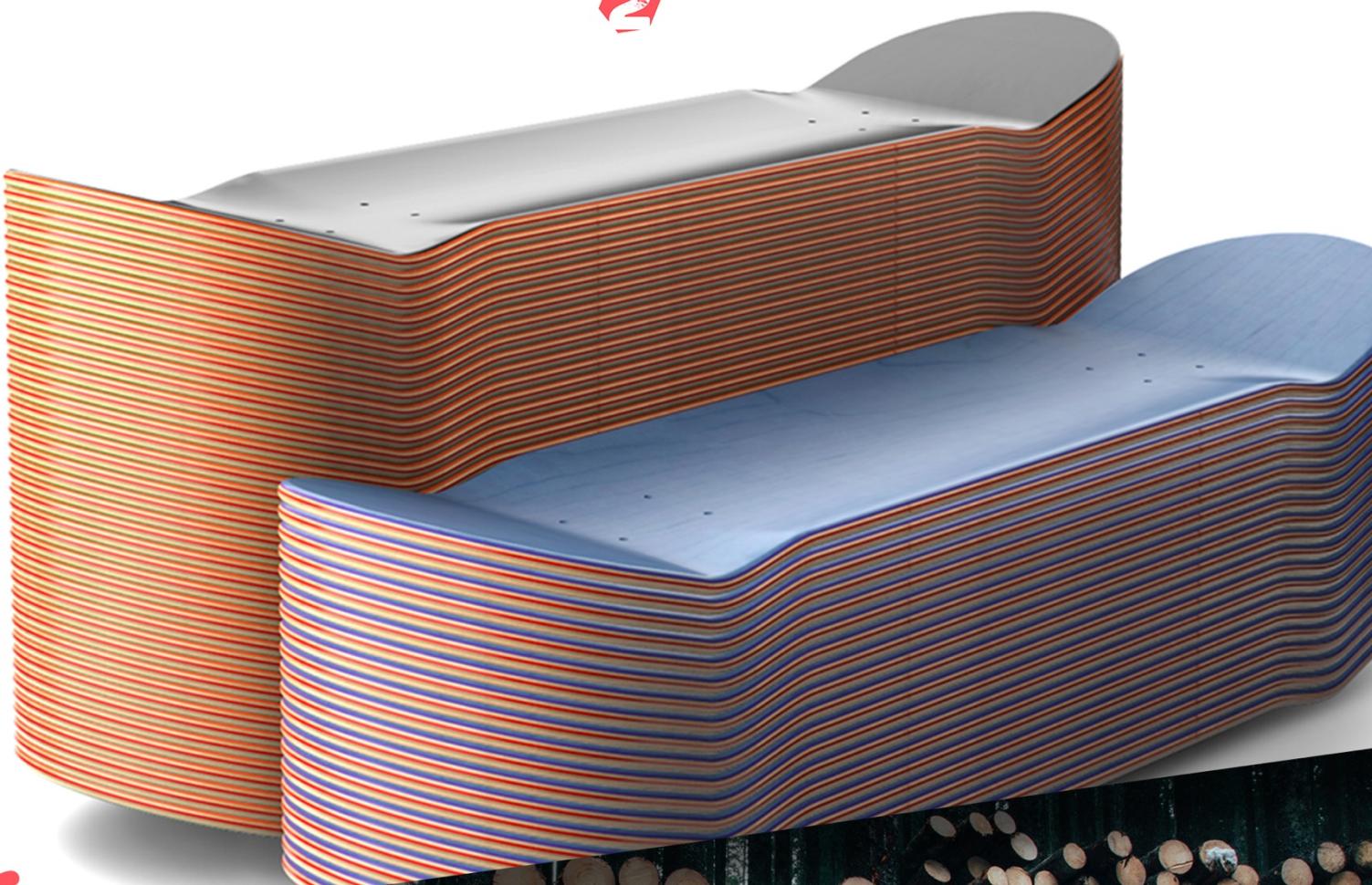


THE SKATEBOARD COMPANY FOUNDERS BOOK

A BOOK BY 2HEX SKATEBOARD FACTORY



SEE BEHIND
THE COMPANIES !



**THE SKATEBOARD
COMPANY
FOUNDERS BOOK**

Congrats on getting a copy of 2HEX'
skateboard company founders book!

This book is unfinished.
It is being continued on a monthly basis.

Niklas Vesely

the author; 2HEX.com

CHAPTERS

UNPACKING YOUR CUSTOM DECKS	5
CAN YOU BUILD A SUCCESSFULL SKATEBOARD COMPANY?	6
INVESTMENTS AND BANK LOANS	7
HOW TO DESIGN SKATEBOARD DECKS?.....	9
DISTRIBUTION	12
CHOOSE THE RIGHT PRODUCTS	15
WHY DO INTERNATIONAL SUPPLIERS NOT ACCEPT PAYPAL?.....	17
WHERE DOES 2HEX BUY ITS SKATEBOARD MAPLE?	18
HOW TO BUILD A SKATEBOARD COMPANY	22
FUTURE ARTICLES	24

UNPACKING YOUR CUSTOM DECKS



For a skateboarder starting his own skateboard company, there is no better feeling in the world as the moment when a large truck enters your street to deliver your 2HEX skateboard production right to your door!

UNPACKING

After a good two hours of carrying heavy cartons from the sidewalk into the skateboard warehouse (or ones parents basement) comes the most exciting moment for any founder: unpacking! Unpacking a new skateboard production gives real founders goosebumps! It's the moment founders have waited for over months! Months of hard work. The planning, days and nights of designing, sending out catalogs, calling shops, collecting pre orders, and placing the order. everything has led to this one moment.

HOLDING THE DECKS

When a founder holds his skateboard decks from 2HEX skateboard factory, then it all comes together. It is the moment when he feels it was worth all the hard work. The perfect 7 veneers, the smoothly rounded edges, the smell of fresh maple, epoxy and varnish. And best, his brand's new designs which perfectly match the veneer colors. Printed with strong colors in exactly the way the artwork was submitted. Holding the deck in one's own hands, it looks much better than in the catalog or on the computer. All senses join a perfect experience: One's own brand's design, the smooth concave, the smell of a new deck and the high pitched 'tick' sound when hitting the tail on the floor.

SHARING THE MOMENT

Waiting to show the new deck series to team riders and skate shops can become unbearable. Your true team riders know that and come immediately after receiving your call. Together you pack decks in your car's trunk and deliver them personally to your local skate shop or to the skatepark.

This is how I experienced the arrival of my brand's decks many years ago. These are moments one never forgets.

CAN YOU BUILD A SUCCESSFUL SKATEBOARD COMPANY?

Can you open a successful company?

Statistically it is unlikely that you can found a successful business, no less a skateboard business. From 2000 persons planning on founding a skateboard business, 100 actually go ahead and arrange their first production. Of these, only 30 sell all goods and arrange a second production. Of those 30, only 5 can make a living from their business and only one can sell enough to hire employees and grow their skateboard company.

Why do so many skateboard businesses fail?

Skateboard company founders often forget that it is not enough that they themselves can skate well. They believe great skateboard designs can create a “pull business”, a company that gets called from skateshops and merely has to fulfill incoming orders. Skateboard companies however are “push businesses”. No matter how good the designs or quality, skateboard company founders have to call skateshops every day to sell their products.

Is it difficult to build a successful skateboard company?

Founding a successful skateboard business is not easy, nor is it very difficult. However it does require high discipline, strong organizational skills and a lot of energy. Key characteristics you must be willing to accept are:

- Most of your time must be spent on calling clients and selling your goods.
- The second most important task is finding the right people to share the work of design, marketing and purchasing. If you try to learn all skills by yourself, you will spend years learning instead of growing your business.

Also, you will learn faster by hiring and watching people that already have the required skills.

So, Can you found a successful skateboard company?

Yes, if you are ok with embracing the mentioned tasks, you can found a successful skateboard company.

What happens if you fail?

There is no failure. Founding your own company makes you more self-confident in business settings, it gives you an insight into all fields of work within a company, and it lets you learn how to lead people. All these points make you highly valuable to employers, or prone to found a successful venture in the future.

INVESTMENTS AND BANK LOANS



One way to subsidize a skateboard company's growth is by collecting an investment or taking a bank loan.

INVESTMENTS

Taking an investment means, that you give away a specific percentage of your company as well as part of your company's future profits. Profit is the money that is left after you have paid all expenses including your own salary. Since however only the biggest skateboard companies have money left after paying for productions, marketing and salaries, investors have to wait years to see any returns, if ever.

LOANS

Bank loans are borrowed money that has to be paid back in a higher sum within a specific time period. The cost of a bank loan for small skateboard businesses is usually around 7.5% and must be paid back within 3 to 5 years. To make sure their money is safe even if the skate company goes bankrupt, banks issue loans to founders and not directly to skateboard companies. This means, that founders have to pay back the loan - no matter if the business keeps running or not. Not paying back a bank loan can lead to increased lending rates and eventually private insolvency of founders.

INVESTMENT OR LOAN

Loans are risky because they must be paid back within a specific time frame no matter if a company is making profits or if it has any money on its bank account. To lower the risk of not being able to cover a monthly pay off, loans should only be used to buy machinery or stock that can easily be re-sold if necessary.

Investments are less risky but require a founder to give up part of his company ownership to a, from that time forwards, "co-owner". Unlike loans, investments can be used for more risky growth strategies such as hiring employees or growing marketing expenditures.

USE CASES

1. If you plan on placing your first order of 200 decks but you are lacking the 3.000,- USD, you should not take a loan. An investment is acceptable. However it is best to find a job and save up over several months.
2. If you already sell 100 or 200 decks every month and you plan on buying your own heat transfer press and a small garage full of blank decks to better serve your customers, a bank loan can likely be the best decision.

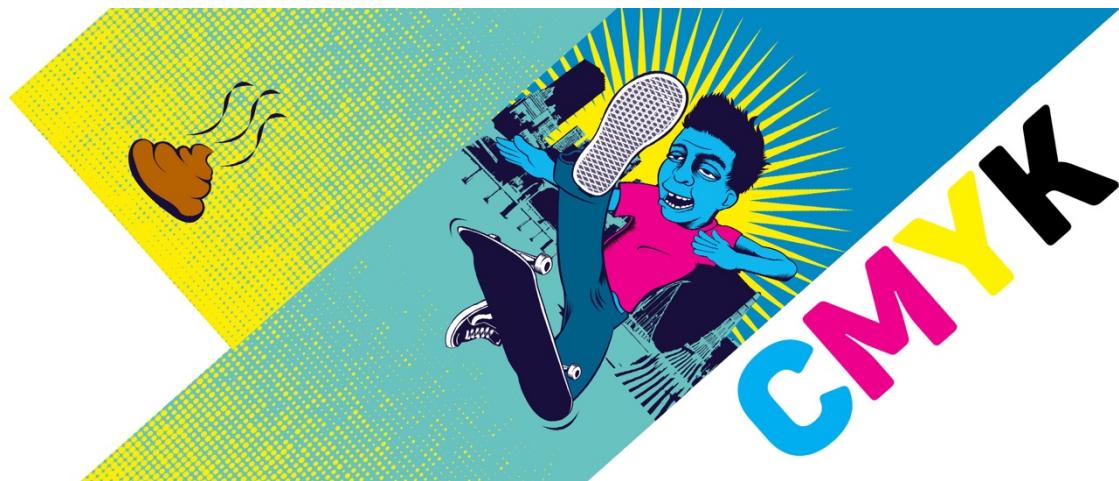
3. If you sell more than 300 decks a month and you plan on increasing your sales and marketing team to expand into multiple countries, you might want to consider taking an investment.

ADVISE FOR NEW FOUNDERS

If you don't depend on your business to cover your living expenses, the best growth strategy is to not pay yourself a salary and re-invest all revenue into further productions. If you buy 200 decks for 3000,- USD, you can sell these decks for 6.000,- USD. If you follow this strategy and double your order quantity every three months, your company will have 384.000,- USD on its bank account by the end of the second year. Without a bank loan, without giving up shares, and without taking any risks.

Do you want to find out how much your first production would cost? [Sign Up](#) and create the perfect [Deck](#) for your company.

HOW TO DESIGN SKATEBOARD DECKS?



HOW TO DESIGN SKATEBOARD DECKS

Dimensions

Skateboard designs should be prepared in 9 inches by 32.5 inches (or 23cm by 83cm). Skateboard designs need at least half an inch or 1.3 cm. Designs are screen printed on heat transfer papers and heat transferred to skateboard decks. This allows the screen printed ink to fixate strongly into the wood fibers of the skateboard deck. Heat transfers are placed on skateboard decks by hand. Manual labor cannot achieve 100% accuracy on placing every heat transfer at exactly the same spot. The bleed of 1.3cm gives us a 0.65cm (0.256 inches) space on each side to ensure, that the design fits on the full surface of the deck.

Colors

Skateboard designs are screen printed in spot colors or CMYK. Most professional brands use spot colors for designs with a small number of different colors. **Spot colors** are mixed before the printing, resulting in very strong and clear colors. Each used color must be submitted with the corresponding Pantone color code. The Pantone color code is listed in the Pantone solid coated color formula guide. After you send us the Pantone Color code, we will look it up in the formula guide and mix the ink accordingly. A famous brand for the use of spot colors is enjoy. Check out their designs and be inspired by their use of limited but strong colors!

Designs with 5 or more colors are commonly printed in **CMYK**. CMYK printing means, that the design is divided into tiny Cyan, Magenta, Yellow and Black dots. The dots are so small, that they are barely visible to the human eye. These dots are printed so closely to each other, that the human eye sees it as a separate color. A surface filled with Cyan and Yellow dots, looks green for example. This is the same process as used by your printer at home with the difference of us screen printing the dots.

In comparison, spot colors look stronger and more intensive than CMYK colors. Spot colors are also much more accurate than CMYK. Each display differs by brightness, saturation and color. If you take your printer and print your deck design at home, you will see that the colors will look different to the design on your computer. Pantone colors ensure that everybody understands which color is to be used.

Experienced skateboard companies create designs with multiple colors printed in CMYK. Usually CMYK designs have weak colors, but by using the original C-Cyan, M-Magenta, Y-Yellow and K-Black these brands achieve spot color like saturation in multi-color designs. You can do a test with your printer at home: Print a 100% Cyan surface and a Green surface. When looking closely you will see that Cyan is a clean color. Green however is made up of small Cyan, and Yellow dots.

White is the color of the background. So just as your printer at home can create a perfect white by leaving an empty space on a paper, a CMYK skateboard design can create a clean white spot by leaving it unprinted. However keep in mind, that if small spots of up to 3mm within a CMYK design are left empty, the surrounding spots will fill it. If you work with very accurate white designs – prepare “white” as a further spot color.

Areas of your design can be left **transparent** to show the wooden deck veneer underneath the print. By switching the color of the bottom deck veneer, multiple color-ways can be created with the same print. This is often used to save on print set up costs. However note, that while white is usually a free color as it is used as base layer adding transparent is calculated as a color! When adding transparent, we can not print a full white bottom layer and instead have to create a white film that keeps the transparent areas free.

File formats

The best prints are made from **vector images**, while the worst prints are made from compressed, low definition, mixed-color, Jpg files. Vector images are great for artworks with a limited amount of colors. Especially spot color prints must be submitted as vector files. Vector files are often created by Adobe Illustrator and saved as .Ai or .PDF files. When working with vector files, make sure to vectorize all text. If you forget to vectorize text, any computer that does not have the same fonts will automatically replace the font-type. This results in a completely different look of your design.

Photos and designs with a large number of colors are printed in CMYK. Good file formats without compression are **TIFF** or **PSD**. If you plan on printing photos on skateboard decks, and your camera saves photos as JPGs, make sure to not further compress the images. When saving your artwork as Jpg, save it with at least 300 dpi (dots per inch) and a size of 9" x 32.5" (23cm x 83cm).

Upload to 2HEX Skateboard Factory

While vector artworks can be very small in file size, photo prints can sometimes reach file sizes of over 50 MB. If you happen to work with **big files**, the upload on 2HEX might take you too long. In this case upload a preview of the artwork and send us your artwork by email after receiving the production confirmation email.



Why most skateboard companies fail

And how to make sure your company succeeds!

Most skateboard companies fail.

Other skateboard companies only survive because their founders work 2 jobs to cover the production costs.

There is **one reason** why almost all skateboard companies fail!

And there are **5 steps** how you can make real money from your skateboard business!

For over 10 years 2HEX runs skateboard productions for skateboard companies from all over the world. Some companies have become very successful, many other have closed.

So we went out to find characteristics all successful companies have in common, but none of the failing companies shared.

The result is clear. There is one major reason why almost all skateboard companies fail and there are 5 steps all successful companies have taken to become well known and profitable.

Follow these 5 steps and your skateboard business will succeed. To which extend you follow these 5 steps determines how fast your skateboard company will grow.

We here at 2HEX don't want new founders to go through the same mistakes of previous skateboard companies again and again.

The major reason skateboard companies fail:

Most skateboard companies fail because they put too little time and focus into sales. Most founders continuously improve their designs, sponsor more skateboarders, arrange more events and wait for shops to come and ask for their skateboard components. Far not enough shops come and ask for boards, so founders get a job to keep their skateboard business alive. With a safe income and very limited time, these founders then focus even less on sales. This is the path to certain death.

Don't go down the same road. Learn how successful founders tackle sales!

The following 5 sales tactics were followed by all of our successful customers.

1. Sales are first priority

No matter your vision or company's goal... your company needs to make money. Without money, you can't run productions, you can't invest all your time and you can't support skateboarding.

There is only one way you can make money. You have to sell. Selling should always be your number one priority. Not sponsoring, not design, not marketing, not your taxes and bills. Sales.

Start by making a list of all skate shops and skateboard distributions within 300km of your location. Call them, visit them and start selling. If you have stock, pack a big bag and visit the shop. Try to leave with an empty bag. If you don't yet have skateboards, offer them to sell your skateboard lessons to their customers to grow their market.

2. Make your customers' skate shops grow

Think about what you can offer your customer to make his business grow! It's no help to have your skateboards hanging in a store that has no sales. There are two ways to grow a skate shop's business: Bring more skateboarders to buy at the shop AND turn more people into skateboarders. Usually its kids and their parents that bring most money into skate shops. To get more kids to skate, help skate shops offer skateboarding lessons, arrange demos and events together with the shop in schools or other places that have many kids. By doing so you don't just hook the shop but also the shop's next generation of clients to your brand!

3. Work according to a calendar

Follow up closely with your clients. Call each customer every two weeks to check if they have enough stock of all of your products. If a shop does not sell your products, ask why they aren't selling and how you can help the shop sell your goods. Don't offer lower prices, offer more support as described above.

Be well prepared and schedule your annual tasks. Have your warehouse filled before the first days of spring and have enough stock to make it all the way until your next production arrives.

4. Manage your finances

Don't overspend on sponsoring. Firstly make sure that you have enough money to grow every production run. Secondly make sure you pay yourself high enough of a salary, that you can invest all your time into your skateboard business. Thirdly make sure that you have enough money to visit and support your customers. The rest of the money should go into design and marketing. Sponsoring is only one component of marketing.

Don't mix private and company money. Use separate bank accounts and wallets. Pay yourself once per month a salary from the business account.

Know your product margins! Don't dismiss direct sales, if you sell directly to an end user, your margin is three times as high.

Decks are great for your company's image, but completes make the volume and money! There are much more beginners than there are pros, but the offer for beginners is very limited. Sell decks to keep a great brand image. Sell completes to make money.

5. Let a successful skateboard business guide you

Skateboard companies running their productions at 2HEX succeed, because we don't stop after sending out a production. We follow up regularly to make sure you reach your sales targets, you fill your warehouse on time for key seasons, and you benefit from our other customers learnings. We succeed if our customers succeed!

Introduce your skateboard company to 2HEX Skateboard factory and download the newest production catalog [here](#).

CHOOSE THE RIGHT PRODUCTS



COMPLETE SKATEBOARDS ARE MORE IMPORTANT TO YOUR COMPANY THAN YOU MIGHT THINK.

unlike traditional businesses, skateboard companies strongly focus their attention on their perceived style and image.

These brands look for products that best improve their brand image.

They decide against traditional market analyses or checking product margins and instead only produce custom skateboard decks and griptapes. These however are the two skateboard products with the lowest margins. On top of that, both of these products are highly price competitive.

Building up a great image is a good base for any company. But still it's only a base and should not define ones whole company.

Once you have sold shops your first decks and grip tapes, follow up with great complete skateboards or component-sets therefor!

Ask any shop what skateboard products are sold most frequently, and they will tell you it is skateboard completes or low cost components used to build completes. The same shop will most likely also confirm to you, that these are the two products that their distributor have the smallest offer to choose from.

MAKING SKATEBOARD COMPLETES DOES NOT MEAN THAT YOU CAN STEP BACK FROM MAKING GREAT DESIGNS.

When visiting a skateshop, you will see that most pro decks come with great designs, but most complete skateboards are no pieces of art!

Most skateboard brands that offer complete skateboards, plan these with very little focus to detail as they see it as only a side product.

However, the group of skateboard-beginners is much bigger and often has more money than experienced skateboarders.

Therefor: Create complete skateboards with a strong focus to detail. Let your designer turn all 6 skateboard components into one coherent piece of art!

You can be sure, every skate shop you present your complete skateboards to will become a customer!

Download our skateboard factory's production catalog [here](#).

WHY DO INTERNATIONAL SUPPLIERS NOT ACCEPT PAYPAL?

PayPal charges international recipients a 4,5% transaction fee. When the receiving factory wants to move the foreign currency to their local bank account another 2.5% are added as obligatory currency conversion fee.

In total PayPal charges international suppliers 7% on all incoming payments. This means that if you pay an international supplier 20.000 USD by PayPal, the supplier only receives 18.600 USD. The other 1.400 USD are kept by PayPal.

Bank charge anywhere from 30 USD to 100 USD for wire transferring international payments, which like PayPal can often be done online.

When arranging an international wire transfer payment with your bank, you can choose between BEN, SHA and OUR. OUR means that you pay all charges, SHA means that you only pay your bank's charges, and BEN means that all charges are covered by the recipient.

If you ask your bank how much the recipient will be charged if you select SHA or BEN, they will mostly respond, that they can't tell you. Often many banks are used to transfer payments from one country to another, every bank in this line can more or less "charge as it feels", as there is no contract on how much may be charged. Therefor SHA and BEN are the most expensive ways of wire transferring money.

OUR is the cheapest option to send money abroad, as OUR wire transfer charges are being published by most banks, which leaves little room to increase the prices later. OUR is the only payment option, that can be used to pay suppliers. OUR means, that the complete payment is received by the supplier, which in turns means, that your invoice will be fully covered without any outstanding payments due to banks deducting their fees before placing the money on the recipient's bank account.

WHERE DOES 2HEX BUY ITS SKATEBOARD MAPLE?

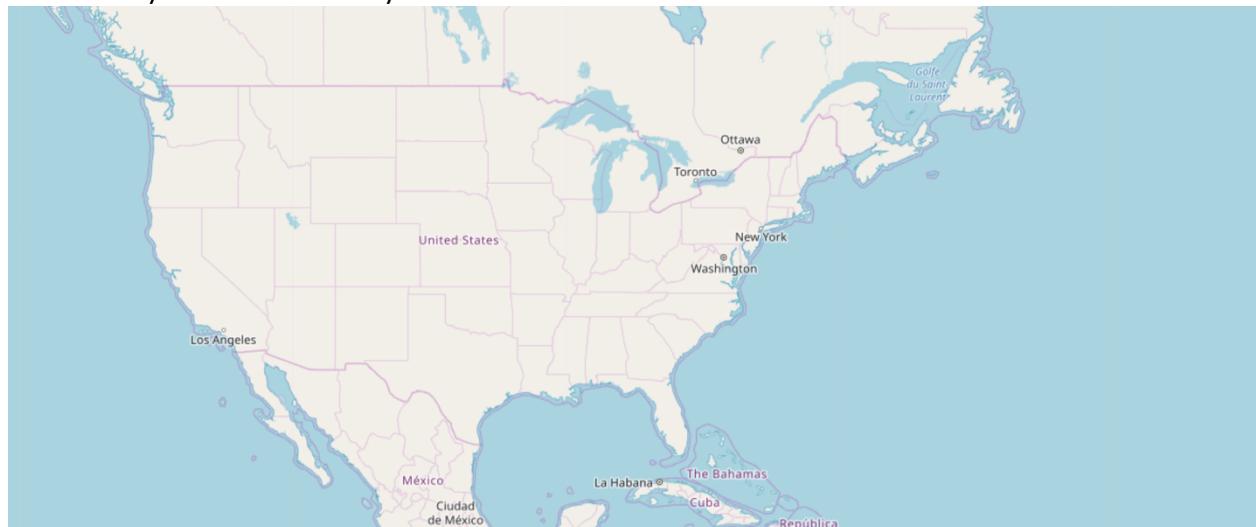


WHERE DOES 2HEX BUY ITS SKATEBOARD MAPLE?

Where does 2HEX buy its skateboard maple?

Our professional skateboard decks are made of American Hardrock Maple Veneer Logs. Veneer logs are the most perfect logs. This means, that they are straight, thick and with few branches or knots. The best maple for professional skateboard decks grows in the Great Lakes region which is located at the border of Canada and USA.

We work with American Hardrock Maple, from Kaster Logging. Our skateboard maple is sustainably cultivated in Stayner Ontario.



© [OpenStreetMap](#)-Contributors

Based on the great difference in temperature around the Great Lakes region, this maple experiences freezing winters and hot summers. The great variance in temperature, makes this the hardest, most durable and therefor best skateboard maple on earth.



The logs used for our decks are hand-picked. We walk through the forest and select the straightest and thickest stems that have a low amount of branches, knots and resin. Once the best trees are selected, the branches are stripped off and the log is being shipped to our factory and new trees are being planted.

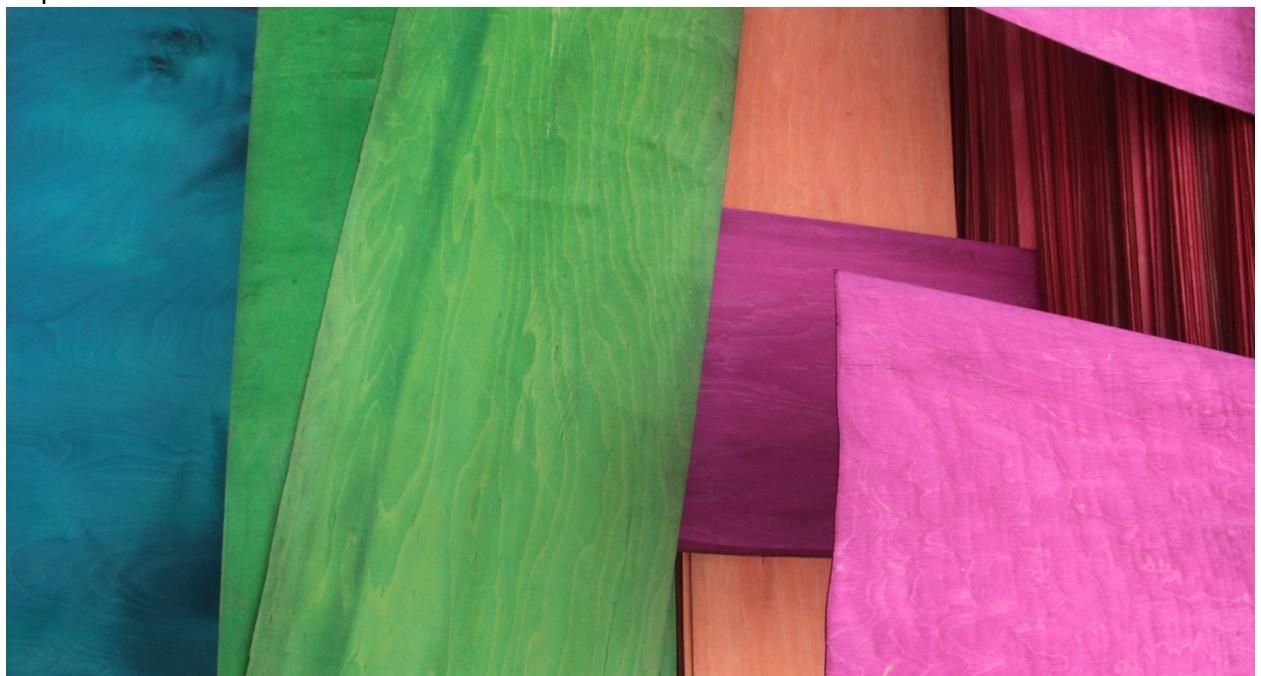
After arriving, the humidity and composition is measured to ensure the perfect quality of the wood. Only if the wood is in perfect condition, we bath and cut it into veneers.



Our skateboard veneers are divided into 3 quality levels. B, A and A+ and into face, cross-band and standard.



Face veneers are the visible layers, making the top and bottom of a skateboard deck. Both, face- and standard veneers are cut at a width of 1.4mm with the wood pattern going lengthwise to prevent the skateboard decks from breaking in the middle, at the nose, or tail. Layers 3 and 5 of a skateboard deck are the cross band veneers. Cross band veneers have a thickness of 1.2mm. Skateboard decks only need two thin cross band veneers, because the pressure along the long axis of a deck is minimal during impact.



We categorize the outer 1/3 or a log as B level. B level veneers show knots and other imperfections and are less durable than the inner parts of a log. These veneers are used for complete skateboards.

A level veneers make up the middle third of a log. The veneers are of high durability but still show signs of imperfections, created by branches or knots in the wood. A veneers are used for the 2nd, 4th and 6th layer of our professional skateboard decks as well as for the cross band veneers. The inner one third is graded A+ quality veneers. A+ veneers are the most durable maple veneers. We use these veneers for the face, the top and bottom layer, of our professional skateboard decks.



The last most inner part of the logs cannot be “unrolled” into veneers and is therefore not used for skateboard decks. This makes the quantity of A+ veneers per log relatively small.

During the process of unrolling maple logs into skateboard deck veneers, each imperfection in the wood is cut away to ensure all decks come without breakage points. This rigorous cutting process leads to a loss of 20% of the total wood. Another 30% is lost to veneers with cuts or breaks. Logs are imperfect, but we ensure to only use perfect veneers for our professional skateboard decks.



In general only one third of each Hardrock Maple log can be used for the production of professional skateboard decks. Taking this loss into account, one log offers enough wood for around 600 pro level skateboard decks and 600 complete skateboard decks.

HOW TO BUILD A SKATEBOARD COMPANY

2HEX gave Boardstation skateboard magazine an interview. Find the original interview with photos at Boardstation.de

BOARDSTATION SKATEBOARD MAGAZINE

How does one start a skateboard company and how is it different to any other business?

2HEX Skateboard Factory

In short: You buy and sell skateboards to earn money.

However in skateboarding, marketing plays a much bigger role than in most other businesses. The gap between skate company owners, employees, sponsored riders and customers is seamless.

Unlike traditional companies where sponsored riders represent a company, skateboard companies often represent groups of skaters. By using a brand's products, skateboarders feel that they are part of the company and its group of skaters.

BOARDSTATION SKATEBOARD MAGAZINE

How much does it cost to run a first skateboard production?

2HEX Skateboard Factory

You can get a first batch of 50 skateboard decks made for about 850 USD. It's really not that expensive to get up and running. Actually instead of asking for the newest phone, young entrepreneurs should ask for a first production for Christmas - it's the same price.

BOARDSTATION SKATEBOARD MAGAZINE

How can new skateboard companies compete with big established brands?

2HEX Skateboard Factory

Young skateboard companies are better represented in their local city or state than big international brands. By directly selling to their local skateboarders, they can offer lower prices and still have a bigger profit margin than if they sold to shops or even distributors.

BOARDSTATION SKATEBOARD MAGAZINE

I see young skateboard companies pop up and then after several months close again.

What is the leading cause for skateboard companies to fail?

2HEX Skateboard Factory

Most founders focus too much on marketing and too little on sales. If a founder wants to invest all of his time into a project, then his living-expenses must be covered. This is only achievable if he calls customers and collects orders every day.

BOARDSTATION SKATEBOARD MAGAZINE

What are key take-aways of your clients after running their own skateboard business for multiple years?

[2HEX Skateboard Factory](#)

For the founders that we have guided since their first production, it is that they have gathered a lot of business experience. As a skateboard company founder you have to learn everything: Design, purchasing, marketing, finance and sales.

Having a proven track record in entrepreneurship does not only make you a good company leader, it makes you attractive to business schools and popular companies as well.

[BOARDSTATION SKATEBOARD MAGAZINE](#)

What would you like our readers to know?

[2HEX Skateboard Factory](#)

To your German readers: We run part of our deck production in Berlin. If you want to get your decks printed locally, add the discount code "OhBLNYeah" to your order.

If you want to know more about running a skateboard business, read our Skateboard Company Founders Blog or ask Johannes to have us for a second article. ;-)

FUTURE ARTICLES

Is there anything you would find especially interesting to learn more about? Let me know and I might add it to this book.

More chapters will follow.