

Everything Old is New Again – Everyone has old games they don't play any more. Learn the best ways to acquire those old games and turn them into profit for your store. Find out the best methods for pricing both current used product and out-of-print collectibles in your store, online, and at conventions. (Owners)

My Seminars are given in the first person narrative, mostly, because I am telling you about MY experiences. Not theory, not what I think will work - but what works "for me". This may, or may not, work for you. Take what you can from any seminar, make it work for you, and discard ideas or techniques you find cumbersome, or unattractive. I do JUST that. For example, we have NO in store gaming at my shop - but many people are successful with that exact approach!

Introduction:

In this Seminar we will discuss the ways to acquire, price, and sell used games. The premise here is that every gamer you know, every customer you have, has old games they no longer play. By acquiring these used games you can achieve a higher gross sales for your store, and build a better margin for your operation.

The steps you will need to go through in deciding how and if you will deal in used games are pretty simple:

- A. Decide if you want to deal in Used Games.
- IF you do, then:
 - B. Decide if you will pay cash, give credit, or both.
 - C. Designate some space in your store for used games.
 - D. Decide what to do with overstock.

The Decision - Should you Deal in Used Games?

Deciding to carry any product line in your store is an important decision. Just like new games, magic singles or video games - used games have their own set of problems, and benefits. Here are some of the arguments I have heard from shop owners who did not want to carry used games:

- A. My shop will look like a garage sale if I carry used games.
- B. I don't know the value of used games.
- C. My customers will want to dicker and deal all the time on used products.
- D. I don't have the space.

One argument at a time:

"I'll look like a Garage Sale!"

Well, that depends on your shop, and you. Does your shop look like a mess now? If not, then I imagine you can keep it looking top notch, even with the addition of used merchandise. How we manage this is we have fixtures specifically dedicated to used products - and every product is either bagged and boarded (like a rare comic book) or shrinkwrapped (a shrinkwrap machine is easy to use, and cheap to acquire).

"I don't know the Values of Used Games"

Use eBay, TitanGames.com, Trollandtoad.com, NobleKnight.com and Hitpointe.com as your price guides for pricing your used games. It is easy to bookmark a few sites, then refer back and do searches to see what they are worth!

Years ago, people used to pay 25% of cover, and charge 50% of cover for used games. But, doing so will leave you with a pile of worthless junk, and make you miss out on profits from the

better stuff that would sell for FAR more. The good stuff, worth maybe 3, 4 or even TEN TIMES original price will sell fast, and the stuff that is only worth a \$1 each will pile up.

My rule of thumb is that I pay 50-cents for a soft cover RPG item with less than 95 pages, \$1 to \$2 for soft cover RPG items with 96 pages or more, and \$2 to \$5 and up for hardcover RPG books. Yes, I do buy D&D 3.5 Player Handbooks for \$5 cash, all the time. My buy guide for my employee's is nearly fool proof, and now nearly any of my employee's can buy a collection, and I will make a good profit on it. You make your money when you buy, not when you sell.

“My customers will want to dicker and deal all the time on used products.”

Do they do that now? If not, then I imagine you won't have to tell them too often that “All items are priced as marked”. If your shop looks like a retail establishment, they will treat it like one. Have you ever asked your grocer if he would give you a discount if you bought a lot of cans of tuna fish? I don't discount in my store. When a customer asks if he gets a volume discount, I always say, “No, but I will gladly carry it to your car for you!” with a big smile on my face. If your customers are already dickering with you – well, this is going to make things even more fun.

Note: I do not dicker with customers on my selling prices, but that is not to say that doing so is wrong, I just don't do it. How I avoid dickering when buying is I simply make an offer, and if accepted I pay them, and if not, I say “Well, maybe next time” and put their items back into their box or bag.

“I don't have the space.”

That is unlikely to be the case. Your used games section need only be as large as you want it to be. Dealing in used games can be a marginal line, or a major one for you – and you purchase things accordingly. There is nothing wrong with just dealing in D&D or White Wolf used games, if you want. On the other hand, you could buy and sell every used game item under the sun from figures to dice and from books to board games like Monopoly or LIFE.

What I do, if you care, is that I buy and sell all used game items. I buy from my walk in customers, and from people who mail me their collections (replying to my online ads, print ads and convention flyers) and I also buy retailers overstock - and this is why I say you can dictate how much space you dedicate to your used games. If you have enough space for X items, and you end up with 4X worth of items, you can simply sell off 3X worth to me (or another dealer).

It is noteworthy to point out that most online sellers will buy your used games, so if you buy carefully, you will NEVER lose money on used games!

NOTE: Take a break to discuss Questions here*****

Cash or Credit?

While the availability of used games isn't quite as abundant as air, it's pretty close. Every customer you have, every gamer you meet, all have used games they no longer play. These games can range from used Collectible Card Collections to Role Playing Games, from Board and War games to family games. In order to acquire used games you will have to determine your comfort level for risking your capital on those purchases.

Essentially, there are three ways to acquire used games:

- A. Pay Cash.
- B. Give Store Credit.
- C. All of the above.

Many shop owners will pay cash for used games. This is a tried and true way of acquiring used games for your store. There are several reasons people will sell their used games, and if you are not paying cash, sometimes you will miss out on an opportunity. Obviously, if a person is selling their games because they are leaving the hobby - offering them anything except cash does not appeal to them. And, if a customer is selling off part of his collection to cover a bill, or buy diapers, then trade will not appeal to them, either.

Taking games in trade for store credit is another way to acquire used games. Offering trade credit often requires that you keep track of floating credit, which can be messy and frustrating for you - AND THE CUSTOMER - if you don't do it right. We keep our store credit in a database on a computer dedicated to our store - so a customer can always access it during our open hours (by asking us to look it up). Others issue a gift card with a balance on it, which they can then use through the credit card machine (I don't do this, so I do not know the particulars of the process, sorry).

Here are a few reasons people might part with their games:

- A. Needs space.
- B. Wants to buy new game item.
- C. Needs cash for bills/obligations.
- D. Leaving the hobby.
- E. Moving and doesn't have room to take them.

Generally speaking, if someone is leaving the hobby, moving or needs cash for bills, you will not get them to take "store credit" for their games in trade - they either need the cash, or won't be back to use the credit. On the other hand, if the gamer needs the space or wants to get a new game, they will often take credit.

WHAT TO PAY:

Some people believe that since you pay (roughly) 50% of resale price for new items, you should pay 50% of resale price for used stuff - and, so if you would sell a book or game for \$10, you should pay \$5.

I am not one of those people.

I think you should pay 10% of what your resale price would be if you can, and no more than

20%. So, same \$10 game item, you should try to pay CASH of \$1 to \$2, or give a trade value in store credit of \$2 to \$4

In my store, USED GAMES are one of our highest margin, and most profitable, lines we carry.

HOW MUCH SPACE FOR USED GAMES:

Back in 1986, I started pretty small. My whole store was 600 square feet, so I had one 4 by 4 foot bin with used games in it. 16 square feet, or roughly 2.5% of my store. Tracking my sales on a sales journal, I noticed that my most profitable items were used games, and my highest turn rate was for used games.

Today, I have over 8,000 square feet of warehouse space dedicated to used games, and a fair amount of store space -or about 100 square feet. While used games sell well for me in the store, my buying practices are to support our online sales platform. You can start like I did with a bin, or a table - or better yet, a shelving unit dedicated to used games.

Decide what to do with overstock.

Eventually, you will end up with overstock games. It might take quite a while if you are careful not to overpay (and several people won't sell their collections to you) or if you have a high demand for used stuff. But, eventually, your shelf will be fairly full – and someone will come in to sell you 10 big boxes of stuff – and suddenly you have way too much!

Now what do you do?

As I see it you can sell to another dealer (detailed earlier) or store it, or sell it at either a convention or on eBay. Or start your own used games site.

A. Your own used games site: Check out people who already deal in used games, such as: Titangames.com, hiptointe.com, trollandtoad.com and others have a LOT of stuff on their sites. I have over 50,000 titles to choose from. So, when deciding if you want to go into your own web business, check what your competitors offer. Also, note that I paid several thousand dollars for my web design.

B. Selling to another dealer: Lets be frank - I buy thousands of used games a month, you want to sell it, I will buy it. If you buy carefully, you may even double your money. You can also shop around between several dealers to find one you want to work with - I have sold things to all of the online sellers I included earlier in these seminar notes, and to StarCityGames.com too (though just magic cards to him).

C. Selling used stuff on eBay. This will be the most profitable. You will get what the market will bare, and in some cases you may get a tremendous amount of money on some rare items. The drawback is time management. If you can simply do the picture taking, description writing, listing, invoicing, packing and shipping all by yourself - well, you have more free time than I do. But, this will make you the most money. If you can do 25 items a week, then you will likely stay caught up with your selling of overstocked stuff. On the other hand, I have an employee who sells 300+ items per week on eBay (you could too!)

