

or Jay Kogan, serving as president of Hall of Frames in Phoenix, AZ, means continuing a family legacy and a lifelong career in the framing industry. The business has its roots in the 1970s, when Jay's father, Ben Kogan, relocated to Phoenix from Chicago and opened a store that carried framed art, readymade frames, wall accessories, and hand-painted portraits from photographs. Ben, wife Evelyn, and son Ron soon realized the framing side of the business was more profitable than the portrait side, leading them in 1975 to expand into custom framing and open their first frame shop, Hall of Frames—so named because the interior resembled a long, narrow, frame-filled hallway.

Jay, who had a background in photography, joined his parents and brother six months after the business opened in mid-1975 inside a Phoenix mall—and the rest, as they say, is history. Today, Hall of Frames has nine locations throughout Arizona, an online store, and a distribution center. It has also seen three generations of the Kogan family at its helm: Ben and Evelyn Kogan; their children, Ron and Jay; Jay's wife, Pam; and their grandchildren, Sean, Bryan, and Harrison.

In an interview with PFM, Jay Kogan discusses the business's growth over the last four decades, the family dynamics, and his advice for staying ahead of the curve in an ever-changing marketplace.

How did you begin to grow the business beyond that one location in 1975?

Our first store was family-operated, with one or two employees, from 1975 all the way to 1981. In late 1981, I told my father that I couldn't work for the kind of money we were making anymore. So he told me, "If you want to make more money, you have to open up more stores." And that's literally how it happened. We'd had one store in a mall going on seven years. And because we had been established for that period, we went to another mall owner and inquired about opening a second location there, which we did in 1982.

When we opened that store, my wife Pam and my brother Ron moved there, and I hired one guy to work with them. That gentleman is still working side by side with us today, which is a testament to the value we place on family and our employees being an extension of the family. We're now in our third generation, with three of my children in the family business.

Family businesses are challenging. How do you make it work?

The challenge comes from being both a family business and an art business. There really is no right or wrong answer to the direction that you go in. When we started out, my parents were both creative and artistic, my brother was more involved with the mechanical part—he was doing the framing—and I was the lead salesperson and the marketing guy, so we had a great dynamic during that run.

We've moved to a new dynamic now where my oldest son, Sean, is overseeing the marketing as well as retail and commercial sales. He also, without really knowing it, is probably the general manager. His brother Bryan is a perfect complement. He's quieter, and he's doing the entire IT and purchasing side of the business. He's is in the background pulling the strings and making the operation hum

from an organizational standpoint. Their brother Harrison is keeping track of the accounting from all our entities. When your family manages the marketing/sales, IT/purchasing, and accounting roles, it allows you to run the business and find an amazing staff to execute your vision.

It sounds like everyone had roles they naturally fit into within the business. How do you handle the inevitable disagreements?

Family business dynamics can be bad; ours is somewhat magical. I think it started with my father and I, who had a lot of philosophical differences in what direction to go with the framing. We developed the 20-minute rule: for 20 minutes, you can just be as angry as you want to be. Then after 20 minutes, give it up.

That's a good rule!

Everybody has to agree to the rule. Ultimately, it's kind of like being locked on a cruise ship or locked on a boat together in the middle of the ocean. No matter what happens at the end of this argument, we're still all holding onto each other.

I know you are a big believer in diversification. What advice can you give other retailers about diversifying their frame shops?

You can become your own readymade, tabletop, or photo frame supplier; that's a diversification. You can become your own distributor by stocking your best-selling mouldings; that's a diversification. You can offer printing services. It isn't as hard as it used to be; you can easily be in the printing business for about \$1,500. And it's not that steep of a learning curve; it's a similar concept to running



Jay, Ron, Evelyn, and Ben Kogan in the first Hall of Frames location in Phoenix, AZ. The store opened in 1975.



 Hall of Frames offers readymade solutions as a complement to its custom framing product.

a computerized mat cutter.

The reason why Hall of Frames succeeds in the printing business is because printing helps sell frames and photos within frames. How many times have you had a customer want to put a photo of themselves at a sports event inside a shadowbox with memorabilia from that event? We are even starting to offer free prints with all tabletop frame purchases to show the difference in using high-quality inks and papers compared to convenience stores. The hope is that they are enticed to print a 32 x 40 and frame it. That is a permanent marketing strategy.

You mentioned your commercial volume earlier. What portion of your business does that make up?

I would say today that's a good 35 percent of our business. We like to partner with companies in the home building, nonprofit, and design industries who are themselves growing and have a need for custom frames, printing, recognition, and display work. Their growth is our growth, and in order to make them successful, we offer "soup-to-nuts" products/services with tailored pricing programs and interfaces so that buyers can order right from their computer without having to call or visit a store. For example, if we were a shoe store, we would also offer socks. As a custom framer, we offer photo printing, laser engraving (on more than just name plates), mirrors, whiteboards, and just about anything that would go into a frame.

What kinds of framing projects are the most in-demand among your customers?

What they're mainly framing today is an array of personal memorabilia; reminders of leisure time and happy moments. I just worked with some folks who put a lot of effort



 Hall of Frames has become a one-stop shopping experience for their customers by offering digital printing and framing services.

into getting us to resize, print, and mount an image of where they went on their honeymoon. They were very specific about the size, mounting, and framing for it. This was the kind of art they wanted to put in their living room because it reminded them of a happy time. People are busy today; everybody seems to be busier today than they were 10 or 20 years ago. Their time is more consumed, so they want to identify with the things that make them happy and remind them of having that leisure time.

You've seen evolutions in design trends, changes in the economy, and the rise of ecommerce over the last 40 years in business. What's the key to staying relevant in today's market?

You have to perform the service your customer is looking for. If they're looking for art presented without a frame on it—if that's the next trend—then that's the trend we're going to follow. We sell a lot of printed images that are surface-mounted to plexiglass and have a floater frame on the back to hang it. You have to be able to go with trends and build in more profit centers.

Over the years, some of my friends in the industry have

said to me, "I can't do that. I'm in the design business, I'm in the framing business. I can't show anything that's not in a frame." Yes you can, and you should. Something out of the frame will sell something in the frame, and something in the frame will sell something out of the frame.

When it comes to selling artwork, if the customer loves the art but doesn't love the frame, they're not buying it. If you display some unframed art and sell it that way, you can upgrade to a custom framing opportunity later.

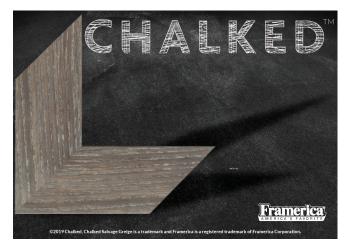
Basically, you're hurting your business by being discriminatory about what you will and won't frame.

Right. If someone doesn't want matting, we come back and say, "That's okay, we can make this look great without a mat, but we're going to be creative use a double- or triple-stacked frame." If they're not buying a style then give them something they want but upgrade it, enhance it, and be excited about making it happen for them. Take it from basic to a middle or a premium product. Because if they're interested in getting this displayed and they're in front of you, they want to get it done and done well.

As a retailer, what are the top things I can do immediately to start attracting more business?

One: put a sign in the window. Have a promotion. Give them a reason. "It's our 20th anniversary, so we're giving you 20 percent," you know? I'd also say, create a new product to sell. Make something you can make money from and proudly display it on your wall. Next, upgrade your website. That's your showroom, now. That's what people see before they come to see you. And that's an immediate improvement; websites are an ongoing art project.

Upgrade your point-of-sale software and hardware. That's immediate, too. When's the last time you updat-







Jay Kogan is a popular speaker at The National Conference in Las Vegas.

ed your pricing and evaluated profit margins? When's the last time you analyzed what you're actually selling—or not selling—and if you're really making money on it or doing a free public service?

Another hugely important aspect of your business is advertising. You must continue to market yourself during good times and bad! As soon as you think you can't afford to advertise, that means you must.

One more thing you can do right away is clean up your shop. Force yourself to streamline; do something that makes you more efficient.

What's the most rewarding part of sharing your expertise through teaching at The National Conference at the West Coast Art and Frame Expo?

When I get an email or call months later from an attendee saying, "I used your advice and it worked!" It's so rewarding to be able to give back to an industry that has given me so much. Seeing all my favorite suppliers and brainstorming with my fellow picture framers each year at WCAF has really been the keystone to my company's innovation and growth. It's my pleasure to give back and help educate to ensure a promising future for the professional picture faming industry.

When people ask you what you do for a living, what do you say?

When I'm in a professional setting, I call myself a retail-and-commercial visual designer; a visual expert. Because that's really what it is. But when people ask me more casually, I say I'm in the business of making people happy. **PFM**

