

Results from the Auto Laundry News

Fast-Lube Survey

2013

Results from the **Auto Laundry News** 2013 Fast-Lube Survey

The 2013 *Auto Laundry News* Lube Survey was conducted through a mailing of questionnaires to fast-lube owners/operators selected at random from our subscriber list as well as certain proprietary lists. The information presented in this report results from an analysis of data provided by 81 respondents throughout the United States.

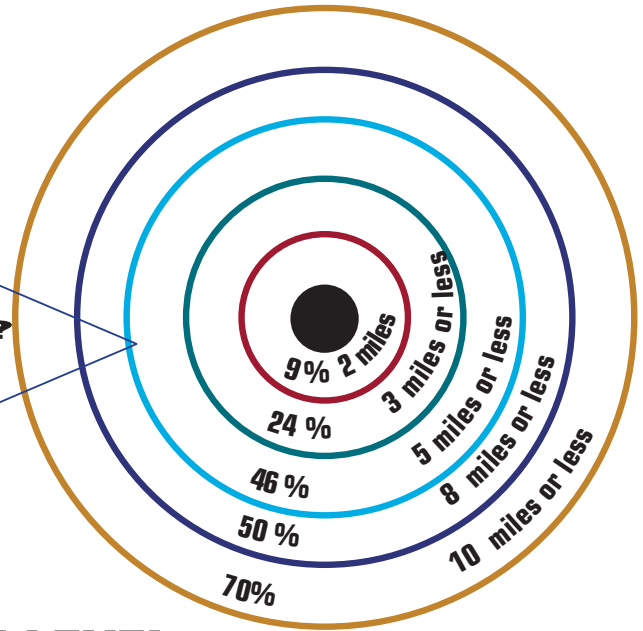
The survey response pool consists of freestanding lube facilities (“lubers”), combined car wash/lube operations (“car washers”), combined auto repair/lube businesses (“repairmen”), and lube centers run in conjunction with businesses other than a car wash or auto repair shop (“others”). The number of responses from others was too small to justify a separate tabulation. Lubers constitute 26 percent of the current survey participants, car washers account for 48 percent, repairmen make up a further 22 percent, while others represent 4 percent of the total. Table 1 provides a six-year perspective.

CATEGORIES

- **FREESTANDING LUBE**
- **LUBE/CAR WASH**
- **LUBE/AUTO REPAIR**

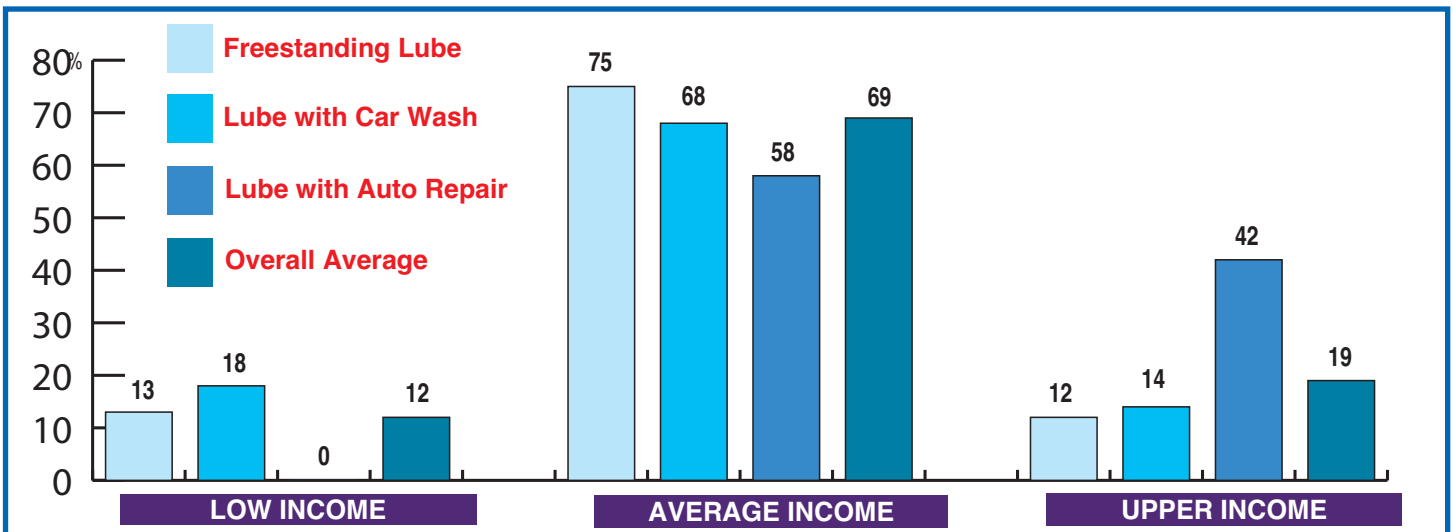
Table 1

Operator Type	2006	2007	2008	2009	2010	2011	2012
Freestanding Lube	39%	21%	22%	20%	18%	26%	26%
Combined Car Wash/Lube	35%	68%	66%	62%	57%	57%	48%
Combined Auto Repair/Lube	17%	11%	12%	14%	18%	15%	22%
Other	9%	—	—	4%	7%	2%	4%



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

SITE LOCATION BY AREA INCOME LEVEL



SURVEY

Car Counts

Overall, 29 percent of survey respondents report servicing more cars than in the previous year. While this is not a good number by any measure, it is a slight improvement over the 25 percent who reported progress in the previous survey. As was the case last year, car washers are having a particularly difficult time, with only 16 percent of respondents in this category reporting higher car counts,

underperforming even last year's puny performance, when a mere 19 percent were able to report improvements. Lubers, on the other hand, have made a dramatic turnaround from last year: 50 percent report increased car counts in the current survey; only 27 percent were able to do so the previous year. Repairmen are holding their own; 44 percent report servicing more cars than in the previous year — one percentage point up from last year.

AVERAGE DAILY TRAFFIC COUNT

FREESTANDING LUBE
20,700

LUBE WITH CAR WASH
26,700

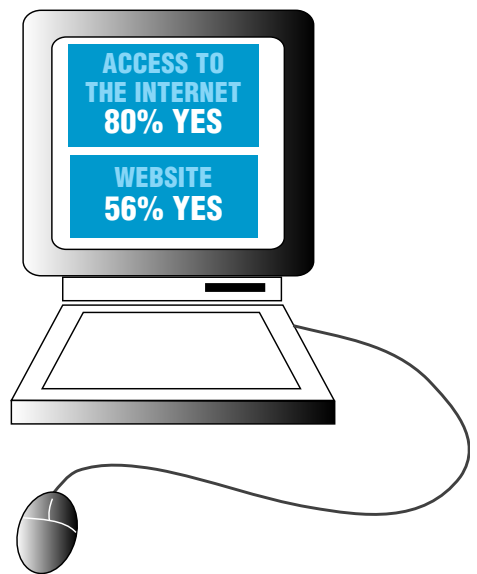
LUBE WITH AUTO REPAIR
17,200

Single vs. Multiple Sites Category

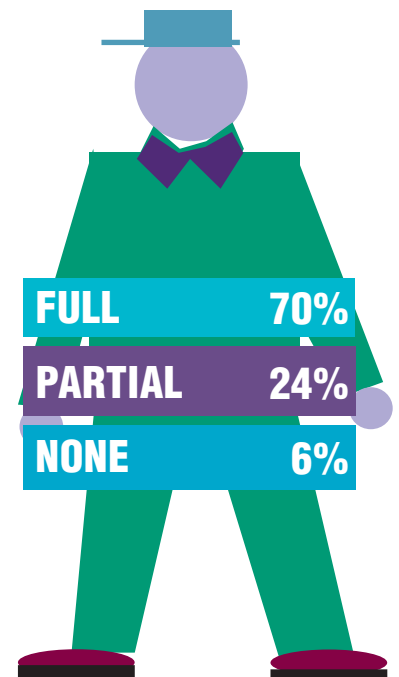
Category	Single Site				Multiple Sites			
	2009	2010	2011	2012	2009	2010	2011	2012
Freestanding Lube	62%	80%	50%	71%	38%	20%	50%	29%
Combined Car Wash/Lube	66%	76%	74%	58%	34%	24%	26%	42%
Combined Auto Repair/Lube	100%	70%	71%	100%	0%	30%	29%	0%

COMMON FAST-LUBE SERVICE OFFERINGS

SERVICE	%OFFERING	AVERAGE PRICE
STANDARD MULTI-POINT FAST LUBE/OIL CHANGE	100	\$36.82
SYNTHETIC OIL CHANGE	91	\$70.31
RE-REFINED OIL CHANGE	13	\$41.96
TRANSMISSION FLUID DRAIN/FLUSH	89	\$107.60
BRAKE FLUID DRAIN/FLUSH	17	\$69.58
POWER STEERING FLUID DRAIN/FLUSH	48	\$59.82
DIFFERENTIAL FLUID DRAIN/FLUSH	76	\$43.84
RADIATOR FLUSH/FILL	76	\$79.29
FUEL-INJECTION CLEANING	63	\$58.46
WHEEL ROTATION	59	\$20.62
AIR-CONDITIONING SERVICE	24	\$89.12
STATE INSPECTION	35	



EMPLOYEE UNIFORMS



Forty-two percent of respondents, overall, report servicing fewer cars than in the previous year, slightly down from the 45 percent who reported reversals last year. Car washers, again, fare the poorest, with 52 percent reporting declining car counts. By this measure, repairmen report the best performance: only 22 percent experienced reversals, a number that compares well with the 43 percent who reported such adversity last year.

Revenues

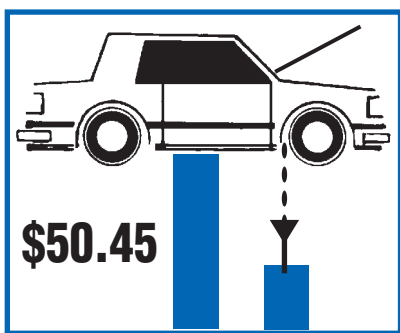
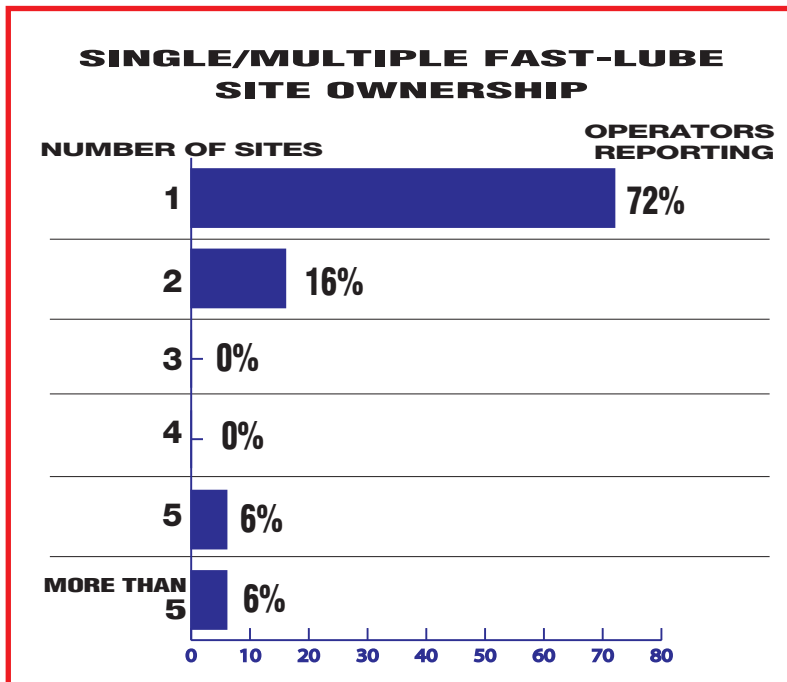
Respondents to the current survey, overall, report a ticket average of \$50.45, representing hardly any movement from the \$50.10 reported last year. For the individual groups, however, the results have been thoroughly scrambled: Last year, lubers led the pack with a ticket average of \$56.19. This year they fill the bottom slot with a reported \$45.61 ticket average. Car washers, who were dead last in the previous survey with an average of \$46.52, this year occupy the middle ground, reporting a \$51.57 ticket average. Repairmen recorded the highest average: \$55.69 (\$52.10 last year).

For the second year running, respondents, overall, report a small increase in the price of a standard multi-point fast lube/oil change. The current survey records an overall price of \$36.82, up from \$35.25 last year and \$33.92 the year before that. Here, lubers lead the way, reporting a \$37.81 price point (\$36.04 last year). Car washers maintain their second position with a posted \$36.89 (\$35.77 last year). Repairmen follow closely with a reported \$35.36 (\$32.58 last year).

Future

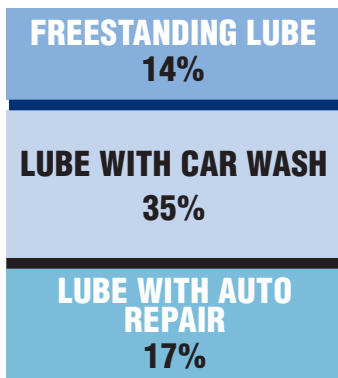
In last year's survey, we could not find a single luber looking to expand in the 12 months following. This year, 14

percent of our luber respondents are considering either buying or building a fast lube facility in the next 12 months. Car Washers are more adventurous — 38 percent are planning to expand their holdings, divided up as follows: 46 percent exterior car washes, 36 percent fast lube facilities, and 18 percent in-bay automatic carwashes. Overall, 22 percent of survey participants are planning expansions. 📺

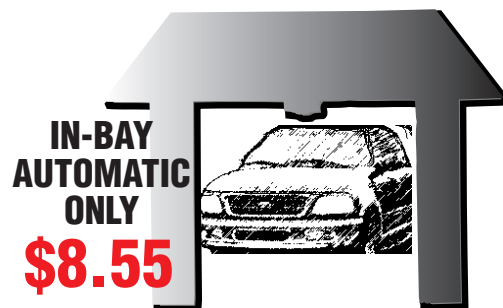


FAST-LUBE REVENUE AVERAGE GROSS PER CAR

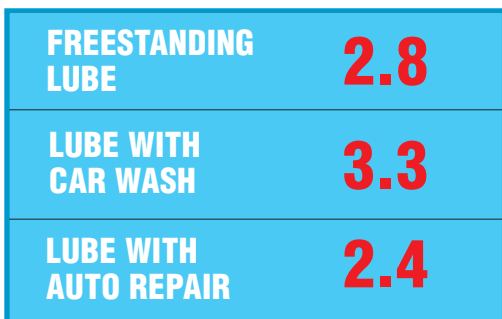
OPERATE A SPECIALLY-DESIGNED IMPULSE SALES AREA



AVERAGE GROSS REVENUE PER CAR

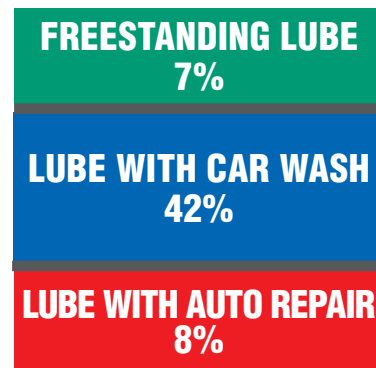


AVERAGE NUMBER OF LUBE BAYS PER LOCATION



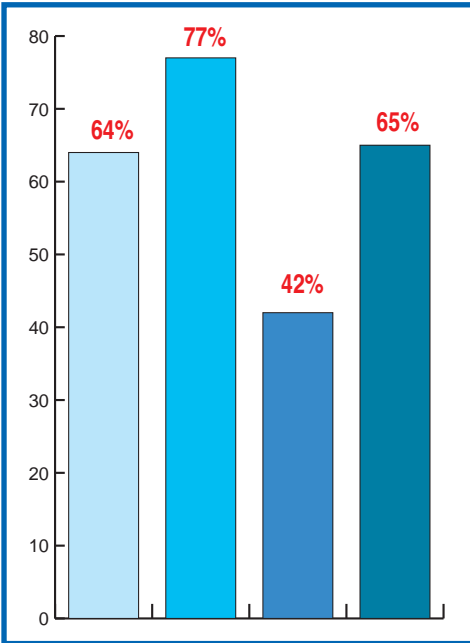
AVERAGE GROSS CAR WASH REVENUE PER CUSTOMER

OPEN SUNDAYS

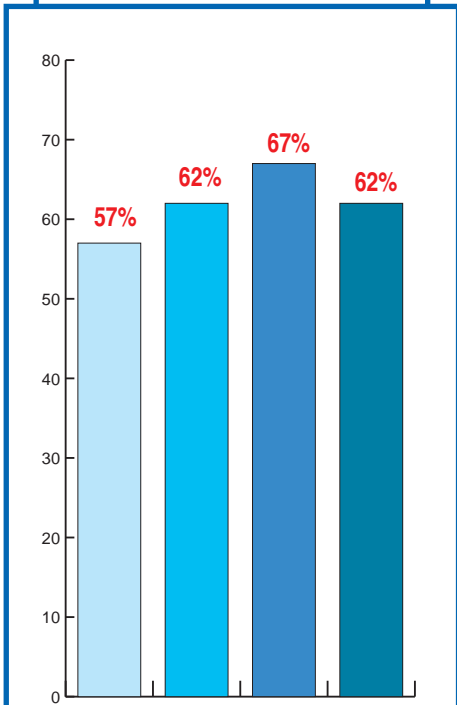


SURVEY

OPERATORS REPORTING COMPETITION DISCOUNTING

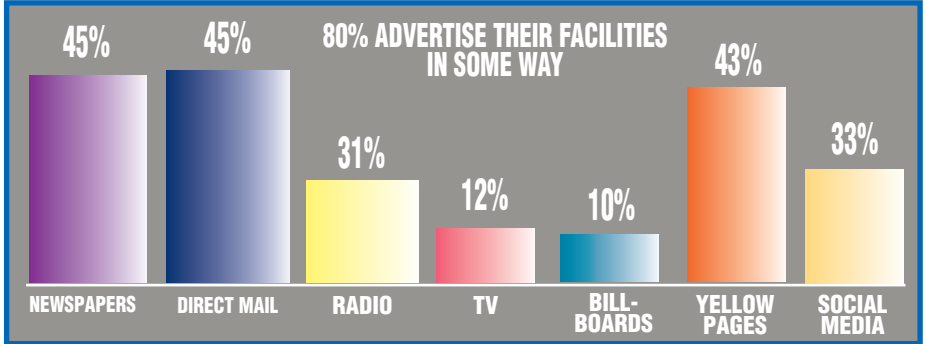


- Freestanding Lube
- Lube with Car Wash
- Lube with Auto Repair
- Average

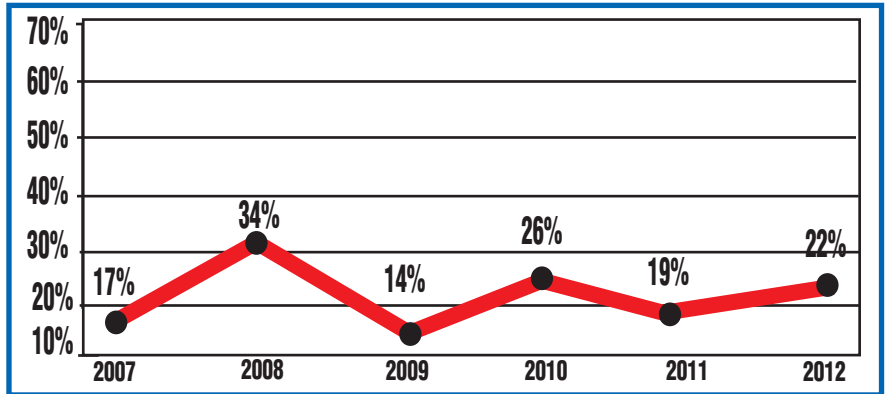


OPERATORS REPORTING OWN DISCOUNTING

ADVERTISING & PROMOTION



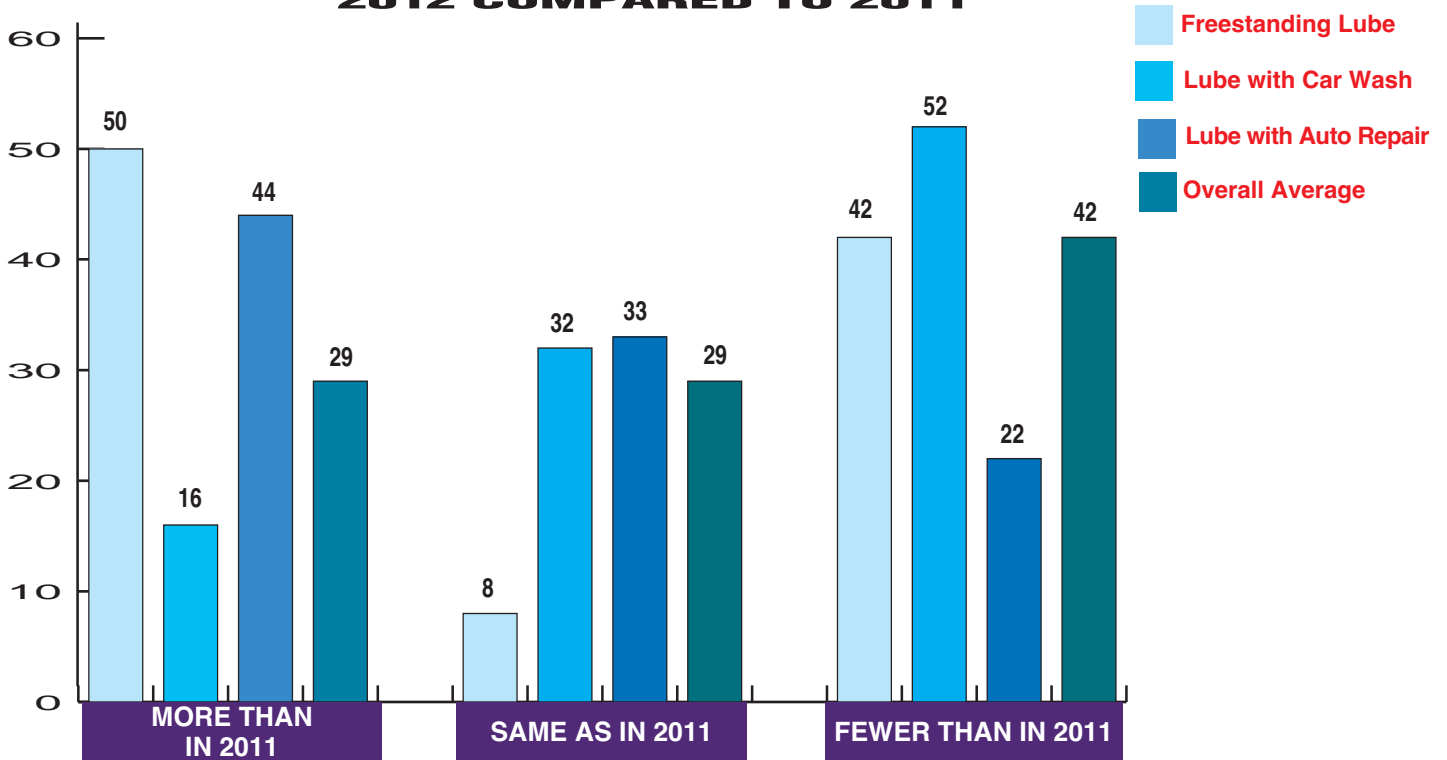
PERCENTAGE OF RESPONDENTS PLANNING EXPANSION - 2007-2012



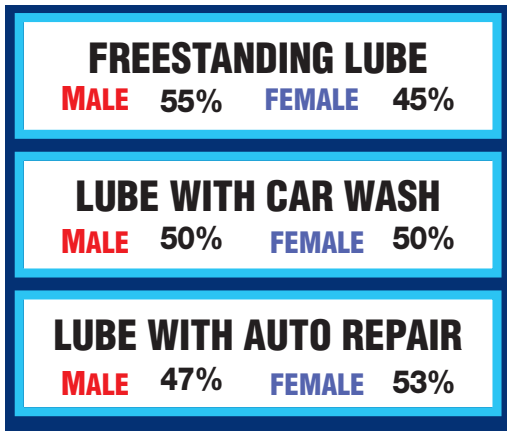
OPERATING EXPENSES (LUBE ONLY) AS PERCENTAGE OF MONTHLY LUBE REVENUES

RENT	9.0
MATERIALS <small>(i.e. Engine Fluids, Filters, etc.)</small>	34.9
FACILITY MAINTENANCE	2.2
LABOR	25.8
UTILITIES	2.5
INSURANCE	3.2
CUSTOMER CLAIMS	0.7
ADVERTISING/PROMOTIONS	3.4

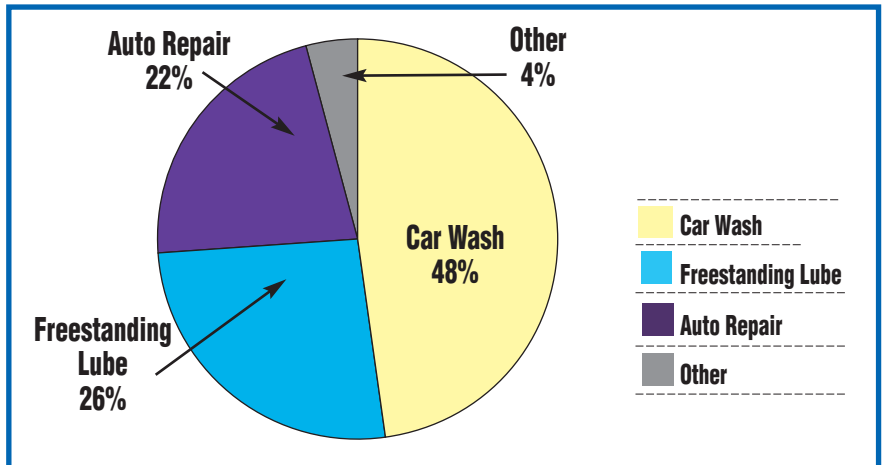
NUMBER OF FAST LUBES/OIL CHANGES 2012 COMPARED TO 2011



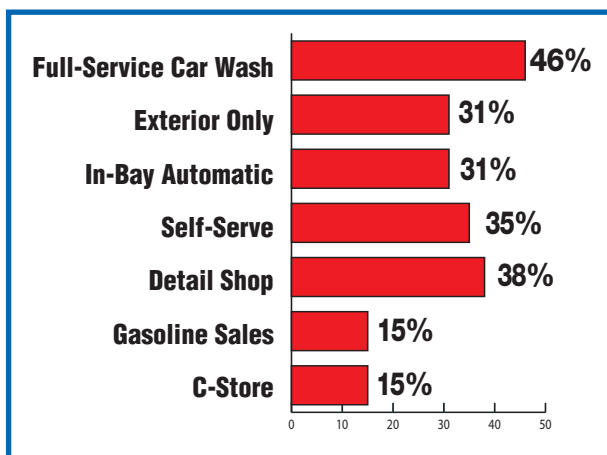
CUSTOMER GENDER



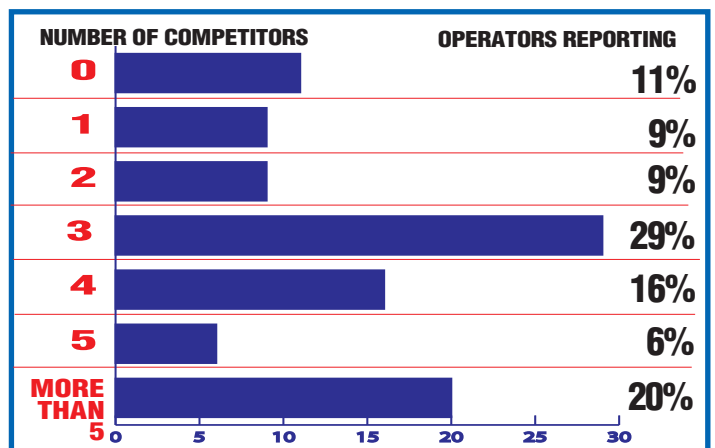
MAJOR BUSINESS CATEGORIES



LUBE/CAR WASH COMBO PROFILE



COMPETING FAST LUBES IN AREA



SURVEY


AVERAGE NUMBER OF CARS WASHED BY BEST LOCATION PER YEAR

Full Service	39,192
Exterior only	71,219
In-Bay Automatic	11,405

LUBE-PROGRAM/FRANCHISE PARTICIPANTS

FREESTANDING	14%
LUBE WITH CAR WASH	35%
LUBE WITH AUTO REPAIR	42%

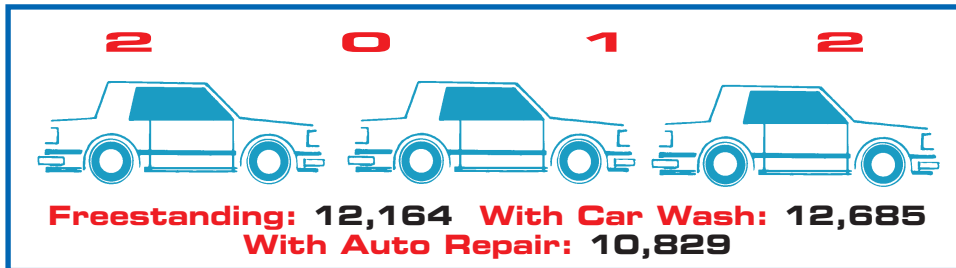
LABOR COSTS



AVG. WAGE PER HOUR PER EMPLOYEE

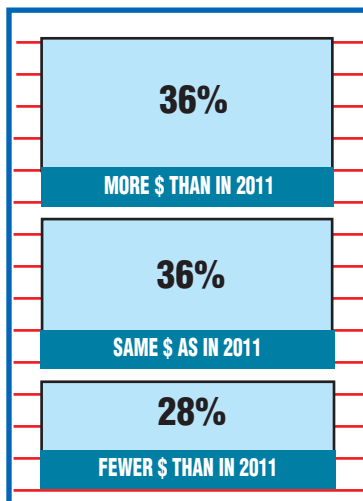
- 10% PAID MINIMUM WAGE to \$8.00 PER HOUR**
- 54% PAID \$8.00 to \$10.00 PER HOUR**
- 36% PAID OVER \$10.00 PER HOUR**

AVERAGE NUMBER OF FAST LUBES/OIL CHANGES PER LOCATION FOR THE YEAR



CAR WASH CUSTOMERS WHO PURCHASE FAST-LUBE SERVICES

2012 INCOME COMPARED TO PREVIOUS YEAR



% Customers

% Washes Reporting

