

# Rainbow Glass

## Adapting to Shifting Value

by Colleen Bryan

Forty years as a successful glass innovator, instructor, and retailer can develop a propensity for the long view in a person who is already oriented to broad historical sweeps. Such is the case for Philip Teefy, founder and owner of Rainbow Glass, a restoration and teaching center in Sacramento, California.

Teefy muses about how factors of novelty and competition change the market value of material and finished product over time. “I was introduced to dichroic glass in 1977. I had three garbage cans of the stuff in the store and gave it away for free. Only four people would take anything out of the can. Now I sell the same material for \$78 a pound.” The same fluctuation can be observed with finished work. “My dichroic fused necklace sold for \$180 in 1992. That same necklace would sell now for \$20. I can’t make a living selling \$20 pieces of work.”

Still, Teefy and his store do make a healthy profit, largely through disciplined long-range planning, application of three-tier marketing throughout his business lines, and participation in deep discount coupon programs. He also finds success by varying price structures to reflect demand.

Teefy has heard about all the hand wringing over competition from Asian imports, but feels more concerned about American crafters who undervalue their goods. “The American maker on a pension sells for less than China would. They tend to undervalue their work, because they were able to make it themselves. Therefore, they don’t think it has value. American crafters will make a piece and sell it for \$20. In the studio’s marketing plan, we add in medical coverage, retirement, and workers’ comp. Those three costs alone would exceed the total sale price. I watched Tanya Veit’s video the other day where she mentions in passing, ‘This piece is worth \$65.’ The person who makes it in her class will sell it for \$8 to compete with a lower quality item from China that they see on sale for \$8 at Michaels. We are our own worst price competition.”



*Phil Teefy, Peacock restoration window, 11' x 2-1/2', St. John's Episcopal Church, Marysville, California. Photo by Roy Eldridge.*



*Phil Teefy, detail of restoration window, 11' x 2-1/2', St. John's Episcopal Church, Marysville, California. Photo by Roy Eldridge.*

### Reading Tea Leaves

Looking into the future, Teefy sees factories and the Internet as the greatest challenges to the traditional way that brick-and-mortar glass retailers have done business. “How do we stay feasible selling something that used to sell for \$15 when you spend \$5 to procure it and the Internet price for its knockoff equivalent is \$7.50? Labor used to be 10 percent of my expenses. Now it is 40 percent. We had to start selling labor to survive, because factories are selling supplies at 50 percent off all the time.

“I see the future without any retail stores. Factories will turn more heavily to retail in order to keep themselves in operation. That leaves us brick-and-mortar folks focused on individual service. Customers get to make their pieces here. We can help them with concepts and ideas, then support them with the execution of those ideas.” The trend feels less personal when he recognizes that it is true across industries and that many businesses have switched to service out of necessity.

Teefy foresees that Rainbow Glass will offer more classes and less product in the future. He gauges that 60 percent of people are comfortable doing classes on the Internet, but the other 40 percent prefer to be in the same room interacting with the teacher. He notes that Veit has taken her jewelry class online, which generates more students for her studio. She offers tiered classes ranging in price from \$45 to \$1,500. “Her classes allow students to make something unique. She is not trying to beat a factory on price or selection. Tanya is the most impressive retailer I’ve seen emerge in the last two years.”

Twenty-five years ago, Teefy’s goal was to become the teaching center of Northern California. Later, he set a goal of becoming a restoration center. “In both cases, we made the plan and worked the plan, and that is what we became.” Generally, he attributes his long retail career to focusing on the things he loves and working toward sound long-term goals. “I love teaching, restoration, and stained glass. Those things make my life pretty joyful.”

*Learn more about Philip Teefy and how his strategies for planning and marketing have contributed to 40 years of success for his glass teaching and restoration center in the July/August 2014 issue of Glass Art.*

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