

How to Choose The Right Waste Disposal Partner

In As Little As 15 Minutes!



The Ultimate ***Secrets*** You Need to Know to
Make a Great Decision

By: Michael Malatesta

Choosing A Waste Partner Can Be A **Tricky** Decision

To do the job right, you need to:

- ✓ Gather a Lot Of Information
- ✓ Open a Lot Of Doors
- ✓ Ask A Lot Of Questions, And.....

.....**Commit A Lot Of Time You May Not Have!**

IT'S A DECISION WITH A LOT OF **Risks. NOT JUST TODAY,
BUT LONG INTO THE FUTURE AS WELL**

Think Superfund!!!



Think Money\$\$\$\$\$

MORE THAN 60% MAKE BLIND CHOICES

It's also a decision that overwhelms many busy professionals. They're really not sure what they should be looking at to protect their company's interests.

A recent survey found that more than 60% of industrial waste disposal services are purchased **without** the customer auditing, visiting or otherwise evaluating the waste services company they to whom they entrust their waste. Is That Looking Out for The Future?

Scary!

The four most popular reasons cited by these customers for not evaluating the waste services companies they use, despite the high cost and the potential future impact on their company are:

- 1) “I’m too busy – I don’t have enough time.” - **Understandable**
- 2) “I’m not sure how to best evaluate one versus the other.” - **Understandable**
- 3) “All waste providers are the same, I compare price and pick the cheapest.” – **Please!**

AND THE BIGGEST MISCONCEPTION EVER.....

- 4) “I only generate non hazardous waste, so what does it matter?” * – **Not Smart!**

*If you read the National Priority List of “superfund” sites on the EPA web site (www.epa.gov, click on “Superfund”), you will notice that **MANY** of the sites were **NEVER** permitted to handle hazardous waste!

SO HOW DO YOU MAKE A DECISION THAT Gets you great service and MINIMIZES THE RISKS TO YOUR COMPANY TODAY? AND IN THE FUTURE?

Simple! There are three ways to make an informed decision:

- 1) **The Very Best Way – Requires Significant Time and Resources**
- 2) **The Second Best Way – Requires Significant Time and Resources**
- 3) **The “I Need a Shortcut because I don’t have time for the Very Best or the Second Best Way” – Requires Knowing the Secrets!!**

THE VERY BEST WAY TO MAKE AN INFORMED DECISION IS, WITHOUT QUESTION, TO VISIT THE COMPANY!

See for yourself. Talk directly to their employees. Ask to see everything. Hang out and watch the company work. Talk directly to the employees. **(Repeated For Emphasis)** Look at the condition of the maintenance shop, the process areas, the equipment yard, the locker room, the offices.

Hint: Look at the condition of the cars in the parking lot!

*** Professionals don’t drive junky cars***

If your company has an environmental audit form, use it to collect important information. However, whether you use an audit form or not, come prepared with a **list of questions** to ask employees directly during your visit.

Sample questions are included in Appendix A. Use them!

If you are not impressed by the company’s employees, by the answers they provide to questions, by the condition of their equipment, by the condition of their offices or by the condition of their employee vehicles – **Walk Away! – You’ll be glad you did.**

*“But, I Don’t Have The Time Or Expertise To Visit The Company.”
No Problem, There’s Always.....*

THE 2nd BEST WAY TO A MAKE A Good DECISION IS TO:

- 1) Read what the company’s customers say about their experience with the company.
- 2) Talk to the company’s customers directly. (Don’t forget to have your questions ready)

Reading the testimonials provided by the company’s customers and talking to those customers directly is a great way to get an **independent appraisal** of the company. The information these customers provide can help clear and focus your evaluation process.

Before You Call, Make Sure You Have A List Of Questions

Be Prepared Before You Make The Call.

The list of questions will help guide you through the conversation and make sure you cover all your points of interest. Take your time, listen, take notes.



Warning: If the company cannot provide you with 5 – 10 written testimonials from their customers, be nervous.

By now you're probably saying, *"Look, I can see that the very best way and the second best way would help me make a great decision, but you don't understand. . .*

I'm Too Busy. I Don't Have Enough Time. I'm Not Sure How To Evaluate One Company Versus The Other. I Can't Take The Time To Visit AND I Don't Feel Comfortable Calling Their Customers.....



.....BUT I DON'T WANT TO MAKE A BAD DECISION!!!!"

Please! I Need The Shortcut! Show Me the 15 Minute Secret!

OK, OK. Here's the Secret!

Make the company you're evaluating do the majority of the work for you. Sounds too simple, doesn't it? But if you have email and access to the internet, you've got all the tools you need to do a thorough evaluation in as little as 15 minutes. **AND IT'S ONLY A TWO STEP PROCESS!**

Secret Step #1

Ask the company you're evaluating to send you an email with the following:

A copy of their **Dun & Bradstreet Rating**. The D&B rating indicates the credit history of the company. You want to do business with companies that have a good credit score, a **D&B rating of 3A or higher.**



A Company That Is Not Rated By D&B.

A Company With A D&B Rating Of **2A Or Lower.**

Stay Away!



A dated digital photograph of their company parking lot during the workday.



A parking lot full of junk cars is a sure sign of a company with a less than ideal workforce.

Stay Away!

Quality Companies have quality employees.

Quality employees drive quality vehicles.

A Dated Digital Photograph Of:

- ✓ The Company Lobby
- ✓ The Owner/President's Office
- ✓ The Maintenance shop (inside)
- ✓ The Process area (if applicable)
- ✓ The Equipment Yard



Do Professionals Work Here?



An office that looks like a construction trailer probably indicates a company that has not yet put together all the pieces of a quality operation.



Company Headquarters?

Proceed Cautiously!

A copy of the company's insurance certificate. Make sure that the company has coverage for:

- Automobile liability* ✓
- General liability* ✓
- Professional liability* ✓
- Pollution liability* ✓



Insurance Certificate

Minimum
of
\$5 Million
Dollars
of
Coverage!

Policy Limits For Each Of Its Liabilities Must Be **\$5 Million Or More**. Anything Less Is Not Enough To Cover Your Potential Risk.



Do not work with a company that does not have all of the coverages listed above. No matter that they say! For example, “We don’t need automobile liability because we don’t have trucks,” or “We don’t need pollution coverage because we don’t process waste. . .” **You don’t need those headaches!**

Run, Don't Walk!

You are responsible for all costs related to the handling of your waste. Before you entrust your waste to any company, be sure that they have adequate insurance in force to protect your risk.

Time to Complete Secret Step #1: 10 to 15 minutes.



Secret Step #2

Use the power of the **Internet** to do a quick but thorough evaluation.

Follow these steps:

1.) **Google®** the name of the waste services company and read/print off the results. This will give you a good starting feel for the company you're evaluating. Google will also lead you to the company's website – take the information on the web with a grain of salt (They will probably say nice things about themselves).



Can't find a web site for the company?
Can't find any Google hits on the company?
Why?

Time to Complete Secret Step #2: Usually 5 to 10 minutes.



**Total Time Involved for Someone Without Much Time:
As Little As 15 Minutes!**



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Appendix A

The Questions

General Questions – Ask These During Every Evaluation

Questions	Tip
1) When was the company started?	→ If started within 3 years, ask for history and experience of owners before them.
2) Who owns the company (the shareholders) and what is the ownership structure?	→ Some private companies don't like to disclose; don't accept "confidential" as an answer. You need to know.
3) Has the company ever been involved in any kind of litigation involving transportation or environmental matters?	→ You can generally check for yourself online at your state website.
4) Is there any litigation threatened at this time?	→ Covers all your bases.
5) Has the company ever operated under another name?	→ If yes, why the change, and ask #3 again for the old name.
6) Have you always operated from the same location?	→ If no, get information on past locations and the reasons for the moves. Moves can be innocent. They can also be necessary (and not in a good way).
7) Has the company, the owners (shareholders) or any other company affiliated with the company or its owners ever filed or been party to a bankruptcy filing?	→ Most people are creatures of habit.
8) What specific permits are required for your operations?	→ Ask this rather than simply requesting copies of their permits.
9) What is the name and contact information for each permit's regulatory contact?	→ Call the contact. Most, but not all, operate with the right permits.
10) Do you maintain pollution insurance for all of your operations?	→ No matter what your waste is, you want pollution insurance.

More Specific Questions – Ask These To Get A Better Understanding

Questions	Tip
1) What is your DOT number and rating?	→ You can obtain lots of information by going to www.safer.org .

2) What is your EMR rating?	➔	A rating of higher than 1 should be investigated. If it's due to repetitive experience rather than one time, be cautious.
3) Who is responsible for the company's Health and Safety Program, and may I speak with him/her?	➔	Ideally, you're looking for someone whose full-time role is Health and Safety Management.
4) Do you expect to subcontract or broker any of the work you propose doing for me?	➔	This will help you understand how many parties you will be dealing with. Generally, the fewer the better.
5) What is your company's purpose?	➔	This is a fun one to throw in. Most will be stumped and try to come up with something.

Site Visit Specific Questions – Ask These Every Time You Visit a Site

Questions		Tip
1) Is this the way your facility normally operates?	➔	Some companies stop what they're doing during visits and tours. Why? Good question. People doing "busy work" or not looking comfortable are probably acting.
2) May I speak with a few of your employees?	➔	If no, why not? If yes, ask the employees (not management): <ul style="list-style-type: none"> a) What is the most critical part of your job? b) How long have you worked here? c) How hard is it to get hired here? d) Would you recommend your friends to work here? e) What is the company's purpose?
3) If there are any sewers, drains, trenches or underground tanks, ask where they lead and what protections are in place to make sure they are not leaking?	➔	Ask to see the drawings that support what you are told.
4) May I follow your process through from the time a load is received to the time it is fully processed?	➔	Pay attention to how fluid the process is and how comfortable each person is explaining what they are doing.
5) At every door you see, ask what is behind that door.	➔	Some companies only want you to see certain things. You want to see everything.
<p>Bonus Tip: Walk the property line! When you walk the property line, you can see the facility from a whole new perspective. You can also assess the facility's security and, in some cases, see more things they may not want you to see.</p>		

Michael Malatesta is a co-founder and President of Advanced Waste Services, Inc., a Milwaukee-based industrial waste services provider. He has been involved in all areas of company management. Widely recognized as an expert in the collection, transportation and disposal of commercial and manufacturing-related waste, Mike is also widely sought out for his unique perspectives on building and maintaining great companies. He can be reached at mikem@advancedwasteservices.com.