



THE TOP SEVEN QUESTIONS TO ASK

BEFORE OPENING A VAPE SHOP

2015 Special Report

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Welcome!

Thank you for downloading this eBook and congratulations on taking your first step toward becoming a 'vapreneur!'

What's a vapreneur? It's anyone with an entrepreneurial spirit who wants to build a business in the vape space. Many aspiring vapreneurs want to open a vape shop and think their enthusiasm and knowledge of vaping are all they need to succeed.

Unfortunately, nothing could be further from the truth. While their intentions are good, they lack a business plan or model and have no idea where to start and where the pitfalls lie.

That's why we created VapeMentors and our flagship programs, VAPE U and VapeMasters. We're true believers in this industry and want to help vapreneurs succeed. We've seen what works and what doesn't, and want to save you from the pain of failure.

Most businesses fail because the owner didn't take the time to understand themselves, their market or their business. Or as we like to say, "Businesses don't fail. People fail."

We created this free guide to help you better understand yourself, what you want to accomplish and make some suggestions that we hope will set you on the right path.

Check our website frequently for the latest VAPE U courses. And if you're truly committed and serious about becoming a vapreneur, we strongly encourage you to join our exclusive VapeMasters community.

To your success!

Norm Bour
Founder and Chief Business Mentor
VapeMentors





QUESTION #1

WHY?



My favorite example of someone embracing the “Why” is Elon Musk.

In the history of space travel, there have been just a few countries that successfully put a man into space, but only one man who operates a private rocket company.

Elon Musk isn't just the genius behind SpaceX. He also started PayPal, Tesla Motors and Hyperloop, a new transportation system that's cheaper and faster than a high speed train.

Despite the fact that Elon Musk has failed several times, he continues to endure. “Failure is an option here,” Musk says. “If things are not failing, you are not innovating enough.”

Musk succeeds because he knows precisely why he does what he does. In his words, “If something is important enough, even if the odds are against you, you should still do it.”

Knowing why you want to open a vape shop is key to realizing your ultimate dream. Is it because:

- You want to help people stop smoking cigarettes?
- You found vaping to be an enjoyable hobby?
- You think it's the quick path to riches?

Success as a vapreneur is far from guaranteed. But knowing why you're getting into it will help you persevere.

And at VapeMentors, we can provide you with the tools, skills, knowledge and resources you need to succeed in this volatile, explosive and expanding business.



Write down the top motivators for opening your vape shop now. Keep this for future reference. You may be surprised how it changes.

THE FIRST STEP IS TO ESTABLISH THAT SOMETHING IS POSSIBLE; THEN PROBABILITY WILL OCCUR.

ELON MUSK

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QUESTION #2

**WHAT ARE
MY
S.W.O.T.S?**

Vapreneur: know thyself!

You've heard of the 80-20 rule. Well, about 80 percent of all businesses are all the same.

But that last 20 percent is what truly separates one businesses from another. Whether you're talking about a tire store, florist shop, restaurant or a vape shop, everyone wants more revenue, more income, less expenses, better employees.

This 20 percent is the key ways in which you differentiate your business from others. It's also called your competitive position or USP (unique selling proposition).

It's what makes you and your shop like no other. It's that special personal touch and connection that compels your customers to buy from and remain loyal to your store.

How do develop your competitive position? Begin with a SWOT analysis.



SWOT stands for:

- Strengths
- Weaknesses
- Opportunities
- Threats

Address these four areas, and you'll be well on your way to developing your unique competitive position.

Find out the 20 percent that truly makes your business unique.

It's the only way to truly know thyself.



READ ON TO BEGIN YOUR SWOT ANALYSIS





STRENGTHS

Do you understand what it takes to open and operate a business, and deal with licensing, merchant accounts, taxes and accounting?

If you said yes, that's great! You have a head start on some of the aspects required to run a vape shop. These are all "left brain" functions, based on logic and organization.

But you'll also need to deal with branding, marketing, employee relations, social media and a host of other skills that require you to use your creative "right brain."

Do you have a great concept for the design of your store? Or unique ways to grow your community of vape fanatics?

Starting a vape shop requires you to be a Jack or Jill of all trades. You will have to stretch yourself and will likely have to work in areas that may not feel comfortable.

But don't worry if you don't have all the answers. We can help you figure it out. That's why we're here.





Becoming a vapreneur requires you to leverage all of your strengths.

What core strengths do you bring to the table? Where do you need help?

Write your top five to 10 strengths below.

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MY STRENGTHS

- HIGHLY ORGANIZED
- CUSTOMER SERVICE SKILLS
- KNOWLEDGE OF VAPING PRODUCTS
- WRITING SKILLS
- SOCIAL NETWORKING



WEAKNESSES

What information or experience do you lack?

The hardest part about combatting your own weaknesses may not be identifying them but acknowledging them.

If you're like most people, you have a healthy ego, and would rather focus on your strengths than your weaknesses. But nobody's perfect. We all have areas where we need some help. Just because you may be weak in business strategy doesn't mean you can't develop those skills.

What do your competitors have that you don't?

- Capital?
- A great location?
- Great marketing and social media presence?
- A great inventory?
- A team of great people?

Remember: your competitors have weaknesses as well. Exploit their weaknesses and then create your unique selling proposition. Perhaps their marketing and branding is weak. Perhaps they only appeal to a certain demographic.

It's important to understand your weaknesses so you can take action to develop those areas where you need training. If you need a solid business strategy, we highly suggest you enroll in the next sessions of VAPE U or become a member of our VapeMasters program.

Exploit your strengths and minimize your weakness. Take a lesson from Tiger Woods.



Tiger Woods has won 79 PGA events, 14 majors and boasts the lowest scoring average in the PGA. He's consistently the #1 money earner on tour.

Most professional golfers never win a single major. Only 25 golfers in history have more than 25 PGA wins, and only 10 have ever won more than five majors.

But the amazing part of Tiger's story? He can't drive.

He's consistently one of the worst drivers in terms of accuracy. He has never ranked higher than 54th in driving accuracy, despite being ranked in the top 10 in nearly every other category that matters.

His worst driving accuracy ever was in 2005 where he ranked 191 of 200.

What explains Tiger's success?

He show us that whatever weaknesses you have, you can more than make up for them with your strengths.

He dominates in strokes gained while putting and he routinely gets onto the greens quickly, despite his poor driving skills.

He recognizes and knows his weaknesses and gets coaching/help where he struggles (his caddies have always been top-notch).

His ego doesn't prevent him from seeking help.

How about you? One common weakness I learned from my mentor was that many business owners are emotionally attached to their own bad ideas.

Write down your top five to 10 weaknesses now.



WHEN I GREW UP, I WAS NEVER THE MOST TALENTED. I WAS NEVER THE BIGGEST. I WAS NEVER THE FASTEST. I CERTAINLY WAS NEVER THE STRONGEST. THE ONLY THING I HAD WAS MY WORK ETHIC, AND THAT'S BEEN WHAT HAS GOTTEN ME THIS FAR.

TIGER WOODS

MY WEAKNESSES

- TECHNOLOGY LIMITATIONS
- SOCIAL MEDIA EXECUTION
- INTERNET MARKETING
- (THAT IS WHY I HAVE OTHERS ON MY TEAM)

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OPPORTUNITIES

Think back to a time when you felt really good, when you were in the “flow.” You were inspired, excited and compelled to succeed. What made you feel that way?

I had one of my life-altering moments in the summer of 2013.

I was in Newport Beach on the 4th of July. After the Independence Day parade, I decided to walk to the beach. I happened to walk past a store sign that said “Vape Shop.” I literally did a double take and walked back again, went inside and asked “What the hell is a vape shop?”

Of course, the owner explained what it was all about. I was totally intrigued. After talking with him for a while, I could see that his store had issues that I could help solve. Indeed, I could see there was there was a place for me in this new industry, the vape space.

Clearly, my work over the last 40 years helping other small business owners would be valuable in this new frontier. I could bring all of my experiences and business expertise to help new entrepreneurs, or ‘vapreneurs’ as I call them, succeed.

That conversation forever changed my life.

Since then, I’ve been speaking, writing, coaching and mentoring vape shop owners. I’ve worked with many and diverse vape shop owners all across the country, and I absolutely love what I do.

I’m 100 percent committed to this crazy, volatile, exciting industry. And I’m completely committed to you, to budding vapreneurs who want to make a go in the incredible, fabulous vape space.





Before I could launch my business, VapeMentors, I had to conduct a thorough self-examination and assess my own strengths, weaknesses, opportunities and threats.

What are the top five to 10 opportunities you see in the vape space today?



LUCK IS WHAT HAPPENS WHEN PREPARATION MEETS OPPORTUNITY

SENECA THE YOUNGER

MY OPPORTUNITIES

- FAST GROWING INDUSTRY
- CONSTANTLY CHANGING ENVIRONMENT
- FEW OTHERS KNOW VAPING AS WELL AS I DO
- NO OTHER VAPE SHOPS WITHIN 10 MILES OR A HALF-HOUR

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THREATS

FEAR has several meanings. It can mean Forget Everything And Run.

Or it can mean Face Everything And Rise. Or False Expectations Appearing Real.

The vape space is treacherous and volatile. It's full of potential threats from every level: Federal (can you say FDA?), state and even local governments. Many people in positions of power have unwittingly reached wrong conclusions about this industry.

And what about Big Tobacco? Friend or foe? Many think big tobacco is simply waiting until the dust settles to swoop in and make their big move. Until then, many small business owners face increasing competition and encroachment on their business.

Then there's the issue of the public perception of vaping. Hysterical and hyped-up reports in the mainstream media certainly don't help our business. Nor does the fact that Google and Facebook lump us together with cigarettes and disallow all advertising.

While I truly believe that we will prevail in the long run, vapreneurs will have to face a slew of different obstacles:

- You city may limit tobacco licenses (and they treat e-cigarettes like cigarettes)
- Vaping may be banned from your city/county (even inside vape shops)
- Your local city council thinks you're trying to sell e-cigarettes to minors
- The property owner where you want to locate your store is clueless about vaping

Until we reach a time when there's universal understanding that we are helping smokers and not creating a new breed of nicotine addicts, it's your job (and mine as well) to educate everyone you come into contact with. That includes potential customers of course, but it also includes your city council and others in leadership positions.



You certainly can't live your life or run your business frozen by the fear of threats.

While you can't control your "threats," you can learn to understand them and work around them.



HE WHO IS NOT COURAGEOUS TO TAKE RISKS WILL ACCOMPLISH NOTHING IN LIFE

MUHAMMAD ALI

Write down your top five to 10 threats now.

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MY THREATS

- INTRUSION FROM REGULATORS
- INACCURATE MEDIA REPORTS
- UNINFORMED CUSTOMERS AND THE GENERAL PUBLIC
- OTHER VAPE SHOPS CLOSE BY
- DIFFICULTY REACHING NEW CUSTOMERS



QUESTION #3

WHAT'S MY BUDGET?



How much do you need to start a vape shop?

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MOST BUSINESSES DON'T FAIL FOR LACK OF CAPITAL. THEY FAIL FOR LACK OF BRAINS, THEY FAIL FOR LACK OF EFFORT. MOST PEOPLE JUST AREN'T WILLING TO PUT IN THE TIME TO WORK SMART.

MARK CUBAN

In our special report, “Open a Vape Shop with No Money,” we explain that just because you don’t have the capital doesn’t mean you can’t open a vape shop. It just means you have to take a different path.

Based on feedback and reports from hundreds of shops nationwide, we know what it costs to open a vape shop (also see our special report, “How Much It Costs to Open a Vape Shop”).

We know what you need to spend on your inventory, your space, and what you can potentially skip if funding is limited. Do not trust your gut; do your research based on the data we’ve gathered by working with other vape shop owners.

Most businesses underestimate the necessary capital required to start. Don’t make this mistake!





Below are the estimated costs to open a vape shop. They range from \$40,000 at the low end to \$150,000 at the high end:

Retail Costs		
	Low End	High End
Monthly Costs		
Lease	\$ 2,500	\$ 5,000
Phone/Internet	\$ 100	\$ 200
Utilities	\$ 100	\$ 500
Insurance	\$ 100	\$ 200
Security	\$ 20	\$ 30
Point-of-Sale System	\$ 500	\$ 1,500
Marketing/Advertising	\$ 100	\$ 1,000
Salaries (1-2 employees)	\$ 3,000	\$ 7,500
Total Monthly Costs	\$ 6,420	\$ 15,930
Start-Up Costs		
Build-out Fees	\$ 10,000	\$ 50,000
Local License Fees	\$ 200	\$ 1,000
Trademark Name	\$ 300	\$ 300
Security Deposit	\$ 500	\$ 2,000
Display Cases	\$ 1,500	\$ 5,000
Exterior/Interior Signs	\$ 1,000	\$ 5,000
Hardware (batteries/mod's)	\$ 10,000	\$ 50,000
E-Liquids & Accessories	\$ 10,000	\$ 20,000
Total Start-Up Costs	\$ 33,500	\$ 133,300
TOTAL (first month)	\$ 39,920	\$ 149,230

QUESTION #4

WHERE DO

I

GET HELP?



Everyone dreams of becoming a success. You're not alone.

In my 20's and into my 30's, I thought I had all the answers. I had energy and a positive attitude and tons of ideas. Some were good, but most were bad, and they cost me more time and money than I care to admit.

But I still had time. Time to try. Time to fail. Time to try again.

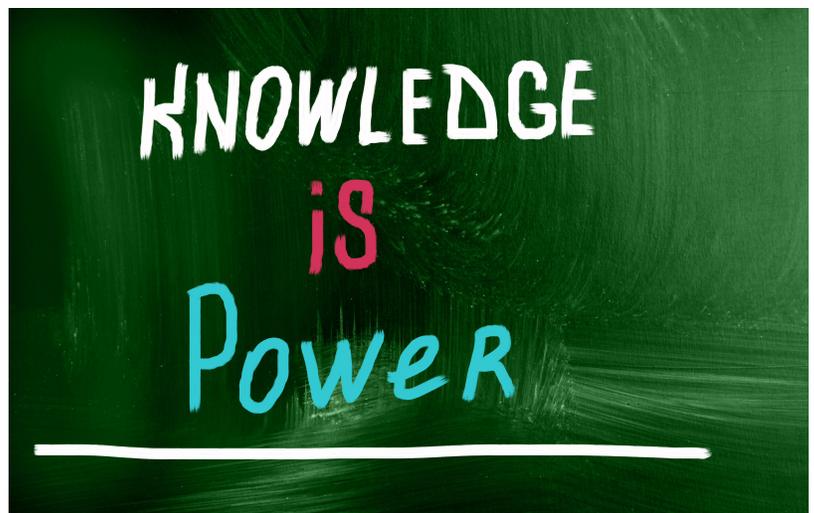
Now that I'm older (again, than I care to admit!) and wiser, I finally realized that what I lacked all along was guidance. It took me almost four decades to recognize that I needed a mentor.

A mentor is someone who helps you learn from your mistakes and the mistakes of others. He/she will tell you flat-out that your ideas suck. Or that you're wasting your time or that you're not focusing on the right things.

A mentor helps you recognize your weaknesses, how to fix them, and will make you work smarter (and harder).

"You can fail by yourself, but you cannot succeed alone" is one of my mantras. You need people around you — positive, like-minded people who will help you get to where you're going.

You need a mentor.





QUESTION #5

**DO I
UNDERSTAND
THIS SPACE?**



Every day, the headlines portray e-cigarettes as scary products that blow up, contain dangerous substances and that lure in a new wave of nicotine addicts.

Vaping has become synonymous with smoking, as more communities ban e-cigarettes and require people to vape outside with the smokers. Some communities won't even let people vape inside vape shops.

It's a huge detractor for any vaporeneur.

Government agencies from your local city hall to the FDA make it difficult for potential vape shop owners to know what's in store for them and what obstacles they must face. I've personally worked with many cities and local governments on these issues.

One vape shop owner I know committed to a lease after receiving all the necessary permits and licenses from his city. Weeks later, the city council rescinded his business license. Despite the fact that advocates from the community lent their support, the city put him out of business before he could even open his doors. Still liable for his lease agreement, it cost him nearly \$50,000 in lease payments for a business he couldn't open.

He is not the first vaporeneur to be victimized and will not be the last.

We have written letters to landlords, zoning and permit departments, attended several local hearings and city council meetings and met with many mayors and city council members to discuss these issues.

Do your homework! Before you venture too far, and get stuck up a creek without a paddle, let us help you clear the way.





QUESTION #6

**HOW CAN I
STAY ON TOP
OF THE
INDUSTRY?**



Business is risky and the vape space is riskier than most because it's a relatively new industry.

Hey, if it was easy everyone would be doing it. But that's what makes it fun and profitable!

The regulatory environment is uncertain. The FDA's "deeming regulations" are a good indication but not an absolute prediction of how they'll rule on our industry.

Competition is becoming a bigger issue as vape shops open all the time. Just a few years ago, the number of vape shops was in the hundreds. Now it's in the thousands and approaching five figures.

The winners will be the most educated and dedicated to staying on top of the market. How do you stay on top of the industry?

- Attend trade shows and conventions. As the national event coordinator for VAPE magazine and Vape Radio, we know about the upcoming shows and can offer guidelines and recommendations
- Read. Read trade magazines and reports from CASAA.org and SFATA.org for the latest information
- Join our VapeMasters community (coming March 2015) where you'll have exclusive access to our special reports, work templates, affiliate programs and more.

While the landscape is changing constantly, the one thing we know for certain is that it's still growing. Bonnie Herzog from Wells Fargo Financial currently estimates there are 8,500 vape shops in the U.S. and 19,400 worldwide.

She also projects the VTM (Vapors, Tanks and Mods) market will grow to \$3.5 billion by the end of 2015 and possibly \$10 billion by 2018.

How much of that market do you want?





QUESTION #7

**WHAT IS MY
ULTIMATE
GOAL?**



What's your ultimate goal?

Before we get to that, let's talk about how far we've come in just a few years. Not long ago, you could mix your own e-liquids in your back room. The question "where does the e-juice come from?" rarely came up.

But consumers are more educated now. They care about the quality of their e-liquids and want to know where the nicotine and other ingredients are coming from (hint: they want it to be made in the U.S., and not from China).

The FDA will also be cracking down on e-liquid makers who don't measure up (pun intended). We can't emphasize enough that the days of the bathtub e-liquid are gone.



THERE IS ONLY ONE THING THAT MAKES A DREAM
IMPOSSIBLE TO ACHIEVE: THE FEAR OF FAILURE

PAULO COELHO, THE ALCHEMIST

If your goal is to open a new vape shop, we hope this initial guide has helped. We have several other special reports that will help you understand the costs, liabilities and upside potential of owning a vape shop. If you're truly committed, we encourage you to sign up for VAPE U or join our exclusive VapeMasters community.

If your goal is to develop a new line of e-liquids, there's an easy way to skin that cat. In fact, we think it's a great idea to develop your own line of e-liquids because it will bring customers back to your store again and again.

It's never been easier to develop a unique brand of e-juice. There is no reason to spend tens of thousands of dollars in equipment and supplies to do it yourself when you can have an expert do it for you. We know those experts. These manufacturers have invested thousands in ISO-compliant and technology and are creating new lines of juice every day.





Some final words of advice: before you jump into the vape space with both feet,

- Create a plan
- Find a mentor

“

GOD IS NEVER IN A HURRY BUT HE IS ALWAYS ON TIME

NORM BOUR

There is a reason you are right here, right now. Reading this book.

There is a reason I walked into that vape shop years ago. It was not random.

That's the philosophy that I believe and teach all my clients. We give you the resources and guidance to help you succeed. But you must be 100 percent committed and motivated. You must also be patient and willing to put the time and effort into your business. It's not going to happen overnight.

We live in a world of abundance and there is plenty of room in the vape space for everyone, especially you.

We look forward to being your mentors and guides in your journey.

Norm Bour
President and Chief Business Mentor
VapeMentors

