

State of the Industry

The 2020 *Auto Laundry News* State of the Industry Survey was conducted through the mailing of questionnaires to a random selection of vendors to the car care industry. The information in this report results from an analysis of data provided by respondents nationwide.

Overall, fewer respondents than last year (46 percent versus 61 percent) report year-over-year sales growth. However, at 22 percent, that growth markedly outstrips the average 13 percent advance reported last year. Reported sales decline averaged 14 percent — in keeping with the 13 percent recorded last year. Compared to the previous survey (29 percent), a larger percentage of the survey pool reports sales reversals this year (36 percent).

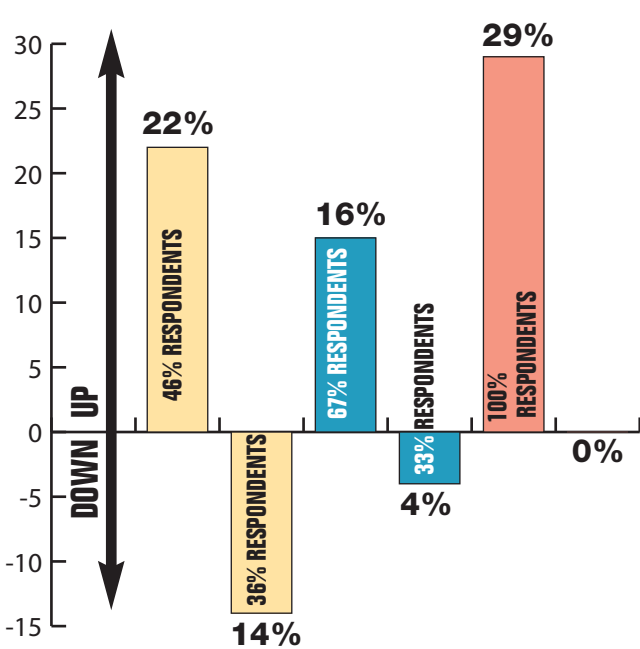
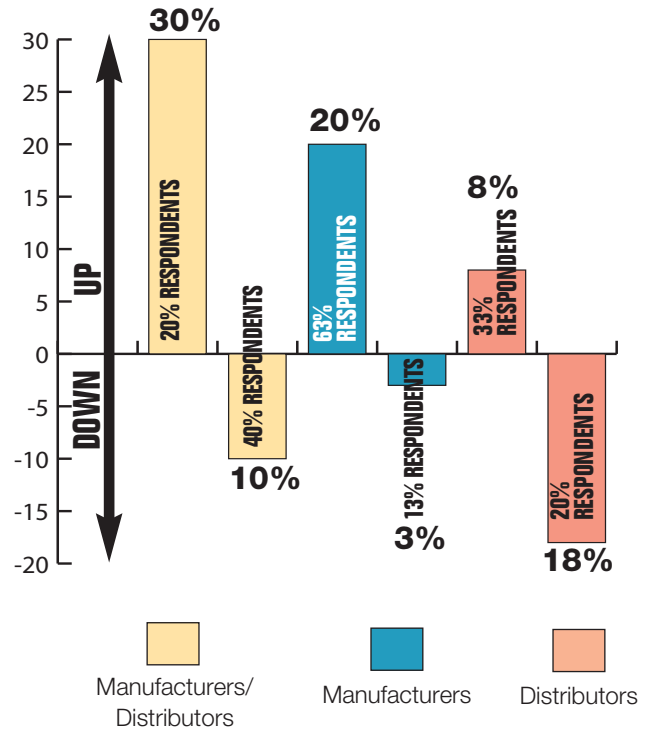
Two thirds of equipment manufacturers report sales growth averaging 16 percent. This is a near duplicate of last year's numbers when 67 percent of respondents in this subcategory reported sales gains of 15 percent. As was the case last year, 33 percent of participants this year report a decline in sales. However, that decline has shrunk from 13 percent last year to 4 percent in the current survey.

Chemical manufacturers, it appears, are enjoying a banner year. Not only do they report average sales growth of 29 percent — a substantial improvement over the 9 percent gain reported in the previous survey — but 100 percent of the respondents in this category participated in the achievement.

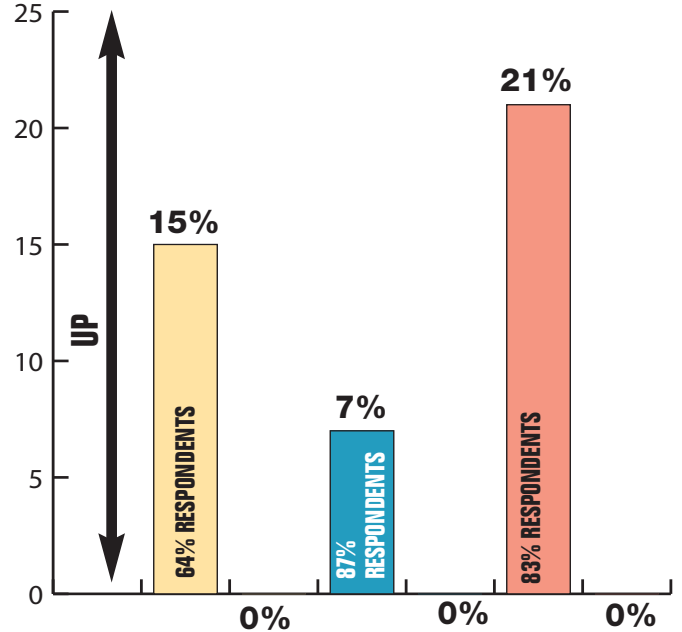
In last year's survey, 11 percent of respondents, overall, projected a decline in sales in the following year. Current survey participants are far more optimistic: not a single respondent projects a slide in sales. Overall, 64 percent project gains in sales averaging 15 percent.

Initial COVID-19 restrictions did have some impact on the supplier community: 27 percent of distributors and 36 percent of manufacturers had to close shop for an average eight weeks and six weeks respectively.

EMPLOYEE COUNT GROWTH/DECLINE 2019 TO 2020

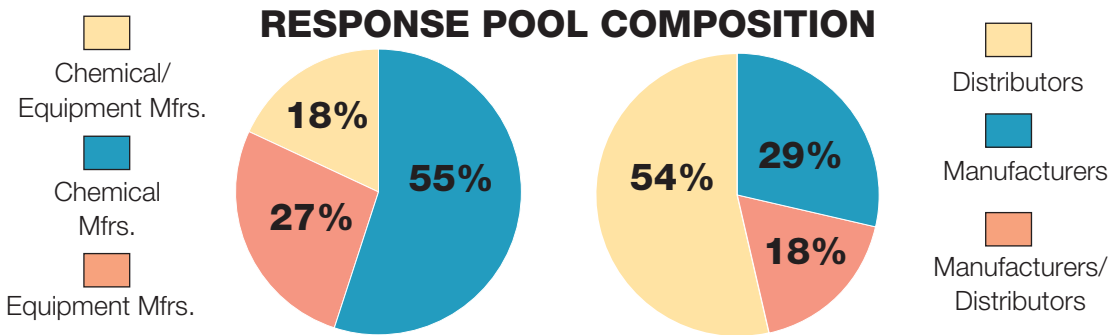
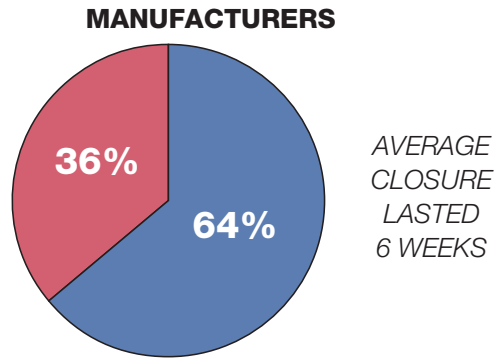
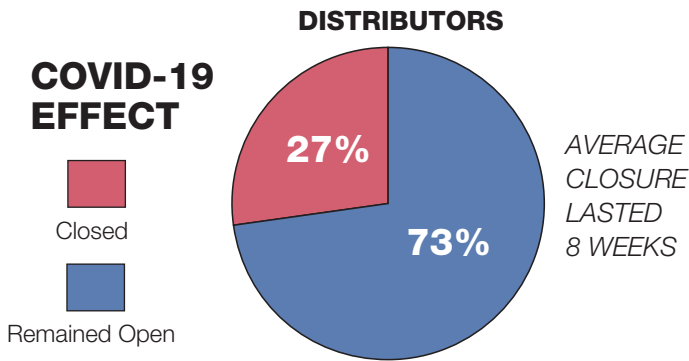


AVG. SALES GROWTH/DECLINE 2019 TO 2020



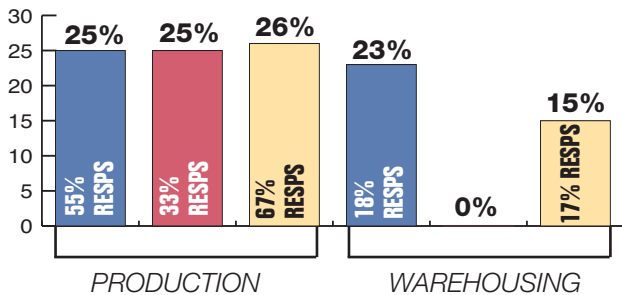
AVG. PREDICTED GROWTH/DECLINE 2020 TO 2021

Table 1	Sales Growth 2019 vs. 2020		Sales Forecasts 2020 vs. 2021	
	Increase	Decrease	Increase	Decrease
Manufacturers/Distributors	60%	40%	80%	0%
Avg. % Increase/Decrease	18	8	10	0
Manufacturers	88%	12%	100%	0%
Avg. % Increase/Decrease	26	4	14	0
Distributors	27%	67%	73%	0%
Avg. % Increase/Decrease	15	15	13	0



■ All Manufacturers
 ■ Equipment Manufacturers
 ■ Chemical Manufacturers

Avg. Production/Warehousing Capacity Increase **2019 to 2020**



Avg. Future Production/Warehousing Capacity Increase (projected) **2020 to 2021**

