

**“Direct Mail with Jim Dowse”**  
***The Shred Coach Podcast Transcript***

**TOM**

Jim Dowse, I want to welcome you to The Shred Coach Podcast. Welcome, we're glad you're here.

**JIM**

Tom, great to be here with you.

**TOM**

Yeah, no, I'm excited. So, let me just set the stage. Last week, we were in Orlando for the iSIGMA conference and you did a presentation that was about direct mail. And I really want to dig in with you on that today. But before we do that to set the context of what we're going to focus on in terms of direct mail, give me a little bit more about Time Shred Services. Tell me a little bit about where you operate, size and scope of your business, tell me a little bit more about Time.

**JIM**

Okay. So, Time Shreds Services was started in 2006. We were in the document- we were in the moving business that gave rise to the document storage business that gave rise to the shredding business. So, we have a fleet of 12 trucks, we operate in the New York City market. So, we cover all boroughs of New York city, all of Long Island from stem to stern. So, we go out to the Hamptons, and we also cover Westchester, Southern Connecticut and New Jersey.

**TOM**

My goodness. So, you have a, you've got a large scope, 12 trucks. You don't do plants at all. Right? It's just all trucks.

**JIM**

Right. Yeah. I mean, we do, we are AAA certified for plant-based shredding, but what we do with that is we have a- we don't call it drop-off shredding. We call it shred while you wait. So, people come to travel to us just because they get to watch us actually shred it. So, we are plant-based, but just pretty much from that perspective.

**TOM**

Got it. Okay. And along with paper are you, do you have any other ancillary services or related businesses to paper shredding? What else are you doing connected to that?

**JIM**

We also do hard drive destruction and we also do computer recycling where we don't actually do it, but we pick it up and then we'll bring it to an R2 certified recycler.

**TOM**

Got it. Okay. And what's your staff camp like? Full-time equivalents? How many people you're running?

**JIM**

We've got 12 people in the office and we got 25 people on the road.

**TOM**

Holy cow. Okay. Wow. That's a big team. So, you've got 30, 37, around 40 people. That's a big crew.

**JIM**

Right. Well, you need to have two guys on the trucks that are in the New York City market because you can't ever park anywhere. So, someone's got to go in and get the paper while the truck kind of drives around and wait for the guy to come out.

**TOM**

Wow. Okay. So yeah, you double up just on that thing where a lot of other companies in more or less dense areas get to get away with that, I guess is the way to say it.

**JIM**

Well, look at it this way: one ticket New York City's \$115.

**TOM**

Ow! So, do you have like a budget for a tickets?

**JIM**

Well, we try and keep it to a minimum, but it's a necessary evil that we know we have to live with. We fight them all. We have a ticket service that fights them. Some we're successful. Some we're not. Yeah. It's just part of the game.

**TOM**

Part of the game. Well, that sets the stage. So, big market. I can imagine highly competitive. And yet, what I heard last week at the conference, which just was really interesting to me, and I really wanted to dig in with you was the whole direct mail thing because, historically, back in the day back 20 years ago, everybody talked about direct mail. Now nobody talks about it and you did so it's highly intriguing to me. So, let's set the stage on this. When did you decide that direct mail was something you wanted to get engaged with? Tell me a little bit of the backstory.

**JIM**

Well, when we started, I mean, everyone thinks that the only place you get your business from in the shredding business is your website, which is a big part of the business. 60% of our business

does come from that. But there's so many other opportunities to get business because, you know, you've got to do many different things. You can't rely on one thing because that would never make me comfortable.

So, what I like to do is I like to call it the five fingers of marketing. I want to be doing at least five things consistently all the time, because you never know why one's working and one isn't. So, we're doing these things consistently, so that we're benefiting from it from a sales perspective.

**TOM**

Okay.

**JIM**

So, we started getting into direct mail probably about maybe four or five years ago. And then what we did was is when the pandemic hit, we really, really took a close look at it and focused in on it because at one point in April of 2020, our business was down 64%. And I knew that the other shredding companies were getting calls, but I wanted to get their calls in addition to the ones that I were getting. So, we stepped up our website presence. We really, really focused in on our direct mail and we really, really took a planned, organized approach to it where we were doing it consistently but following it with best practices be successful in direct mail.

**TOM**

Okay. So, direct mail is one of your five, website being two I would assume. What are the other three fingers before we dig into the direct mail finger?

**JIM**

We do cold call, LinkedIn and a tremendous amount of networking groups.

**TOM**

Interesting. Okay. So, those five are, you're constantly working those to get a positive result, generate leads. So, website, you said is generating 60. Tell me a little bit now more about, you focus in 2020, especially when you're down, you take a targeted approach. Give me a sense of what that targeted approach looks like. How do you think about direct mail?

**JIM**

When we first got into direct mail, we were thinking of who are all the large paper generators? Lawyers, insurance companies, accountants, and those types of things, but that's- everybody else is going after those things. And the one thing that we learned from our very diverse customers is, we do shredding for every conceivable type of business right down to the single deli owner that does catering that needs to get rid of his contracts after a certain time cause he's got credit card information and things like that. Restaurants and funeral homes and you know, auto body shops, just everybody under the sun was using shredding now, not to the magnitude, but they need it.

So, what we wanted to make sure was that they knew about us when the time came that they needed the service, they knew who to call.

We wanted to put something in their hands that they would hold on to. And the thing that we found out was in addition to the quick response for people that had an immediate need, we have a continuing success from those postcards where people say, "You know what, I'm going to need this, I'm going to hold on to this". And we'll get a call from somebody who's had the card for six months. We've had people held it for a year or so. But it's amazing that it's a hard copy thing that they can tack up on a board. They know they're going to need it, or they put it in a file in their vendor file and they're going to refer back to it and they do.

**TOM**

That sort of shapes the reason why and the focus. Now, if you're targeting everyone instead of just lawyers and big paper generators, then how do you think about direct mail with them? Is this a geographic targeting? Is this spray and pray, what it will- how do you think about who I'm going to send this to?

**JIM**

Well, our first focus is geographic. So, what we do is, is that we've learned how to get mailing lists for free. And we get that basically from your public library. And we'll go into that a little bit more detail when you're ready. So, what we do is we focus in on getting lists of businesses for the towns that we service. So, now we're covering a broad spectrum of customer base in every conceivable industry; the paper intensive industries, and also the industries that use you once in awhile. Now, regardless of where you're located, phone rings for your shredding business and the majority of those calls are for purchase, right? So, we get 25 to 35 new customers every single day.

**TOM**

Wow.

**JIM**

Out of that, maybe one is a scheduled customer. So, over time you're building up your scheduled customers. But what is the meat and potatoes of your business and growth... it's going to be in that purge business, especially now with the pandemic, with a lot of businesses not operating from their offices anymore, but operating from homes or remotely.

**TOM**

Right. So geographic, so that the target of your direct mail approach is first geographic, then grab a mailing list and then give me the basic steps and then we'll dig into each of them. So, you got a mailing list, now what are you doing?

**JIM**

Okay, so now what we do is we have a series of postcards that we have developed for different things. And we have different sized postcards, so we'll change it up so people aren't getting the same thing all the time. So, we have a staple of a standard 4x6 postcard, which is a standard rate of, I think it's 40 cents right now. That's the thing that we use most often. But then we have others where we go into purges and scheduled service. So, we give them a variety of those things and we just switch up the different sizes. So, we stand out when the mail comes in.

**TOM**

Got it. So, we've got a geographic area you're targeting, a city where you- or, a particular town, village that you're already going to work in, you get a mailing list for free, which I'm going to talk to you about, have a predefined series of postcards. How many in that series? Is it three to five? How many are you doing?

**JIM**

Well, you know, 90% of direct mail sale closings happen after someone receives a postcard from you four to twelve times. So, that means you've got to send it out at least four times to get that 90% response of closing the sale. Now, most direct mail when you're successful in doing consistently, you should see a closing rate of better than 5%.

**TOM**

Wow. Okay, so 5% closing on 90% after you've sent four.

**JIM**

Well, you've got- yeah. Ish, correct. Correct. So, but what we're doing is, let's say for example, like we're located, our headquarters are in Freeport New York. So, there are 2100 businesses in Freeport.

**TOM**

Okay.

**JIM**

So, we do a mailing of six times and we get over a hundred new customers,

**TOM**

Wow.

**JIM**

A combination of scheduled and purge customers. Now, and one, just one of those customer purges was a 6 or \$7,000 purge.

**TOM**

Which just paid for your direct mail campaign over and over again.

**JIM**

Correct. So, the success of direct mail has to be a consistency. So, you need to do it at least four times. We do it six. And what you need to do is you need to do it every 21 days. And the reason for that is you want to keep it in someone's mind that, "Oh, shredding, oh yeah. I saw that card again". So, but if you wait longer than that, they're going to lose focus. And what you want to do is you want it, that, you want that consistency. You want them to see it and after they repeatedly see it, it's going to get in their mind and they're going to react to it.

**TOM**

Got it. Now on those postcards, are you using like a call tracking service so you know they specifically came from the postcard?

**JIM**

No. What we're doing is we ask every one of our customers where did you hear about us? Was it our website? Was it Shred Nations? Was it a postcard? Did you see our truck? You know, all of those things we track to know where that's coming from.

**TOM**

Yeah. And a postcard is a pretty obvious one. It's not like when somebody says "I saw you on Google", that you necessarily believe where they saw it from. It could have been Google local, could have been maps, it could've been a search that got them to you through an ad. But if somebody "I'm calling you from the postcard that I'm holding in my hand", that's pretty evident and obvious. So, you can track that pretty strongly.

**JIM**

We do. We do, because we want to know where our marketing dollars are best spent.

**TOM**

Yeah. Interesting. Okay. So, you've given me a little bit of the flow. Let's jump back into, let's just hit the first one, the geographic. When you just talked about Freeport, but say you've hit Freeport six times. How do you decide, which is your next geography? What's your process there?

**JIM**

We just keep going, basically what towns are closest and keep expanding out.

**TOM**

All right. That makes sense then. It's building your root density, which is really what you're doing then.

**JIM**

No question. Right. You build that you're building business close to home first.

**TOM**

Got it. Okay. So, number two, then you talked about a free mailing list. This one intrigues me because there's- I get an email in my inbox seven times a day from people selling me mailing lists. But you say you don't want those. You want something different. Tell me about your free mailing list.

**JIM**

Right. So, what I did was is when we first started, I started creating the lists myself. So, what I literally did is went on Google and they did searches for businesses in a town. But no matter what I did, I didn't catch everything. So, I bought a list then compared. So, I bought one, I created a list of like 800 and something and then when I bought the list, it was like 2000. So, I knew I was missing something. Now there are, of course, there were duplicates and things like that you have to clean up you buy a list. So, I literally went on to YouTube and I said, how do I get free mailing lists? And lo and behold, there was a video on how to get a free mailing list from your public library.

So, all you need to do is get a library card for your public library. And most libraries have a resource area on their website where you literally can just log in, you put in your number and your password that you create. And then you can do a research, and it's the same programs that you'd be buying lists from, but they're already a subscriber, they're already paying for it and you're able to create lists. So, and I can create lists for anywhere I want. So, not just in the New York market, but I own a shredding business with my son in Connecticut and I also create mailing lists for the business in Connecticut. So, it's there to do you and you download it into an Excel format there you have it. Now you've got a real viable list you can work with.

**TOM**

So, when you're going through your library, so you have to have a library account, once you have that library card and you have your login, you go in and you find the research section of the online portal to your library, it sounds like. And then when you do this, are you setting in all of the parameters like you to do if you're doing it on, what's the... Search USA or there's different...

**JIM**

It's exactly. That's what it is. And literally all I do, it's a list of businesses and I just put the town, Freeport, New York, Baldwin, New York, whatever that is, you know, Hartford, Connecticut, whatever that town I'm looking for. And then it comes up with all of those businesses in that town.

**TOM**

Wow, wow. What you've done is bypass the 129, \$139 a month fee that you would be paying to Dun and Bradstreet or one of these other services just by using your local library, which gives you a free card.

**JIM**

Exactly right.

**TOM**

Mr Dowse, you are a genius.

**JIM**

Well, I just... no, it's YouTube.

**TOM**

Very cool. You've got a list. Now I'm going to jump back into the actual printing and mailing. So, you're printing off what, how many, 2000 at a time you have these cards pre-made or are you making each postcard for each town? Like, are you sending postcards to Freeport that have the word Freeport on them? Or are you sending a generic card you have developed in multiple thousand?

**JIM**

They're generic cards. and the thing, what we do is when I generate a card, I work with a company called PostcardMania who's very good at what they do in designing cards, but my focus is always on what's called the billboard effect. You've got to be able to catch someone's attention in four to eight seconds, whether it's a postcard, whether it's on your website, whatever it is, it's got to be something that's eye catching. So, on the face of our postcards it says, "Residential and Business Shredding". If that's what you're looking for, that's what it is. Even with the residential shredding on a postcard, we even get people who, they receive it at their business, but say, "Listen, I've got shredding I got to do at home." So, it works both ways. So, whatever terminology we're putting in there, it's something that someone could recognize, it's got something to do with document shredding and that we can do it when they want it done, so it answers their preliminary questions right away and gets them to act.

**TOM**

Got it. So, you have these cards printed in PostcardMania in what, 10,000 at a time or 20,000, like what's you're- you're sending out a lot, so you must be putting it into the system to get printed at a fairly good number then.

**JIM**

I just placed another order on Friday for another 30,000 cards.

**TOM**

Wow. Wow. Okay. So, 30,000 cards. And you've got this free mailing list. So, I'm digging in deep here. Now you've got a- what do you run it through a printer? How do you...

**JIM**

So now what we do is we download mailing into an Excel spreadsheet, then we clean it up. So, what we do is we sort it by address to make sure there's no duplicates. And then for example, if you've got like a medical office, you may have the actual medical office, Freeport Pediatrics, and it may list every RN, every doctor, every PA. So, you want to eliminate those things. So, you clean up that list. So, you get it down a little bit more manageable so you're not sending duplicates out. There's no reason to send 10 postcards to one office.

So, now we have that list cleaned up. So now what we do is... Avery.com, Avery, the label manufacturer has a free website where you can literally create an account. And what you do is you go onto their website, you choose a label, which the label we use as a size 51 36, that I buy in bulk from a company called 975supply.com. And I buy the labels, you know, tens of thousands at a time. And then what we do is we upload that spreadsheet into avery.com and literally I can print that in my office. So, now it prints all those labels. And then, we actually label all of those cards to go out. And then we have a postage machine where we run them through and then bring them to the post office.

**TOM**

Okay, so you're running through a pre- your own internal postage machine from the post office that is placing the appropriate stamp amount on there. You're fixing the Avery label that you've printed out of avery.com. And those labels you bought from 975supply.com. I'm just following along because this is so good. This is like worth a fortune.

**JIM**

Now, and the important thing is you could hire, you know, a lot of different types of services to do the mailings for you. But what they're going to do is they're going to buy a list or you can supply a list and they're just going to then not clean it up. They're not going to do all the things that you're going to need to do to keep that list clean and efficient. Because the last step is, is as you're doing these mailings, you're always going to get postcards back. Companies move, companies close, wrong information... So, you're going to then take those returned postcards and you're going to continue to clean up your list. So, your list is going to keep getting better and better and better.

**TOM**

So, do you use an independent post-box for those as your return address? And it just comes into the system...?

**JIM**

No. It just comes back.

**TOM**

Okay. You've outlined the process here, which is really solid. You've been doing this for a while and I just know your brain, you don't let it sit for too long without making massive improvements. So, let let's say in the last year, since 2020, what other improvements have you made to this process? Or what else have you learned in terms of being better at this?

**JIM**

Well, we were always doing lists of categories. This last year we really focused in on the geographic aspect of it. That's really been the focus because of, you know, the diverse client base that we have. So, now let's take advantage of that and really, really grow our route density because listen, let's be honest, if you've got, if you're servicing the same town, one truck can double the number of stops.

**TOM**

Right. All right. Some related questions then. So, geography is the focus, but are- have you tried residential versus just business?

**JIM**

Well, we did try every door direct mail campaign and what that is, that's a service by the US postal service. And what you do is you provide them with postcards and you get a stamp with prepaid postcards postage. And what you're doing is it's going to every business and every residential property within a zip code. But we found out that the ROI on that, wasn't great because especially from the residential market, you know, you're looking for a needle in a haystack.

**TOM**

Got it.

**JIM**

The best way you to be successful in residential shredding is really have a good focus on your website. So, when they're looking for it, they find you. Every door direct mail campaign, it's not really a great ROI in the shredding business.

**TOM**

Yeah. Okay. That's really helpful. Really good. So, part of my focus on this podcast is, you know, to deliver really extraordinary value. And to me, you've done this, but I guess my interesting question is you're spending a lot of money on this. I mean, you said you just bought 30,000 postcards. You're sending six out on average to every possible prospect within these lists you generate. Obviously, if you've been doing this for a while, you're getting a return on that investment. So, can you spitball the return on the investment over the last year?

**JIM**

Well, I can tell you that the ROI on direct mail, the only ROI is better than that is social media advertising. So, direct mail for us is an ROI that's literally literally off the charts. And it's so, it's difficult to gauge because we have a few jobs that can throw it really out of whack in terms of large purchase.

**TOM**

Right. So, you get a large 500 box purge, the ROI just goes stupid at that point, right?

**JIM**

Correct. I mean it's just- Put it this way in the first quarter of this year, our business is up 40%.

**TOM**

Dang. And how much of that 40 potentially comes from direct mail?

**JIM**

20% of our business comes from direct mail.

**TOM**

Wow.

**JIM**

60% is coming from our website 25% from direct mail.

**TOM**

Dang. That's good wow. Well, I got to say this is brilliant. Absolutely brilliant. Is there anything else I missed or any other lessons from this direct mail thing that you've- I feel like we've dug in deep, but I might be missing something. What else have I missed?

**JIM**

Well, I mean, in a perfect world, the first thing that anyone who's considering direct mail is... determine what is your budget. And in a perfect world since you want to do a mailing every 21 days, what you want to do is you would like to have 21 lists and every day you're doing another, a different mailing. After you do those six times, then you move on to the next area. And then what you want to do is evaluate one of those towns you were successful in. Take a look at the numbers of businesses and maybe what you want to do is revisit it sometime in the future, but I'd hold off for a number of months before you did that. You know, maybe even a year because businesses are going to change, they're going to move in and they're going to move out. But I think there's so many places for you to take advantage of from a direct mail perspective that you can go on for quite some time. So, I would put together that list of those 21 lists, send them out four to six times, then create new lists and keep going. And one comes off, you add a new one and it just keeps going. And it's something that you want to do on a consistent basis, regardless

of what you can afford, even if you can only afford to send out a hundred postcards a day or a week, do it be consistent at it. But get started.

**TOM**

You're doing in big numbers, but generally speaking, what do you think of per business that you're hitting four to six times? What's your all-in cost on it? Like, do you have a number in your head that you're going, oh, that's that costs me \$4 to hit them six times.

**JIM**

Well, think of it this way. So, a postcard cost you 40 cents, right? So that's \$2 and 40 cents. And I just ordered. 30,000 postcards for about \$1,800. Right? So, it's pennies in comparison to what you're getting. And when you're talking about a purge, you know, our minimum purge is \$169 for one shredding bin.

**TOM**

Wow. Wow. So yeah, the ROI is stupid. Like you said earlier, it's stupidly good.

**JIM**

Right. And it's just, it's such a natural thing. And people are used to it. And so many people have gotten away from it that getting that postcard in the mail now is a novelty. Take advantage of it. Everyone thinks it's a technological world. It's not just that, people love to feel and touch things. Don't get away from that.

**TOM**

Beautiful. Wow, Jim, this is, powerful. This is worth the price of admission for sure. And my goodness, I really appreciate you being so completely honest about every piece of this. It just, it blows my mind. So good. And what we'll do is we'll also link to the different things that you talked about, the places you get stuff, and we'll put that in the show notes, but I ultimately, I really appreciate you telling us the whole story here because it a great story.

**JIM**

Yeah, well, I, listen, I want to see this industry get stronger. There's a lot more to do than just the nationals. And people don't know there's alternatives to the nationals. So, you got to get your name out there.

**TOM**

Yeah, that's really good. All right. Well, thank you.

I like to ask one interesting thing to my guests and this one I dug into your LinkedIn account and I found a company called Damson Oil. This is 40 years ago, Jim. 40 years ago, you started at a company called Damson Oil. And I guess my question is, what's Damson Oil? And you were an acquisitions accountant and, I'm just intrigued what you learned there. What was the lesson that you took into your life from Damson Oil with a little bit of color to that?

**JIM**

Well, so what I did was is after I got married, I had a good friend of mine who moved down into Houston, Texas in the early eighties and Houston was booming. And if you came to Houston with a New York or California education, you were gold. So, I moved down there with my wife and I got interviewed by a company called Damson Oil. And the thing that was interesting about it is they bought and managed oil producing properties. And so, what I did was, is I was hired as an accountant so that I managed those, some of the oil producing properties to turn what the ROI was on it, revenue distributions and things like that, and allocation of costs. And it was an interesting business that I got to learn on a big scale nature. So, it helped me look at big picture things.

**TOM**

Wow. Very cool. And so, the big picture thinking there...do you feel like there's some days you're sitting there doing something and you go, "Man, I'm so glad for Damson because of that one".

**JIM**

Yeah, because what I learned is, regardless of whether it was a large oil producing property or small, I still get the same enthusiasm if I'm on the phone booking a 500-box purge as I do doing Mrs. Smith's one bin at her home. It's a sale. I do it enthusiastically. It's just, it's all part of the equation of success.

**TOM**

Yeah, well, Jim, you are enthusiastic to say the least. I am, honored that you've chosen to share this with us today and I'm extraordinarily grateful. And I know anyone who listens to this podcast will also have massive benefit from it. So, thank you, my friend. I really appreciate it and we'll talk soon.