

Matt Paxton:
How I Grew From Here to There

HOARDERS

Matt Paxton



- Introduction
- Brief Business History
 - Highlight Reel of Mistakes
- Group Brainstorm
- What we do differently
- Q&A

• *this is meant to be interactive, so please feel free to ask questions throughout.




Matt Paxton

- Founder & Owner of Clutter Cleaner
 - *I am not a therapist nor a Professional Organizer
 - Specialty:
 - EMOTION + Physical Items = Clutter Cleaner
 - Without EMOTION, we are simply labor
 - Key to my Success:
 - Brutal Honesty (business & life)

What do we do?

- Extreme Cleaning:
 - Hoarding
 - Senior relocation
 - De-cluttering
 - Estate Cleaning
 - Divorce Transitions
 - Clean up messy situations
- We help you remove clutter from your life (physically & mentally)
- Size of My Business:
 - 6-8 guys local ly
 - Their backgrounds are important



Business History

"Real Job"

- Economist for the federal reserve
 - Hated it
 - Mistake - took the job
 - Lesson - couldn't sit at a desk all day
- Economist for Caesars' Palace Casino
 - Loved it
 - Mistake - took the job (and everything that comes with it)
 - Ended up in a ditch with a broken nose
 - Lessons -
 - Loved Risk
 - Loved swapping stories at a Black Jack Table



"Experience"

- My Father Died:
 - Made a few MAJOR decisions
 - Met a girl
 - Quit my job
 - Went to Hawaii
 - Lesson –
 - I didn't know how to grieve
 - I really missed my Father
- Started a Wetsuit Company
 - Became an entrepreneur instead of grieving
 - Mistake – tried to get rich
 - Lesson – Cash Flow & Sales are difficult
 - How can I not make payroll if I'm sold out of inventory?



"Experience"

- Dumped the Girl & Joined a Cult:
 - No Wedding & Why
 - Comfort Zone Camp
 - Grief Camp for young Children
 - Lesson
 - Pain is relative
 - Kids grieve differently than others
 - It's OK to be Happy
 - Opportunities come in all shapes & sizes (3 years later)
- Started "Attic Attack":
 - Begged my grandmother to let me clean her basement
 - "aha moment"
 - Lesson = Focus on helping people



"10 Years of Mistakes"

- What did the last 10 years teach me:
 - Someone else always has it a lot worse than me.
 - You have to BELIEVE that good comes out of everything:
 - Alone, sad and broke for 10 years, I believed.
 - Because my father died...
 - Embrace the suck in your life
 - It will come back to help you or others
 - Get involved in something that allows you to help other people.
 - Transfer that energy to helping people at work.
 - Find work that fits your personality (addiction, risk & cool old ladies = hoarding)
- This is business, why so much personal talk?
 - Because to survive in 2010, business better be your life.



"Fast Forward"

- Attic Attack became CLUTTER CLEANER
 - We were working on Hoarding Jobs with local government
 - Slowly got away from our roots
- Is this really the time to help people?
 - I got married to that girl from CZC & she hated my job
 - She supported us 100%
 - I had 15 employees
 - Cleaning out up to 10 foreclosed homes a day
 - Housing Market Crashed
 - Cash flow nightmare
 - Owed about \$60k in credit card debt
 - Lost our connections in Senior Relocation
 - Hoarding clients couldn't afford us



Time to Get Smart

- We fired our 5 worst clients
- Cut up the credit cards & factoring agreements
- Debt free
- Got rid of NON essential employees (10)
- Refocused on our passions:
 - Swapping stories with old ladies
 - Cleaning out nasty places
- I got Confident in who I TRULY was:
 - Dumb stories
 - Unique employees
- Figured out my solution:
 - Try to get on TV



Where are we now (3 years later)?

- Still just 6 men
- We just finished our 20th episode of "Hoarders" on A&E
- Currently filming our own show for a major cable network @ Clutter Cleaner
- My book "Secret Lives of Hoarders" for families affected by hoarding hits the shelves on 5/3/2011
- Partnering with companies around the country helping their clients with hoarding and senior relocation
- What did we do differently?
 - We embraced what we are awesome at and got rid of everything else.



5 minute brainstorm

What challenges have held you back in the past
2 to 3 years?

Changes we made

Drop the "PC" bull

- Seniors are not OLD anymore and they don't want to be treated that way,
 - We gave them CONTROL of this decision in their life.
 - Focused on being their help. We stopped trying to direct everything.
 - Remember, the adult children want you to do everything, the seniors do not.
 - We stopped duplicating their houses and gave them choices and control.
- Started working WITH our clients, not for them.
 - Casual is appropriate & will soon be expected.
- People demand good service, but they want strait talk and don't want to be "sold."
 - Eddie Haskell is no longer appreciated.



STOP marketing directly to the senior

- Yes, We STOPPED our expensive advertising programs:
 - No one wins (accept the magazines and news papers)
 - You can't advertise trust, you can only earn it.
- We market to their trust points
 - Focus your time on clergy, volunteer groups, hospice, realtors, financial planners, home healthcare, etc.
- Refocused minimal amounts of advertising to immediate needs
 - Small print ads, obituaries and sponsor bridge games
- Got involved in their social networking and do the work for them
 - Made it easy for them to tell their friends how good our service is.



Got our labor focused

- We scaled back our labor.
 - We've pulled back and have grown our margins tremendously.
 - We don't need to be the biggest provider in the city.
- Cut your labor into the business!
 - Our guys share in a profit pool at the end of each quarter.
 - Average for us is 10%
 - Broken furniture and mistakes come out of the account on each job:
 - If NO \$ is removed, they get an extra 2%.
 - Tardiness penalties are also included in this pool.
 - Quarterly bonuses keep them focused.
 - And they start to understand cause & effect of mistakes.



Got confident in our numbers

- We started to understand that we could charge more for less people:
- Less men + fewer trucks + higher prices + lower advertising = higher margins.
 - Great service does still allow for high margins.
- We stopped getting into price wars with our competitors
 - Harder than we thought.
- Note:
 - If you do plan on expanding, make sure expand accordingly
 - multiple crews for each truck, etc
 - How many billable hours do you have to grow to get a 2nd truck?
 - Can you actually sell that much by yourself or with current staff?



Simplified our Pricing

- We now give them pricing with as little variance as possible:
 - We learned that the "unknown" scared them away
 - We are still variable, but we CAP the price
- Guarantee that you will not go OVER a specific price and you'll be able to close more jobs.
 - It gives the client comfort that you are in this together.
 - This is an opportunity to be up front & honest with the client, let them know you need the business.
 - It usually results in over estimating and delivering exceptional service at a lower than expected price.
- Included travel fee's into our hourly fee
 - We BRAG about this simplified pricing when giving it to the client



Stopped having Daily Minimums

- We were losing jobs to the family, so we started including them in our crew:
 - STOP saying NO.
 - Let the families get involved by lowering your minimums. Smaller ½ day jobs are ok.
 - Raise your hourly rate and work fewer hours for the family.
 - It gets you on the phone with the family decision maker at least 2 or 3 times during the process.
 - It also shows you are a part of their solution and that you are different than your competitors.
 - Having your men work next to other family members helps the other family members to experience the service they will also be buying in the next 5 years.
 - Often results in multiple call backs for additional jobs.
 - *everything is an opportunity to up-sell.



Partner Up

- Start getting involved in the de-cluttering BEFORE they make a decision on the mover:
 - Partner with a local Professional Organizer
 - Have strong partnerships that they pass service onto you and you pass service to them for unpacking and organizing
 - Have same relationship with a local portable storage unit
 - We partner with SmartBox USA (like PODS) to provide licensed & Bonded portable storage units for local and long distance storage
 - They sell our labor and we sell their boxes

*we are averaging an extra \$5k to \$10k (summer) per month from referrals from professional organizers & portable storage companies.



Partner Up

- Specialized with our competition:
 - TIMES are TOUGH — PERIOD.
 - We've partnered up with our competitors to take the jobs that are too big for us and they sometimes refer more specialized jobs to us.
 - If you do this correctly, you can add revenues for you and your competitor.
- Become your client's services trust point:
 - Connect them with contractors, painters, landscapers, etc.
 - Reciprocal business really ads up.
- Helping Out:
 - helping a client in a time of need will come back in almost any town.
 - Take a hit on your labor if it means maintaining goodwill.



Stopped UP-selling Boxes

- We turned our trash into a box recycling program:
 - We donate free recycled boxes AFTER the free estimate.
 - The boxes have a Clutter Cleaner branded packing sticker that includes our company's logo, website & phone number.
 - This is environmentally friendly way to keep branded boxes in homes,
 - also keeps our company top of mind when the boxes stay in the home or get passed to friends.
 - Delivering these boxes after a free estimate helps secure the business and gets you back in front of the family BEFORE the move.
 - Often helps up-sell other moving supplies or additional hourly services later in the process.
 - We offer to pick up the boxes for free at the end of the job as well.
 - This gives you another chance to be in front of customer AFTER they are pleased with your services. Create an ongoing relationship, not just a mover.



Help pay for their move

- Help them sell their unwanted items (most of you already do this):
 - Partner with local auction houses (you should take 10% on this)
 - Partner with local eBay stores
 - Don't sell it yourself, not worth the time
 - Get local junk buyers
 - Specialty buyers (books, antique clothes, records, etc)
 - Creating and managing these relationships for your client will enable them to let go of more items.
 - It also positions your company in as a helper and gives you more billable hours in front of the client.
 - often we find that clients can cover 1/2 or ALL of their moving costs through their profits on selling unwanted items.



Other Opportunities

- Offer to deliver donations and unwanted trash to dump
 - Easy up-sell at free estimate
- Become a local super star:
 - Media needs content.
 - Focus on local media to help them write content on the ever changing boomer market
 - Everyone loves an expert
 - Provide and create local contests for media.
 - Richmond's messiest home.
 - Speaking
 - City clean up programs



Challenge

- We tell hoarders, you can't fix the problem until you are brutally honest.
- Are you ready to be brutally honest with yourself
 - Until you do, you are wasting time, money and energy.
- How will you change to make you & your business relevant to your clients' emotions?
 - if you've helped them when they are down, you become their friend.



We want to help

- Q&A
- Partnering with Clutter Cleaner:
 - Treat us like an expert that YOU are bringing in
- we want to work with you

www.ClutterCleaner.com
800-226-0030