the post office - Like in a box. Just buzzing in there. - Yeah. Yeah.  
- No way. - Three pounds of live bees and a queen. - Give us a quick rundown  
of year over year revenue. So 2020 and through 2024. And then what are the margins that you're shooting for in this industry? - Year one we made  
$1,000, which is not much, but that was enough to hit our goal, for getting some tax benefits for being a qualified  
farmer in North Carolina. Year two we made $10,000, which helped solidify some of those goals and set us up for real growth. Year three, $100,000. - Whoa. Quite a leap.  
- Yeah. - Is it because of the growth  
of the colonies and so on? - Yeah, and the marketing that  
we did in year one, year two, branding, marketing, labeling, figuring out how everything was gonna work and figuring out our production models. Year three we're $150,000 and this year, we're  
six months into the year and we're already at a quarter mill. - Wow. Good for you.  
- Yeah. - Incredible. What about the margins? - In the beginning it was about 20% because I didn't have scale. Now that I've reached scale, we're upwards around 40 to 50% margin. - Not bad. - We spent those first two  
years getting the label right, getting the bottling right,  
getting the pricing correct. Understanding our backend  
office infrastructure to be able to go out and market  
to the large grocery stores. That was always the goal. The large grocery stores are where you're gonna make  
your money in this business. That was the year that I was able to get into the Fresh Market grocery store and be able to begin  
expanding throughout them. - What is your advice for  
those who are struggling to go full-time or not? - You know, if you're not careful, you'll be working two jobs  
for the rest of your life and you'll won't do either one of them as well as you would like. And understand that when you  
leave that nine to five job, you're gonna struggle that first year because you lost that  
other source of revenue. - Well said. - But on the other side of that, it's amazing how much  
faster the business grows when you can commit  
all of your time to it. - Master one thing. Yep. - Master one thing, get after it. You've hit your goal, your  
risk is low. Go do it. - Okay, awesome. What do you guys think? Is there ever a quote unquote  
right time to go full time or is it always a leap of faith? Comment below, we'd love to hear from you. Let's go check out the hives up close. I think you guys are gonna love it. What is your monthly overhead  
just to keep things going? - We run about $7,000 a month. Yeah. That pays for two  
full-time employees. - Okay, that makes sense. Labor expense. - And then our overall sustainment cost of maintenance and labor. - Gotcha. So this is kind  
of like the skyscraper. What's this level? - This is where the bees live. These are called the brood chambers. - So this is their home. - Yeah. This is a really good frame. So what we can see here is,  
see all this brown stuff here? - [Paul] Yeah. - [James] Those are capped  
brood, what we call, there's larvae in there that  
are gonna become new bees. So that means the queen has laid an egg and they're becoming larvae. And then all this around  
here is all honey, which they will use to  
feed those young bees. - Let's talk about  
sourcing different bees. How many different types are there? How do we source them?  
What have you learned? - There are no native  
North American honeybees. They're all imports. So the ones that are used most commonly here in America are Italians, they're calm, they're gentle, you can see 'em here and  
they make a lot of honey. - What does it cost to buy a bulk of bees? - It's about $150. Or you can buy what's  
called a nucleus of bees. What I've got here are  
some nucs or nucleuses. These are baby packages of bees and what that'll come with  
is five of these in there with a queen and some honey and some larva and everything ready to go. And you put it in your new hive and that starts the  
hive a little stronger. - Gotcha. Alright, well now that  
we've checked the bees, let's go and check out and show our audience  
kind of all the equipment that you need to operate a  
successful beekeeping company. So I'll follow you. - Great.  
- This bee's got me. (upbeat music) I mean it's a pretty simple setup here, But what does this all cost, Jim? - We're running about $10,000 for the equipment that  
you see in front of you. One of these here, you know, you can pick  
these up for less than $500. You know, with one of these, a five gallon bucket and a simple filter, you can begin pulling  
your first honey crop. - Can you give us a flow  
through of extraction? Unfortunately we can't do it today 'cause we're out of that season. Right. But what does that look like? You put those frames in here. - Yeah, so what happens is we  
will stack this entire area over here with those small honey supers. - Then we'll take each individual one, pull those frames you saw out, come in here and we  
have to uncap the honey. And then we'll take those frames. We put 'em in the extractor.  
This is just a spinner. And then it spins the honey out. - And does it fall at the bottom and then ooze out somewhere, - Falls and runs out over here and goes into this  
piece of equipment here. What this is, is a honey sump. - [Paul] What's the purpose? So you're filtering anything  
you don't want in there. - Yeah. You wanna get rid of  
the wax that came out with it. You want to get rid of  
any, you know, random bees that happened to be in there  
when you were spinning. Well, and then there's  
a pump that gets hooked to the back that hooks that  
pump and then pumps it over into this thousand  
pound holding tank here. And from there we use that tank  
to fill five gallon buckets for long-term storage. - How often are you  
extracting on a yearly basis? - Twice a year. We harvest once in the  
spring around the 1st of June and then again in the fall  
around the 1st of October, depending on how the seasons are. - So what do we call this officially, Jim? - Well this is a hive. This is what you need to back. You know, we've got the big  
ones here on the bottom, we call it their deeps. This is where the bees live. And then these small  
ones on top are mediums. They're, we use these as honey supers. That's what it's called. This is where the money's  
made in the honey business. You know, each one of these  
will be filled with frames, withdrawn, honeycomb in 'em and the bees will fill  
those up with honey forester and the normal honey flow. These are the real heart of the operation. - How much does a box  
cost to put it together? - [James] We're around roughly 50 bucks. - 50 bucks. Okay.  
- Yeah. With the frames. We buy pallets of these  
frames. Ready assembled. That's what we use the forklift for. Because when you start  
unloading, you know, 1,000 of these at a  
time, you need a forklift to get 'em off the truck  
and bring 'em in here. - Quite heavy. Yeah.  
- And we'll go through 1,000 of those a year. - So if you were to build one hive, Jim, in terms of output, what  
are we talking about? Do you measure per honey jar? Pounds.  
- Pounds. So one of these honey supers, will do anywhere from 30 to  
50 pounds during the flow. - Per year or per harvest? - Per year. - Gotcha.  
- So if I'm getting 50 pounds per super, you know, a hive in a good year will produce 100 pounds, in a bad year is 60, 65 pounds per hive. So if we're selling at  
an average of $20 a pound and you do that out, I mean that's what? A thousand bucks a hive. - Wow.  
- So that's a good day. - That is a good day. I'm sure any of the  
multimillion dollar businesses, entrepreneurs and founders  
that we've met over the years would agree that launching  
a successful venture isn't just about the big ideas. It's about having the right  
tools at your disposal to turn those ideas into reality. So if you're looking to give life to a business idea of your own, listen up, because we're about to make  
that daunting first step so much easier with the help of our friends at Tailor Brands. Tailor Brands is a business builder which gives you the tools  
to kickstart, expand, and manage your business venture. No more tangled webs of paperwork, legal fees and bureaucratic roadblocks. With Tailor Brands all in one  
business building platform simply follow the guided prompts and check off all the  
little to-dos on your list before launching, all  
on one convenient site. From creating an LLC and EIN registration, setting up a business bank account, a suite of financial  
management tools and much more. Getting your business off the  
ground has never been easier. Thanks to Tailor Brands. Don't let your big idea gather dust. Click the link below and  
receive a 35% discount on all LLC plans and turn your entrepreneurial dreams  
into a reality today. Alright, rocking, literally  
rocking on rocking chairs. Let's do Blitz. Thank you guys for  
submitting your questions. Jim, first one, what's  
the most surprising thing you've learned about bees  
since starting your business? - Each hive has a personality.  
They're all different. You can go from one hive to the next hive and they will be completely different in how they react to you and how they produce  
honey and do everything. - That is cool. Okay. What's the best thing about  
being an entrepreneur? - The ability to make my own decisions and make my own money versus  
making money for someone else. - Well said. What's the worst thing  
about being an entrepreneur? - Not having any money when  
you first get started. (laughs) - The irony, huh? - And there's always more work to do versus, "Hey, the day is  
over and I'm going home." - Good point. When was the  
last time a bee stung you? - Twice this morning while  
we were doing this interview. - (chuckles) So it's almost a daily thing? - Yeah, it's a daily thing. - Is it?  
- Yeah. - Okay, what's the best piece of advice you received about running  
a beekeeping business? - The best piece of advice for  
running a beekeeping business is in general to any business, and I keep coming back to  
this, it's risk management. If you're not doing a  
risk management worksheet for your business and  
understanding and mitigating those, you're setting yourself up  
for some real challenges. - What's the biggest misconception people have about beekeeping? - That you're gonna make a  
whole lot of money upfront with not a lot of hives. You gotta hit scale. - If you could collaborate  
with any brand or business, who would it be and why? - Savannah Bee Company. The saying is you can sell  
a lot of honey for a little or a little honey for a lot, unless you're Savannah Bee Company, and then you get to sell a lot for a lot. And no one can understand  
their secret sauce- - Really?  
- Of how they've done it. - Last one. What's your  
favorite way to enjoy honey? In my coffee and oatmeal in the morning. - Nice. If you could go back and  
start everything all over, what would you do different? - The major, major  
error I made in starting was I am a sole proprietor. Because I didn't plan on scaling this to be a large business  
that supported my family. That was a simple way to do it. I should have started  
as an LLC or an S corp from the beginning. If I knew then what I know  
now, I would've done that. And now-  
- What does it boil down to? - Liability. Tax advantages. The ability to do certain  
other things with my assets. It would've made things so much simpler. Now that I'm so far down the  
road as a sole proprietor and I've gotten a lot of grants,  
I'm in a lot of programs, I'm all registered as a sole proprietor and it's extremely  
difficult to unwind that and change it over to an LLC or an S corp. - Okay. So the tip is don't  
wait just LLC right away, whether you're making zero or a 100,000. - Yeah, that would've the smartest thing I could have done  
upfront that I didn't do. - Good advice. What are some of the biggest mistakes you made when you first started out? When it comes to like maybe extrusion? - I would say the biggest  
mistake I made is, and I don't know why  
this didn't occur to me, is that when I start taking the honey, when I started extracting the honey, I tried to do it in my  
barn. I didn't have this. And I did it during the day 'cause it seemed like a good idea. So I started pulling their honey  
out and the bees showed up. - [Paul] Uh oh. - Not just one first,  
you know, one or two. And then went and got all their buddies. Within about an hour I was  
extracting in my bee suit because I was surrounded  
by at least 100,000 bees who were very upset.  
- Geez. - I just had to stop.  
- Impossible. - I just had to walk away and let 'em have what I had already taken  
out and then rethink it. - Wow. - So with this trailer, we  
do everything at night now. We start about nine o'clock  
at night work all night long while the bees are asleep and when they start waking up  
in the morning, we're done. - Let's go check out the kind  
of the heart of the business and that is where you  
fill honey into jars. I'd love to do that and help you out. - Great.  
- Awesome. (upbeat music) - So welcome to the Secret  
Garden Bee's world headquarters. - [Paul] So this is not a lot of space, but this is really  
where the magic happens. - Yeah, this is the heart  
and soul of the operation. This is where we package  
the honey for shipment to go out to customers for sale. This facility is nowhere near adequate for what our requirements are, but we operate debt free  
and this is paid for. - Maybe walk us through the machine first. Like what are we looking at there? The fill master.  
- Sure. So all these come in,  
they get labeled by hand and then we set 'em out for filling. What we've got here is the most important equipment on the entire farm. This is the tanks and  
the filling machine here. These two tanks hold 25  
gallons of honey each, that's 600 pounds. And they keep the honey  
at an even 104 degrees so that it'll move for packaging. Otherwise the honey gets like concrete. - Yeah, makes sense. - And then it comes into this  
Daytan fill master machine. All of this here are about  
$20,000 for these three pieces of equipment.  
- Wow. - Huge, huge expense for us. But one of the first things  
I did when I went reached out to that mentor who runs a large facility and told him what I was doing,  
I said, "I wanna buy this equipment and I wanna to  
start with growth in mind." He said, "Jim, this is what you buy. Number one, you buy this machine." he packages 2 million pounds a  
year and this is all he uses. And it's one of the very  
first grants that I got because that was a lot of money. So I applied for a small farmer grant and yeah, there were  
several grants out there that just wanna help  
small businesses do that. - So this is here without  
any money out of your pocket. - About $2,000 out of pocket  
for a $20,000 of equipment. - It's 20 grand. Yeah.  
- That's not bad. - Now you said labor intensive before. What were you doing before? - So what we did before  
was this five gallon bucket that you see right here. This is the bucket. You would fill it with honey. So you had to pour from  
a five gallon bucket into a five gallon bucket. - And then you take this little bottle and I'm guessing something  
comes outta here. - Yeah. And you would open the honey gate. - (laughs) Are you serious? - And let the honey pour  
out of there into the bottle and then get it absolutely  
perfect and close the gate and then wipe up your mess. - Wow. And how long did that  
take you to do back in the day? That's must be 60, 80 hours a week. - Yeah, it was about 80  
hours to do 1,000 pounds. - Wow. - Versus we can do 1,000  
pounds in eight hours now with this machine. - Incredible. So the difference the right equipment makes in the business, right? - Yeah, That is the only  
way we've been able to scale is with, you know, these here. These have made us so much money. We took that initial $20,000 investment and that's the year we made a $100,000. And it was just with  
that that we did that. - Wow.  
- So five times return on investment in the first year, just from that piece of machinery. - Do you need a massive machine like this? - [James] When you take a  
delivery of a tractor trailer full of bottles, you  
gotta have the forklift to unload it and move it around. - Well let's go check out the other piece of equipment there. And I most importantly wanna talk about how you acquired them. - You know, all of this  
equipment you see around you, all these containers, that  
golf cart, the forklift, the truck, this trailer  
that we're walking over to, were all acquired as government surplus. There was a law passed in  
2018 that allows veterans to get government surplus  
directly transferred to them. That's been the key. A good example there of how this builds a business fast to doing that. And that's a $40,000 forklift. I had to pay a service charge of $500 for the paperwork to go get it. - That's what it cost you.  
- Yeah. The F-350, there was a thousand bucks. This trailer here, which we're using for our extraction trailer. You could see NASA right on the  
side from launch operations. I had to drive down to Cape Canaveral to get this thing from the launch area. You know, we picked it up  
for a couple hundred dollars and that gives us a, you  
know, an enclosed wired, climate-controlled trailer that  
we can do our extraction in. So, you know, as a business  
owner who wants to grow and grow quickly, it's the equipment. That's where the expense comes in. Well if you can cut that cost out and get stuff from the  
government, you should. - Alright, so we're gonna demo one. - Yeah, so we pre preset this machine to exactly eight ounces 'cause that's what we're filling today. And all we gotta do is click a pedal and then it auto fills up  
to that eight ounce level, exactly the same amount every single time. Quick, fast and it's precise and clean. - And then I do this right?  
- Yeah. Then it comes over here, then we cork it. We cork everything. These are cork directly from  
Portugal where cork trees grow. - Wow. - So we ordered them from there  
to get a much better deal. - That's awesome. Since we have these two samples here, what do you sell retail this  
bottle for and the 16 ouncer? What do you think? - These little small ones  
will go anywhere from $10 to $14 depending on the store. The large ones will go anywhere from $20 to some stores sell 'em at $40. - Wow. So you have a a  
really premium product. - We do. It goes all the way back to you can sell a lot of honey for a little or a little for a lot.  
- That's true. What does it cost to  
make you one of these? And like your costs, remember  
we talked about that earlier? - Yeah. So, you know, these  
days we've got this down to around $6 a bottle. And I've got this down  
to about $4 a bottle. - So what role does packaging  
play in attracting customers? Right? Especially for a premium product. This package versus something else. You have a pretty  
simplistic approach, right. Talk to us about kind of your setup here and why it looks the way it does. - So I intentionally targeted selling to upscale customers and upscale markets. And so to do that you have to have a premium well placed  
product that looks good. Now we use a glass bottle that's corked and then shrink wrapped on top. That's labor intensive  
to put that together. And then the glass bottle itself is so much more expensive  
than just a plastic one. - And then this design here, who helped you come up with that? And did it evolve over time? Or you kind of just hit  
the nail on the head? Walk us through a little  
bit of that evolution. - We took a little over 18  
months to get this design. My wife worked with a graphics designer trying it out on the bottles,  
trying it out on customers to see which ones they liked better. We settled on this right here. (upbeat music) - It's great to see that your product is in many local markets,  
which is awesome. How much percentage of sales is retail versus direct to consumer so far? - [James] You know, about  
20, 25% of our sales, tops, run those things. - How do the margins differ  
when it comes to retail? - We'll make about 30% more selling retail versus wholesale. - Well, let's check out this  
store here. It's really cute. I know my wife would love it. (upbeat music) How important is it to have a stand where people can show  
up, do it themselves, and be on their way, - Surprisingly, more than I thought. - Talk us about that. Why,  
why was it a hurdle for you? - I just didn't think that people would come  
out here and use it. But it got to the point where I had more and more people coming to the farm and I had to stop what I  
was doing to go help them. - Right.  
- And every time I stopped to do what I was doing, it cost me money. - Yep.  
- So I finally said, "All right, let's build this out." And the response has been  
just really, really good. - So it's a no brainer. - Yeah.  
- Right? Build it as fast as you can.  
How much did this cost you? - Oh, I built this for under $1,000. - Yeah. And it's generating  
500 bucks on average per week. So we're talking two grand a month. - Right.  
- Right. Pays itself within-  
- Very quickly. - Very quickly. Like Jim, if you're looking  
to learn from the best active business owners out there, you need to check out the UpFlip Academy. It's an incredible resource  
that will help you start and scale any business. Check it out for yourself  
at upflip.com/academy. (light music) Thanks for bringing us over here, Jim. Everything honey is here. Are you the only honey product here? - We are. Proud to be partnered with them. They were one of our first  
retail sales customers. - What was your biggest  
wholesaler order ever? - Yeah, my biggest wholesale  
order was about $46,000. That came from when the  
Fresh Market grocery store decided to expand me from  
60 stores to 170 stores. - Wow.  
- So that was a good day. - Can you give us the  
backstory on how you got into the store to begin with? - Yeah. So persistence. I kind of figured out the  
stores I wanted to be in and then I went and  
talked to store managers who then gave me some  
corporate numbers to call. And then I just kept calling, until one of 'em returned my voicemail. You know, I find that  
these large corporations, they want to do business  
with small business. They just can't find  
reliable ones to work with. - That's a good point. - What the Fresh Market did and what Harris Teeter's gonna do for me, is they gave me six stores and they said, "Here's your six stores. You deliver, you invoice, what sells you send us a bill for." And what they were trying to do there, is one, see if it sold,  
and two, test me out to see if I was a real business. And then they came back and  
they said, "Alright, you know, you're really doing this,  
let's go to 60 stores." - Wow.  
- And now we're at 170 stores. - [Paul] Why do you think  
you've been so successful? Not only selling here at the gift shop, but the other retailer stores as well? - When we look at some  
of the grocery stores, I targeted the produce  
sections of those stores. Honey can be in the grocery section or it can be in the produce section. It can count either way. And I find that in grocery stores, people who go into the produce  
section are usually willing to spend more money 'cause  
they want to buy healthy food. - That's an interesting fact. - And so our honey is  
right there in produce and it's just a natural fit  
that way from a volume of sales. - Yeah, as opposed to  
somewhere on the shelf in the middle of the store. So you've trained a lot of  
employees and apprentices. What kind of qualities do  
you look for specifically? - I'm looking for someone  
that can take direction, can learn quickly, and then  
that I can give guidance to and they'll go out and  
operate on their own. One of the things we've  
done here on this farm is this year I hired a  
agricultural apprentice as a veteran, disabled veteran. And by using that program,  
I was also able to get some compensation back from the state to offset their first year salary. - Oh wow. What amount is that? - Yeah, so, and this is  
available to all businesses in the entire country  
through a federal act called the Workforce  
Innovation and Opportunity Act. If you hire an apprentice, you  
can qualify that apprentice for on-the-job training funds. And they're paying me 75%  
of his first 960 hours. And then because-  
- That's incredible. - And then because I  
hired a disabled veteran and I encourage everyone  
to hire a veteran, I am then able to take the  
work opportunity tax credit, which is a federal tax credit,  
which qualifies me for 40% tax credit on their salary  
at the end of the year. - Wow.  
- Yeah, for my apprentice, that's like $29,000 I'm  
gonna save this year. - Geez. I mean there's so many programs out there that I just wish it was  
more clear to people that it's available to them. - So now I just wanna show people and tell people, hey,  
hire a disabled veteran. They always qualify for  
on the job training funds. Hire a disabled veteran,  
you will always qualify for the work opportunity tax credit and you can save your  
yourself a tremendous amount of dollars on that first year salary. - Wow. Is that federal or state paid? - Those are federal payments.  
- Gotcha. Did you guys learn something new or simply enjoy the episode? Do us a huge quick  
favor, like and subscribe because it lets us know  
you love the content and helps us bring more amazing guests. What are some of the  
most important lessons you've learned so far from  
your failures specifically? - Failure is absolutely  
100% going to happen when you're running a small business. If you have identified all the risks that you can possibly think of and then thought about  
how to mitigate them, when that failure happens. 'cause it's just going to,  
you're not stressed out about it. If you don't do that, it's gonna  
be crisis mode all the time and you won't get anything  
done for the long run. Last winter we had that arctic  
freeze that came through for about a week and a half here. But that's a real problem for us, because what happened is I lost 14 hives that froze to death. - Oh wow. - And so over winter losses  
from either disease or cold is one of the things that's  
on my risk assessment. And so I had that insured  
through USDA for those losses and so I just filed an insurance claim and they helped me offset  
some of those losses. - So what's your general  
advice then to entrepreneurs who are, you know, facing some challenges and having a hard time overcoming them? - Sometimes you have to understand that when these things  
happen, it's for a reason. Sometimes that reason is  
okay, maybe I just need to slow down a little bit more in order to build resiliency into my business plan. Maybe you were pushing  
the edge a little too far in what you could do  
and how you could do it from a risk management standpoint. So maybe slow down a little bit. In the military we say slow  
is smooth and smooth is fast. - Thanks to Tailor Brands  
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