AutoLaundry news

Results From The Auto Laundry News

2011 AUTOMATIC SURVEY

The 2011 *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 120 locations throughout the continental United States.

Wash Volume

The report on wash volumes remains virtually unchanged compared to last year's survey. Overall, 49 percent of survey respondents report having washed fewer cars than in the previous year. This compares to 50 percent who reported reversals last year. Declining volumes again affect the entire industry segment, but this year there is a measurable disparity between the performance reported by in-bay automatics attached to a larger car wash location and those located at c-store, gas-station, or fast-lube sites. Of the former, 53 percent report declining volumes, while only 30 percent of the later report lower numbers. The percentage of respondents, overall, who report increased wash volumes compared to one year ago stands at 31 percent (32 percent last year). Also by this measure, in-bays at c-store/gas-station/fast-lube locations do better than those at larger car wash sites: 50 percent compared to 27 percent.

Respondent Profile

Tables 1 (below) and 2, (page 46), offer year-by-year comparisons of operator experience levels and multiple site ownership.

Table 1

Length of Experience	2011	2010	2009	2008	2007	2006
Under 5 years	12%	18%	29%	22%	22%	24%
5 - 10 years	26%	33%	21%	29%	27%	23%
11 - 20 years	34%	21%	27%	24%	25%	29%
Over 20 years	28%	28%	23%	25%	26%	24%

Continued on Page 46

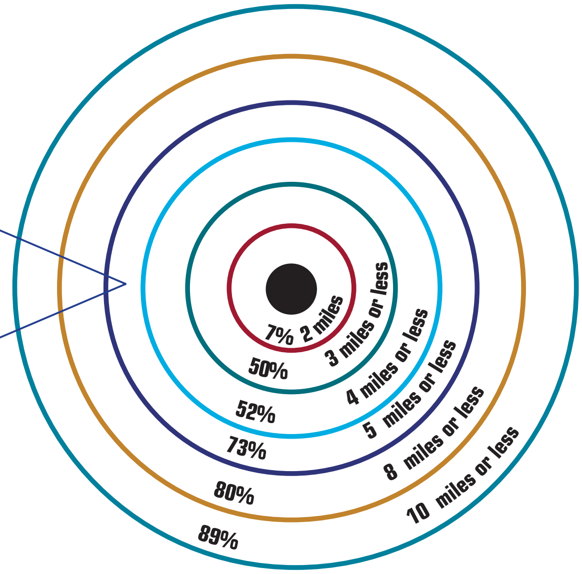
PERCENTAGE OF WASH BUSINESS DONE BY DAY OF WEEK

	MON	TUES	WED	THURS	FRI	SAT	SUN
Pacific Alaska-California-Hawaii-Oregon-Washington	12	11	9	12	15	22	19
Mountain Arizona-Colorado-Idaho-Montana-Nevada-New Mexico-Utah-Wyoming	10	15	15	15	20	15	10
Midwest Iowa-Kansas-Minnesota-Missouri-Nebraska-North Dakota-South Dakota	9	10	10	12	23	21	15
Central Illinois-Indiana-Michigan-Ohio-Wisconsin	9	9	10	13	22	23	14
South Central Alabama-Arkansas-Kentucky-Louisiana-Mississippi-Oklahoma-Tennessee-Texas	12	9	11	13	20	20	15
Southeast Delaware-Florida-Georgia-Maryland Carolinas-Virginia-West Virginia	9	8	10	14	19	23	17
Mid-Atlantic New Jersey-New York-Pennsylvania	12	10	10	14	17	25	12
New England Connecticut-Maine-Massachusetts-New Hampshire-Rhode Island-Vermont	*	*	*	*	*	*	*

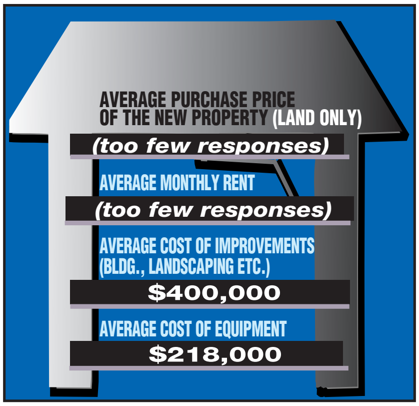
* Too Few Responses

HOW FAR DO CUSTOMERS COME?

(Percent from within 2-mile radius, 3-mile radius, etc.)

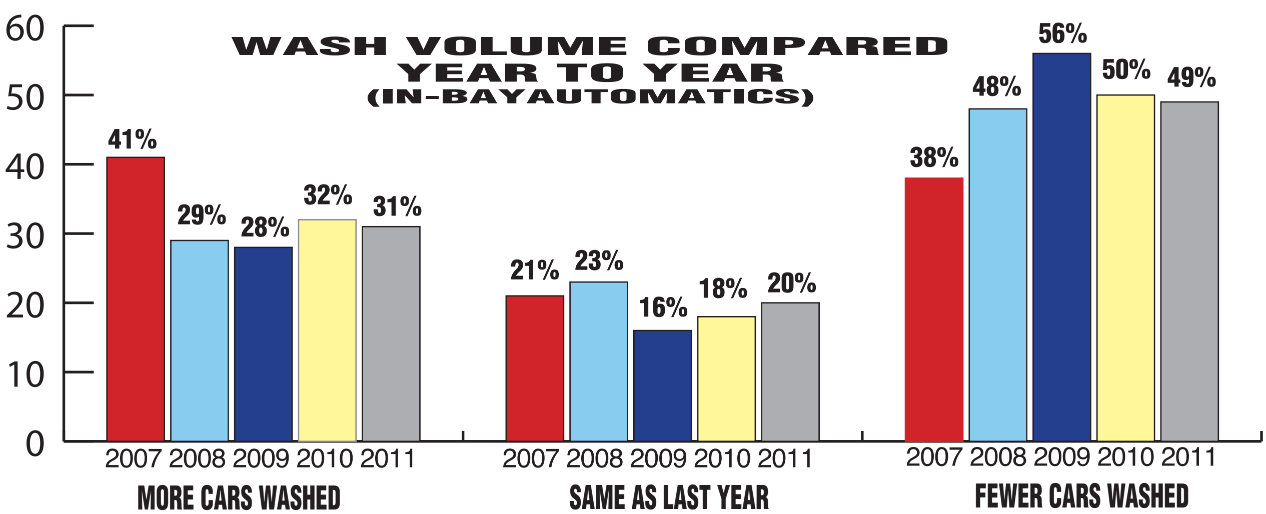


NEW WASH BUILT WITHIN THE PAST YEAR



AVERAGE DAILY TRAFFIC COUNT AT BEST SITE

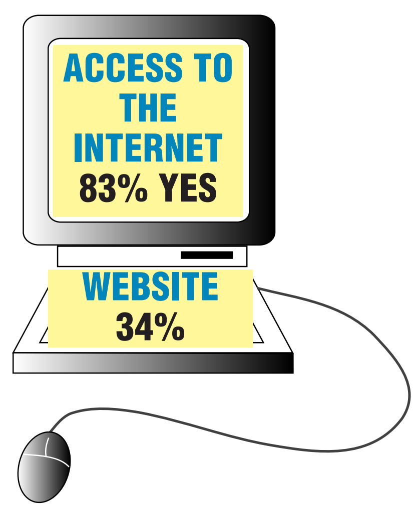
24,273



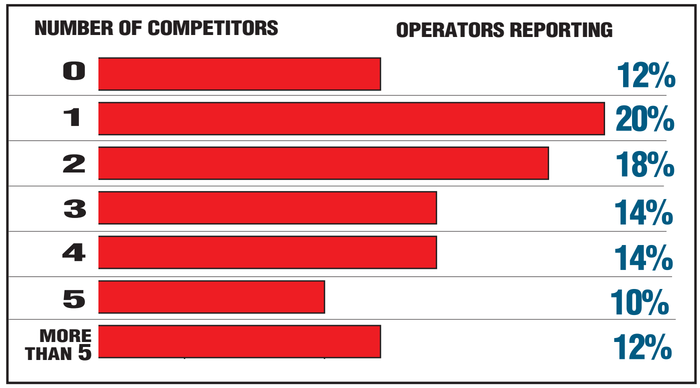
PERCENTAGE OF WASH BUSINESS DONE BY SEASON BY REGION

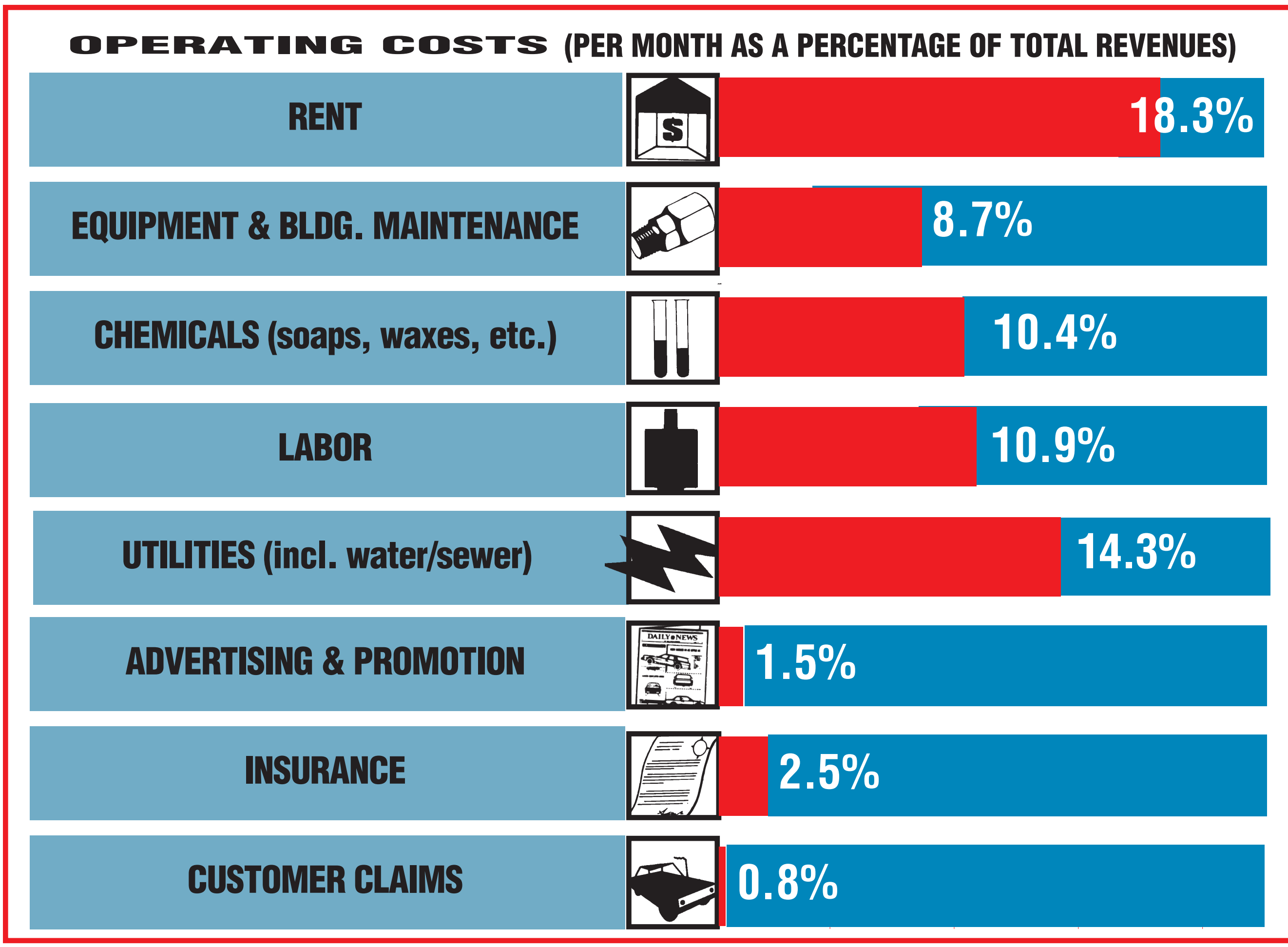
	WINTER	SPRING	SUMMER	FALL
Pacific	17	23	41	19
Mountain	29	22	27	22
Midwest	35	23	25	17
Central	38	26	19	17
South Central	26	33	17	24
Southeast	33	30	16	21
Mid-Atlantic	42	24	17	17
New England	*	*	*	*

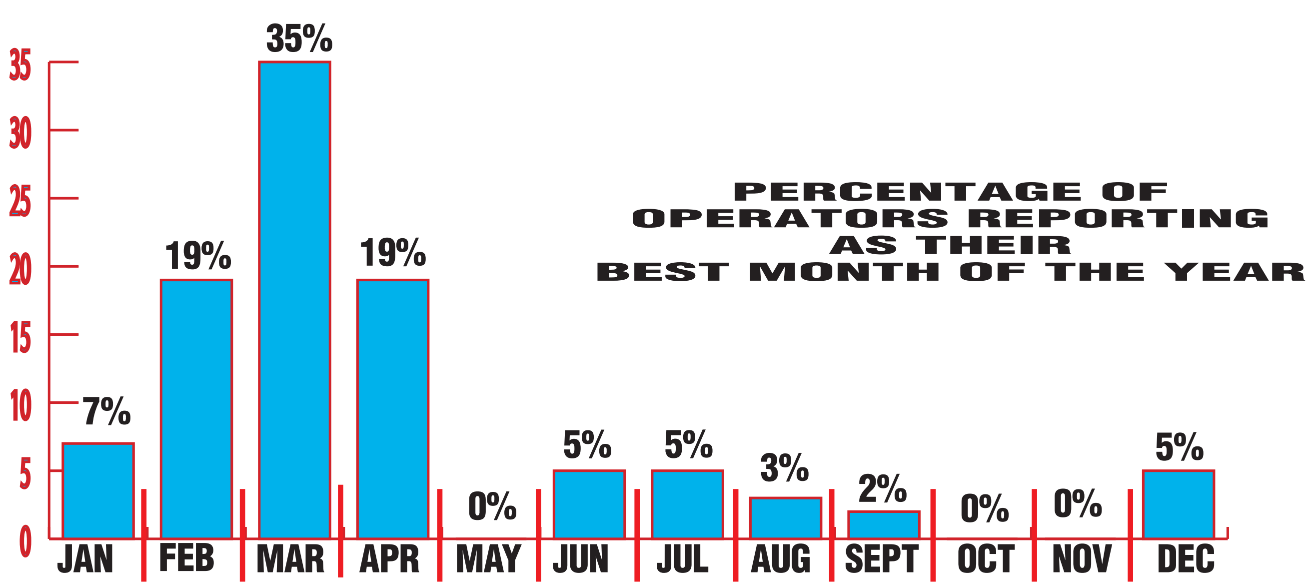
* Too Few Responses



COMPETING WASHES IN AREA OVERALL

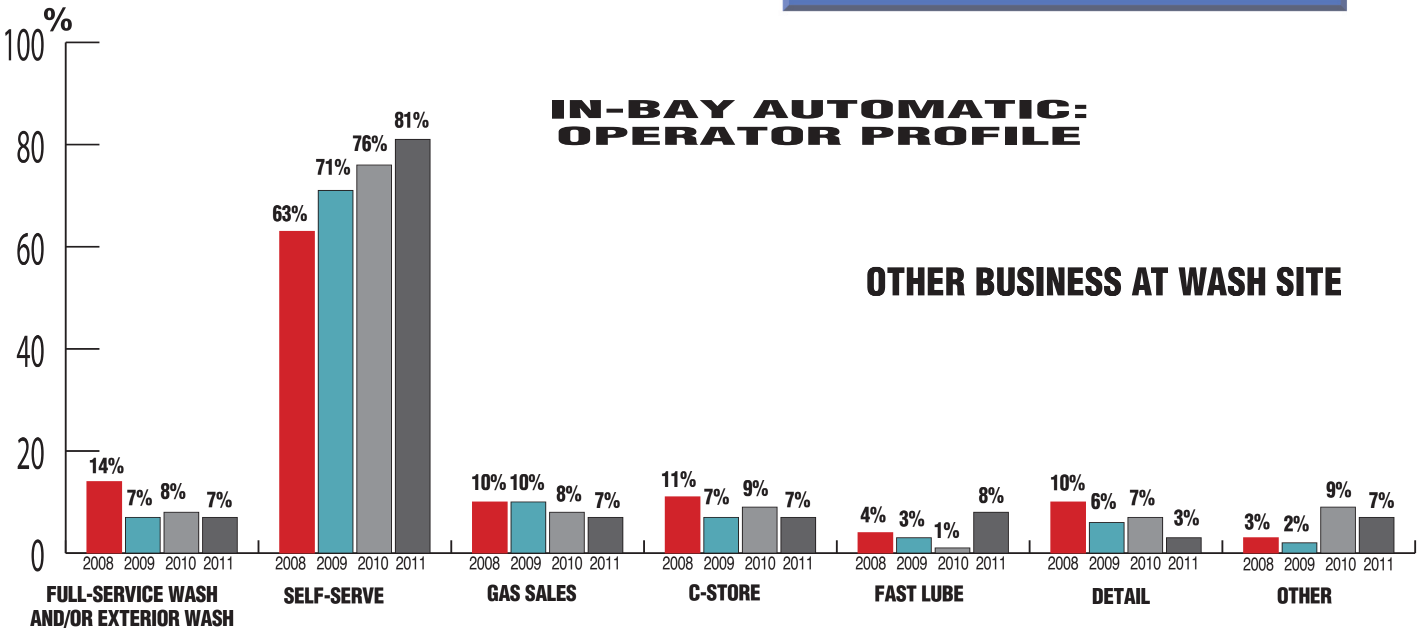




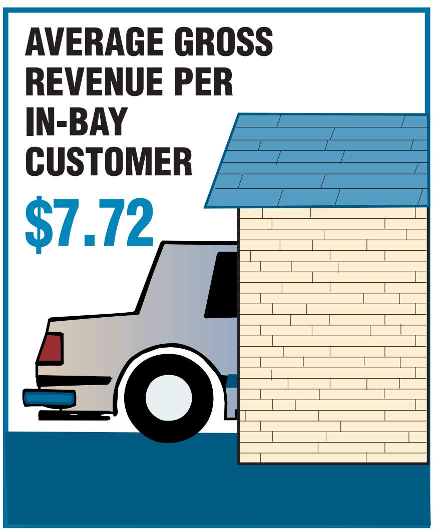


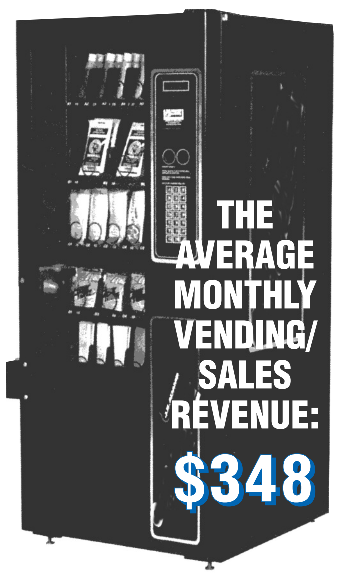
IN-BAY AUTOMATIC: OPERATOR PROFILE

OTHER BUSINESS AT WASH SITE

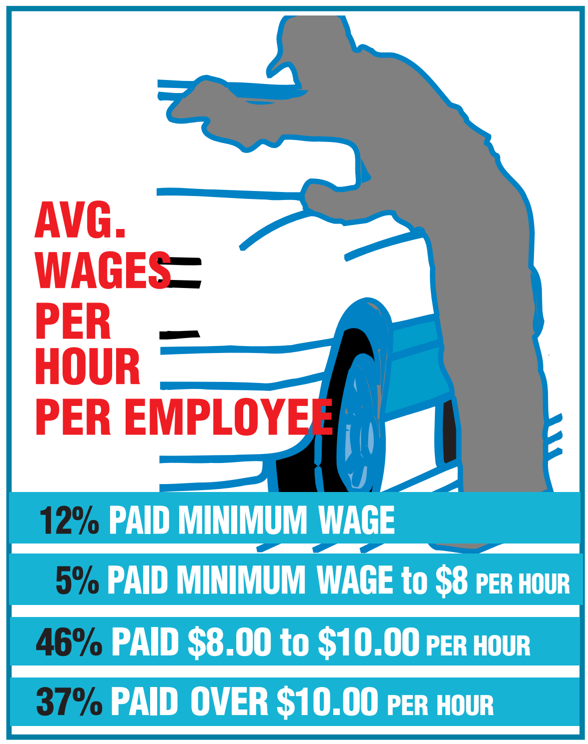


AUTOMATIC REVENUES

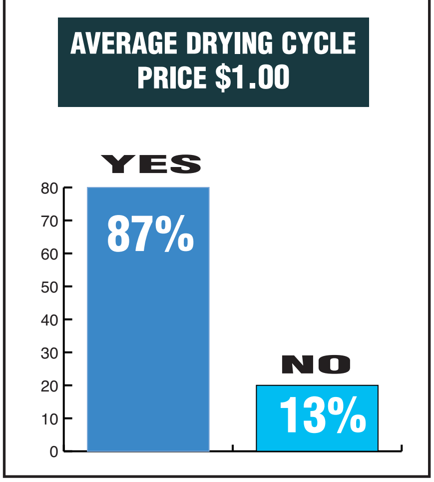




LABOR COSTS

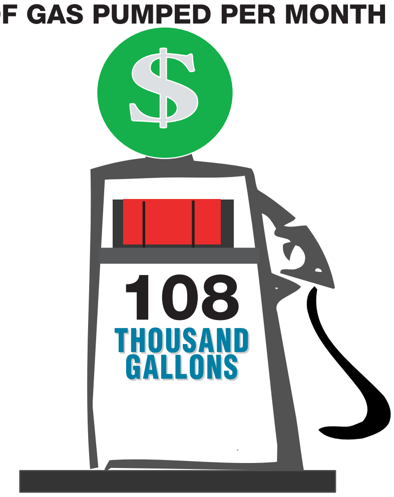


DRYING CYCLE OFFERED

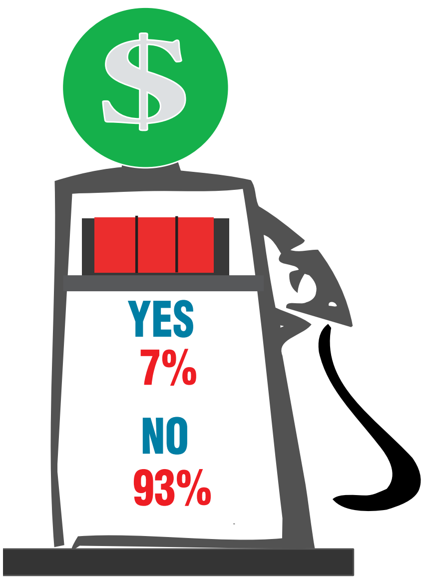


CUSTOMERS PURCHASING DRYING CYCLE	Operators Reporting
UNDER 10%	0%
11%-25%	2%
26%-40%	2%
41%-55%	5%
56%-70%	22%
OVER 70%	69%

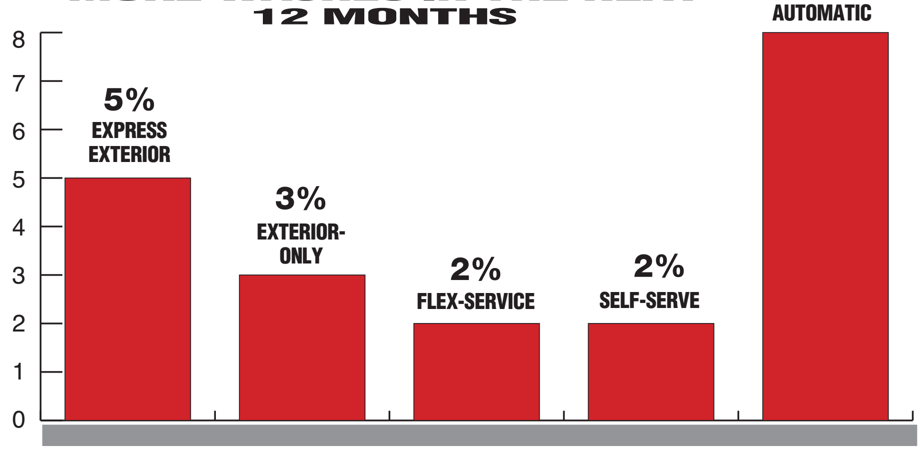
AVERAGE GALLONS OF GAS PUMPED PER MONTH



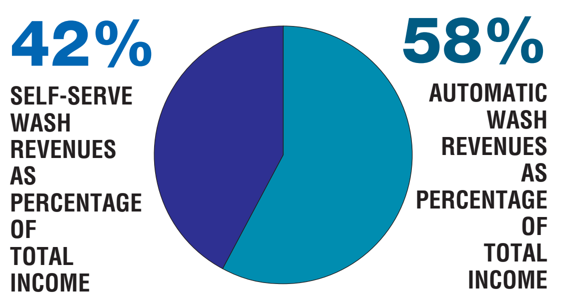
OPERATORS SELLING GASOLINE



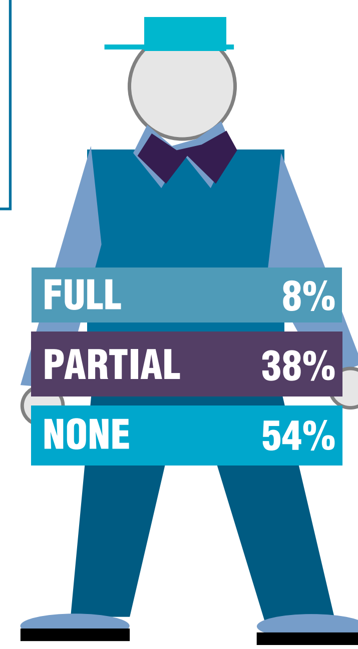
OPERATORS WHO PLAN TO BUILD MORE WASHES IN THE NEXT 12 MONTHS



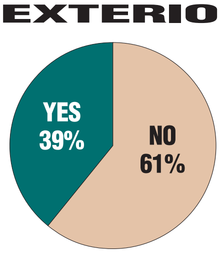
RESPONDENTS WHO OPERATE A COMBINED AUTOMATIC/ SELF-SERVICE FACILITY



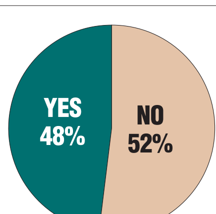
EMPLOYEE UNIFORMS



EXPRESS EXTERIOR



Present in Market Area



Has Hurt Business

AVERAGE MONTHLY GROSS INCOME PER SELF-SERVE BAY

$1,709

AVERAGE NUMBER OF CARS WASHED ANNUALLY PER AUTOMATIC

17,076

Continued from Page 39

Table 2

Site Ownership	2011	2010	2009	2008	2007	2006
Own 1 site	56%	70%	68%	54%	54%	59%
Own 2 sites	20%	14%	19%	22%	19%	19%
Own 3 sites	7%	4%	5%	9%	10%	10%
Own 4 or more sites	17%	12%	8%	15%	17%	12%

Equipment

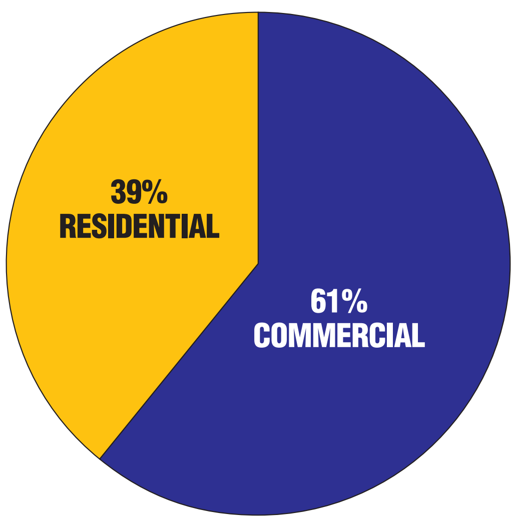
The roughly 20/80 split between friction and touch-free equipment seen in years past persists. Sixteen percent of respondents report employing friction equipment (down from 19 percent last year and from 24 percent the year before that); 82 percent of survey participants report using touch-free equipment, a marginal increase of 2 percentage points over last year's figure. Hybrids make up the remaining 2 percent. Foam wash material is on a constant growth path: 77 percent of the friction washes employ foam — a step up from 72 percent last year and 67 percent the year before that. In the current survey, 23 percent of friction washes use cloth wash material. As was the case last year, 87 percent of respondents, overall, have dryers with their in-bay automatic equipment.

Future

Respondents are more encouraged about the future than they have been since 2007. In the current survey, 17 percent plan to build or expand — up from 11 percent last year and 14 percent the year prior. In-bay automatics again top the list of the expansion-minded (50 percent), followed by express exteriors (30 percent), and exterior-only sites (20 percent). Self-serves and flex-serves complete the picture at 10 percent each (this totals to more than 100 as some operators plan on building multiple wash formats).

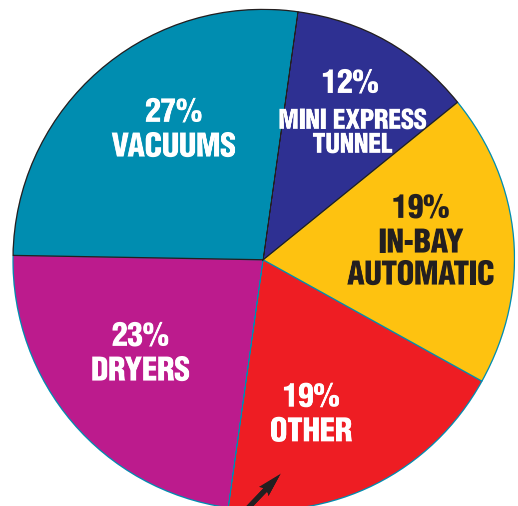
CONVEYOR REVENUES

NATURE OF WASH LOCATION



PLANNED EQUIPMENT PURCHASES

(AS A PERCENTAGE OF EQUIPMENT TOTAL)



OTHER INCLUDES: CREDIT CARD ACCEPTANCE RECLAIM • RFID

EQUIPMENT