

The pandemic's bad enough, but try being a wedding photographer!

PAYCHEX
Business
Series

Coronavirus



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Justin McCallum

Owner, Justin McCallum Photography

Full transcript

Gene Marks:

Hey, everybody, and welcome to The Paychex Business Series Podcast. I'm your host, Gene Marks. I'm a certified public accountant and regular business columnist for a bunch of publications, including *Forbes*, *Entrepreneur*, *The Hill*, *The Washington Times*, *The Guardian*, *The Philadelphia Enquirer*, and some others as well. More importantly, I'm a small business owner of a financial and technology management services company. I have teamed up with Paychex, the leading provider of human resources, payroll, benefits, and insurance services to bring you real-life advice from real-life business owners and industry experts.

In this podcast, we'll talk about the complexities of running a small business and how they're handling the challenges they face. My guest today is Justin McCallum. Justin is the owner of Justin McCallum Photography where, I think, Justin, you are based in New York, correct?

Justin McCallum:

Yeah. I'm based in New York City. I'm a wedding, events, and portrait photographer.

Gene Marks:

Right, and you go all over, right? I mean, wherever the job takes you.

Justin McCallum:

Send me anywhere, please. Yeah.

Gene Marks:

Okay, so you're a wedding photographer. It's just you, is that correct? Do you have any employees? Do you subcontract out when you need help?

Justin McCallum:

Correct. I am the only full-time employee whatsoever. I have some subcontractors who are assistants and additional photographers who I'll bring onto shoots, but I am the only real employee. It's all me.

Gene Marks:

Yeah, it's all you. How long have you been doing this?

Justin McCallum:

I shot my first wedding just over 10 years ago like last week, which has been absolutely crazy. I started out working in other small studios in New England and then branched out about six years, starting my own studio in New York City.

Gene Marks:

Your business, this is pre-COVID, mostly a referral-based type of business?

Justin McCallum:

Referral and word of mouth absolutely brings the best clients that you can expect and more people who are most committed. Obviously, a lot of people have to advertise, and I do that as well, primarily among industry leaders such as The Knot and WeddingWire, which recently joined and became WeddingPro. Zola and A Practical Wedding are also great advertising sources. Then, everybody has to do things for sponsored posts on Facebook and Instagram, so it's all over the place trying to get in front of people's eyes. But primarily, I like to try and get as much from word of mouth [crosstalk 00:02:20]

Gene Marks:

Yeah, it's a very competitive thing. You're just one guy that's out there, you're taking the jobs, you're going wherever you can go to get the work, which is fine. You're getting your leads in from referrals, some advertising, some social media, which is all great. I'm betting you were pretty busy up until COVID, like many people were, and then the you-know-what hits the fan. What happened?

Justin McCallum:

Oh my goodness. So it's been a huge, huge shift and just a completely different way to approach life right now. It's the first time that I've really had time to focus on myself and my business in a while, which has been positive, but I went from shooting anywhere between 25 and 40 weddings a year, and additionally anywhere between 10 and 15 corporate events, to now I have shot two weddings this year, and feasibly it looks like I have three more that are going to happen before the end of 2020. I have had almost a dozen clients who have completely rescheduled not only to 2021, but some are looking at 2022 just because of the uncertainty of having large crowds gather again.

Also, with weddings, it's such an emotional event and something that people dream about since they are children where they have this grand vision that if you're committing 18 months to planning an event and then all of a sudden every changes, people want to still have that event how they envision it. It's just then absolutely bonkers with everyone trying to figure out how to cope with that—whether or not they're willing to compromise that vision, whether or not they're willing to compromise also the health and safety of their guests. It's been a complete shakeup.

Gene Marks:

I've got to imagine like in this business, though, and you've just said that you've put so much effort into it, it's a once-in-a-lifetime ... well, hopefully it's a once-in-a-lifetime thing ...

Justin McCallum:

Not always, but yeah [crosstalk 00:04:11]

Gene Marks:

Not always. I'm betting that your book of work, you sold way more reschedulings as opposed to cancellations. In other words, the jobs didn't go away, they're getting pushed back. Is that a fair statement?

Justin McCallum:

Yes. I've been incredibly grateful that almost all of my clients have just completely pushed off. A lot of them are in limbo right now, especially weddings in New York City that happen in restaurants, or they'll have a reception in a different location or anything like that, and they're unsure whether or not these locations are going to even be able to reopen, let alone when they'll be able to reopen. I'm very fortunate that I haven't really had many cancellations. It's also a huge shift. I've had a bunch of clients who were unable to have the wedding that they planned on having on their original wedding date, but then have gone off still and just had a wedding, either on Zoom with an officiant or something like that, or just having an officiant meet them in a park 20 feet away from them, and they have a small ceremony of just themselves and a witness.

Gene Marks:

When people are doing stuff on Zoom, are you cut out from that process? Or is the work still there for you?

Justin McCallum:

There is a possibility to work within that still. I've always been offering to my clients that I'll try and work out whatever I can with you guys. Especially, me hanging out on Zoom for an hour is not anything additional for the most part, especially since it's already becoming such a small community event. I find that people are really taking things very insular, and they don't want this person that they only met months ago, even though they're really trying to, like a friend at a wedding, being involved in something so small and intimate.

Gene Marks:

Got it. Your situation is that your work for the most part was pushed off, which as we're talking right now in June of 2020, I bet you you're looking at late fall and into 2021. You're like, okay. Before, you had issues filling up your backlog, your book of work, and the work is probably there and it's coming, which is good, but you're in a situation where your income stream has pretty much dried up, starting, I'm assuming in March. Is that the case? What have you been doing to pay the bills?

Justin McCallum:

Yeah. Goodness gracious, it's been definitely a huge, huge shift, and I'm one of the people who is very lucky that all of my payments have been deferred to the future and not seeing cancellations. I also have had the sad conversation with colleagues and former clients and friends who they are getting cancellations, who are not only going to be getting future money, but are asking for deposits back, which digs into savings, which is very unfortunate. I completely understand where clients are coming from. It is an unhappy situation for everyone in that case. But for myself, I am very fortunate that I had some money in savings. I'm very fortunate that I can lean on my spouse. I'm very fortunate that I have received some of the financial aid that the country has slowly been putting out there in form of Pandemic Unemployment Assistance. There's the EIDL, there's the Paycheck Protection Program, a bunch of different options out there that have been very, very hard to come by. Especially as sole proprietors, it's been a fight to be able to get anything.

Justin McCallum:

I'm very fortunate that I am able to pay the bills right now, but I know so many of my other colleagues who especially just recently shifted into photography or events that have had to then find other jobs right now, which is incredibly difficult. One of my close friends in the industry just finally made the jump to being full time in February in wedding photography and then has sadly had to shift and take a random job now working at a hospital, which has been very fulfilling for her. However, it is something that she never expected to do, was never trained in, and now because she does not have any financial security otherwise, having to expose herself to possibly the COVID daily.

Gene Marks:

You're dipping into savings. You mentioned some of the other sources of funding. What other federal funding have you dipped into or received? Unemployment? EIDL? Paycheck Protection?

Justin McCallum:

Yeah. I've been very fortunate to get the Pandemic Unemployment Assistance, which is a variation on regular unemployment insurance. It had to be created basically for people like myself who are either sole proprietors or work in less traditional situations within the gig economy and everything like that. That has been a huge change. I feel very, very fortunate. It's also the first time that I've gotten even a small weekly paycheck for the first time since I really started my business, so that's been also just like a delightful change to have even a small amount of money that you [inaudible 00:09:12] on weekly as opposed to having to completely hustle all of the time and only know that money is coming in during the heavy wedding season.

Even that being said, I applied immediately when I knew my last wedding had happened, like March 14th. I think I submitted the application on March 16th and then that didn't come through for six weeks. I have colleagues who still have not received the back payment or any payment from this, and they're going on three months without any payments. It's definitely a flawed system. I feel very lucky that somehow I found my way through it.

Also, for someone who likes to put off their taxes, I had not filed my taxes yet, which, at the time of all this change, the PPE and the EIDL were a lot harder to apply for given that, especially as the IRS keeps pushing off the actual due date of taxes this year. It's encouraging people to not necessarily file quite yet, especially if they are worried that they are going to have to do any actual payments as opposed to getting a tax refund back. That has been frustrating.

Gene Marks:

Your unemployment obviously has been key for you, but it's been key for a lot of independent business owners and freelancers. It's supposed to run out the end of July. Say it does, what impact would that have on you?

Justin McCallum:

It's honestly scary. I'm very lucky that I've been trying to squirrel away as much of that as I can. However, even then, I'm looking at being able to subsist maybe another three or four months without going into severe credit card debt. Also I'm lucky enough to have a spouse that is currently employed right now that makes a good amount of money, so then we can try and subsist off of that. However, especially being in New York City, the cost of living is so, so high that really we're incapable of thinking about how we can possibly live in any way that we normally had just on nothing.

Gene Marks:

Sure. What are you doing now with your days? Am I right in saying that there's no work? Everybody's still either sheltering in place or there's no large events, so ...

Justin McCallum:

It depends on if you're actually listening to the CDC and World Health Organization.

Gene Marks:

That's a big if.

Justin McCallum:

Yes, big if. There is a lot of disagreement within the wedding and event community about whether or not that can happen. One of my good friends [inaudible 00:11:42] in South Carolina recently had to shoot a full wedding outdoors with 110 guests, where there was no social distancing or anything, that she did not want to be shooting. She would have never chosen to do that, but she was like, "Hey, I'm contractually obligated. I can't give them their money back. At least I'm getting paid for this."

Gene Marks:

Well, actually, that raises a really good question. Obviously, states are reopening up and there are quite likely going to be situations where you are going to be asked to work and maybe you're not a hundred percent comfortable with the job, but then again, you need the money, right?

Justin McCallum:

Mm-hmm (affirmative).

Gene Marks:

What do you think you would do?

Justin McCallum:

It is truly ... it's a horrible, horrible situation. I am also in a house with older people that have compromised immune systems, so that is something that's weighing very, very heavily on me. We're trying to figure out what we possibly can do in those circumstances. I'm very fortunate that my next possible shoot that has not been postponed is not until mid-September, so I have a lot of time to plan and think that through.

I think it will likely be a situation if I have to shoot that, I'm going to go in as much protective equipment as I possibly can. I am going to possibly invest in a hula hoop that is six feet wide so that I can just like tape that around my body to keep people away from me. I will look a fool. I don't really care as long as I am keeping myself and others safe as well.

Gene Marks:

Fair enough, and is this project going to be ... is it local? Or is it something you have to get on a plane for?

Justin McCallum:

Thankfully, that is very local. I am able to at least drive to anything that I have coming up for the rest of this year. That situation is actually, thankfully, mostly outdoors and within walking distance of my apartment, so that will be a big plus. The other weddings that I have later this year are all in the Northeast, thankfully, and thankfully smaller weddings to begin with. That's one of the biggest concerns that I think people are seeing right now is even if you can have 10 to 50 people in a room, that is much smaller than people who are planning a 250-person wedding.

Gene Marks:

Sure.

Justin McCallum:

Some people are just pushing through and still planning that and still intending to do that and hoping that their venues allow for it, but I'm very fortunate that all of my weddings coming up later this year were already very small or an elopement style, or they're recognizing that they would have to have a lot of people traveling, so they're not de-inviting guests, but suggesting, "Hey, we love you very much. We're going to make these ways for you to watch online, and we're going to have the photos available immediately. We're going to invest in wedding videography so you can see everything."

Gene Marks:

Sure.

Justin McCallum:

Then, basically telling people, "We love you too much to have you risk yourself coming out for a big beautiful party."

Gene Marks:

Right. You know, in the end, though, you're going to have this judgment to make whether it's worth it or not. I guess, if you have to do it, you'll probably do it. Is that a fair statement?

Justin McCallum:

Yeah. My other biggest thing, I entered wedding photography in large part because it was something that I loved, and I loved connecting with people. Also, my parents told me my entire childhood growing up how horrible their wedding photographer was, and I was like, "Well, I want to make something positive for people in that experience. I don't ever want to be that person who ruins a wedding day, the experience, that way."

I never want to be that source of stress for people, so I am definitely going to follow through on all contractual obligations and try and make it as positive and cheerful an experience as possible. That just might mean that I have a face shield, and I'm shooting exclusively with really long lenses from the corner of the room and making everything work as best I can, but that's the other thing that has been really scary. Contractually, people feel very obligated to do so also because there is no clear understanding of whether or not everything related to COVID is force of government, force majeure, anything like that. We have no idea, our industry, if we're lucky enough to even have a force majeure clause already in our contracts beforehand, if we're already protected by this force majeure clause, if it even applies.

It's been truly very, very difficult. I'm going to do everything I can to uphold everything I can for my clients and still have them have an amazing day, but I feel very fortunate that most people are pushing it off and very lucky that people are actually caring more about their community than just an incredible day that's meaningful to them, but placing health and safety first and foremost.

Gene Marks:

Final question. Your takeaway from all of this. I mean, listen, there could be a second wave. There could be another pandemic. There could be something that causes another "unprecedented economic downturn." You're a young guy. You're going to be operating this business for a while. What did you learn from this downturn?

Justin McCallum:

I will say, first off, having the ability to actually save for your future is so, so important. I remember there was an article I believe in MarketWatch years ago that became a meme for a while about how you're supposed to by the time you're 30 have saved like the equivalent of two years of your income. That looks really good right now. We may have made fun of it at the time, but that is so necessary and everyone's kicking themselves. I think having a really bold saving strategy is really, really great.

I personally also am trying to put more into really secure savings options. With the stock market totally in flux lately, that is feeling less and less secure for me, so I've been trying to avoid that. Also, I've just been very much trying to figure out ways to be creative in all of this. There have been people who try to do FaceTime portrait sessions, which are an incredible option. They're very difficult. I got to do some with fellow photographers, and even if you understand how to position a camera and lighting and everything like that, to take 10 good pictures takes 45 minutes on the phone. I can't imagine what it's like with a layperson.

That's very difficult, trying to be creative and also really build trust in the community. One of the few things that was a saving grace for me is before all of this truly started, I created a program with former clients and future clients as well where they could pay in advance for a shoot for 50% off. If they paid up front, they would save a huge amount of money and then be able to do that shoot later, so that is very necessary to build a sense of trust with people and build a sense of community. That helps me definitely for a few weeks to be able to subsist and pay my bills and to get food on my table.

Gene Marks:

Yeah, learn to get your money up front. That makes a lot of sense.

Justin McCallum:

Oh yes. That's also helpful [crosstalk 00:18:53]

Gene Marks:

And cash is king. Justin McCallum is the owner of Justin McCallum Photography based in New York, but will travel anywhere to cover weddings and all sorts of different photography shoots. Justin, thank you so much for joining me. For more information about what we discussed today and other coronavirus questions and topics, please visit the Paychex COVID-19 Help Center. The address is paychex.com/coronavirus-resources. Again, Justin, thanks. You are awesome. I really hope your business picks up real soon. It will, I promise you, it will.

Justin McCallum:

Great. I appreciate it.

Gene Marks:

Yeah, you'll have enough cash in the bank and a little assistance from the government to see you through this, so good luck to you. Thanks again for joining me and thanks everyone for listening.