

# INDIANAPOLIS BUSINESS JOURNAL

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## THIS WEEK

**3A Marsh Supermarkets** apparently wants to talk to its new suitor, but there's disagreement over whether it can.

**4A Simon Property Group** might not be able to resist scooping up a wounded but sizable competitor.



The New York Street view of a planned condo development that would stretch to Massachusetts Avenue with unit prices up to \$1.7 million.

## Mass Ave

## DANIELS' DEAL CLOSERS

IEDC generating jobs, but economy shares part of credit

By Peter Schnitzler  
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It would have been big. Just last month, a team of officials from the Indiana Economic Development Corp. and The Indy Partnership, its local equivalent, were furiously negotiating with South Carolina-based fire-engine maker American LaFrance. Intrigued by a mix of economic incentives and Indiana's central location, American LaFrance considered moving its operations to Marion County. In formal negotiations, the

### Old vs. new

Indiana Economic Development Corp. hit the ground running in 2005, accomplishing more in its first 15 months than its predecessor, the state Department of Commerce, did in its final two years.

	DOC (2003-2004)	IEDC (2005-2006*)
Projects	134	210
Jobs	20,016	22,170

## Firm finds direct approach pays off

Marketing Informatics, part of hot industry, sees revenue rise by \$28 million in 3 years

By Anthony Schoettle  
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Bob Massie came to Indianapolis in 1985 to preach the Word of God. Twenty-one years later, he's spreading the messages of Indiana businesses, not from a pulpit, but through direct-mail advertising.

Massie is shepherding a fast-growing flock of clients. His company's revenue has grown from \$1.86 million in 2003 to a projected \$30 million this year.

The growth of Massie's firm, Marketing Informatics, reflects the growth of the industry. Direct-

mail advertising is growing more than 15 percent annually, according to studies done by the U.S. Postal Service and the Direct Marketing Association, an industry trade group. Last year, those studies showed, more than \$45 billion was spent nationwide on direct-mail advertising, yielding more than \$528 billion in sales.

Marketing Informatics offers an amalgam of services ranging from market research and data analysis to printing, creative design and targeted direct mail. From design to delivery, Massie said, Market-

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IBJ Photo/Gabriel Jansz

Sherry Pittman loads an envelope printer at Marketing Informatics, a direct mail firm that's been on a buying spree.

## INFORMATICS

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ing Informatics can process 1 million pieces of mail in four days.

And as Massie's firm adds services, it further distinguishes itself from the competition.

"To the extent that this company is diversified, I'd say it's a pretty unusual venture," said Ray Begovich, a Franklin College journalism professor who teaches advertising and sales.

Printers fighting flat sales have diversified in recent years, but offering the kinds of data management, market analysis and creative design services Marketing Informatics offers is far from the norm, said Ed Gleeson, market research analyst for Printing Industries of America.

"More and more printers are discovering that it may be easier to pursue growth in ancillary services than in print sales," Gleeson said. "Currently, ancillary or print-logistics services comprise about 10 percent of total printers' sales. Within 10 years, this percentage could increase to 20 [percent] to 25 percent."

But Marketing Informatics isn't a classic print shop, though its expansive facility off Airport Expressway is filled with presses. Nor is it what most in the industry would call an advertising agency, though it has a growing sales staff and a creative department to help define clients' public persona and convey it in print.

"We're a Heinz 57 story," Massie said.

### From the Bible to business

Massie, 55, readily admits the history of his company is as eclectic as his own background.

"I don't have a day's training in business," Massie said. "I came to be here through a long and painful program in the school of hard knocks."

Many central Indiana residents remember Massie as the two-term Republican city-county councilor from 1996-2004.

But Massie's winding trip to successful business executive began two decades prior. After a brief career as a musician and teacher, the West Virginia native moved to Indianapolis in 1985 to work for Southport Baptist Church on Indianapolis' south side.

Massie, who taught himself Greek to better understand New Testament teachings, later

formed a not-for-profit, Dynamics of the Biblical World, which he called "a spectacular success, but a financial failure."

His first enterprise focused on conducting seminars for adults dealing with the culture and history of the Bible. After he realized he'd need a better income to support his family, Massie founded Massie & Associates in 1987. Massie & Associates took on consulting jobs in research and direct marketing.

The consulting business led Massie to the world of direct mail, which he began pursuing in earnest in the early 1990s working out of a small house on South Madison Avenue. "We were staging these mailings out in the parking lot because there wasn't enough room in the house, and our equipment was woefully inadequate," he said.

While Massie lacked formal business training, the research and data-tabulation skills he learned in graduate school and as a teacher came in handy for his growing direct-mail operation.

At the same time he was growing his business, Massie began feeling the pull of politics, thanks to his increasing dissatisfaction with the representation the south side was getting on the City-County Council. Working under Republican and Democratic mayors, Massie proved to be a savvy consensus builder.

"I absolutely loved the experience," Massie said. "It was a privilege, but I didn't see myself as a lifer."

As his second term on the council was ending, Massie said many of the business seeds he had planted "began to sprout."

In October 2003, Massie hired his 11th employee, Jim Haas, who later became company president.

"I'm the idea guy, and Jim is the organization guy," Massie said. "My vision is seeing the hill and saying, 'Let's take it.' Jim tells me where to put the tanks and cannons." In January 2005, Massie changed the company's name to Marketing Informatics after moving the enterprise to its 65,000-square-foot building near the airport.

### Riding the direct-mail wave

As the firm took on clients as diverse as Pfizer Inc. and Pacers Sports and Entertain-



Massie

## Marketing Informatics at a glance

**Location:** 5739 Professional Circle (off Airport Expressway)

**Founded:** 1987 as Massie & Associates

**Founder:** Robert D. Massie

**Owners:** Robert D. and Dianna T. Massie

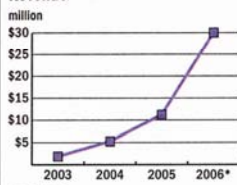
**Service:** market research and data analysis, printing, creative design, targeted direct mail

**Employees:** 106

**Sampling of clients:** American Cancer Society, BP Amoco, Farm Bureau Insurance, Ivy Tech State College, Pacers Sports and Entertainment, Pfizer Inc.

**Web site:** [www.marketinginformatics.com](http://www.marketinginformatics.com)

### Revenue



\*projected

Sources: Marketing Informatics, IBI research

ment, revenue started to climb. Employment now stands at 106, and Massie sees no end in sight to the firm's growth, primarily because direct mail is so effective.

"Companies don't spend money on media that fails," he said. "Your mailbox is full because direct mail works."

Massie said direct mail pieces that are time-sensitive and response-oriented work best. Data from the Direct Marketing Association shows response from a well-planned direct-mail effort is in the 50 percent to 60 percent range.

Marketing Informatics develops targeted mailing lists for clients by tapping a number of publicly available and subscription data sources, then culling those lists through a number of tactics, including contacting people to determine their likes and dislikes, buying habits and other demographic information.

Direct-mail marketing has been around for decades, said Ben Carlson, Indy AdClub

president. But it's the research behind such campaigns that determines their success.

"To be successful, direct mail needs to be smart and distinctive," said Carlson, who is also head of account and media services for Bradley and Montgomery, an Indianapolis-based advertising agency. "If done correctly, it can be a really effective way of speaking directly to a potential customer. If not, it's just another piece of junk mail."

### Growth through acquisition

Massie has expanded his firm's capabilities through acquisitions. To supplement its printing needs, Massie acquired RPS Printing Inc. in November 2005. RPS operates as a separate company but handles about 70 percent of Marketing Informatics' printing.

In January, Massie acquired Thrive 3, a small creative agency, which handles design, account coordination and media buying.

"We want to grow organically and by acquisition, but each time we grow we want to make sure it's in response to clients' needs," Massie said.

Franklin College's Begovich is wary of companies that dabble in numerous disciplines.

"If I were counseling a client, I would tell them to use a service like this with extreme caution," Begovich said. "Printing, creative and market research ... these services are so specialized, it's hard for me to believe that a company could excel in all these areas."

Advertisers must also be careful, Carlson said, of a firm pushing one advertising avenue over another.

"As a full-service agency, we strive to remain media-neutral and evaluate what works best for the client," Carlson said.

But a one-stop shop could be appealing to small and medium-size companies looking to drive efficiencies, Begovich said.

Not all advertising agencies see Marketing Informatics as competition, said Tom Hirschauer, president of Publicis' Indianapolis operation.

"Bob Massie sees his company as something of a new approach," Hirschauer said. "Many advertising agencies are starting to see his firm as a resource."

Though he's skeptical, Begovich said Massie could still win over a sizable flock of clients.

"Bob Massie is no lightweight in this industry," Begovich said. "What he's trying to accomplish is a big mountain to scale. But if anyone can pull it off, it's Bob Massie."\*