Results From The Auto Laundry News 2016 AUTOMATIC SURVEY

The 2016 *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 68 percent of the total response.

Wash Volume

With 59 percent of last year's survey respondents reporting greater wash volume compared to the previous year, 2015 marked the first time since 2002 that a majority of participants experienced such advances. The current survey does it one better with 61 percent of respondents, overall, reporting growth in volume. There has also been a mostly steady decline in the proportion of survey respondents reporting diminishing wash volumes, hitting the 18 percent mark in the current survey — the smallest number in 15 years.

Sites without self-serve wand bays outperformed sites with by a wide margin, an impressive 82 percent of the former reporting growth in wash volume, while only 52 percent of the latter managed to pull off a similar feat. Likewise, 9 percent of sites without experienced declines in volume compared to 22 percent of sites with that saw reversals.

Revenue

While the growth in wash volume reflected in the survey is encouraging, the results related to per-car revenue are a little less so. The steady increase from year to year in this number takes a step back this year, albeit a small step. Overall, respondents report an average in-bay automatic ticket of $8.69. This compares to the $8.96 reported last year. With average per-car revenue of $8.91, sites with outperformed sites without who recorded an average of $8.24.

At sites with, in-bay automatics, as always, come out ahead of self-serve bays in the revenue split, enjoying a 64 percent share.

Respondent Profile

Tables 1 (below) and 2 (page 50) offer year-by-year comparisons of operator experience levels and multiple site ownership.

Table 1

Length of Experience	2016	2015	2014	2013	2012	2011
Under 5 years	7%	13%	9%	9%	12%	12%
5 - 10 years	15%	13%	35%	33%	24%	26%
11 - 20 years	37%	44%	18%	29%	29%	34%
Over 20 years	41%	30%	38%	29%	35%	28%

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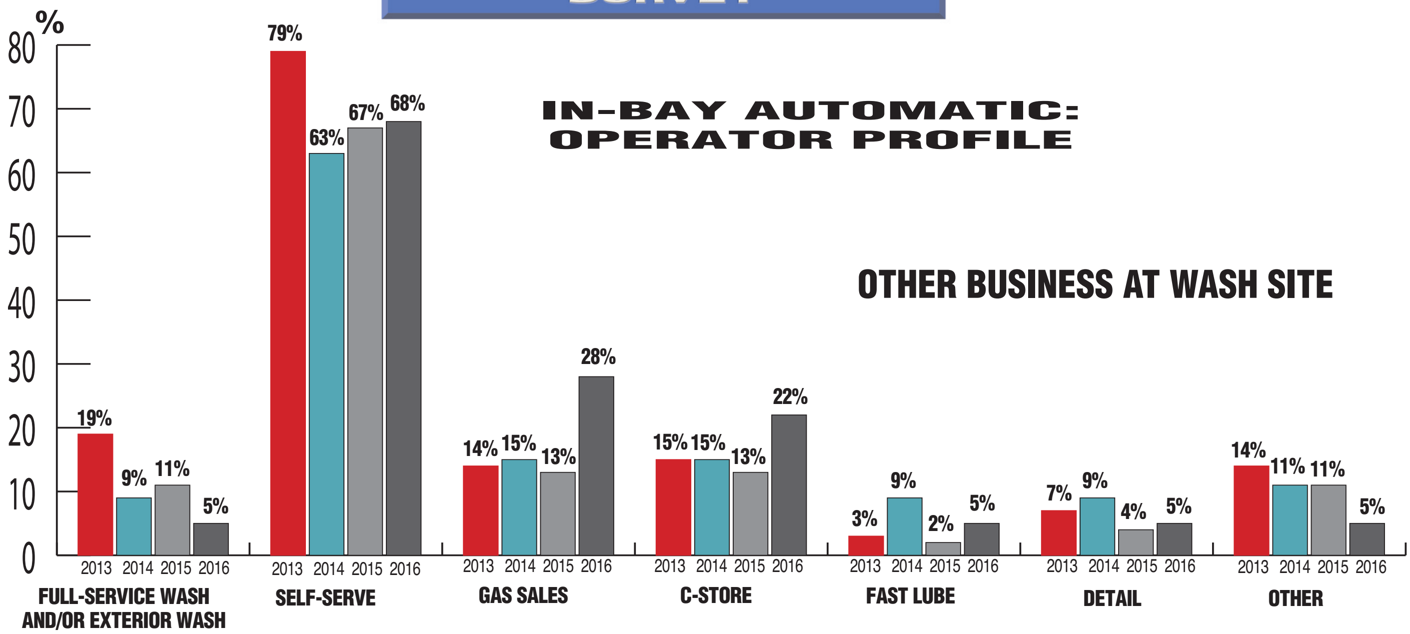
PERCENTAGE OF WASH BUSINESS DONE BY DAY OF WEEK

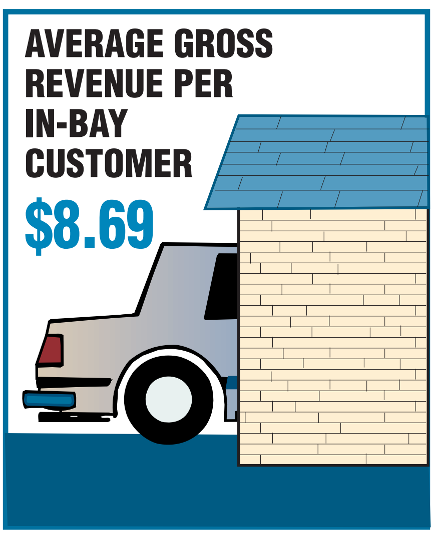
	MON	TUES	WED	THURS	FRI	SAT	SUN
Pacific Alaska-California-Hawaii-Oregon-Washington	9	9	11	12	20	20	19
Mountain Arizona-Colorado-Idaho-Montana-Nevada-New Mexico-Utah-Wyoming	*	*	*	*	*	*	*
Midwest Iowa-Kansas-Minnesota-Missouri-Nebraska-North Dakota-South Dakota	10	8	8	12	20	22	20
Central Illinois-Indiana-Michigan-Ohio-Wisconsin	8	7	9	12	21	24	19
South Central Alabama-Arkansas-Kentucky-Louisiana-Mississippi-Oklahoma-Tennessee-Texas	12	7	8	10	22	28	13
Southeast Delaware-Florida-Georgia-Maryland Carolinas-Virginia-West Virginia	11	8	9	10	21	24	17
Mid-Atlantic New Jersey-New York-Pennsylvania	5	6	6	6	21	33	23
New England Connecticut-Maine-Massachusetts-New Hampshire-Rhode Island-Vermont	15	5	5	15	20	20	20

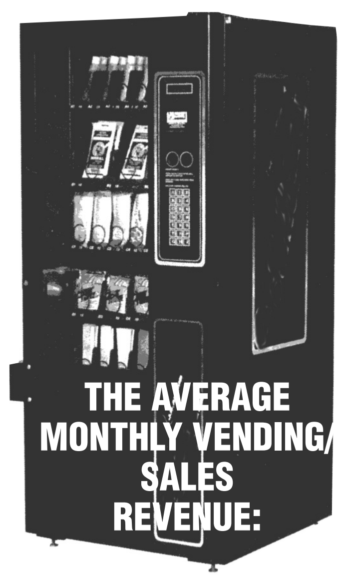
* Too few responses

IN-BAY AUTOMATIC: OPERATOR PROFILE



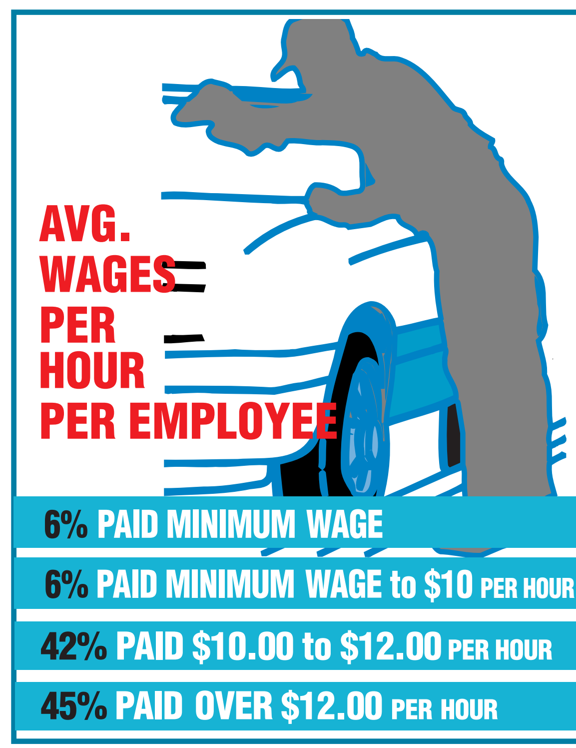
AUTOMATIC REVENUES





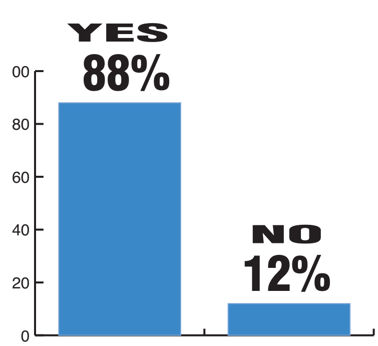
$462

LABOR COSTS



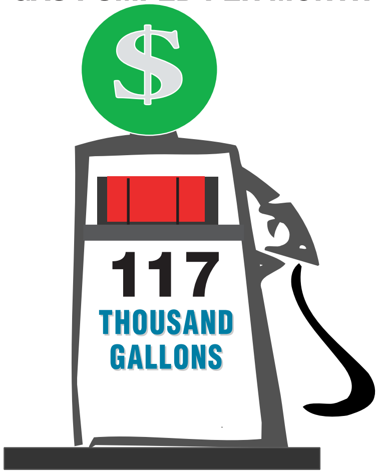
DRYING CYCLE OFFERED

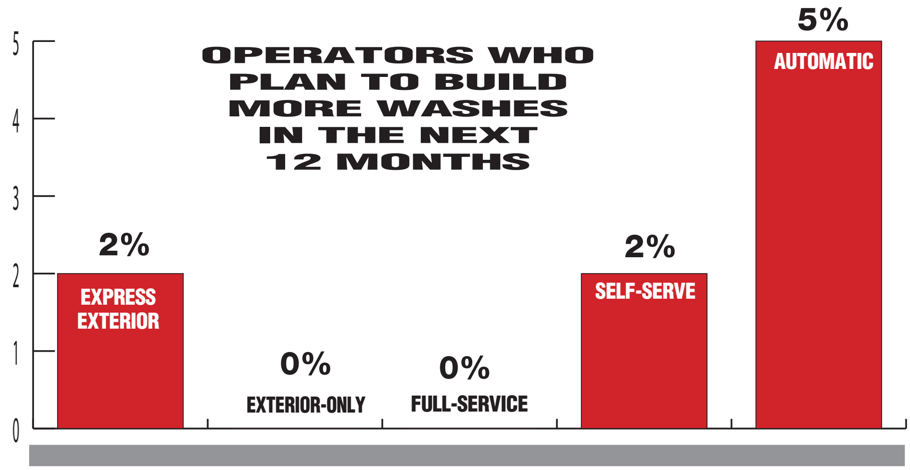
AVERAGE DRYING CYCLE PRICE $1.00



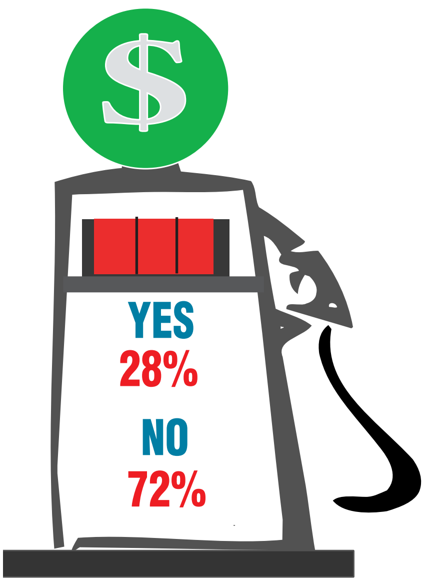
CUSTOMERS PURCHASING DRYING CYCLE	Operators Reporting
UNDER 10%	0%
11%-25%	3%
26%-40%	3%
41%-55%	3%
56%-70%	16%
OVER 70%	75%

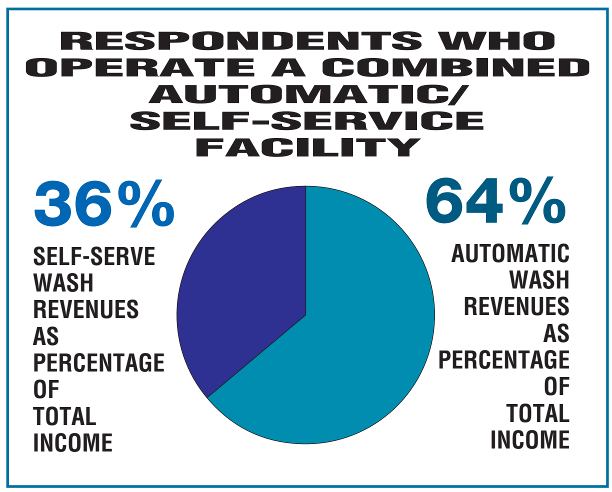
AVERAGE GALLONS OF GAS PUMPED PER MONTH



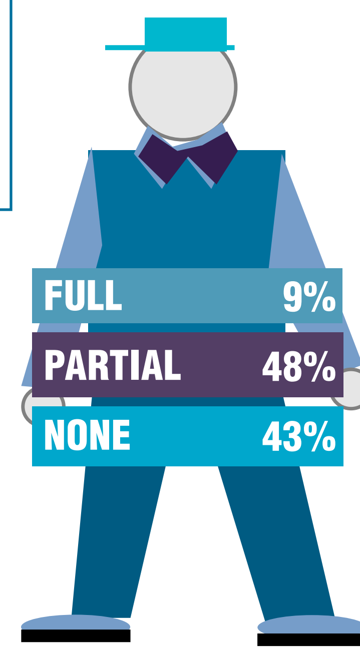


OPERATORS SELLING GASOLINE





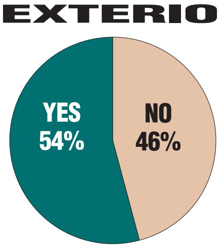
EMPLOYEE UNIFORMS



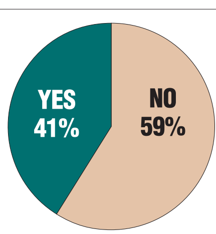
AVERAGE MONTHLY GROSS INCOME PER SELF-SERVE BAY

$1,778

EXPRESS EXTERIOR



Present in Market Area



Has Hurt Business

AVERAGE NUMBER OF CARS WASHED ANNUALLY PER AUTOMATIC

20,833

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Table 2

Site Ownership	2016	2015	2014	2013	2012	2011
Own 1 site	51%	58%	61%	53%	57%	56%
Own 2 sites	25%	22%	17%	33%	23%	20%
Own 3 sites	12%	9%	15%	10%	5%	7%
Own 4 or more sites	12%	7%	7%	4%	15%	17%

Equipment

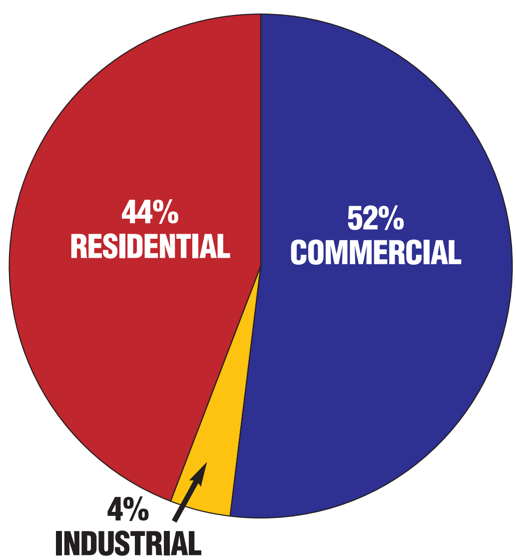
Touch-free equipment makes up two thirds of the overall responses. However, at 73 percent, sites with are more likely than sites without (50 percent) to employ this wash method. Regarding wash material in their friction equipment, sites with and sites without are in accord: both choose foam over cloth by a margin of two to one. Dryer cycles are offered by 88 percent of survey respondents. At sites with, 54 percent of the dryers are freestanding, while 73 percent of sites without employ free-standing dryers.

Future

Respondents' enthusiasm for spending has waned: in the current survey 22 percent are planning to purchase new equipment in the next 12 months. That's down from 33 percent in the previous survey. As has been the case over the last few years, vacuums and IBAs top the shopping list. The graphic, right, offers more detail. Only 7 percent of operators have plans to build a new wash during the next 12 months — and none of those plans includes a full-service wash.

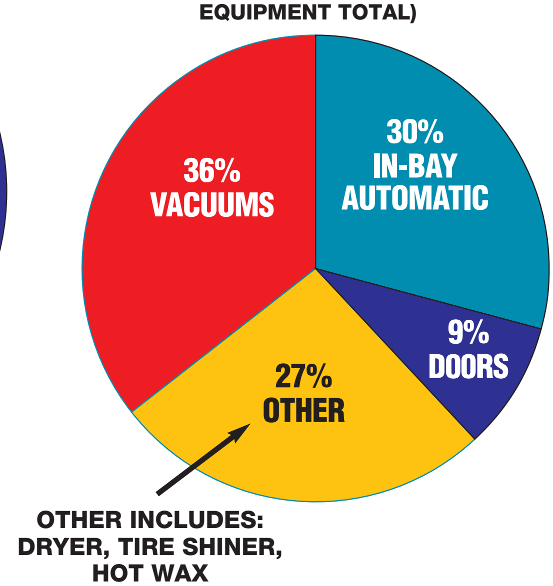
CONVEYOR REVENUES

NATURE OF WASH LOCATION

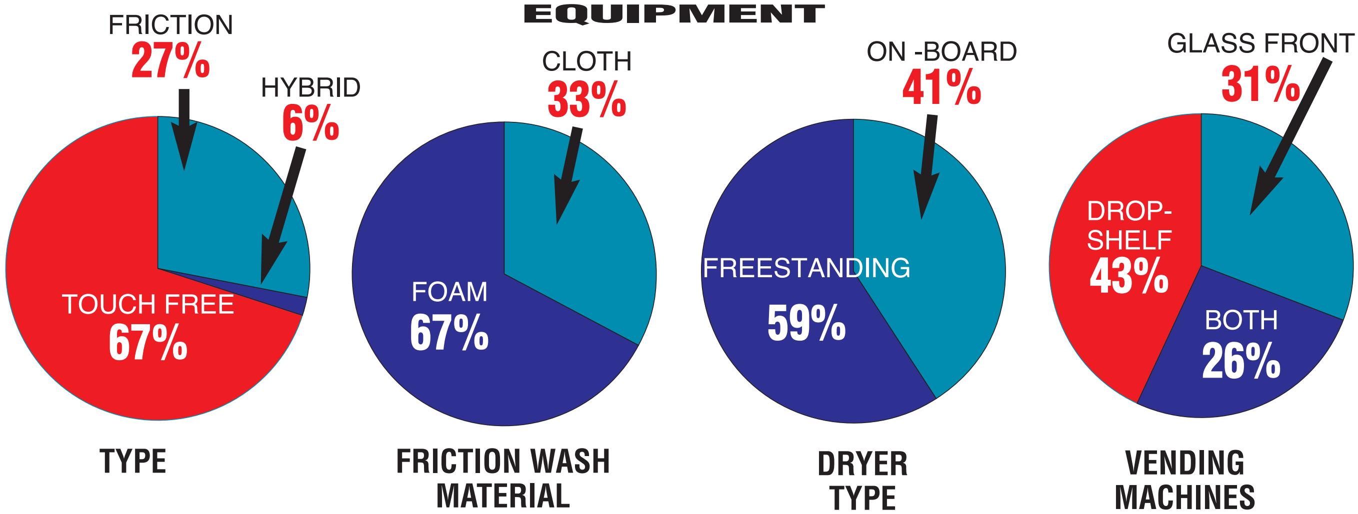


PLANNED EQUIPMENT PURCHASES

(AS A PERCENTAGE OF EQUIPMENT TOTAL)

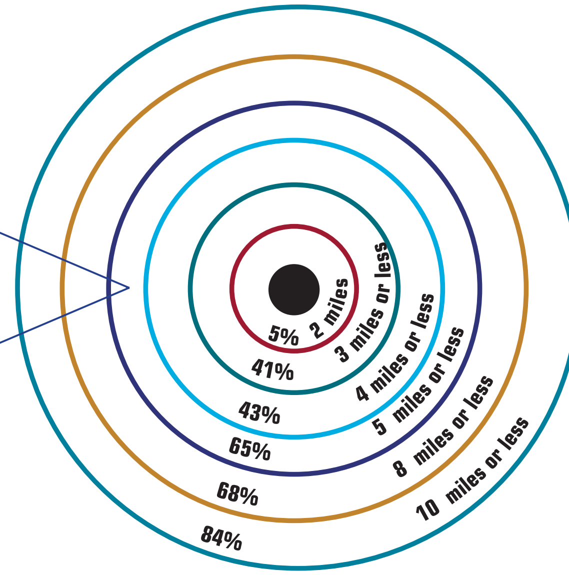


EQUIPMENT

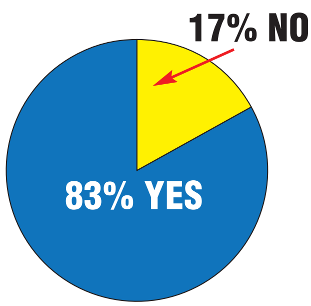


SURVEY

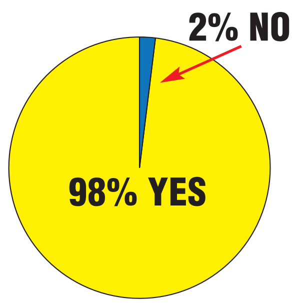
HOW FAR DO CUSTOMERS COME?
(Percent from within 2-mile radius, 3-mile radius, etc.)



OPEN 24 HOURS

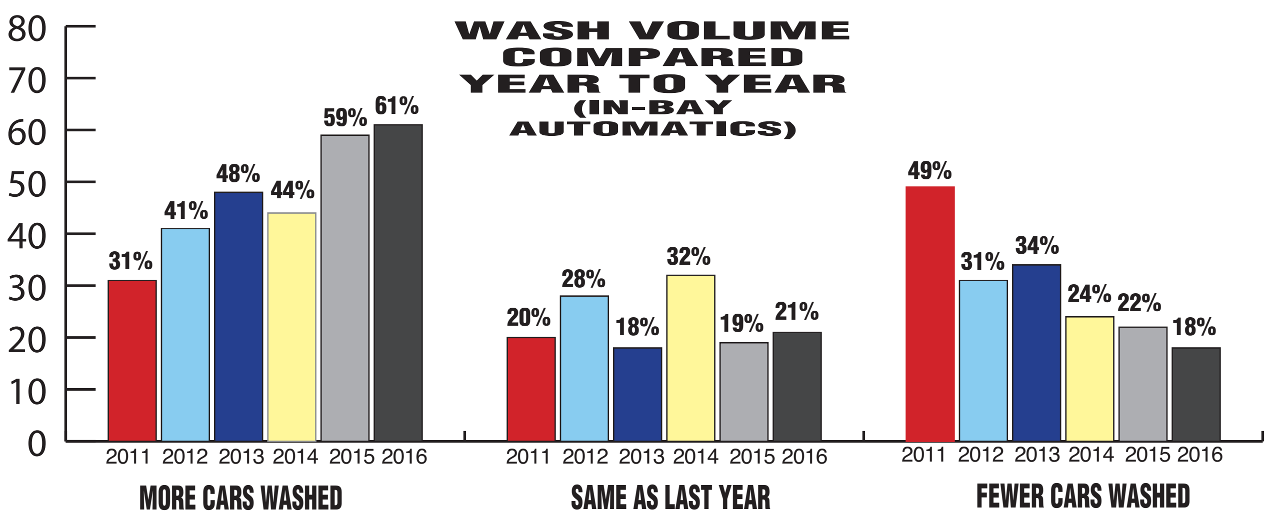


OPEN SUNDAYS



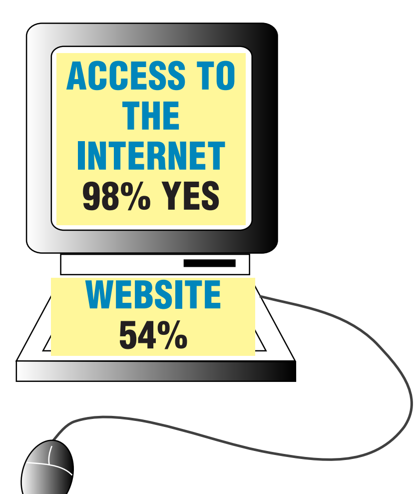
AVERAGE DAILY TRAFFIC COUNT AT BEST SITE

19,300



PERCENTAGE OF WASH BUSINESS DONE BY SEASON BY REGION

	WINTER	SPRING	SUMMER	FALL
Pacific	11	19	50	20
Mountain	32	25	21	22
Midwest	40	18	25	17
Central	39	30	16	15
South Central	30	25	20	25
Southeast	36	31	14	19
Mid-Atlantic	38	29	20	13
New England	45	25	15	15



COMPETING WASHES IN AREA OVERALL