

AutoLaundry^{news}

Results From The Auto Laundry News **2018** AUTOMATIC SURVEY

The 2018 *Auto Laundry News* In-Bay Automatic Survey was conducted by mailing questionnaires to a random selection of subscribers who own and/or operate in-bay automatic car wash equipment. The information in this survey results from an analysis of data provided by respondents throughout the United States.

On occasion, for purposes of comparison, survey responses from sites with self-serve wand bays (sites with) and sites without this type of equipment (sites without) are tabulated separately. In the current survey, participating locations with self-serve wand bays make up 67 percent of the total response.

Wash Volume

Overall, 42 percent of participants report wash volume increases over the previous year. This represents a mere one percentage point increase over the proportion that reported progress last year and a continuation of the lackluster performance following five years of steady growth (one exception being 2014). The graphic on page 48 provides a six-year perspective. If there is a bright spot to be found in the results, it is the 21 percent who report declining volumes — an improvement over the 26 percent who experienced reversals last year.

Two years ago, sites without self-serve wand bays outperformed sites with by a wide margin, with 82 percent of the former reporting growth in wash volume, while only 52 percent of the latter managed to pull off a similar feat. In last year's survey, sites without and sites with recorded remarkably similar results, with 42 percent of the former and 38

percent of the latter reporting advances. In the current survey, the two categories have reversed their positions: with 45 percent reporting growth, sites with outperformed sites without, only 36 percent of which could report progress.

Respondent Profile

Tables 1 and 2 (below) offer year-by-year comparisons of operator experience levels and multiple site ownership.

Table 1
Length of Experience

| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---------------|------|------|------|------|------|------|
| Under 5 years | 9% | 15% | 7% | 13% | 9% | 9% |
| 5 - 10 years | 9% | 17% | 15% | 13% | 35% | 33% |
| 11 - 20 years | 35% | 31% | 37% | 44% | 18% | 29% |
| Over 20 years | 47% | 37% | 41% | 30% | 38% | 29% |

Table 2

| Site Ownership | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---------------------|------|------|------|------|------|------|
| Own 1 site | 60% | 65% | 51% | 58% | 61% | 53% |
| Own 2 sites | 15% | 13% | 25% | 22% | 17% | 33% |
| Own 3 sites | 7% | 2% | 12% | 9% | 15% | 10% |
| Own 4 or more sites | 18% | 20% | 12% | 11% | 7% | 4% |

Continued on Page 54

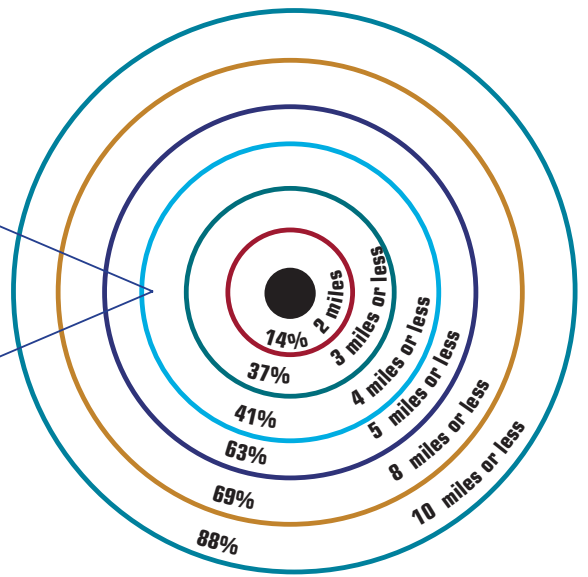
PERCENTAGE OF WASH BUSINESS DONE BY DAY OF WEEK

| | MON | TUES | WED | THURS | FRI | SAT | SUN |
|--|-----|------|-----|-------|-----|-----|-----|
| Pacific Alaska-California-Hawaii-Oregon-Washington | 13 | 14 | 14 | 14 | 13 | 17 | 15 |
| Mountain Arizona-Colorado-Idaho-Montana-Nevada- New Mexico-Utah-Wyoming | 14 | 12 | 12 | 13 | 16 | 17 | 16 |
| Midwest Iowa-Kansas-Minnesota-Missouri-Nebraska- North Dakota-South Dakota | 13 | 12 | 10 | 11 | 18 | 19 | 17 |
| Central Illinois-Indiana-Michigan-Ohio-Wisconsin | 13 | 10 | 10 | 9 | 16 | 25 | 17 |
| South Central Alabama-Arkansas-Kentucky-Louisiana- Mississippi-Oklahoma-Tennessee-Texas | 9 | 10 | 8 | 12 | 23 | 24 | 13 |
| Southeast Delaware-Florida-Georgia-Maryland Carolinas-Virginia-West Virginia | 12 | 8 | 9 | 11 | 16 | 25 | 20 |
| Mid-Atlantic New Jersey-New York-Pennsylvania | 9 | 8 | 8 | 11 | 13 | 37 | 14 |
| New England Connecticut-Maine-Massachusetts- New Hampshire-Rhode Island-Vermont | * | * | * | * | * | * | * |

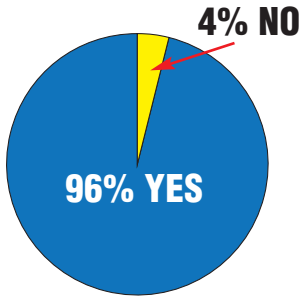
NOTE: Some results do not total 100 due to rounding. * Too Few Responses

SURVEY

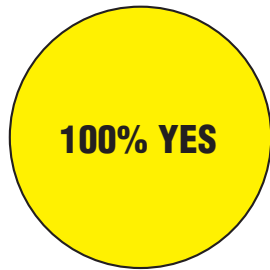
HOW FAR DO CUSTOMERS COME?
(Percent from within 2-mile radius, 3-mile radius, etc.)



OPEN 24 HOURS

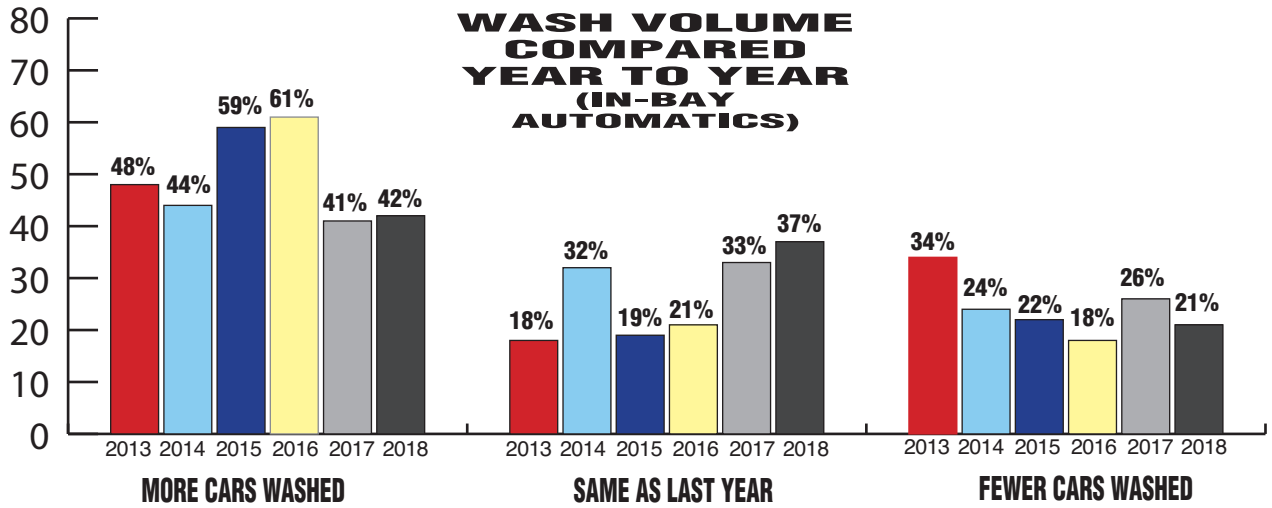


OPEN SUNDAYS



AVERAGE DAILY TRAFFIC COUNT AT BEST SITE

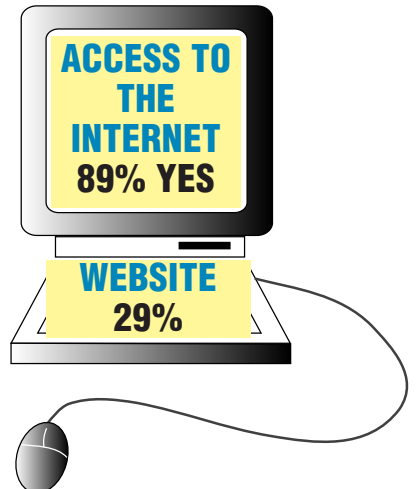
22,700



PERCENTAGE OF WASH BUSINESS DONE BY SEASON BY REGION

| | WINTER | SPRING | SUMMER | FALL |
|---------------|--------|--------|--------|------|
| Pacific | 20 | 23 | 38 | 20 |
| Mountain | 31 | 24 | 24 | 22 |
| Midwest | 30 | 29 | 20 | 21 |
| Central | 27 | 32 | 20 | 20 |
| South Central | 25 | 30 | 22 | 23 |
| Southeast | 33 | 25 | 25 | 17 |
| Mid-Atlantic | 33 | 30 | 20 | 17 |
| New England | * | * | * | * |

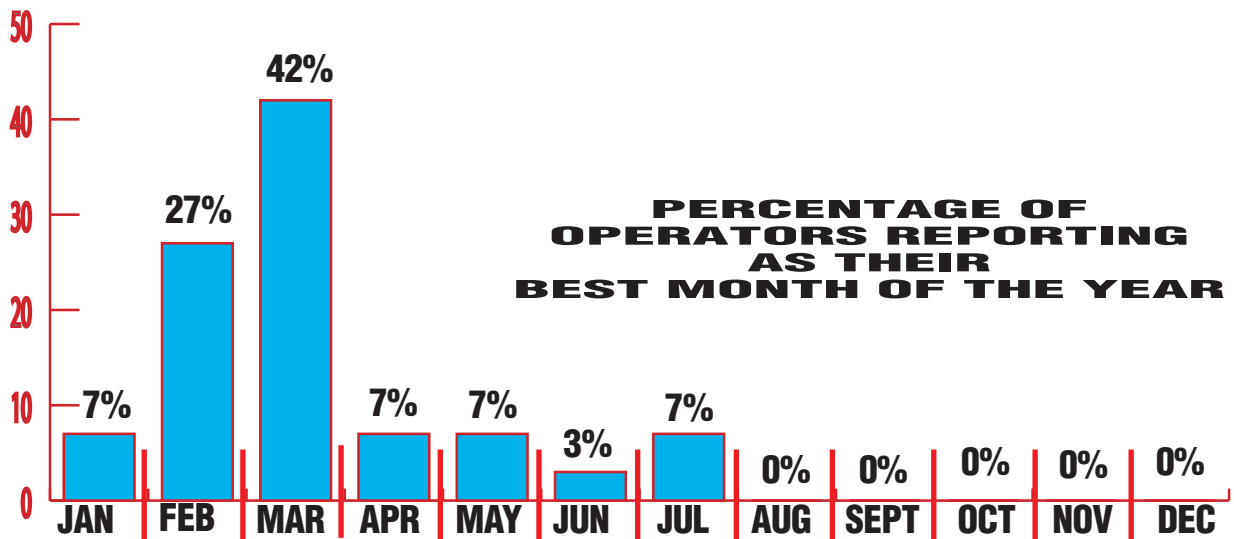
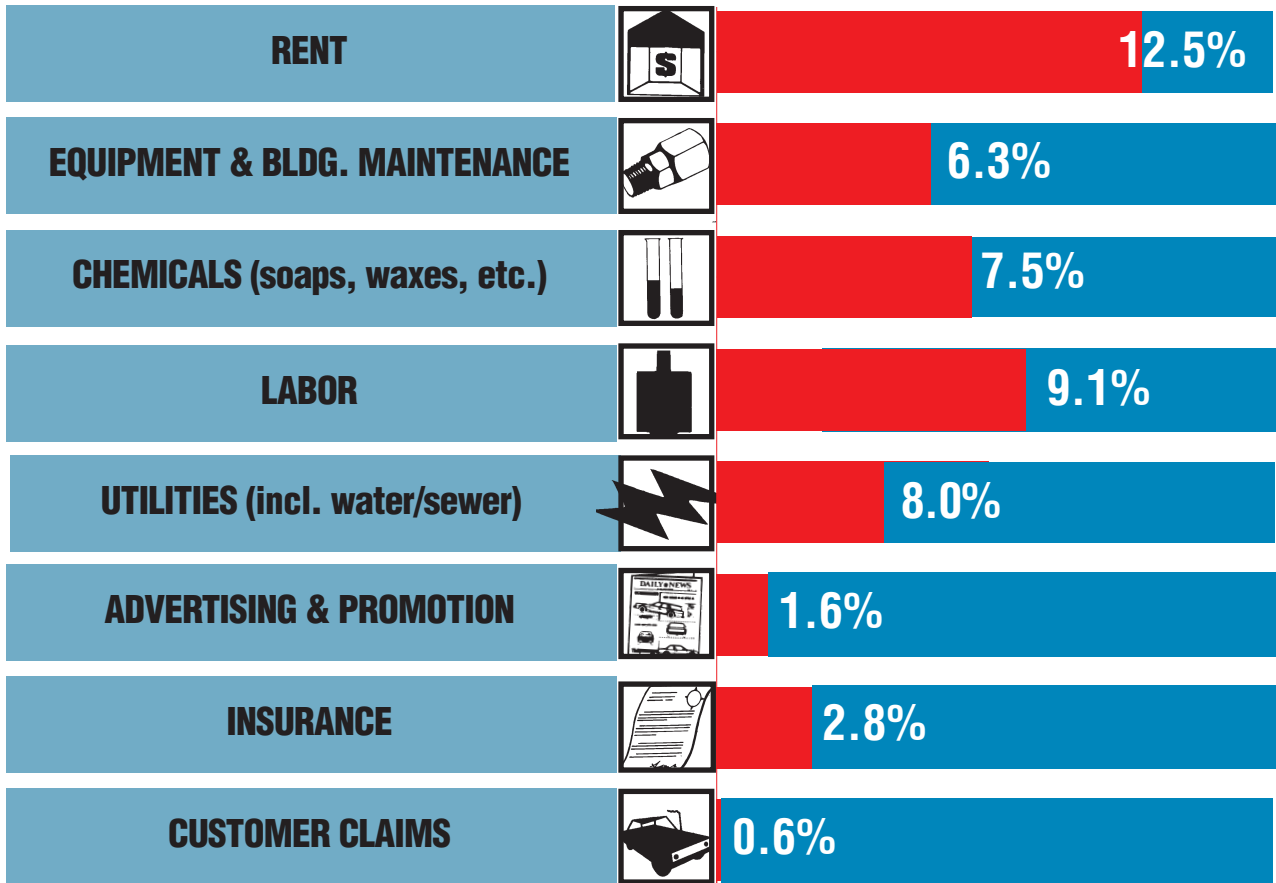
NOTE: Some results do not total 100 due to rounding. * Too Few Responses



COMPETING WASHES IN AREA OVERALL

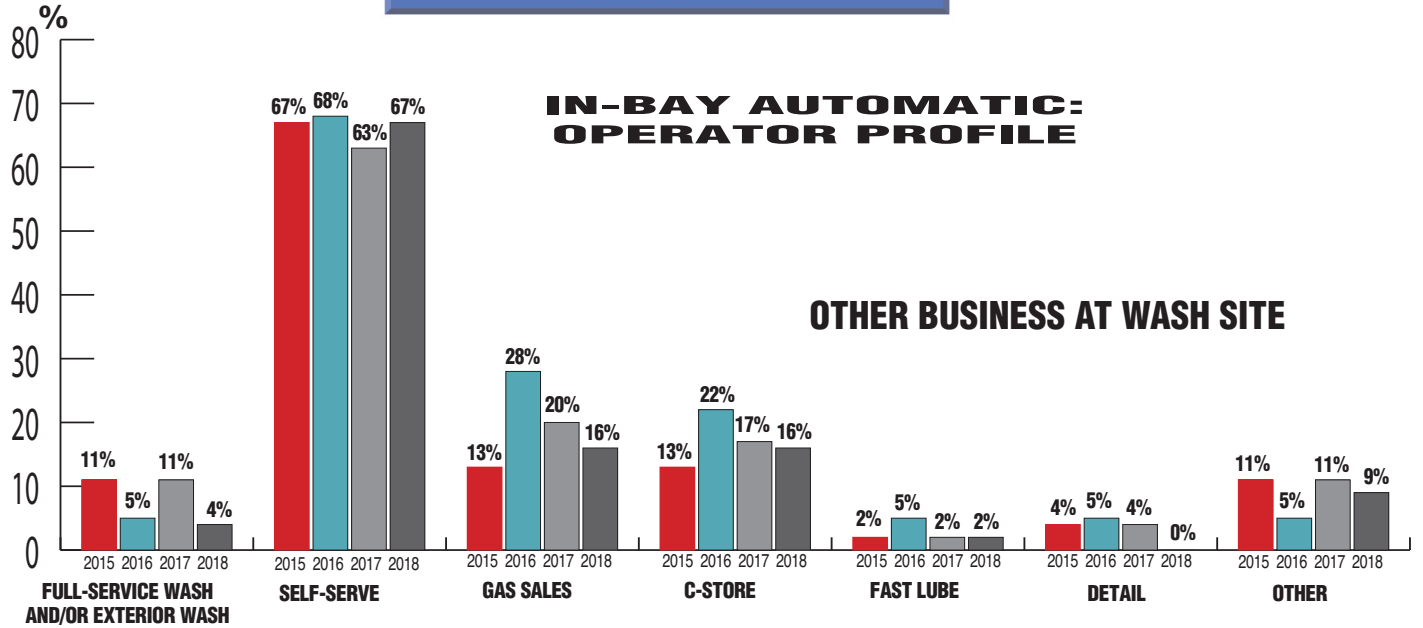
| NUMBER OF COMPETITORS | OPERATORS REPORTING |
|-----------------------|---------------------|
| 0 | 12% |
| 1 | 17% |
| 2 | 29% |
| 3 | 12% |
| 4 | 12% |
| 5 | 5% |
| MORE THAN 5 | 12% |

OPERATING COSTS (PER MONTH AS A PERCENTAGE OF TOTAL REVENUES)



SURVEY

IN-BAY AUTOMATIC: OPERATOR PROFILE

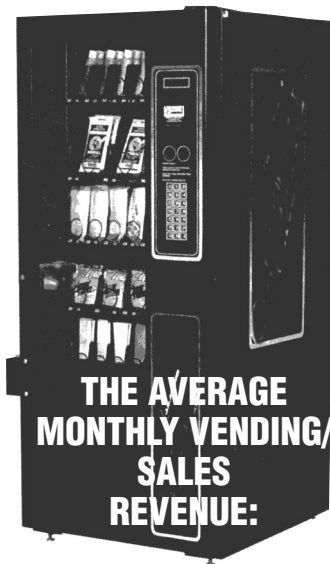
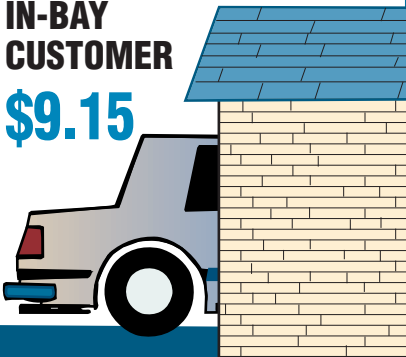


OTHER BUSINESS AT WASH SITE

LABOR COSTS

AUTOMATIC REVENUES

AVERAGE GROSS REVENUE PER IN-BAY CUSTOMER
\$9.15



THE AVERAGE MONTHLY VENDING SALES REVENUE:

\$286

AVG. WAGES PER HOUR PER EMPLOYEE

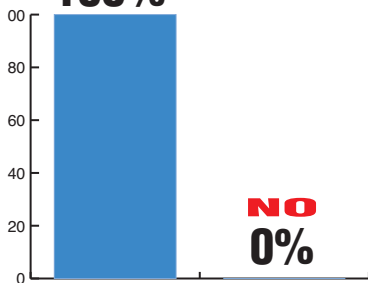


- 3% PAID MINIMUM WAGE
- 32% PAID MINIMUM WAGE to \$10 PER HOUR
- 21% PAID \$10.00 to \$12.00 PER HOUR
- 44% PAID OVER \$12.00 PER HOUR

DRYING CYCLE OFFERED

AVERAGE DRYING CYCLE PRICE \$1.00

YES 100%



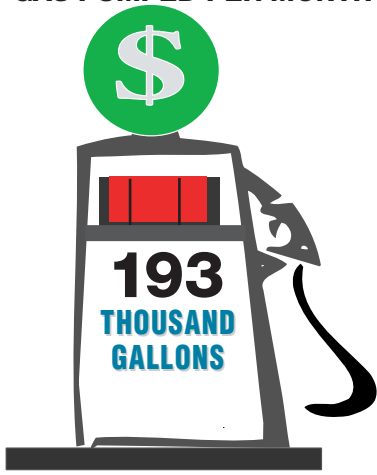
NO 0%

CUSTOMERS PURCHASING DRYING CYCLE

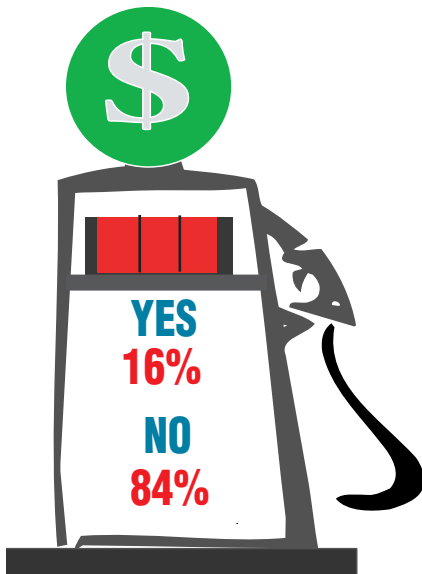
Operators Reporting

| | |
|-----------|-----|
| UNDER 10% | 2% |
| 11%-25% | 0% |
| 26%-40% | 2% |
| 41%-55% | 2% |
| 56%-70% | 20% |
| OVER 70% | 74% |

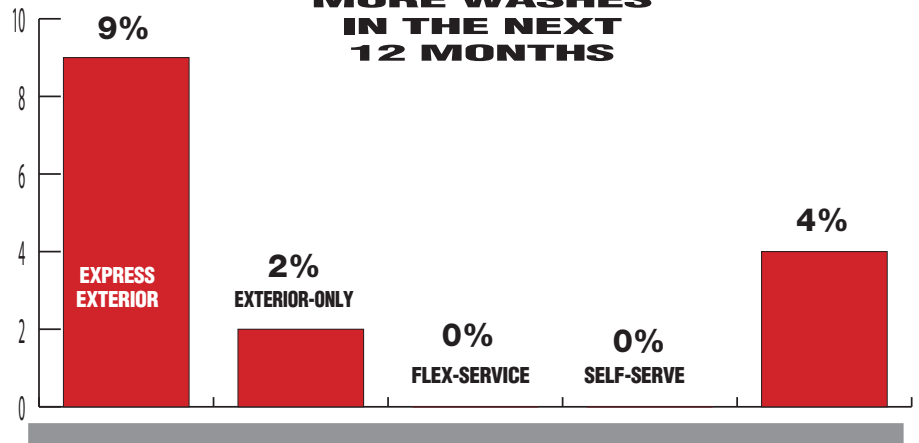
AVERAGE GALLONS OF GAS PUMPED PER MONTH



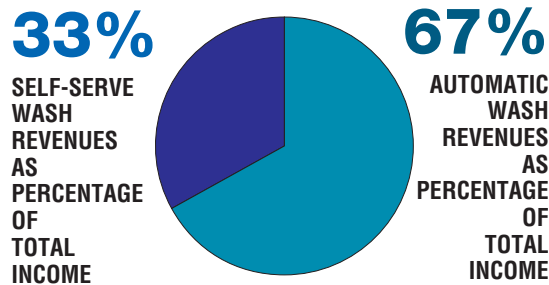
OPERATORS SELLING GASOLINE



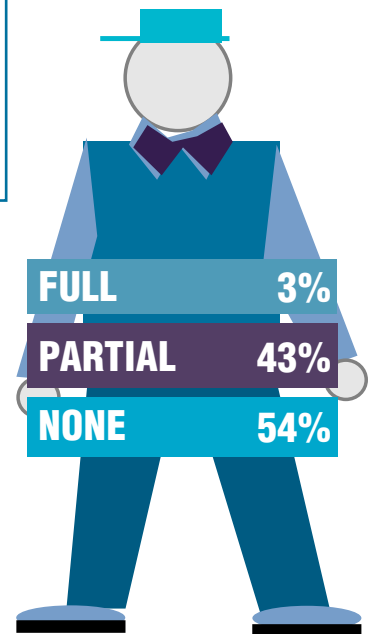
OPERATORS WHO PLAN TO BUILD MORE WASHES IN THE NEXT 12 MONTHS



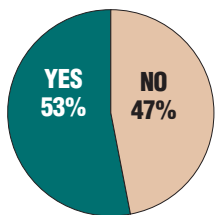
RESPONDENTS WHO OPERATE A COMBINED AUTOMATIC/SELF-SERVICE FACILITY



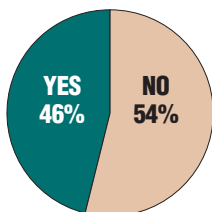
EMPLOYEE UNIFORMS



EXPRESS EXTERIOR

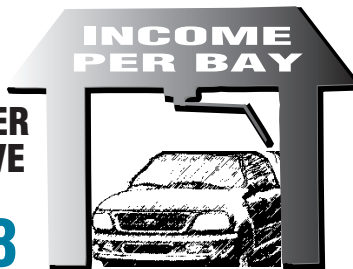


Present in Market Area

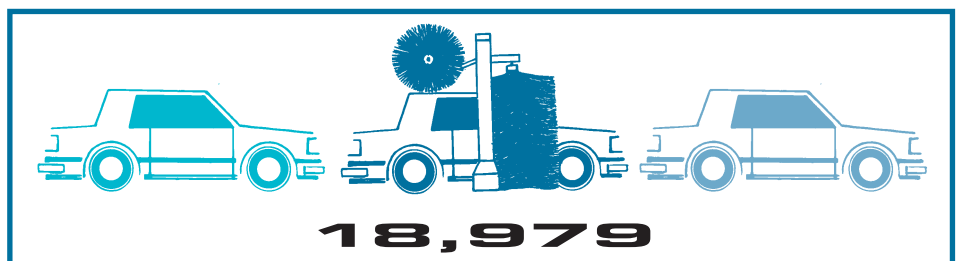


Has Hurt Business

AVERAGE MONTHLY GROSS INCOME PER SELF-SERVE BAY
\$1,958



AVERAGE NUMBER OF CARS WASHED ANNUALLY PER AUTOMATIC



SURVEY

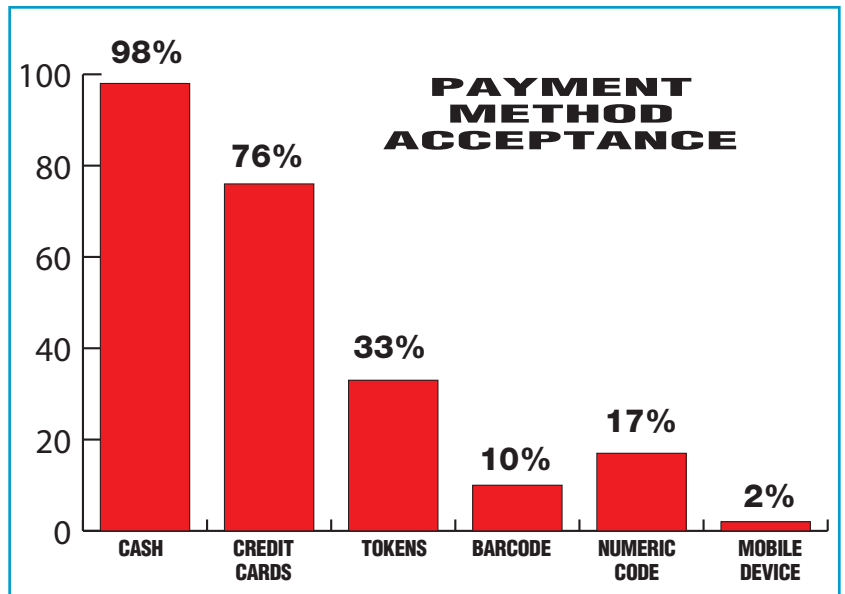
Continued from Page 47

Equipment

Over the past three years, there has been a small but steady decline in the percentage of respondents employing friction equipment: from 27 percent to 23 percent to 22 percent in the current survey. There has been a corresponding increase in the use of touch-free equipment: 67 percent to 69 percent to 72 percent in this year's survey. The balance is represented by hybrid equipment. With regard to friction, a more marked decline can be seen in the use of cloth wash material versus foam over the same period: 33 percent to 15 percent to 8 percent.

Future

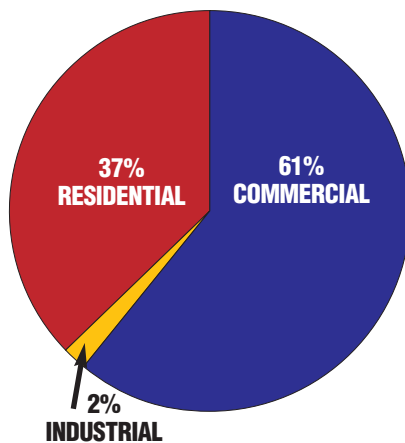
Overall, 27 percent of respondents are planning to purchase new equipment in the next 12 months, up from 26 percent last year. At 40 percent, sites without are twice as likely as sites with to do some shopping. The graphic, below, offers details of the current shopping list. Sixteen percent of respondents have plans to build a new wash during the next 12 months, 60 percent of which involve express exteriors and 27 percent in-bay automatics.



CONVEYOR REVENUES

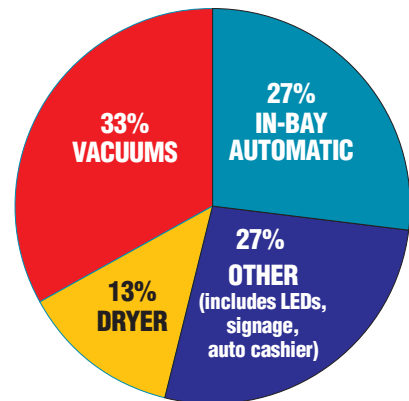


NATURE OF WASH LOCATION



PLANNED EQUIPMENT PURCHASES

(AS A PERCENTAGE OF EQUIPMENT TOTAL)



EQUIPMENT

