

# EAGA Business Builder

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## Today's speaker was Tom McMahon—Fenix Corp. (Premium Shopping Guide)



Today's presentation was by Mr. Tom McMahon. And not just any one of the famous Tom McMahons. This is *THE* Tom McMahon. You know that he is in a higher league than the others when you hear that this Tom McMahon has been married to his lovely bride for almost half a century. They will celebrate their Golden Anniversary next year. He is also the one that has two great daughters (one, a manager of a Cartier location in Dallas, Texas; the other, a grade school teacher in Colorado), and three grandchildren, of which he is also exceptionally proud. And why wouldn't he be? His eldest grandson was first in his Jr. High School class; is currently the Commanding Officer of his high school JROTC program; has excellent grades, and is a multi-sport athlete. Mr. McMahon's granddaughter is also an exceptional person. Having overcome some formidable challenges early on, she is now an established grade A student as well. The youngest grandson is a baseball phenom. At 7 years old, he really enjoys the game and has already been 'recruited' for baseball camps and specific team involvement. Make sure that you stay in Tom's good graces for the next 10 or 12 years because, at that point, it sounds like he will have an in when it comes to getting the coveted Major League Allstar and World Series game tickets. But in addition to a wonderful family...how many Tom McMahons do you know that have spent more than 45 years in the photography related equipment and production industry? Probably only one - and it is *THE* Tom McMahon that spoke at our meeting today. In his early years (not age 7, but still a youngster) he was working as a night fry cook, but wanting to improve his career path a bit. He applied for a grocery bagging position for a Furrs store. He didn't get that job, but was subsequently contacted by a different manager at the store, offering Tom a position in the photography department. Mr. McMahon jumped at the offer. He didn't know anything about the photography business, cameras or film developing, but the job was paying \$0.79 per hour so he would definitely learn. That leap propelled Tom into a 45 year long career. After learning some of the ropes in the Furrs job, Tom went to work for a camera retail shop in Denver. At that point, the Denver operation had a revenue stream of about \$30 million. With Tom's involvement over the next few years, the operation had increased to 5 stores and about \$80 million in revenue. A large portion of their income came from a specialized niche. Insurance replacement business. Insurance companies had a need to replace damaged or stolen photography equipment and the company where Tom worked was able to fill that need. There was a lot of activity in that niche. So much in fact that, at one point, Allstate Insurance provided Tom's group with their own in-house check printing machine. The company could actually print their own check as reimbursement from Allstate. It didn't take long for Tom's company to expand their insurance replacement operations into more than just photography equipment. Musical items, jewelry, guns (those were the days), electronics of all kinds, and silver. The value of silver had been substantially inflated and silverware had become a high theft item. As happens in the business world, when a company is organized, profitable, and functioning well, the bigger companies take notice. Such was the case for the place where Tom worked. A national company named Wolf Cameras purchased the smaller business. Tom worked for them for a couple of years, before deciding to just go out on his own. He moved to Albuquerque and founded the TJ's Camera and 1 Hour Photo company. Tom's idea was to build his company into a four store operation, then sell it to Wolf...who was still wanting to expand into the southwest. The plan was going well. The company even had its own private label equipment made by a Japanese manufacturer. In a short while, three stores were operating quite efficiently and the fourth was on the horizon. Tom was on what he thought was the brink of success. It turned out that it was actually the brink of a deep business devouring crevasse. Digital cameras had come onto the scene and they were annihilating the film equipment and photo development industry. There was no longer a need for one hour film developing when the digital devices made photo images immediately viewable without solvents, washes and negatives. The TJ's entity disappeared and, after a 45 year run, left Tom looking for a not-photography profession. He took, what was to him, a natural next step. Mr. McMahon went to work for the Premium Shopping Guide magazine. The move to advertising really was a reasonable progression for Tom's career because he was already very experienced in that industry. Tom had realized that, over the last many years as employee, manager and owner of businesses, he had actually been responsible for, or at least heavily involved in, the buying or selling of over \$100 million worth of advertising. The move proved to be the right one. Over the next 10 years, things went well. Then came 2020—the year when the world turned sideways. The pandemic was declared and governmental restrictions were put in place. For a long period of time, only essential businesses were allowed to be open. Premium Shopping Guide was classified as a non-essential business. The government determined that it is not essential to print a magazine which has a specified purpose of advertising discounts and specials from now mostly closed businesses to be redeemed by now mostly out of work people. The periodic production of about 100,000 copies of the magazine would have to be halted. And with it, the company's only revenue stream. But Tom and his group knew that they were not giving up. Realizing that there had to be options, the company decided to search for the best one. It became clear (well mostly clear) that the digital world could be a future location for their work. The digital technologies may destroy activities like film developing and photo printing, but the digital technologies can also provide a new avenue for successfully, and efficiently, migrating other businesses to a different format. By September of 2020 the Premium Shopping Guide had become 100% digital. The on-line version has pages that can be flipped just like those of its touchy-feely predecessor, but there is not any ink to rub off onto the reader's fingers. The new version doesn't require scissors for redeeming the coupons either. Its all digital, so a cell phone or tablet is all that is needed. Advertisers are realizing a substantial benefit as well. In the pre-pandemic days it cost about \$70,000 to print and mail one cycle of the magazine. Full page ads cost about \$4,000. Digital distribution costs are substantially lower, so advertising costs can be as well. An ad the digital version is only \$350 and it is \$100 less if the advertiser allows the use of their mailing list. The September 2020 distribution went to about 30 thousand email addresses. The most recent version will go to 110 thousand. The open rate for those emails is about 30%, so the bang for the buck appears to be exceptionally good. Contact Tom at 505-208-0677 if you want to advertise in the magazine. If you would like to see the new version of the magazine, go to their website <https://www.premiumshoppingguide.com>. Mr. McMahon can provide you with examples of ads, success stories and references for current and prior advertisers and maybe even source for ten year old developer solution or a few of the dark-room little red light bulbs

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- ◆ **NOTICE TO EAGA MEMBERS:** As you should know by now, EAGA members often provide other members with FREE information and opportunities that are not usually available to the general public. Such is the case with an upcoming business promotion program. Between April 20th and June 29th, EAGA members are being offered a chance to promote their company for FREE. There are a limited number of time slots available during that time period, so if you are interested, please get your name on the list as soon as possible, before they are all gone. Details: Each business promotion time slot is available on a ‘first come—first served’ basis; each can be used for up to 30 minutes of uninterrupted time to promote your business, your knowledge of industry, or a view of the world from your perspective. Remaining available slots are currently set at one week intervals; all are on a Tuesday morning; and all have a starting time of approximately 7:10 am. If you are interested in securing one of the FREE business promotion slots before the best ones are gone, please contact EAGA Executive Director, Mario Hernandez at [eagaed@gmail.com](mailto:eagaed@gmail.com). He can provide any additional details you may need, and he can arrange for a slightly limited selection of audio / visual equipment should it be needed. Note: All of the business promotion opportunities can guarantee that your message will be heard by a very respected group of gentlemen that have been chosen from the most prominent members of the Albuquerque business community.
- ◆ Our next meeting will be at Rio Bravo Brewing. Tuesday, April 13th - 7:00 am. Please remember that we are still in the grasp of the Curse of 2020, so wear your masks while arriving and leaving the meeting facility, and while moving about within the meeting room as well. To repeat one of our governor’s insightful comments made early in the pandemic restrictions: “..you are allowed to remove your mask to eat...”. Also be mindful that the social distancing requirements are still in place. Please leave the tables situated as positioned by Rio Bravo staff. The seating arrangement should not be reorganized into a long, family reunion style layout. That would not comply with the social distancing rules, and you would only be able to comfortably talk to the four or five members seated close to you anyway.
- ◆ **Upcoming speakers:**

<b>Apr 13th</b>	<b>Joe Sierra—Century Bank</b>
<b>Apr 20th</b>	<i>Available Business Promotion Opportunity slot</i>
<b>Apr 27th</b>	<i>Available Business Promotion Opportunity slot</i>
<b>May 4th</b>	<i>Available Business Promotion Opportunity slot</i>
<b>May 11th</b>	<i>Available Business Promotion Opportunity slot</i>
<b>May 18th</b>	<i>Available Business Promotion Opportunity slot</i>
<b>May 25th</b>	<i>Available Business Promotion Opportunity slot</i>
- ◆ Please note that the above revered Business Promotion Opportunity slots were available as of April 11th. Some of them may have been taken by the time you are reading this bulletin. Contact Mr. Hernandez as soon as possible if you want to verify which days are still available for your presentation. Mario’s contact information can be found in the box at the bottom of this page.

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