



1 InkSpot offers more than 600 makes and models of remanufactured toner cartridges and keeps the top 30 cartridges in stock.

Owner Michael Lynch plans to have InkSpot in 30 locations within the next five years.

InkSpot has saved more than 50,000 ink cartridges from going into local landfills since the business began in 2005.

InkSpot's Business is Spot On

BY MATTHEW J. MOWRY

Editor's Note: This monthly department profiles successful NH entrepreneurs and their businesses.

InkSpot's unique business model continues to propel the business forward in spite of the recent recession. The company added its eighth location in Nashua on Feb. 1, two and half years after Owner Michael Lynch stepped away from an ink refilling franchise to start his own business. InkSpot refills printer, fax and copier cartridges, both ink jet and toner cartridges, for most major brands. It also sells remanufactured ink and toner, photo paper and multipurpose paper. The company has seven locations in NH and one in Ocean Side, Calif. Only three are stand-alone stores—Derry, Manchester and the California store—while the other five are located inside other businesses, including WorldWide Computer Solutions Inc. in Keene, Copies and More, LLC in Peterborough, Advanced Shipping and Packaging in Epping, C&K Printing in Rochester, and Ace Printing in Nashua. The store-within-a-store model has fueled the company's success and will be key to its future growth, Lynch says.

Beginning last year, the company also began partnering with ReMine Recycling LLC to recycle and dispose of its customers' electronics in an environmentally sound way.

BNH: How does the store-in-a-store model work?

Lynch: "The store-in-store is great. The [store] owners and I are partners. This is incremental revenue for them, using their same square footage, utilities and staffing. We train them to refill ink cartridges and source the toner cartridges. They are cross-selling to existing customers and bringing in new customers who want to save money and/or the environment." Lynch has been careful to partner with businesses with products or services that are a natural fit with his business, where his service can be seen as a value-added service for their customers.

BNH: What is the advantage for you?

Lynch: "I don't have employees now or a landlord. I have an instant traffic stream that can be cross-sold. I provide the technology,

equipment and business model to these individuals. It's a way to spread my footprint in New Hampshire without the capital costs of opening a new location. ...I was in the black after three months. My stores-within-stores are typically in the black within three months or sooner."

BNH: How does the business model work?

Lynch: "I have a rental and licensing agreement with each location. ... We want to grow store-in-store in New England. We want to give great support and be able to visit and make sure things are set up right. We want both of us [InkSpot and store-in-store partners] to profit from the venture. As long as they're refilling two cartridges a day, that's enough to take care of their monthly financial obligation to me. The rest is profit for them. It takes 10 minutes to refill and test a cartridge. Customers save 50 percent over buying a brand new cartridge." InkSpot also offers compatible ink cartridges, which are 25 to 30 percent cheaper than new ones. "We have 40 different inks we use. We're able to service hundreds of different kinds of cartridges." ■