

Call Year Round
1-800-GOT-JUNK?
CANADA'S LARGEST JUNK REMOVAL SERVICE

The genius of junk

Brian Scudamore proves that one man's trash is an entrepreneur's treasure

By Stephanie E. Ponder

AT 1-800-GOT-JUNK?, the writing is on the wall. Painted near the main entrance, goals announce the company's plans for the next six years. The over-arching goal: build a globally admired brand with sales of \$1 billion.

To get there, Brian Scudamore, the company's founder and CEO, has assembled a team of employees who share his enthusiasm for being *the* name in junk removal.

Scudamore (pronounced Skoo-damore) started the business as a 17-year-old high-school dropout. Eighteen years later, it is a chain with 25 franchise locations in Canada, 182 in the U.S., one in Australia and one scheduled to open this spring in England. He's achieved success through an unfaltering vision of his company and faith in his employees.

"Nobody has ever built a brand in this industry," says Scudamore, a Costco member.

That is, not until now.

Dump luck

The idea behind the business is simple. Everyone has junk. What they don't have is the time or resources to remove it. 1-800-GOT-JUNK? does the dirty work for them.

Scudamore bought his first truck for \$700

in 1989 and started The Rubbish Boys in Vancouver as a way to pay for university (which he had talked his way into). The inspiration came to Scudamore one day when he saw a hauling business's beat-up pickup truck filled with junk drive by. He thought, "There's my ticket."

For more than three years he balanced classes and work. "I was being asked by my professors to speak about my business," Scudamore tells *The Connection*. "I was making money, and I had a great team of people."

The young entrepreneur found himself so busy answering his cell phone during classes to book appointments that, with only a semester left, he again dropped out of school.

The business continued at a slow but steady pace for the next few years until 1998, when Scudamore made two important moves. First, he changed the company's name from The Rubbish Boys to 1-800-GOT-JUNK?, a catchier name that better described the business. Second, he had a one-man retreat at his parents' cabin on Bowen Island, British Columbia, where he visualized the future of the business. He drew up a two-page document outlining his vision of how the

company would feel, look and act.

"I envisioned us creating ... a company built on passion, integrity, professionalism and empathy," explains Scudamore. "A place where people could find great meaning through what we were all creating. A place where we could build something bigger than any one of us could ever have created alone."

Motivated by that vision, the first franchise opened in Toronto in 1999. Between 1999 and 2002, 23 more franchise locations opened. After that, business exploded, with more than 150 locations opening in the next three years.

Slightly more than a business

Anyone passing the reception desk at 1-800-GOT-JUNK?'s Vancouver corporate offices, better known as the Junktion, is greeted by one of Scudamore's favourite expressions—also painted on the wall—"It's all about people." To him, that means every-

1-800-GOT-JUNK? operates in Canada, the U.S. and Australia, with the first UK location opening this spring.



KIM STALLKNECHT PHOTOGRAPHY

Brian Scudamore may have dropped out of high school and university, but he salvaged his career options by starting 1-800-GOT-JUNK?

ing his logo jacket to a Valentine's Day dinner a few years ago. But like the handful of employees who got 1-800-GOT-JUNK? tattoos, he only did it to show his belief in the business he was trying to build.

"It's slightly more than a business and slightly less than a religion," says Herold.

Several employees hurry through the Junktion wearing blue 1-800-GOT-JUNK? vests and jackets. With the company's bright blue logo, clean trucks and uniformed drivers, Scudamore works to make sure all employees leave a positive and professional impression.

"Yes, we're in the junk removal business, but we're of the highest order," he says.

Top of the heap

Scudamore says the hardest lesson he's had to learn is the importance of having the right people. He's worked to create a core culture of people who want to be there and who believe in the company's growth.

Scudamore is so much part of the team that he's eschewed a private office and moves from one vacant desk to another. He says it gives him a chance to learn about different areas of the business, but also gives him a chance to mingle with the Junktion's 160 employees.

When asked about having recently been named the Best Boss in North America, by *Winning Workplaces* and *Fortune Small Busi-*

one from the employees at the Junktion to the people on the trucks.

Scudamore, 35, believes employees cannot be motivated. "All you can do is inspire people and empower them with the right tools. You have to find those who are already motivated."

For example, those interested in becoming franchise partners go through a multi-step application process to make sure they are a good fit (see "Junk science"). That holds true for everyone involved with the company. "You can measure a company in the quality of people," says Scudamore. "You never just need a body. You need a personality."

Chief operating officer Cameron Herold says he got in trouble with his wife for wear-

Member profile

Name: 1-800-GOT-JUNK?

Founder: Brian Scudamore

Employees: 160 corporate staff; nearly 2,000 system-wide.

Address:
300-1523 W. Third Ave.
Vancouver, BC V6J 1J8

Phone: 1-800-468-5865

Web site: www.1800gotjunk.com

Weird finds:

- 18,000 cans of expired sardines
- 19,000 pounds of frozen animal carcasses
- 1 defused bomb from World War II
- Prosthetic legs

Comments about Costco: "I truly believe that Costco has developed the greatest programs to meet the needs of small-business owners. Beyond shopping at Costco for my business and personally, I also encourage all of our 200-plus 1-800-GOT-JUNK? franchise partners to utilize the programs Costco offers. From their long-distance phone plans to merchant credit-card programs, Costco's team has our junk team covered."



PHOTO COURTESY 1-800-GOT JUNK?

Brian Scudamore, centre, believes his company's most important asset is its motivated employees.

ness magazine, Scudamore says it was "neat."

"The [awards] I get excited about are the ones naming us best company," he says. "I want the team to go, 'We're the best company to work for.' I appreciate recognition, but I'm more about the team."

The employees have been able to do a lot of cheering, as the human-resources firm Watson Wyatt named 1-800-GOT-JUNK? the "Best Company to Work For" in British Columbia in 2004 and 2005.

Regardless of how big the company grows, Scudamore insists on keeping it private to retain control. But, he adds, the vision is the only thing he really controls.

"I know there are a lot of people here who are smarter than I am," he says. "If I micro-manage, I'll get in the way of them doing what they're good at."

One way Scudamore inspires his employees to put their best into the business is by having a profit-sharing program. At the end of each year, 25 per cent of the company's profits are split among the employees. The profit-sharing plan is part of the company's history of cost-cutting measures—such as using office equipment it's been hired to remove and sharing hotel rooms on business trips. The new Australian operations were set up entirely over the phone, e-mail and the Internet.



KIM STALLKNECHT PHOTOGRAPHY


The ultimate goal

At the Junktion's call centre, words such as "superb," "terrific" and "sensational" are painted on the walls to serve as additional inspiration for employees who book and track junk-removal jobs. Just outside the call centre is an open space where all employees meet every morning at 10:55 for "the huddle." The five-minute meeting is a chance to go over goals and share good news—professional and personal.

The goal everyone is working toward is

hitting \$1 billion in sales and building a global brand that's admired for how it was built, how it is run and the service it provides.

Until then, the writing is on the wall: Generate system-wide sales of \$100 million by the end of 2006, \$420 million in sales by the end of 2009 and \$1 billion in sales with franchises in 10 countries by 2012.

"The goals are out in the open so that employees will think, 'I can impact us positively,'" says Scudamore. "I want everyone to know that's what they're part of." 

Junk science

BRIAN SCUDAMORE'S junk-removal business had been hauling off people's unwanted stuff for 10 years before the first franchise opened in 1999. By that time, Scudamore had spent nearly two years working with Paul Guy, who had experience in running franchise operations, to put the appropriate systems and procedures in place.

Basics include requiring each truck to be staffed by a team of two—who won't take anything they can't carry; assigning each truck to serve an area of 125,000 people; and recycling, reusing or reselling as many junk items as possible. Appointments are booked through the call centre, and drivers determine the price of the job based on the amount of junk to be removed.

Guy started the first franchise in Toronto. "When I arrived here I brought a truck from Vancouver," he says. "I



started the next day, and there have been jobs ever since." Today he owns 16 trucks that cover 32 districts.

While many franchises can be purchased for the right price, at 1-800-GOT-JUNK? additional requirements include motivation and strong values. Laurie Baggio, vice president of franchising, says that out of the several thousand people who applied to be franchise partners in 2005, only 70 were accepted.

The process begins with filling out an application and sending in a resumé so that the selection team knows a candidate is serious. That's followed by a

conference call where matters such as royalties and start-up investments are discussed. Then candidates are asked to do a market study of their area. After that, candidates have a conference call with other franchise partners and are encouraged to call any franchise owner to ask what being a partner is like.

Costco member Jatinder Sehmi, a franchise partner in the Washington, D.C., area, says the application process proved the work ethic of people at 1-800-GOT-JUNK?: "For every question you had, they had an answer or proof to show you."

Sehmi holds the distinction of being the company's 2004 Rookie Partner of the Year, an award that's based on sales growth. He started in 2003, and in 2004 hit sales of \$350,000. His sales growth in 2005 was more than 100 per cent.

"My [employees] go through great lengths to provide great service," says Sehmi. "They're considerate, speak well and wear uniforms. Those are things you wouldn't expect out of a junk-removal company."—SEP