

Every Era Brings Challenges. If You Don't Forget Your 'Thing,' You Will Prevail.

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This week a friend introduced me to Jay Kamhi, the founder of Kamhi World toys. When it comes to weathering challenges, he has seen them all. Now 59, he's been an entrepreneur since his teens, spending the first 20 years of his career as a vendor on the streets of New York. "Always someone is chasing you," he recalls. "The police. The rain. But when it rains, you sell umbrellas."

Kamhi's ever-evolving business has taken him from the streets to wholesale distribution, online sales, design and manufacture of novelty toys and, most recently, the manufacture and distribution of emergency medical goods. He's lived pop culture, 9/11, trademark wars and political trends.

He famously landed himself in a trademark war with attorneys for Donald Trump in 2015 over a talking Trump pen. (He's made Clinton pens. George W. Bush pens. Obama pens. No problem. As it turns out, Trump is the only U.S. president who has trademarked his name.) The adventure cost Kamhi \$30,000 in unsellable pens. But he rose again. He made a version of the pen that avoids trouble by using packaging that doesn't say "Trump."

Today, along with 30.2 million small businesses throughout the U.S., he's dealing with the current crisis. For ventures like Kamhi World, revenue for live business has plummeted as most U.S. residents are working and schooling at home. Many retail outlets are floundering or have failed.

For Kamhi's team, there was moment of panic when they awoke to find that online sales had dropped by 30 percent in a day. It was a sobering moment. But it's far from the first extreme hardship he's known. His online business has pivoted and is rebounding.

Having lived through 40 years of business, Kamhi considers his strategies for surmounting difficulties to be his greatest asset. He's made a name for himself giving lectures to young and emerging entrepreneurs in incubator facilities, and looks forward to resuming that work. In addition to offering guidance, he looks forward to restoring their hopes and "giving them a reason to smile." But in the meantime, he shared his ideas on the ways every entrepreneur can rise from the current challenges to succeed and prevail.

Persistence is everything

Businesses can begin from the simplest ideas. Remember the walking hand called "Thing" from *The Addams Family*? Kamhi does. As a child, he was obsessed with the show. He was a bit of a loner and didn't have many friends. But years later, as a 17-year-old, he walked past a toy store window in New York and there it was: a hand sitting in the window, waving at him.

"Oh my God, it's Thing, my imaginary friend from childhood!" he said. So he bought the hand. Then he found the inventor and told him he wanted to be the exclusive distributor of severed hands on the sidewalks of New York.

The inventor agreed. A week later, Kamhi was in business next to the New York Stock Exchange. He had an elaborate display – a salad bowl with a squirming hand was a "hand-tossed salad." A hand between two slices of bread was, of course, a "hand sandwich." In true New York style, a hand in a bag was the "designer handbag."

He positioned himself near traffic and practiced his schtick.

“Get them now, folks. Freshly cut this morning!” “These aren’t new; they’re second hand! Only a handful left! Handy gift.”

Within an hour he’d sold all the hands he’d brought, and had the time of his life doing it. For a 17-year-old in 1978, it was a heady rush to earn \$250 that fast. People smiled. He was funny. He may not have played sports or gone to prom, but he could make people laugh.

The course of Kamhi’s life changed at that moment. He went home to announce he’d be passing on college to follow his entrepreneurial dream: to sell disembodied hand toys in New York. He was ready to face his father’s disappointment.

But his father’s response surprised him. “Jay, I have no idea why you love this hand, this ‘Thing,’” his father said. “But my mother never understood my ‘thing’ either.”

What? His father had a thing?

“I wanted to act and write and direct movies,” he said. “But I never did. I became a social worker instead.”

What a realization. Then he put his hand on his son’s shoulder and said the words Kamhi will never forget.

“I kind of gave up on my thing. I know you’re going through a hard time right now. But keep going, and just keep doing your thing.”

The words were profound.

At all times, shift fast

Street vending was never dull. But 10 years in and multiple cities later, people’s interest in wriggling hands had petered out. So Kamhi had expanded his line of novelties and began wholesaling his products to stores.

In 2012-14 the concept made great sense on paper, but Kamhi

soon learned his products were a little too cutting edge for Target and Walmart.

“In retail, there’s a single buyer who determines whether your product will be picked up for the entire chain. If they don’t understand what you have, they say no and you end up with no business,” he said. Unfortunately, the majority of products Kamhi thought were funny the buyers didn’t understand. Ultimately, he found himself 30 years into his career \$1 million in debt and “100 percent broke.”

“I should have declared bankruptcy,” he said. “I loved those products, but I loved my employees more.” So he persisted and took his business online.

Retail stores, Kamhi, realized, required marketing not to the customer but to the buyer who held the power to get the product into the stores. Shifting away from selling directly to customers had taken him away from the ideas he knew in his heart were good. It had killed his sales, and his motivation.

The answer was another pivot. Amazon. Now there was nothing standing between Kamhi’s ideas and his audience. The winning product, it turns out, was the fateful Donald Trump talking pen. Whether people loved or hated Trump, the product provoked a reaction. Following the trademark name debacle, he spent nine months in creation and six months in promotion to create the perfect Donald Trump talking pen that would offend no one but be amusing to everyone, he assumed. Still, none of the stores would take it.

Image Credit: Courtesy of Jay Kamhi

Then, in the space of a week, the pen was picked up on national television by the Sean Hannity Show and The View. The

shows had polar opposite vantage points, but both thought the pen was funny.

Suddenly sales on Amazon went crazy. The talking pen became the most popular toy on Amazon within the space of two weeks.

"I was able to pay off all my debts," he said. "It put me back on my feet."

New skills for a new challenge

Thankfully, by the time the global health crisis arrived, Kamhi had focused his business entirely online. But still, they experienced a 30 percent drop in a day. How do you manage a crisis like this?

Since the initial drop, Kamhi has managed to pull out of the sales slump. Based on his experience, here's the advice he offers to others:

- When your company needs a leader, rise to the occasion, regardless of fear. Kamhi felt as frightened as anyone in the face of this crisis. As his employees and vendors froze in fear, his initial reaction was to freeze right along with them. Everyone was looking around hoping for someone to tell them what to do, but this was a new situation, different than anything that had ever existed before. So he decided he'd have to become the leader, but managed it by looking at himself and the situation in third person. "In this minute, what would I want and what would I hope a strong leader would do?" By play-acting the part, he's been able to assume a calmness that allows him to step into the role, though he's had to repeat the exercise many times to get through every day's new horrors and unknowns.
- Prepare to pivot every day. If your current product isn't selling, it's tempting to hunker down to save money or simply shut down. Don't do it, he says. Do the

counterintuitive thing: Lean in, and then take a look around you. What resources have you got? Who's available to work with? Again and again, Kamhi has asked himself what a strong leader would do and has willed himself to step into the role. The fear has subsided and the steps became clear:

1. First, he doubled promotion. With competitors standing down, the promotion had an exponentially higher impact and his brand was now getting in front of more eyes.
2. Then he lowered prices. People had less money but were still willing to buy. The extra promotion and lower prices pulled revenue out of its stall. Kamhi's vendors and manufacturers have also helped by lowering their prices so profit margins don't suffer too greatly. Like never before, everyone is helping everyone out.
3. Next, he shifted the products. Around Kamhi were scores of people needing work and consumers needing and wanting different products. So he used his manufacturing sources and the people around him to produce and distribute N-95 masks. As he heard about the dire straits of his vendor friends in New York – a manager with employees living hand to mouth – he sent them the masks. New York customers needed the masks, and the employees needed the revenue. Everyone won.
4. Now he's continuing to pivot, again and again. What's needed next? What can I contribute? What do the suppliers and sellers in my network need so that everyone can survive and win?

At every stage, remain hungry and

humble

As new infections slow and the worst of the crisis is behind us, the aftermath of economic devastation begins. Unemployment is predicted to surpass World War II levels, and the availability of emergency funds will subside. Businesses across America are struggling for life.

With clear heads and humility, every leader will need to continually examine the evolving “new normal” through the lens of “What do I have now?” and “What can I contribute next?” Kamhi’s newest mission is to share the legacy of his lessons, good and bad, with as many existing and emerging entrepreneurs as he can. His outlook is positive, and he knows he’ll prevail.

Throughout all of this, there’s one person Kamhi still looks to for inspiration: his father. At age 89, Kamhi reports, his father has a YouTube channel and has produced eight short films with “something like 15 million views.”

Despite the increasing challenges, both father and son are fulfilled and living their legacies, never giving up on their “things.”

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