

Living a Simple Life with a Back Porch View

Dear Listener:

Thank you for stopping by for a visit at Living a Simple Life with a Back Porch View podcast! To make it easy, you will find a transcript of each episode. I hope you enjoy the visit!

Episode 76 - Buyer's Club

Welcome back to the porch! Pull up a rocker and get comfortable. I could really use you as a sounding board today, as I'm considering the pros and cons of establishing a Buyer's Club with a few of my friends and neighbors.

As you well know, I'm always on the hunt for ways to save even pennies. Money gets very tight some days, and we are limited as to ways to earn it or keep it. Since getting another part time job isn't always feasible, the next best thing to do is cut expenses. If you're like us, you've squeezed a penny so tight it makes Lincoln jump off to go get help. That's where my thoughts on a Buyer's Club come into play. The big question is, is it a feasible thing to do?

I've been doing some research on it, and it does sound interesting, at least on the surface. The idea behind a Buyer's Club is that a group of people get together and buy in bulk. But let's look at the broad scope of how this would work.

As an individual, buying in bulk can save you money on some items. But if you buy everything your family needs in bulk, can you really justify the space you would need to store all those items? With a decent sized cellar in addition to cabinets and a pantry, even we don't have that much room.

In addition to storage, can you actually use things in bulk before they go bad? Certainly, dry goods, such as beans and pasta have a longer shelf life, if stored properly. But what about meat, eggs, and other perishables? Or what about those items we use infrequently? I occasionally use Cream of Mushroom Soup, but not frequently enough to warrant buying a case of the stuff. But that is also one item that is getting expensive, so the cost savings of buying in bulk can be tempting.

So, if I wanted to start a Buyer's Club, the next step would be to determine if there are any like-minded family members, friends or neighbors who would benefit in creating a group which would be willing to purchase bulk items at a lower price and split the cost.

Before we establish a group, there are a few considerations we need to make. First, you would need to determine what type of Buyer's Club you want to operate. There are several different ways to do this:

1) You can create it where everyone equally splits the cost, the products purchased, and the work involved – such as contacting each member and determining what they need, shopping, and dividing up what is purchased.

2) You can be the 'owner' (so to speak) of the Club. With this method, you do all the work, divide the cost of the purchased products evenly, and then add a small surcharge that covers your gas, time, and other expenses.

3) You may want to go all out and create a membership type Buyer's Club – similar to a co-operative, but there would be membership fees involved, as well as a limit as to how many members. With this method, you could also offer a discount membership fee for anyone who wants to volunteer to help with the work. This fee would cover your expenses, such as gas and your time, but not the cost of the purchased items. That would be separate from the membership fee.

I think a Buyer's Club can be as loose or limited as you want – as long as all the members agree.

Once you determine what type of Buyer's Club works best, the next thing you would have to determine is what type of items you would buy. Do you want to go strictly organic, or will it be just a run to Sam's? Will it be food, paper, vitamins, or all of the above? Or do you want to create one that simply provides its members with local foods from nearby farms and farmers markets?

Now for the other things to take into consideration: Where would you purchase your items? This can be as simple as a trip to Sam's, Walmart, the Dollar Store, or as many of those as necessary. Who will do the shopping?

Then there is the matter of keeping up with the member orders, finding a well-managed way to deliver the orders to the members or have them pick up directly from you. You also will have to carefully consider the costs, breakage, spoilage, and other things that will eventually happen.

Another consideration is online shopping. Although you might save money on gasoline since whatever you order is shipped right to your door, you still have to pay for the shipping costs. It may be beneficial to see if you can get a discount on ordering bulk items directly from the stores. However, I would still compare prices – it may be cheaper to get it locally.

Yet another consideration you would want to make – and this a type of Buyer's Club I've thought about- is food preservation, such as canning, dehydrating and freezing.

This would include any fresh produce, and the supplies you would need to preserve it. For the fresh food, you can head over to the farmers' market or your local farmer and get two or three bushels of beans, tomatoes, or cucumbers instead of just a couple of pounds, and split the cost.

But then you still need to preserve the fresh items. It's gotten to the point where just the canning jars alone are almost cost-prohibitive if you purchase them retail. If you do prefer to can or preserve your fresh produce, you may consider going in with several other canners and purchasing the jars, flats, and rings at a wholesale price.

But that may or may not be the way to go. Now that the idea of 'wholesale' is on the table – let's talk about it for just a moment. When I was doing my research, I discovered many companies require you to have a business account - which means needing a tax id number in order to get the wholesale prices. If you want to do this, go right ahead. But like me, many of us are just individuals who are looking to save money and have no desire to become a formal business.

Before you consider buying in bulk and leaning towards wholesale prices, do your research. Since canning jars are so expensive these days, I'm going to use them as an example. When searching for bulk prices on canning jars, I found that most places do require you to be a legitimate business. However, I came across one company where you can buy as many cases of jars as you need without a business account. The more you buy, the better the discount.

However – you may save money per case, but you still have to pay shipping. I did the math based on 50 cases using the Ball brand of half pint canning jars. You may think this is a huge amount, but if you do any canning at all, you know just how quickly you can use up a single case of jars. Most canners have 5 to 10 cases of jars on hand. When you split 50 cases between 5 to 10 people, it sounds reasonable to base my research on this number. So, this is what I found:

With this company, the base price for 50 cases is \$12.05 per case, which comes out to be \$602.50. The basic shipping cost is \$313.79, which is \$6.28 per case. Added together your total cost for 50 cases would be \$916.29, or \$18.33 per case.

When I compared these prices to Walmart online, the base price was \$16.21 per case, but as of the date of my research, they had an online 'buy now' price for \$11.47. When I added 50 cases to my cart, it showed 'FREE' shipping. If I had placed that order, my cost would have been \$573.50.

Now, Walmart online may have been able to fill that order, but if I went today to my local Walmart, I could guarantee there wouldn't have been 50 cases on the shelf. With a shortage of canning jars, I would have been lucky to find 2.

That makes me wonder if the online store would be able to accommodate such a large purchase. If they could, then I would order my jars through them. It comes out to be a savings of \$6.86 per case – which means I could purchase a case and a half (or better) from Walmart for the same 'wholesale' cost.

Let me add a little note here: while doing my research, I found you can get the one-piece 'button' top canning jars in bulk for just a few cents more per case than the Ball jars through Wal Mart, which use a two-piece lid. If you prefer the one-piece lids, it may be beneficial to consider buying these in bulk, since Wal Mart doesn't carry them.

When it comes to buying wholesale, you may get a better rate if you buy 1,000 cases of canning jars from a wholesale supplier, but can you and your group really justify that upfront cost, and have enough room to store a hundred or better cases of jars?

Probably not. Buying wholesale may sound good up front but be sure you do your research and the math before jumping in with both feet.

If you are still considering starting a Buyer's Club, you also have to remember – no matter how well you plan, not everything you order will come out evenly. There are bound to be a few 'extras' from time to time. If this is the case, you may want to think about having a Leftover Table. Once everyone has collected the items they need, they can then purchase any extras they may want.

Is a Buyer's Club right for you? For me, it's certainly a consideration – especially from the food preservation aspect. However, I'm still thinking about it, and want to talk to a few of my friends and neighbors first.

If you are currently in a Club, let me know how it works for you. I would really love to get another point of view on this – especially since I live in a rural area, and the nearest place to shop is over an hour's drive.

Whether a buyer's club is the answer or not, I still truly believe what Old Ben always said – 'A Penny Saved is a Penny Earned'. And most of us need all the extra pennies we can scrape up!

If you want to learn more about the topic at hand just visit my website at www.thefarmwife.com/.

If you're enjoying listening to these podcasts, you can support the show by clicking the SUPPORT button in the show notes. When you do, you'll be helping me continue bringing you fun and helpful ideas for living the Simple Life you love! For those who are supporters, I thank you from the bottom of my heart!

If you have questions or just want to stop in for a visit, you can do that through email at thevirtualporch@gmail.com. And be sure to subscribe – you don't want to miss a single conversation. I'll be sitting on the porch every Monday morning waiting for your visit!

Thanks again for stopping in. I will see you next week on Living a Simple Life with a Back Porch View. And while you are waiting for the next episode, grab that glass of refreshment, pull up a rocker, and sit back for a while. It's time to

Relax & Enjoy!

julie