



REAL ESTATE BROKER'S INSIDER

Management and sales tools for the residential real estate broker

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Agency Marketing

To help agents build brand, broker builds in-house print shop

Los Angeles broker Syd Leibovitch wants his agents to build their individual brand names through relentless marketing.

It's the sort of philosophy preached by most brokers. Yet Leibovitch, owner of the 850-agent Rodeo Realty, grew frustrated that his agents couldn't seem to make the time to carpet bomb their markets with postcards and brochures.

So two years ago, Leibovitch did something unusual: He started his own in-house print shop. He hired an employee who had managed a printing business and bought equipment.

In one respect, the results have been exactly what he was hoping for. The number of marketing pieces mailed by his agents has soared to 350,000 a month, up from 20,000 a month before he went into the printing business.

Rodeo Realty can produce mailings more cheaply than agents could if they hired a print shop, he says. But more importantly, his in-house printing business makes it easy for agents to market themselves.

"It's a convenience factor," Leibovitch says. "Agents get busy, and the last thing they have time to do is create a flyer."

That's the good news. The bad news is that the print shop is more costly than he anticipated.

"I'm into it for hundreds of thousands," he says. "I thought it was going to be \$100,000."

Among his lessons learned: Better to invest in high-quality equipment immediately than trying to save money with low-end gear.

"I would have bought better, more expensive equipment right up front. I underestimated how much we'd be doing," he says. "Any time you take on a new project, it's always more difficult than you think."

While entering the printing business has been expensive, it's been worth it, he says. "It's definitely a money-loser, but my company's listings have really increased because of it."

Tracking agents' marketing

Leibovitch says he employs three full-time designers who work on agents' materials, and each of

his 10 offices has a staffer who acts as the link between agents and the design team at the main office.

The print shop provides postcards for as little as six cents apiece, he says.

The print shop also helps Leibovitch keep an eye on his agents' prospecting activities. Rodeo Realty tracks which agents send how much, so Leibovitch can nag agents who are falling short of their marketing goals.

Fyrooz Elmehy, the manager of Rodeo's print shop, says she gets to know agents' goals and encourages them to put together sophisticated personal marketing campaigns. Rodeo schedules mailings and handles postage.

"We sit there with the agents and work with them on what they want," she says. "They don't have to go outside the company and deal with a print shop that is doing work for a lot of other companies."

Staying independent aids recruiting entrepreneurial agents

The unconventional tactic of launching a printing company is just one of the ways Rodeo has stayed independent while Cendant Corp. is gobbling up many of Leibovitch's competitors.

"Coldwell Banker bought all

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the big companies” in his market, Leibovitch says. “So really I’m the only bigger company that’s left.”

Leibovitch says he has been approached by the acquisition-minded Cendant, and he says the cost savings that accompany being part of a bigger company are appealing. For instance, he says, the Cendant affiliates he competes with get better rates on advertising than he does.

“It’s tempting to sell it,” he says. “But I’m only 45. What else am I going to do?”


Leibovitch started his company 20 years ago with just one agent. He now has 850 agents, and he says he has preferred growing by word of mouth rather than through aggressive recruiting.

“We don’t do much recruiting,” he says. “We wait for people to call us. I don’t even like recruiting. At some point, I feel like I’m begging somebody to come. I don’t need to be begging people to come work here.”

Still, Rodeo runs a real estate

school that provides a source of new recruits. And he says Rodeo’s status as a large independent company makes it easy to recruit salespeople who want to work for a locally owned agency.

“It’s just really hard to be independent,” he says. “But if these agents really want to be entrepreneurs, don’t they want to work for an entrepreneur?”

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