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Small Business Spotlight
Shred Shop Promotes Security by Destroying Sensitive Documents

ERIC SMITH | *The Daily News*

Olympian Shaun White shreds on his snowboard and musician Eddie Van Halen shreds on his electric guitar, but the hottest form of shredding these days has nothing to do with snowy slopes or rockin' riffs.

Document shredding is all the rage as small businesses and individuals try to comply with federal regulations and prevent identity theft. With this in mind, Allen Electric's Brenda Huff last year decided to expand her company's repertoire of services by launching Shred Shop of Memphis LLC in the back of the electric company's Binghampton warehouse.

"We want to fulfill a need," Huff said. "Everywhere you turn, someone is talking about identity theft."

It's not only a topic of discussion; it's the law. The Disposal Rule, part of the Fair and Accurate Credit Transactions Act of 2003 (FACTA), went into effect June 1, 2005, and "requires businesses and individuals to take appropriate measures to dispose of sensitive information derived from consumer reports," according to the Federal Trade Commission's Web site.

That legislation - and an impending need for Allen Electric to diversify - spurred Huff into a business endeavor she never imagined.

"It kind of fell into my lap," she said.

Crazy as a fox

Huff's father, Wayne A. Allen, started Allen Electric in 1967. Fast approaching four full decades as a business, the 40-employee company is still going strong, performing mostly commercial contracts with an occasional high-end residential job.

Huff, a CPA, began working full-time for the company in 1997 and became president a year and a half ago. Soon after, during a sorely needed spring-cleaning of Allen Electric's massive warehouse, she and her employees uncovered boxes and boxes of sensitive client and company information - invoices, bank statements, check stubs - that dated back to 1967 and needed to be destroyed.

"We had all these documents to shred," Huff said.

Meanwhile, Huff realized Allen Electric would no longer need the space that was about to open, but she figured it would be difficult to rent because of a warehouse surplus in Memphis.

Company facts

With the convergence of an evolving electrical company, documents to destroy and warehouse space to fill, Huff and her daughter-in-law, attorney Katie Ratton, opened Shred Shop in October 2005 with hopes of providing both document shredding and file storage. Despite what she saw as a clear business course, Huff debuted her new venture amid skepticism.



ONE SHRED AT A TIME: Allen Electric and Shred Shop of Memphis LLC president Brenda Huff added document shredding and file storage to her company's services to fill a niche she says she believed wasn't being met. She is marketing the shop to individuals and small businesses whose shredding needs are too small for on-site service but too big for the type of shredder found at a retail office supply store. -- PHOTOGRAPH BY ERIC SMITH

Allen Electric

318 Collins St.

454-6111

- Commercial and some residential electrical work

- Open since 1967

- Owner: Wayne A. Allen

- President: Brenda Huff

Shred Shop of Memphis LLC

318 Collins St.

454-6111

www.shredshopofmemphis.com

- Document shredding and file storage

- Owner and president: Brenda Huff

- Managing director: Katie Ratton

"I've had people tell me I'm out of my mind for starting Shred Shop," Huff said.

Getting rid of the evidence

Shred Shop opened with little fanfare and not much to shred. Customers have begun coming in, but Huff's operation still has some kinks to work out. One problem is that Huff still is waiting for a conveyor belt to speed up the removal process. Until then, the shredder has to be emptied manually.

"It's very simple right now," said Huff, who has a recycling company pick up the shredded material.

The operation is in a back room of Allen Electric at 318 Collins St. between Poplar Avenue and Sam Cooper Boulevard, and has garage-door access to

accommodate vehicle loads. Finding the site, though, could be difficult. Right now, only a small temporary sign out front lets people know Shred Shop exists.

But the company, whose name was selected so people would find it easily when looking up the word "shred" in the phone book, has attracted walk-in traffic, mostly individuals looking to rid their home offices of old personal files. Huff said she's served people who need only a few dollars worth of shredding, but those customers nevertheless are concerned that their documents are thoroughly destroyed.

"They don't leave until they see that last piece of paper goes through the machine," Huff said.

When it comes to small business clients, Huff has targeted law firms because of their regular need to shred. One of her clients is Hickman Ewing, the former U.S. Attorney for the Western District of Tennessee who now has his own law practice. He knows lawyers always will have a need for shredding.

"There are a lot of documents in the course of legal proceedings that you should not throw in the trash," he said.

Also, because of Allen Electric's history and reputation, Huff is marketing to members of the Independent Electrical Contractors Association. IEC executive director Walt Czynnik handles applications for his organization's apprenticeship program. He knows those applications must be destroyed, and so far he has been more than satisfied with Shred Shop's work.

"I walked out of there with a certificate of destruction," he said. "That gives you a comfort level."

Huff's industrial shredder handles up to 5,200 sheets of paper per minute using a crosscut method that dices paper into confetti worthy of a ticker-tape parade. The tinier the shreds, the better the security.

"You would have to be a master puzzle-maker to put that stuff together," she said.

Somebody's got to do it

Huff doesn't have delusions of competing with companies like Shred-it, the global on-site document destruction company that caters to businesses with huge shredding needs. She has the do-it-yourselfers in mind.

"We want to be the Home Depot or Kinko's of shredding," she said. "We want to save you some money - we know we can save you some money."

Huff is hoping to attract individuals and small businesses whose shredding needs will vary from year to year, project to project, those who don't have enough shredding to warrant on-site service but more than what fits in the small shredder found at a retail office supply store.

"I want to fill a niche in the shredding industry not currently being met by anyone else," Huff said, "a niche that nobody else wants."