

# JOHN FLUEVOG JOHN FLUEVOG BOOTS AND SHOES

Interviewed by Glenn Boettger On October 20, 2005

"As Christians we need to integrate our lives with our faith and we are called to do that. No matter who you are, we are all called to integrate our faith. And the cool thing about our society and the century we're in right now is that a small person can have influence. I think that what I do as an entrepreneur shouldn't be any different than what I would as a pastor of a church or if I worked for a large company. I don't see any difference."

John Fluevog

## GENERAL ENTREPRENEUR QUESTIONS

 When did you start your first entrepreneurial venture and what was it?

I started my first entrepreneurial venture after my first 10 years of business. I had been in partnership with someone for those years but I had been more or less dragged along in the venture, so I can't say that I was all that entrepreneurial during that time. I feel that I only truly became an entrepreneur when I bought my partner out. But it didn't occur to me before then that I was an entrepreneur - I was just a guy struggling to keep my retail business going.

2. What motivated you to become an entrepreneur?

I feel that I didn't particularly choose to become an entrepreneur; rather, it found me. And I would say that I'm as much of an

artist as I am an entrepreneur, if not more. But having said that, the thing that really motivates me, is that when you're working for yourself there is no bottom or top to what can happen. It is limitless. That is the most exciting part of entrepreneurship and the part that just makes work a lot more fun.

3. Was there any one person who was a model of inspiration for you and in what way?

My ex-partner was definitely an inspiration for me. He probably had more of an entrepreneurial spirit than I did, but I saw what he did and how he did it, which helped me to learn a lot of things from him.

 Was your educational experience (to whatever extent) helpful? If so, in which way?

No, my educational experience was not helpful.

5. How many different business ventures have you started in the course of your entrepreneurial career?

One - I have basically been doing the same thing for my whole career. I've just been doing footwear.

6. What percentage of these business ventures do you estimate were financially successful?

I have managed to stay in business, so I guess that's successful enough. I've been doing the same thing in a very difficult industry for 35 years. I bring out product lines all the time and a lot of them aren't successful. Ideas that I have don't always work, and sometimes I'll open a store and the timing is bad, or I'll open one in the wrong location, or things like that. So there have been failures along the way, but overall the business has been a success.

# ENTREPRENEURIAL QUESTIONS REGARDING YOUR SPECIFIC BUSINESS

7. How did you identify the opportunity that led to the setting up of the business?

I really don't feel that I identified the opportunity as such. It was more like it identified me. I didn't say to myself, 'I think I'll go into the shoe business; this is a really great business opportunity and I can see that I can start a brand and open up stores.' That's not how it happened. It happened more like this: 'Ok, this is what I need to do because this is what's in front of me. This is the path I've got to go and I've got to make it work.' So I can't tell you that I was clever enough or thoughtful enough to seek out the shoe industry. I didn't even know that I could design shoes. I basically just fell into it.

8. What were the critical elements you assessed before you decided to pursue the opportunity?

There really wasn't too much for me to assess. What happened is that when I was about 21 and had worked at this shoe store for a few months, a manager (and family friend) confided in me that he wanted to go out on his own and start something. He had a number of different ways of getting money, and one of them was to ask my father. He said, 'what about your dad. would he lend me any money?' So we went to see my dad and my dad said, 'Yes, I'll lend you this \$13,500 if you make my son a 50% partner.' I didn't even have anything to do with it. It was exactly like that. I was totally thrown into it. If you could imagine at your age, if you go and work for a clothing store or a hardware store or wherever and the manager says to you, 'Hey dude, I'm thinking about going out on my own, do you want to come with me?' And you say, 'Why not, this is kind of a sucky job anyway. I don't plan to stick around here for that long.' And then you somehow end up being in partnership with this guy for no reason. That's how it started.

9. How much time did it take from seeing the opportunity to the first day of business?

The first day of business came really quick. We had bought the inventory from an existing store so we just did what we had to in order to open as quickly as possible. Five months later it was a done deal and we were open.

10. If you had partners, who were they, and how did you find them?

My only partner had managed the shoe store that I worked in and was a family friend.

11. Did you have a business plan of any kind?

Yes, we had a business plan. We knew the market that we were going after and we knew we had sales figures and goals that we had to meet.

12. What kind of financing did you have?

The only financing we had had been parental; that was basically it. Later on we got financing from a bank. It was a lot easier getting financing from the bank back then, much easier than it is now. They would actually finance businesses, whereas now they really don't want to know about it.

13. How much capital did it take?

It took \$13,500 of capital to start the business.

14. How long did it take to reach a positive cash-flow position?

I don't remember how long it took us to reach a positive cashflow position. I have almost never in my whole business career been in a positive cash flow position. I've probably always had some debt; but my debt to equity ratio has always been strong.

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15. If you did not have enough money at the time of the start, or at low points in the business cycle, what were some things you did in order to stretch your capital?

In order to stretch capital you do the usual: you stretch your suppliers. Actually, when I think about it, I would pay my suppliers before I would pay rent. I would push my suppliers as far as they would go, but I would always pay them because I knew that if I screwed up with my suppliers I would not be in business any more. I would stretch every bill that I could, but ultimately I would always pay my suppliers.

16. What did you perceive to be the strengths of your venture?

My biggest strength is that I've always had groovy stuff. You've got to remember that I'm not selling a product that people want or need. I'm selling an emotion. I've always been a style monger, so that is what I'm selling: a feeling and an emotion. I've always felt that I've known why people want to spend more money than they need to. From there it's a see-saw so as to not make my products so far out that the average person can't 'get into' them. And yet you can't make them too ordinary or you run into price competition and all those kind of things. So I'm positioned in this little window.

17. What did you perceive to be the weaknesses of your venture?

One weakness of my venture is financing; I'm always underfinanced. Also, probably the most basic weakness of my business is that the amount of people who are actually my customers is statistically very small. This is true in the US especially, where 80% of all clothing and footwear is sold in big-box retailers like Target and Wal-Mart. So that leaves 20%, and within that 20% I'm guessing that 5% of those are possible customers of mine if I'm lucky. So I'm not dealing with something that a lot of people want. I would think that is a weakness. You could turn it around and look at it the other way and say that it is a strength, but it's probably an inherent

weakness. And the difficulty of getting the product made is an inherent problem as well.

18. What was your most triumphant moment?

My most triumphant moment was probably opening up the New York store. That was a big deal for a number of reasons. It was New York, it was right timing, and when it opened I could suddenly get into all the clubs for free – I could get into all the restaurants. People wanted to know me: it was like I had made it.

19. What was your worst moment?

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I've had a lot of 'worst moments' and most of them have to do with cash flow. When sales are down, cash flow sucks and you don't have a lot of options left. And it can either be an exhilarating moment, something that just gets you going and drives you forward, or it can be depressing. It depends on the hour, the moment, the day.

20. Once you got going, what were the most difficult gaps to fill and problems to solve as you began to grow your company?

The most difficult thing was my lack of knowledge. I didn't know anything, and I had to learn everything as I went. Although, I think that if I had gone to school, I may not have known a whole lot more. I might have had more confidence and understood more what the business world was all about, but maybe if I'd gone to school I wouldn't have accomplished what I have. In the end the most difficult gaps were my own self, and that is still true today.

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21. What were the key attributes you looked for in people (partners, advisors, managers) as you grew the company?

I don't think I've been particularly good at picking out the attributes in people that my company has really needed. I think I tended to hire people who fit into the culture of the company, rather than hire people who were outside the culture and could contribute something different. Looking back on it I can say that I would have been better off hiring people who had completely different skill sets than me, rather than hiring people that were on the same vibe as me.

### REFLECTIVE QUESTIONS

22. What are some things that you have found to be most personally rewarding and satisfying for yourself as an entrepreneur?

One way in which entrepreneurship is rewarding is that it allows you to learn a lot about yourself. It also gives you the ability, in theory, to throw yourself into something and get a reward for it. Whether or not the reward ever comes is another issue. But it's like there's a carrot out there and you can just go charging after it. And it's not about the money: it's about the personal sense of self-worth that comes from doing something. And the excitement for me is found in creating something, in making something, in building something. It's a lot of fun.

23. What are the three most important lessons you have learned with respect to starting and running a business that you pass on to an aspiring entrepreneur?

The first most important lesson that I have learned with respect to starting and running a business, is that honesty is key. I think honesty is totally huge: if you're not honest with yourself, if you're not honest with your staff or your suppliers, and if you don't do what you say you're going to do, you might as well

just give up and go home. So I would say that honesty is huge. Second, entrepreneurship is not about being selfish. If you were on the outside, from another culture looking in on us, it could easily look like entrepreneurs are selfish and self-serving. That's really not how it is. In fact it's almost the opposite of that due to the passion and creativity involved. Thirdly, you need to be yourself. I see people going into business that are copying somebody else and not putting their own personal touch into it. They say, 'Oh, well, gee, there's a pizza shop down the road that is doing really well and they've got red and white interior with blue logos and...' on and on. You better make sure that what you are doing is really needed and unique in the marketplace because just filling a gap is not always enough. You have to be different. And the lastly, you better watch your cash flow. It's not about how much money you're making; you have to be very careful that you can pay your bills.

#### FAITH AND THE MARKETPLACE

24. What does the term "calling" mean to you?

I'm not sure what the word 'calling' really means. I don't really see the word 'calling' in scripture. But I do believe that God makes people with a certain bent for things, and it is very fulfilling if you can find what that bent is. If you can live in it, and do something that fits who you are at your very core, which is the best way to go. So I'm not sure about the word 'calling', but I do think that we are part of a body and we are all made a little bit differently and the point is to make sure that you are fitting into that right place because you can feel really good about that. Obviously, all of us aren't going to be entrepreneurs.

25. Do you feel that you were "called" to entrepreneurship? If so, what does that mean to you?

I do feel 'called' to what I'm doing, but I wouldn't even call it entrepreneurship. I would call what I do 'creation.' I create a product, stick it out in the marketplace, and this allows me to

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have influence. The entrepreneurial aspect lets me broaden that influence. And that is satisfying.

26. Who, if any one, affirmed that calling?

There was one guy in particular who helped to affirm my calling. It was back in about 1987. I was in business, plugging along and doing my thing as a retailer, but I wasn't really designing my own product and doing my own thing. I had a guy come and lay a prophecy on me and tell me that he saw my shoes in different countries and in different places. He saw me as being very influential and my name as being very influential. It's funny that it took that. It took God telling me, through this man, what was going to be to get me off my behind and do it. I don't think I would have started designing otherwise. It was really encouraging.

27. What do you believe your gifts are as an entrepreneur?

There are a number of different gifts that I feel I have as an entrepreneur. Some of them are spiritual gifts and some of them are gifts of administration. Mine is certainly not a gift of administration I will tell you that. I think that in what I do I am called to love people. I think that I'm called to love my employees, and I think I'm called to love my customers. I would say that putting out the product in the way I do, with the messages on the product, is my way of loving people. Even though it's not exactly a 'spiritual gift,' that's how I see my gifting.

28. How did you (or do you) integrate your business expertise with your Christian calling (and how are they complementary)?

I don't see a difference. I've been out to Regent College at UBC, and I've listened to a few lectures about Christians in the marketplace, and I don't understand the fundamental idea of why you'd need to have a course on being a Christian in the

marketplace. I just think it's a funny concept. As Christians we need to integrate our lives with our faith and we are called to do that. It isn't like, 'Ok now I'm a Christian entrepreneur and I need to behave in a Christian way so let me check and see what that is.' No matter who you are, we are all called to integrate our faith. And the cool thing about our society and the century we're in right now is that a small person can have influence. Basically, an entrepreneur, for me, means having influence. You can influence people. I can influence people. Just by the structure of my company and by the product I put out there I am able to influence people. I can do that by selling sex because I think that selling sex will make me more money, or, I can influence people by throwing out a great product that works well for a good value. And that is a loving thing to do. Our society wouldn't move forward if stuff broke down all the time. The longer you can make something work, and the better it works, the better it makes you feel, and it gives more time to people who have to do other things themselves. And I think that what I do as an entrepreneur shouldn't be any different than what I would as a pastor of a church or if I worked for a large company. I don't see any difference.

29. How have you been involved in your local church (that you now attend and the ones you have attended in the past)?

I've always been involved in my church, but I haven't been a leader in the church. I've never really wanted or felt the calling to do that. It's not my shtick. But I've taught Sunday school and I've taught junior choir. My wife and I cook dinner for everyone once a month. I've done all kinds of stuff but I've never been on a council or an eldership or anything like that.

30. Have you been involved in your church denomination and how?

I've been involved in my denomination by being involved with my local church.

31. Have you been involved in para-church organizations and how?

Yes, I've been involved with para-church organizations by giving to them financially.

32. What are some examples of how you have integrated Biblical principles into your business practices and thus acted differently than a non-Christian due to your Christian faith?

I don't know if I act differently than a non-Christian, because I'm not always sure what a non-Christian acts like. There are some bad guys out there and there are some good guys. And the bottom line of my faith is one of redemption and one of forgiveness of my unworthy self. And one of grace because God just gives me grace. I don't have anything better than anybody else; I have simply accepted God's grace. God is gracious to me and I see him work in my life. It's like he finds a way when there is no way.

What is different about me as a Christian is that at the end of the day, with regards to my business concerns, I can give them up. However, while I say that with my mouth, the reality is that I don't think I always live that. And this is where I struggle. I struggle when you say 'Integrating my faith with my business.' If I'm really a Christian, if I've really got faith that God is on the throne and he's looking after me, that I'm going to Heaven and I have nothing to worry about, then what am I doing banging my head against the wall with an issue that I've got? Issues like cash flow or getting depressed or worrying about a lease in Boston or whatever - what's the deal here? And I find myself not always doing what I believe.

But on a practical level my Christianity gives me a message. I put messages on my shoes, I totally do. I do the same thing on my website. But I'm careful not to be too preachy with my messages. It's not about preaching to people or giving them your morality. But the cool thing about being in business for

yourself is that you do not have to be politically correct. I don't work for the government. I don't work for a school board where I have to be politically correct all the time. You know what? I can do exactly what I want. Because of this, I think we are in a unique time, a time in which we as Christians can influence. We can say what we want. You can run an ad in the Yellow Pages and put scripture in it - you can put a little fish on it. You can do whatever you want and it's generally acceptable. You can just do what you want and that's so cool. That's why I think being an entrepreneur is such a great thing. It's such a vehicle to be able to express yourself.

33. What are the lessons you have learned that you believe are important for Christians pursuing entrepreneurship?

One of the important lessons I've learned is that a person never stops growing. You don't come to a point where everything is cool and you can just let it ride. It doesn't seem to me that God works like that. It would appear to me that God's plan for us is to continually want a deeper relationship with Him. It's not about being in a comfortable place. I've often thought that I've never really made it because I've never had a bunch of money in the bank. And I would say that this is such a wrong concept. That's not what 'making it' is. So I would tell anyone that one needs to focus on growth and relationship with God.

When you really think about it, if we as Christians say that we can have a personal relationship with God, and that prayer makes a difference, then it's not about being successful and saying, 'I'm going to be an entrepreneur and because I'm a Christian God will bless me financially.' It's not about that. I know a lot of Christians who think that there is a rule out there that God will monetarily bless the Christian business person, but I don't see that in Scripture. I see that we are called to do certain things, and I can certainly see giving as part of that, but I don't see that you can give to expect to get back. And I don't think there is a

rule out there that says God owes you. So I would say dump that idea and just follow God's leading. His leading may not be what you think it is, so be ready for that.

To add to this, I have learned over the years never to do anything out of fear. I've done some things out of fear. I've said 'If I don't do this I'm going to lose out, something bad is going to happen or someone else is going to take my market.' This has been a wrong way to do things.

34. How could the church in a general sense support you as an entrepreneur in pursuing your calling in business?

I think that in a general sense we, as the church, all need to encourage each other. I've never felt that the church has supported me as an entrepreneur. If you really let things go and be yourself, I find that, up until this point anyway, the culture of the church is restrictive in terms of how you are supposed to act and maybe even what kind of business you should be in. I would say that in the church, people in the marketplace almost get put down a bit - almost get squelched a bit. So to really answer the question, I think that we all need to encourage each other in what we are doing, even if you don't fully understand it. I would say that I've been misunderstood, although I don't really care. I understand that being in the fashion business means that some Christians might misunderstand who I am and what I'm about. It's not an issue to me. Maybe it's too airy-fairy or it's not straight forward enough for most people. I think that the church could well do with opening themselves up to people like entrepreneurs and artists. I call an entrepreneur an artist, by the way. I think entrepreneurship is very 'artsy' because you're creating things: you are creating something from nothing.

35. What have been the biggest challenges for you as a Christian in business?

I honestly haven't had any difficulties with being a Christian in business. I can't tell you that in my particular business I've

had a huge issue come up that could compromise my faith. I've never had that.

36. Who was most helpful (and why or how) in addressing these challenges: church leadership, Christian friends, etc.?

There isn't really anyone who has been the 'most' helpful. I haven't really ever been able to go to any church leaders and discuss anything about my business with them. I never have and I never do. It doesn't occur to me. They wouldn't be able to connect enough to what I do and I haven't really had a moral dilemma as such. Either it is right or it's wrong, basically.

37. Have you hired people from your church? If so, has that been a positive or negative experience?

Yes, I have hired people from my church. It has probably been more negative than positive overall.

38. Have you done business with other people in your church and how?

No, I have never done business with others in my church, and I would really stay away from it personally.

39. Has your relationship with those people you have done business with in your church been positively or negatively affected—from a business and spiritual standpoint—by doing business together and how?

I've never done business with people from my church, so I can't really answer that question.

40. Is there any particular passage(s) of scripture that you have found particularly meaningful or that is inspirational to you?

I don't have a particular passage that I want to pin down. Different scripture affects me in different ways at different times.

So I can't go back to one verse and just keep hanging onto that. I don't really have something like that.

#### CONCLUSION

Do you have any questions or comments related to Christians in business that you would like to express an opinion on and that you believe should be included in or dealt with in future versions of this questionnaire?

Over the years I've made some mistakes. Years ago I remember having a squabble with a contractor who was a 'Christian' and he was doing something which I didn't feel was part of our deal, yet he wanted to be paid a certain amount of money for it. And I laid a whole number on him. I told him that what he was asking from me was not right, and 'If you are a Christian and you believe in righteousness you better take this extra thousand bucks and you better stick it into a collection plate!' I probably shouldn't have said that to him. I mention this story to say this: we can only deal with ourselves, and we cannot expect other people to behave in some quote 'Christian' manner because they call themselves Christians. And I don't think we should have special expectations of Christians because if we do we will put our faith there, we will be disappointed by them, and then we will wonder why we are Christians. It's not about that. And it's not about us as Christians being better than anyone else in business, us having more integrity, etc. There are a lot of people out there with integrity. It is our motivations that are important. What motivates us to do something? When we examine those motivations we start getting insights into our lives and how we are behaving so that we can make changes for the better. If I look at my motivations I can make better decisions - decisions that are more financially prudent, and in the end, decisions that are more godly.