



2003 Information Destruction Industry Survey

Confidentiality Tag

Company: _____ Date Completed: _____

Authorized Respondent*: _____ Title/Position: _____

I hereby attest and confirm that I completed this survey on a Single-Market basis and that I completed a separate survey form for each market on which I reported. I hereby attest and confirm that the information provided by me in completing the NAID 2003 Information Destruction Industry Survey is accurate and truthful to the best of my knowledge.

Signed: _____

*NAID Member-company representative of record

ASU Use Only: _____

Do not remove the Confidentiality Tag – It will be removed by the ASU Survey Research Laboratory

Instructions/Survey Processing:

Part 1 – NAID Member’s responsibilities:

(Completing this survey is voluntary. Declining to participate will in no way affect your NAID membership)

- 1) Report only one operation per survey form. For separate operations, serving different markets, report each separately, using a separate survey form.
- 2) Complete the survey as accurately as possible. The quality of the results is dependant upon the accuracy of the responses.
- 3) Place the completed survey in the return mail envelop provided with the survey kit.
- 4) Make sure to sign the testimonial at the top section of this page. **Do not detach the Confidentiality Tag.**
- 5) The survey must be returned by August 31, 2003.

Part 2 – ASU Survey Research Laboratory responsibilities:

- 1) Execute a confidentiality agreement (see bottom of cover page).
- 2) Physically remove the identifying information above the perforation by tearing away the Confidentiality Tag. No mark will be placed on the survey to indicate the source of the survey at anytime.
- 3) Mail the separated Confidentiality Tag to NAID. The anonymous survey form, stripped of all identifying information, will remain with ASU Survey Research Laboratory for processing.
- 4) Enter the responses into a database, collating the data into a statistical abstract.
- 5) Contact survey providers if there is a question about their response.
- 6) Forward only the anonymous, merged database, absent of any identifying information to NAID
- 7) Store the surveys (with the Confidentiality Tag previously removed) until NAID requests that they be destroyed.

Part 3 – NAID’s responsibilities:

- 1) NAID will establish the detail in which the information is analyzed, interpreted and reported.
- 2) NAID will create a bound statistical report based upon the data by November 1, 2003.
- 3) NAID will mail a FREE copy of the bound report to all SURVEY PARTICIPANTS ONLY as determined by the Confidentiality Tag removed and forwarded by ASU Survey Research Laboratory. The survey will be provided free-of-charge to all NAID Members that provided complete data.

CONFIDENTIALITY AGREEMENT

The National Association for Information Destruction, Inc., (NAID) has retained Arizona State University (ASU) Survey Research Laboratory for the purposes of processing the data yielded from the NAID 2003 Information Destruction Industry Survey. I agree that I and ASU Survey Research Laboratory are responsible to ensure that at no time will survey results be matched, reported, divulged or released to anyone, including NAID management and members, in a manner that would link a single respondent to a corresponding or related set of responses. I further agree that to the extent that I and ASU Survey Research Laboratory will at some time have information that may link a respondent to a set of responses, such information will be protected and kept confidential in perpetuity. I agree that at no time will I or ASU Survey Research Laboratory make any markings on the survey response forms prior to or after removing the Confidentiality Tag that would allow or facilitate future identification and/or matching of the source of the response form.

For ASU Survey Research Laboratory:

Shapard Wolf, Director

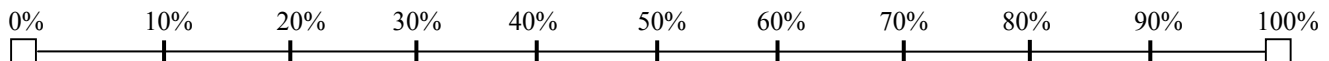
Date: _____

BACK OF CONFIDENTIALITY TAG

Do not remove the Confidentiality Tag – It will be removed by the Approved Survey Processor

SECTION 1 - COMPANY PROFILE

- 1) You understand that ONE (1) survey form is to be used for EACH FACILITY/OPERATION. YES
- 2) When did you get into the shredding business? (month & year you started billing) Month: _____ Year: _____
- 3) Destruction service currently offered is (are) Mobile Plant-based Both
- 4) The services include Destruction only Records Storage General Recycling Other
- 5) This operation is: Privately-held Publicly Traded A Public Utility A Non-Profit Sheltered Workshop
- 6) The equipment we use for destruction:
- Produces a Cross-Cut or Pierce & Tear particle Produces a Continuous Strip-shred particle
- Produces a Pulverized particle (hammermill) Uses Incineration as a Primary form of destruction
- Uses Pulping as a Primary form of destruction Other _____
- 7) For Microfilm and Microfiche our operation uses:
- an Incinerator a Disintegrator
- Our Standard Equipment Other _____
- 8) How much did you invest in starting the shredding business (First 6 Months)?
- \$99,000 or less \$100,000 - \$149,000 \$150,000 - \$249,000 \$250,000 - \$499,000 \$500,000 Plus
- 9) What was your initial capitalization readily accessible to fund your operation when you started?
- \$99,000 or less \$100,000 - \$149,000 \$150,000 - \$249,000 \$250,000 - 499,000 \$500,000 Plus
- 10) Check which applies to your destruction company (division) best?
- Started as exclusively Plant-based and stayed exclusively Plant-based
- Started as exclusively Mobile and stayed exclusively Mobile
- Started as exclusively Plant-based and added Mobile later
- Started as exclusively Mobile and added Plant-based later
- Provided both services from the start
- 11) What percentage of your company's total revenue is directly derived from the information destruction business?
(include all related service charges and scrap sales – Make a line on the graph below)



12) Check the response below that best captures the relative percentage of revenue from Mobile and/or Plant-based services.

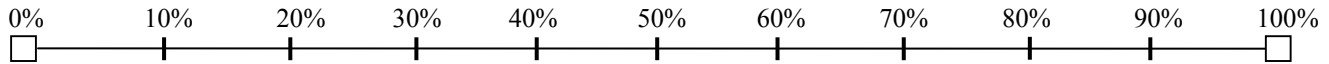
- Mobile 100% Plant-based 100% Mobile 10%/Plant-based 90% Mobile 25%/Plant-based 75%
 Mobile 50%/Plant-based 50% Mobile 75%/Plant-based 25% Mobile 90%/Plant-based 10%

13) List your firm's annual sales in shredding services during the last 3 completed fiscal periods plus this year's projections?

This year's projected sales: \$ _____ Last (most recent) completed fiscal year: \$ _____

1 Year Ago: \$ _____ 2 Years Ago: \$ _____

14) Indicate below the AVERAGE percent of your revenue from your destruction company (or division) derived from scrap paper sales? (Make a line on the graph below to indicate the answer)



15) What percentage of your total shredding revenue, exclusive of scrap sales, is derived from the following?

Scheduled container service _____ % On-call container service _____ % Boxed material or purges _____ % (Total 100%)

16) How many employees are employed in the shredding operation? 3 or less 4 – 8 9 – 15

15 – 29 30 – 69 70 - 149 150 – 499 500+

17) What is your pretax profit margin (as a percentage of gross revenue)?

10% or less 11% – 15% 16% – 20% 21% – 25% 26% – 30% 31% – 35% 36%+

18) Do you have Errors & Omissions insurance? Yes No

19) Do you lease or own the following equipment:

a) Mobile Shred Trucks Lease Own

b) Collection-only Trucks Lease Own

c) Building: Lease Own

d) Plant-based Shredder: Lease Own

e) Baling Equipment: Lease Own

SECTION 2 - MARKETPLACE

20) In what region do you operate? (check only the area served by the facility whose information is being reported)

- South Eastern U.S. Eastern/Mid Atlantic U.S. New England U.S. Central Midwest U.S.
 Central Plains U.S. Western U.S. Southwest U.S. Canada Europe

21) What is the population of the area(s) you effectively serve for purposes of this survey form?

100k – 499k 500k - 1mm 1.1mm to 2mm 2.1mm – 5mm 5.1mm – 10mm 10.1mm or more

22) Do you consider your market (check one) urban or rural or mixture of both ?

23) Do you charge less, more or the same as your biggest competitor? less more the same

24) Approximately how many direct competitors do you have?

None 1- 3 4 - 6 7 -10 11 - 14 15 – 20

25) How many of your direct competitors are NAID Members?

None 1- 3 4 - 6 7 -10 11 - 14 15 – 20

26) How many of your direct competitors are NAID Certified?

None 1- 3 4 - 6 7 -10 11 - 14 15 – 20

27) How many of your direct competitors are Good Competitor?

None 1- 3 4 - 6 7 -10 11 - 14 15 – 20

28) How many of your direct competitors are Pricing too Low?

None 1- 3 4 - 6 7 -10 11 - 14 15 – 20

29) How many of your direct competitors are Ethical/Honest?

None 1- 3 4 - 6 7 -10 11 - 14 15 – 20

30) We belong to: (Check all applicable)

- ARMA ASIS AHIMA PRISM IFMA ALA PSI

31) Is your company NAID Certified? Yes No

32) If you answered yes to question #31, what level? N/A "A" or "AA" "AAA"

SECTION 3 – OPERATIONS (Answer Questions on a Single Market basis)

33) How many mobile shredding trucks do you have in this market?

- Turnkey w/ Permanently Mounted Shredder N/A 1-3 4-6 7-10 11-14 15-20
Portable Shredder w/ generator (can be removed): N/A 1-3 4-6 7-10 11-14 15-20

34) What is the horsepower of your primary Plant-based destruction equipment?

- N/A 19hp or less 20hp – 30hp 31hp – 49hp 50hp – 70hp
 71hp – 99hp 100hp – 149hp 150hp – 199hp 200hp or higher

35) How many various types of collection containers have you purchased in the last year?

a) Console/Cabinets: N/A 200 or less 201 - 500 501 - 1000 1001 - 3000 3001 or more

b) Two-Wheeled w/ hinged lids:

- 64 gallon N/A 200 or less 201 - 500 501 - 1000 1001 - 3000 3001 or more
96 gallon N/A 200 or less 201 - 500 501 - 1000 1001 - 3000 3001 or more
Smaller N/A 200 or less 201 - 500 501 - 1000 1001 - 3000 3001 or more

c) Hampers/Carts:

1.5 yd³ and up: N/A 50 or less 51 - 100 101 - 200 201 - 500 501 or more

37) How do you primarily charge for your service?

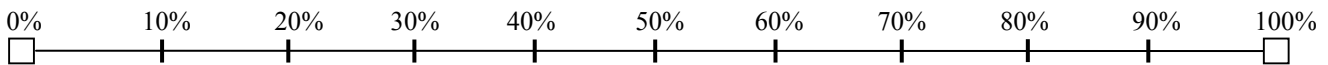
- by weight by container (box, cart, etc.), by time other: _____

38) By average, how much do you charge for your basic office service? \$ _____ per _____ (unit)

39) What types of agreements does your firm use? (check all applicable)

- None Service Agreements Terms & Conditions (included in service docs)
 Contracts Require Purchase Orders

40) What percentage of your clients are under contract?



41) How many stops per day do your local routes average per route? (not including long road trips or overnight routes)

- 6 or less 7-10 11-14 15-20 21 or more

42) Check the box next to the statement that best describes your sales force and fill in the blanks where applicable.

- We have an outside sales force of _____ dedicated to shredding sales exclusively.
 We have an outside sales force of _____ and an inside sales force of _____ dedicated to shredding sales exclusively.
 We have an outside sales force of _____ that sell for our other divisions in addition to shredding services.
 We have an outside sales force of _____ and an inside sales force of _____ that sell for our other divisions in addition to shredding services.
 We have no outside sales people, the owner/manager initiates and pursues sales leads as well as managing the company.

43) The amount we spent on Yellow Pages advertising in the last year was between:

- \$500 or less \$501 – \$1000 \$1001 – \$5000 \$5001 – \$10000 \$10000 and more

44) The total we spent on all advertising in the last year was between: (excluding truck signage)

- \$500 or less \$501 – \$1000 \$1001 – \$5000 \$5001 – \$10000 \$10000 and more

45) Is your company name and/or logo a registered trademark? Yes No

46) By percentage of total spending, please list the top 5 operating expense categories: (e.g., transportation, labor, etc.)

- 1) _____ % 4) _____ %
2) _____ % 5) _____ %
3) _____ %

47) How many tons per month (average) does your company process?

- 20 or less 21 - 49 50 - 99 100 - 200 201 – 499 500 or more

48) What percentage of your monthly volume is paper?

- 50% or less 51% - 74% 75% - 85% 86% - 95% 96% - 99% 100%

49) Does your company run routes that require an overnight stay for drivers? Yes No

50) Check the item that best describes how you process paper after it is destroyed: (check any that apply)

- Baled at our facility Delivered to a recycler loose Sold to a broker/mill under an agreement

51) Are paper materials sorted by grade prior to shredding? Yes No

52) What grades of paper do you generate and what is the relative percentage?

- Grade #1: _____ % Grade #4: _____ %
Grade #2: _____ % Grade #5: _____ %
Grade #3: _____ % Grade #6: _____ %

53) How large is your destruction facility in square footage?

- N/A (Mobile only) 2000 or less 2001 - 5000 5001 – 7999
 8000 – 11999 12000 – 17999 18000 – 30000 30001 or more

54) Please indicate your current on position the following security procedures: (check all that apply)

- NONE APPLICABLE – WE ARE MOBILE ONLY
- | | | | | |
|--------------------------|-----------------------------------|--|--|---|
| CCTV Monitoring | <input type="checkbox"/> In Place | <input type="checkbox"/> Intend to Install | <input type="checkbox"/> Intend to Upgrade | <input type="checkbox"/> Not in the Plans |
| CCTV Recording | <input type="checkbox"/> In Place | <input type="checkbox"/> Intend to Install | <input type="checkbox"/> Intend to Upgrade | <input type="checkbox"/> Not in the Plans |
| Alarm System | <input type="checkbox"/> In Place | <input type="checkbox"/> Intend to Install | <input type="checkbox"/> Intend to Upgrade | <input type="checkbox"/> Not in the Plans |
| 24/7 Monitored Alarm | <input type="checkbox"/> In Place | <input type="checkbox"/> Intend to Install | <input type="checkbox"/> Intend to Upgrade | <input type="checkbox"/> Not in the Plans |
| Gated overhead doors | <input type="checkbox"/> In Place | <input type="checkbox"/> Intend to Install | <input type="checkbox"/> Intend to Upgrade | <input type="checkbox"/> Not in the Plans |
| Plant Access Devices | <input type="checkbox"/> In Place | <input type="checkbox"/> Intend to Install | <input type="checkbox"/> Intend to Upgrade | <input type="checkbox"/> Not in the Plans |
| Card Key Access | <input type="checkbox"/> In Place | <input type="checkbox"/> Intend to Install | <input type="checkbox"/> Intend to Upgrade | <input type="checkbox"/> Not in the Plans |
| GPS Tracking (in trucks) | <input type="checkbox"/> In Place | <input type="checkbox"/> Intend to Install | <input type="checkbox"/> Intend to Upgrade | <input type="checkbox"/> Not in the Plans |
| Web Access CCTV | <input type="checkbox"/> In Place | <input type="checkbox"/> Intend to Install | <input type="checkbox"/> Intend to Upgrade | <input type="checkbox"/> Not in the Plans |
| Disintegrator | <input type="checkbox"/> In Place | <input type="checkbox"/> Intend to Install | <input type="checkbox"/> Intend to Upgrade | <input type="checkbox"/> Not in the Plans |

SECTION 4 - HUMAN RESOURCES

55) How much do you pay a truck driver with a commercial license?

- a) Hourly rate (starting): \$8.00 or less \$8.01 – \$10.00 \$10.01 – \$12.50 \$12.51 – \$14.00 \$14.01 or more
b) Hourly rate (tenured): \$8.00 or less \$8.01 – \$10.00 \$10.01 – \$12.50 \$12.51 – \$14.00 \$14.01 or more

61) What is the average annual base-salary of new salespeople?

- Not Applicable \$20k or less \$20001 - \$24999 \$25k – \$27999 \$28k – \$31999
 \$32k – 35999 \$36k – 39999 \$40k – \$43999 44k or more

62) What is the average amount earned by tenured salespeople?

- Not Applicable \$20k or less \$20001 - \$24999 \$25k – \$27999 \$28k – \$31999
 \$32k – 35999 \$36k – 39999 \$40k – \$43999 44k or more

63) Check the box next to the statement that best describes your health care benefits for employees?

- We Pay All Benefits for All Employees We Pay All Benefits for Some Employees
 We Pay a Percentage of Benefits for Some Employees We Pay a Percentage of Benefits for All Employees
 We Pay for No Health Care Benefits for Any Employees
 We Pay All Benefits for Some Employees and a Percentage of Benefits for Other Employees

64) What is your most common safety incident/problem?

- Fire in the plant Equipment-related Personal Injury in the Plant Fire in the field
 Lifting-related Personal Injury in the Plant Lifting-related Personal Injury in the Field
 Equipment-related Personal Injury in the Field Truck Accident (Moving Vehicle)

65) What is your most common workers compensation claim incident?

- Equipment-related Personal Injury in the Plant Lifting-related Personal Injury in the Plant
 Lifting-related Personal Injury in the Field Equipment-related Personal Injury in the Field
 Truck Accident (Moving Vehicle)

SECTION 5 - PLANNING FOR THE FUTURE

66) Do you anticipate upgrading or adding mobile shredding equipment in the next 24 months? Yes No

67) Do you anticipate upgrading or adding stationary shredding equipment in the next 24 months? Yes No

68) Do you anticipate upgrading or adding baling equipment in the next 24 months? Yes No

69) As far as our marketing efforts we plan to: (check one only)

- Strictly focus on providing dedicated shredding business entirely
 Focus on providing more than one records management service

70) We are anticipating adding records storage services to our business. Yes No Already have

71) We are anticipating adding general office paper recycling to our business. Yes No Already have

72) We are anticipating adding imaging services to our business. Yes No Already have

73) We are anticipating expanding our shredding service into other markets. Yes No Already have

74) We already are seriously thinking about selling our business in the next 3 years. Yes No

75) We already are seriously thinking about selling our business in the next 6 years. Yes No

76) We already are seriously thinking about selling our business if things don't improve. Yes No

77) What is your general feeling about the future of the information destruction business?

- Business will improve over the next 24 month
 Business will be worse over the next 24 months
 Business will be about the same over the next 24 months

78) Please indicate the time it took to complete this survey: _____ Minutes