Velocity Sellers on Amazon

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APPLE OFFERS A FIX FOR ‘TOUCH DISEASE’

Apple is offering a fix for some iPhones stricken with "touch disease," a problem in which a flickering bar appears at the top of a device's display and its touch screen stops responding.

The tech company will repair iPhone 6 Plus devices with the issue for $149, it announced last week. Apple says it will contact people who have already paid the company or an authorized service provider to fix the problem and reimburse them for the price difference.

"Touch disease" is also referred to as a "touch response failure" or "touch bar." It affects some iPhones and iPads, particularly those that have been dropped multiple times on a hard surface and have become dislodged as the phone flexes or twists slightly during normal use, the site said.

The problem seems to be a design flaw: The placement of key touch-screen-related chips at the top of the device's display causes them to become dislodged as the phone flexes or twists slightly during normal use, the site said.

"Touch disease" is also reported to affect regular iPhone 6 devices, but Apple did not immediately respond to a request for comment.

In August, three California customers launched a federal class action suit against Apple over the issue. That lawsuit has since expanded, and another suit was filed in Utah.

— The Washington Post

Finding a niche on Amazon

LI pair help firms boost sales on the giant marketplace

BY AISHA AL-MUSLIM
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When Nathan Schwarzbaum started Velocity Sellers, a Jericho consulting and marketing firm that helps businesses sell products on Amazon.com, he never thought his millennial son would rescue the start-up while he was recovering from leukemia.

His son Jake, 24, eventually moved from Manhattan back home to Long Island to help his father run the business after he became ill in December 2014, requiring hospitalization for a month. Eventually, Nathan's illness went into remission, and the pair began to build their niche business as Amazon specialists.

"I always had a sense of what could work in business, but I couldn't have done it without Jake," said Nathan, 58, who is the company's president and has 25 years of experience as an owner and operator of several marketing and online commerce businesses.

"The business was really born out of my hospital bed. He would bring his laptop in the middle of my treatments." After being diagnosed with leukemia, Schwarzbaum said, his finances took a hit.

"I relied on my business income, my savings and the help from my friends and family to get me through the tough times," he said.

He also realized that his initial business plan to provide online marketing and website building was too broad.

"For one person to start a company with such a broad spectrum of services — it became hard," said his son, who is director of operations and studied film and television at New York University, graduating in 2014. "We saw there was more of an opportunity to focus on a niche avenue."

That's when they turned the sole focus of their home-based company to helping businesses sell products on Amazon. They now have 70 clients for Velocity consulting services and three manufacturers as partners, for which they provide search optimization, account management, inventory management and marketing services.

Velocity Sellers forecasts that it will bring in about $1 million in sales this year through fees and its own digital store on Amazon's Marketplace, a growing platform for third-party merchants that list and sell products.

"Manufacturers want their products sold on Amazon because it is such a large marketplace, but they don't want to deal with managing their own store," said Steve Booksan, president of Tell All Digital, a Smithtown marketing firm, who owns a 5 percent stake in Velocity Sellers. "They are willing to give a percentage of sales to Velocity Sellers because they are handling everything. All the manufacturer is

At a glance

- COMPANY: Velocity Sellers, Jericho
- CO-FOUNDERS: Nathan and Jake Schwarzbaum
- ESTABLISHED: 2014
- PROJECTED REVENUE IN 2016: $1 million

See VELOCITY on A30
Jacques Torres, who sells chocolates and food baskets and “never used to discount anything,” plans a special offer at his Grand Central Terminal cafe.

Small and independent retailers are strategizing to try to make the most of an uncertain holiday season. They may get half their annual revenue in the last quarter, but consumers who may be hesitant to splurge have led retailers to be increasingly creative about special promotions and discounts.

“We’ve had such a protracted, sluggish economy that I assume that’s the way it’s going to be,” says Brian Reardon, owner of Monster Music, which sells instruments and provides lessons in Levittown.

He has found it harder to get more people to buy lessons — the store has 600 students, but that’s little changed over the past two years. To encourage prospective students or their parents to sign up, he gives away an acoustic guitar when they pay for six months of lessons that cost $600.

Although overall U.S. retail spending rose in September and October, it’s still weak at many stores that get much of their revenue from the holidays. Sales at department stores fell more than 5 percent the first 10 months of the year, according to the Commerce Department. At electronics stores, they were off more than 3 percent, and they edged up just 0.4 percent at clothing stores. Forecasters predict retailers will see holiday sales increase a decent 3 percent to 4 percent.

“They’re going to have to provide some level of added value, innovation and quality,” says Joe Brusuelas, chief economist with RSM US, a consulting firm whose clients include retailers. Brick-and-mortar stores have lost business not only to the internet but also to consumers’ growing preference for travel and other experiences over possessions, he says.

Mark Aeslinstein’s Berkeley, California wine club and gift basket sales growth has been flat. So he’s planning to give customers more options when they order. Alongside $150 baskets will be some priced at $115, with cheaper shipping.

“The market, quite honestly, simply hasn’t moved in our direction as much as we’d hoped over the past few years,” Aeslinstein says.

Some customers are looking for good bottles at lower prices, such as pinot noir from New Zealand, which costs half of the California version. Choices like that have brought down the price of the firm’s baskets: Two years ago the average price was $322, now it’s $45-$50 less.

Even companies that seem like they might not have to worry during the holidays are offering deals.

Jacques Torres, who sells his high-end chocolate and other food at nine locations in Manhattan and Brooklyn and online, has a special promotion with a sandwich, beverage and ice cream for $10 at his cafe in Grand Central Terminal. Torres, whose chocolates retail for nearly $40 a pound, has a lot of competition and rising expenses like rent and wages.

“We never used to discount anything. Now we do, because we need the sales, we need the advertising, we need the buzz,” he says.

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HELPING COMPANIES BOOST THEIR SALES ON AMAZON

VELOCITY from A29

doing is shipping” to Amazon.

Top Grade Products Inc., a family-owned wholesale business based in Maspeth, Queens, hired Velocity Sellers in April to sell its merchandise on Amazon. Top Grade imports products such as kitchenware, hardware and holiday decorations from China.

“For us, our online presence as a wholesale business is not very high, and it is very business-to-business,” said James He, 24, a partner at Top Grade, which distributes merchandise mostly to retailers on the East Coast. “We want to sell directly to individuals and not just to brick-and-mortar stores. For the millenial generation, more of us are shopping online. I don’t want to be out of the loop.”

There are more than 2 million businesses and entrepreneurs selling on Amazon, Amazon spokesman Erik Fairleigh said. About 50 percent of the items sold on Amazon are from third-party sellers, he said.

Amazon takes an average of 15 percent of the retail cost of every sale, Nathan Schwarzbaum said. It also charges shipping fees to sellers who use the Fulfillment by Amazon service, which allows them to store products in Amazon’s fulfillment centers so they can be packed and shipped. The products are eligible to be shipped under the Amazon Prime program.

“We found that Amazon had the best tools in order to sell,” said Jake Schwarzbaum, adding Velocity Sellers has built its own in-house program that helps calculate profitability. “There is a lot less investment, a lot less time and a larger audience in the Amazon Marketplace than any other marketplace.”

The downside of selling on Amazon is that once your product is listed, there is no guarantee that the product won’t be sold by another seller at a lower price or that a proprietary item won’t be bootlegged, said Thomas Shinick, an entrepreneur and marketing expert and an adjunct professor at Adelphi University’s business school.

But the benefits could outweigh the risks. “The volume and the instant cash flow on Amazon are benefits,” Shinick said. “Your name is out there, and the brand is out there.”