

# SELF-SERVICE CAR WASH INVESTOR GUIDE



The success of a new self-service carwash is the result of good planning. Pressure Equipment Ltd. (PELCO) has prepared this investors guide to help you, the prospective investor, properly plan your new carwash facility.

The recommendations contained in this guide are not just theory. They are the result of our own experience, together with building, owning and operating self-service carwashes and in manufacturing self-service car washing equipment, experience that dates back to 1960.

Over the years, the car washing industry has evolved from its early formative stages, into a highly professional industry. At Pressure Equipment Ltd, we are proud of the contribution we have been able to make to our industry.

As self-service car washing continues to grow both in popularity and prosperity we hope that this investors guide will help you in becoming a part of the self-service car washing industry.

## **PRESSURE EQUIPMENT LTD. (PELCO )**

Chris Rowlands, *President*

### ***Why Do Consumers***

### ***Choose Self-Service Carwashes***

Older Self-service carwashes used to offer only mediocre service. The majority of their customers were the "die-hards" who simply would not use the automatic line wash. Many consumers who tried Self-service wash in the past were dissatisfied with the results, and they never returned. Others were "turned-off" by the appearance of the washes and refused to even give them a try. Today however, it's a different story. With the modern, professional services and facilities offered there are many good reasons why consumers prefer to use a Self-service carwash to clean their cars, such as:

#### **QUALITY**

The quality of wash achieved by modern "state-of-the-art" Self-service systems, can far surpass that of the best automatic or

"line" wash. Customers can spend as much (or as little) time as they wish cleaning their car, attending to even the smallest detail. There are no "missed spots" that the brushes of automatic washes can't reach and the customer has the personal satisfaction of doing the job him or herself.

#### **CONFIDENCE**

The older styles of brushes for automatic carwash have been known to cause damage to the paint, chrome, antennas, and wheels on many cars. Modern brushes have proven to be much better. Self-service carwashes on the other hand, do not have this problem. After all, the customers are doing the cleaning themselves.

#### **ECONOMY**

The cost of using a Self-service carwash is about \$1.00 - \$1.50 per minute. Compare this with \$12.00 to \$18.00 or more for an

automatic wash. This saving appeals to many customers.

#### CONVENIENCE

Most self-service washes are open for business 24 hours a day, 7 days a week. When customers want the service, it's available. Automatic carwashes on the other hand usually have limited hours of operation. Modern self-service carwashes draw a wide range of customers that include all age groups, income levels, and both sexes. Virtually all customers are able to leave the wash totally satisfied that they have received the best wash possible. There are however, customers who want their car cleaned as quickly as possible, with as little effort as possible and will choose to use an automatic carwash. The automatic wash usually takes less time and the task is performed by machinery and or other personnel. Occasionally regular self-service customers will choose the automatic method of washing. Conversely, automatic car washing customers may occasionally choose self-service. Most of the time however, customers will not cross over in their method of washing. For this reason automatic washes are not usually thought of as competition for self-service washes. In fact, automatic washes are often installed in conjunction with self-service washes, the two services complimenting each other.

### ***Why Invest in Self-Service Carwashing?***

There are many good reasons to invest in self-service car washing, but the first and foremost, is to make money! Self-service washing can be very profitable and many existing operations prove it. In fact, there are few business opportunities open to investors that have as great a potential for return as the Self-service carwash.

#### IT'S PROFITABLE

##### **Why is self-service carwashing profitable?**

**There are many reasons:**

1. Very low labour costs.
2. Very low direct operating costs.
3. All cash business (no accounts receivable).
4. The customer provides the labour.
5. Small inventory.
6. 24 hour operation.

7. Steady business through all seasons in all climates.
8. Broad based market.
9. Minimal fixed costs (bookkeeping, insurance, etc.).
10. Relatively low initial investment.

#### **Many Business People are Investing in Self-Service**

Why are so many people investing in self-service? Again, there are many reasons:

1. High profitability
2. Relatively low initial investment.
3. High rate of return on investment.
4. True appreciation on investment.
5. Easy management (few labour problems, no inventory control problems, and no cash flow problems).
6. Excellent tax incentives.

### ***Is This Business for You?***

Only you can answer this question. The Self-service carwash is a business, and as a business, it requires everyday attention, even if you have an attendant. Like any other business, the owner must care, and must take an active interest. You must have this desire. Without it, the self-service carwash business is not for you.

#### SOME FACTORS TO CONSIDER

##### **Climate and Seasonal Factors**

Consumers use Self-service carwashes throughout the year. In fact, in most areas of Canada winter is the best washing season. This is because vehicles require washing more frequently during the winter months. Other seasons are also good and monthly income usually doesn't vary more than 20% from the year-round average.

##### **Geographic Factors**

Modern Self-service car washing is popular with consumers in all regions. Some areas however, have better income potential due to such factors as the total amount of precipitation or the lack of an adequate number of washes to serve the population of a given area. Cars get dirty everywhere and the need for good Self-service carwash facilities exists everywhere.

## Site Selection

There is an old saying in the carwash industry that there are three important factors required for a successful wash: location, location and location. While that statement may be an exaggeration, it is certainly true that location is the single most important factor. Even a well-built, well-equipped, and well-managed wash will not reach its full income potential if the location is not right.

Unlike customers that use an automatic carwash, self-service carwash customers usually wash their cars as a planned activity, not impulsively. High traffic counts or heavy exposure are not mandatory for a good location.

Self-service customers will generally use the carwash facility closest to their homes, unless that wash is inferior to others in the community. Your wash should be located near a dense residential area. Multiple-family units, such as apartments, condominiums, or townhouses, are good income producers for your wash.

Commercial back-ups, such as shopping centres and fast food restaurants, are also good traffic-builders, but they are not absolutely essential for the success of your business.

It is most desirable to select property that is properly zoned. However, a minor variance or re-zoning change need not discourage you. Check with your local planning department as to what is involved to make the change.

Some other negative factors should be avoided, if possible: high speed traffic (over 60 KPH posted speed) which makes it difficult for customers to exit your wash; very heavy traffic which backs-up from a traffic light at a nearby intersection and blocks the entrance to your wash; an adjacent vacant lot which may be a dumping ground or create blowing dust problems during windy weather; and unpaved streets or alleys. Who wants to drive down a dusty road just after washing?

As a general guideline, a population of 1,000 to 1,500 will support one bay of Self-service carwash. This formula assumes that all facilities conform with today's carwash standards.

## Evaluating the Competition

You must evaluate the existing washes in the area you are planning to locate your wash. If the existing washes are up-to-date and well kept, careful consideration must be given as to whether there is enough consumer demand for an additional

wash. Keep in mind that automatic washes are usually not considered as competition, and need not be taken into account. When looking at the existing wash facilities in your area, you must be very objective. Do not allow your personal preferences to affect your judgement.

Look at these washes as though you were a customer who had never used a self service wash before, then ask yourself these questions:

1. Are you attracted by the outward appearance?
2. Does the wash look bright and inviting?
3. Is the wash busy?
4. Is there trash laying around the carwash lot?
5. Are the trash containers overflowing?
6. Is there excessive mud on the wash bay floors?
7. Are the bay walls dirty?
8. Is there enough room for cars to line up conveniently?

The appearance of the wash is very important. New customers will very rarely come into a dirty looking wash. They will also shy away from a wash that looks unused. Once inside the wash, you must judge the services offered. Does the wash facility have:

1. Enough pressure to clean effectively?
2. Foaming brushes?
3. Spray wax?
4. Pre-soak?
5. Tire cleaner?
6. Shut off type, high pressure wands?
7. Hot water for soap and wax cycles?
8. Heated, ice-free floors in winter?
9. Mat hangers?
10. Coin acceptors that take quarters, multiple coins and credit/debit cards?
11. Last coin alert features?
12. Digital time display readouts?
13. Colourful, easy to read instruction signs?
14. Vacuums with good suction?
15. Bill changers?
16. Vending machines?

If the answer is “no” to any of these questions, then the wash is not performing to current industry standards and is vulnerable to competition.

The final test is to wash your car using all the services offered at the wash. After doing so, let your car air-dry, then ask yourself these questions:

1. Are the painted surfaces clean, film-free and shining?
2. Are the tires clean? (White parts should be white and black parts should be black)
3. Are the bumpers and chrome bright?
4. Are the windows spot-free?
5. Is the interior clean?

Any “no” answer above means that this facility is turning out an inferior wash. Given a choice, new customers usually do not return to a carwash that does not get their car clean.

## Property Costs

### PROPERTY COSTS

Although the Self-service carwash business generates good income, it does not have the ability to support any property investment, regardless of cost. A conservative formula for calculating the cost of affordable property is 20% of the projected monthly gross income. For Example: If the wash is expected to gross \$10,000.00 monthly, \$2,000.00 would be an affordable monthly lease or interest payment.

If you are purchasing the property, you should always keep in mind that good commercial property is a limited commodity. Good property will probably appreciate in value faster than the wash itself and so you may be justified in buying a more expensive lot if it is “just perfect”.

### SIZING YOUR LOT

The following are recommended lot sizes, based on the number of bays your wash is to have. These sizes are not necessarily the least you can get by with. In fact many carwashes have been built on lots smaller than these. These dimensions do not include any consideration for setback requirements. Either dimension can be the frontage.

2 bays: 115' x 60'

3 bays: 115' x 75'

4 bays: 115' x 105'

5 bays: 115' x 105'

6 bays: 115' x 120'

7 bays: 115' x 135'

8 bays: 115' x 150'

9 bays: 115' x 165'

10 bays: 115' x 180'

### BUY OR LEASE YOUR PROPERTY

Both methods of land acquisition are acceptable. The purchase of commercial property is usually a good investment, which should appreciate in value. However, if your capital resources are limited, you may wish to lease the property. If you are leasing, make sure that the term of the lease is long enough so that it will not be detrimental to the resale value of the wash, should you decide to sell. A twenty-year term is usually considered adequate.

## Planning Your Carwash Building

### PLACING THE BUILDING ON YOUR PROPERTY

The carwash structure should be placed on the property to maximize the income potential of the wash. The layout of the wash should include:

1. Space on the entrance side of the wash for vehicles to line up for each bay (vacuums may also be located in this area).
2. Adequate turning areas on both the entrance and exit side (if a drive through) of the wash.
3. Space for a detailing area (drying and vacuuming).
4. A vending and change making area.
5. An open exit lane.

Don't be discouraged if your property doesn't have room for all of these features. Many carwash lots don't. PELCO can assist you in planning the best possible layout for your property.

### TYPES OF CARWASH STRUCTURES

The Self-service carwash building consists of a series of stalls or “bays” in which to wash cars, a vending area, and an equipment room in which to locate heating and pumping systems. The number of wash bays per carwash varies greatly from 1 to over



20. The average according to recent surveys is 5 bays per carwash.

Wash bays should be a minimum size of 14' wide x 25' long. Smaller bays can sometimes be used where absolutely necessary, however it is important that customers don't feel "cramped" and that adequate room is available to work in. Overhead clearance should be 11 feet minimum. If the wash bays are to be used for washing trucks, the bay width should be increased to 20' and the overhead clearance should be increased to 16'. The equipment room should be large enough to accommodate your heating and pumping systems and your chemical inventory. As well, it should provide an adequate work area in which you can maintain and repair your equipment. The size of the equipment room can vary depending on the design of the building, but it should not be less than 60 square feet per bay.

The actual physical layout of your building can vary greatly depending on the shape of land available. There are currently 3 types of layouts being used: drive-through, drive-in & back-out, and indoor.

### ***Drive Through Carwashes***

The drive through is the original Self-service carwash design and is still popular in some areas. The building is located in the middle of the property and is open at both ends of each bay. Customers enter from one side and exit from the other side. While this style of carwash works well in warmer climates, it has some serious shortcomings when faced with Canadian & northern US winters. The high winds and driving snow of winter can turn wash bays open at both ends into "wind tunnels" making customers extremely uncomfortable and can actually freeze your equipment, in spite of anti-freezing system.

To combat this problem, overhead pull-down doors are installed at one or both ends of each bay. These doors however, while solving the "wind tunnel" problem are expensive to install, tend to ice up and jam in winter, and seem to require continual repair and maintenance. In short, they are an expensive solution to the problem.

The drive-through wash also requires more property since the building must be situated with access to both front and back, and cannot be located along a property line.

### ***Drive-In & Backout, Indoor***

Most new Self-service carwashes built today use the "drive in and back out" design. This style of carwash building is usually located along a property line (taking into account allowances). Each bay is open at one end only. Customers drive into a bay to wash their car and then back out through the same doorway. Doors are usually not required on the open end except in very extreme conditions.

THE "DRIVE IN & BACK OUT" carwash makes more efficient use of property and is less expensive to maintain than the drive through wash. Care must be taken however, to allow adequate line-up room to eliminate potential traffic problems. With proper planning, traffic control is not a problem.

### **INDOOR CARWASHES**

The indoor Self-service carwash is popular in some regions. With this style of carwash building, all the wash bays are located inside a large warehouse type building. Customers line up and enter through a single door, choose an empty wash bay, and then exit through a second door.

When planning an indoor Self-service carwash, care must be taken to provide a bright, cheerful atmosphere inside the wash. A high ceiling and bright lighting are important. A dark, damp, cave-like atmosphere will tune customers away and must be avoided at all costs.

Another thing to take into account when building this style of carwash is the high humidity and fogging that can occur inside the wash. Some method of air exchange is usually called for.

### ***Construction Methods***

Your carwash building should be designed to be permanent. Materials should be chosen for their durability. Many older washes have deteriorated in appearance because they were not designed to withstand the punishment that car washing can deal out.

The most important design consideration when choosing wall materials for your carwash is to maintain a clean, good-looking appearance throughout the life of your building. The best wall material to accomplish this purpose is concrete block. On the exterior walls fluted, granite faced blocks may be used to enhance the appearance of your wash. On the interior wash bay walls, smooth block should be used. Blocks that are dye

coloured to match the colour of local soil will camouflage the dirt that accumulates on every Self-service wash bay wall. Block walls inside the bays should be sealed with a clear sealer, or preferably, covered with a durable “FR” type wall board.

Concrete block is recommended but it must be covered by a durable material. Metal walls are the least durable of all, and are the most difficult to maintain.

A commonly used roof material is galvanized steel. The key here is to make sure the roof is rustproof. Wooden roof structures supported by laminated beams or trusses can also be used. All carwash roof structures should include some type of decorative fascia. The decision on the type of roof to use should be based on local codes, cost and personal preference.

Concrete floor in the bays and aprons are absolutely essential. The concrete work requires adherence to rigid specifications and local building codes.

### ***De-Icing System is Necessary***

To maximize your winter income and to reduce the possibility of customer injuries, it is absolutely essential that the floors of your carwash be kept completely clear of ice build-up. The best way of doing this is by installing a heating system in the carwash floor. An in-floor heating system consists of a network of pipes embedded in the concrete floor of the carwash, and a boiler assembly. A water-glycol mixture is heated and circulated through the piping network thus heating the floor and preventing the build-up of ice.

Because the floors are heated only slightly above freezing (just enough to keep ice from forming), these systems are economical to operate and durable when compared to conventional space heating systems which warm the air but lose heat rapidly to the outside.

In the past, steel was the preferred type of floor heating pipe. Now however, special plastic pipe is being used. While plastic pipe in most cases can be used successfully, selecting the wrong type can spell disaster. Again, the key word is “durability”. Cutting corners here can cost you money later.

It should also be noted here that heating the floors and aprons of a carwash is not the same as heating the floor in an inhabitable space such as a factory or warehouse. Different methods are used to accomplish each goal. Making an error here is more serious than almost any other aspect of the building procedure. After all, do you really want to dig up that floor?

## ***Water Considerations***

### **SERVICE WATER HEATING**

Hot water, 50 °C (120 °F) is necessary for the effective use of high pressure soap and wax as well as low pressure features. As a general rule, about 90,000 BTU of heating capacity is required for each bay of carwash. The heating system may be either tank type heaters or a boiler-storage tank system. The tank type of heater is more convenient and less costly to install but is less efficient to operate than the boiler-storage tank system. Both systems however, are satisfactory.

### **WATER HARDNESS**

Hard water can cause your car washing equipment to suffer premature wear and can increase your maintenance costs. It can also significantly increase your soap and wax consumption and can leave “spots” on your customer’s cars. If your water hardness is greater than 3-5 grains, a water softening system is advisable. The system required will depend on the actual hardness of your water and your daily water consumption. PELCO offers a water analysis service and will recommend the appropriate system for your carwash.

### ***Carwash Lighting***

Good lighting is imperative if you expect to generate any significant income during night time or even twilight hours. The most popular form of lighting in the past was fluorescent. However, this type of light source has a reduced output when exposed to winds, moisture or low temperatures and it is costly to maintain.

The preferred method of lighting modern carwashes is LED. This type of light source is very energy efficient and is not affected by moisture, wind or temperature.

### ***Self-Service Signs***

Good signs are important to the success of any carwash. Instructional and promotional signs in your wash bays are essential. Directional signs, such as entrance and exit signs outside of the bays and signs pointing toward your bill changer and vending areas are also very important.

The Self-service carwash should be easily identified by passers-by. The most common type of identification signs are simple two

or three foot high lettering attached to the fascia of your carwash building. Some investors have erected large, illuminated signs in front of their washes. These signs enhance the overall facility.

## ***Appreciate or Depreciate?***

Of course you will depreciate your capital investment for tax purposes. Whether or not that depreciation is real will depend on how durable your carwash is built and how well you maintain it. If you do it right, and then decide to sell your wash later on, you will probably have a good capital gain.

## ***What Services Should You Offer Your Customers?***

You may have the best location possible and a beautiful facility to attract customers, but if your wash doesn't get cars clean, you will not get the steady repeat customers that are the backbone of any business. Today's customers demand service.

The services you offer must satisfy your customer's demands. Customers come to your wash for only one reason: to clean their cars. If they don't get the service to accomplish this task, they won't return. The following wash bay services are available and should be offered to your customers:

- High Pressure Soap
- High Pressure Rinse
- High Pressure Wax
- Foaming Brush System
- Pre-soak
- Foaming Tire Cleaner
- Spot Free Rinse
- Mat Hangers
- Detailing Centres
- Vending Products
- Change Making Equipment
- Credit/Debit Payment
- In-Bay Vacuums
- Other Services

### **HIGH-PRESSURE SOAP**

One of the original car washing services - high pressure soap - remains a basic feature of Self-service car washing. Even though pre-soak and the foaming brush has become the most popular method of washing, high pressure soap still has a place in the Self-service wash bay.

Customers use high pressure soap to wash their engines, tires, wheel wells, and undercarriages. High pressure soap can also be used to wash motorcycles, boats, lawn mowers, trailers, attic fan louvers, screens, pickup truck beds, lawn furniture or anything else portable and washable.

High pressure soap is also the best method of washing off heavy mud, and a few customers still prefer the high pressure method instead of the foaming brushes.

### **HIGH-PRESSURE RINSE**

The other original basic service, high pressure rinse is used by every customers in a Self-service carwash. Soft water is required here, and cold water is recommended except in extremely cold weather. Cold water rinse is a significant energy saving feature.

### **HIGH-PRESSURE WAX**

Wax is used by about 17% of Self-service carwash customers and adds to the average income per vehicle. Spray wax is applied with warm, soft water through the high pressure wand.

### **FOAMING BRUSH SYSTEM**

Until 1979, the Self-service method of washing was at best, just fair. Operator incomes were also just fair. But 1979 saw the beginning of a new era for Self-service car washing with the advent of the foaming brush.

For the first time ever, customers could easily remove road film from their cars using Self-service washes, and they liked it. Customer satisfaction brought them back more frequently and also caused them to recommend the wash to their friends.

The foaming brushes are used for longer periods of time than the high pressure wands. This increases your gross income. At the same time, your operating costs are reduced because the foaming brushes use less water, use less soap, and they do not require the operation of large motors.

Operators report that over 75% of their customers use the foaming brush during the wash process. But most important of all, every operator who has installed a foaming brush system has reported an increase in net income.

### **PRE-SOAK**

The pre-soak is a concentrated detergent solution that is dispensed through the wash wand at low pressure. It is absolutely essential for breaking down “road film” if pressure washing alone is to be used. Many operators feel that having pre-soak and foaming brushes is redundant since both will remove road film. Other operators however, believe that offering both services gives their customers a choice and provides a quality wash either way.

### FOAMING TIRE CLEANER

For a long time, Self-service carwash customers have needed a method getting their tires and wheels clean and bright. Equipment now exists that will do a good job of cleaning tires. A concentrated foaming chemical is applied to the tires and loosens the embedded grime. High pressure rinse is then used to flush the tires, leaving them clean and bright.

Foam clings to the tire and allows the chemical to stay where it's needed.

### SPOT FREE RINSE

Even after a thorough washing and rinsing, customers may still see spotting on their car due to excessive, dissolved solids in the wash's domestic water supply (municipal or well). This problem can be eliminated by the use of an ultra pure water treatment system. After customers have rinsed off the dirt and soap with regular high pressure rinse water, this ultra pure water is then dispensed, at low pressure as “spot free” rinse. The result is a vehicle that will air dry to a gleaming spot free shine.

### MAT HANGERS

Although seemingly unimportant, mat hangers are used by over half of a Self-service carwash's customers. Mat washing adds to the time of the overall wash, and to your wash bay income. Dollar for dollar these are one of the best investments at the carwash.

### DETAILING CENTRES

The self-service carwash also has the potential of generating significant income from a detailing centre. Located outside of the wash bay area, detailing centres should offer vacuum cleaner services. Vacuums provide the means for self-service customers to clean the interiors of their vehicles. Vacuums also provide a very profitable source of additional revenue. Because they are outside, vacuums can generate income simultaneously with the wash bays. Stainless steel vacuums attract more customers and stay looking good for years with only minimal maintenance.

### VENDING PRODUCTS

A variety of products can be sold through coin-operated vending machines. The most common products sold are paper towels, window cleaners, air fresheners, polishes and tar removers. If marketed properly, vending products can produce significant income.

### CHANGE MAKING EQUIPMENT

Bill changers are essential for self-service carwashes. Most customers need change but are reluctant to ask for it. If they can't get it, they won't spend as much money as they should, or even worse, none at all. Because of this inconvenience, they may never return to your wash. Machines are available that change \$5.00, \$10.00 and \$20.00 bills along with “loonies”. Larger washes should have more than one changer. Your income will be severely reduced if you do not have good change-making capability.

### OTHER SERVICES

There are a number of other services you may wish to consider offering, including Low Pressure Foaming Wax, Foaming Conditioner, Engine cleaner, Bug Remover and Undercarriage Protectant. Also payment options like Credit & Debit cards, Apps on the phone or Smart Watch, or Tokens.

## *Marketing your Services*

You may offer the finest carwash service in your area, but if your potential customers don't know about it, you can't expect them to patronize your business.

Exterior signs have already been mentioned. These are particularly helpful to new customers who are looking for your wash on their first visit.

The physical appearance of your wash is very important. New customers are likely to turn away from an unattractive carwash.

Once inside the wash bay, customers should feel at ease. Colourful, easy to understand instruction signs are important in this area. Customers, especially new ones, will follow instructions provided they are easy to read. The most frequent problem with signs is that they list a long sequence of instructions that are not easily understood. Good, easy to understand signs are available today. They are designed not to fade and they resist scratching and rusting.



## ***Meterboxes & Credit Cards***

The meterbox is the single most important merchandising tool that you will have in your carwash, and yet many are nothing more than dull, rusted metal boxes that do little or nothing to sell your products.

Attractive meterboxes are available today made from stainless steel and have large colourful decals. Switch dial plates, that identify the services offered are colour coded to match instruction signs. Electronic coin acceptors allow customers to deposit any number or type of coins. "Time remaining" displays, encourage customers to deposit more money before their time runs out.

When looking at your meterbox, customers should be able to easily read the price of the wash cycle, the time of the cycle, and the services offered. Credit/Debit card systems should allow you to "count up" if desired. This removes the urgency to the customer of "Beating the countdown timer".

## ***Attendant Labour***

Your carwash should be attended on a daily basis. Because cleaning is the attendant's primary responsibility, it is recommended that the wash be visited at least twice per day and more often on busy days.

There is an industry wide trend towards attending Self-service washes for extended hours, usually six to ten hours per day. Many operators now have full time attendants. In addition to keeping the wash clean the attendant can assist customers with questions and complaints, monitor the wash functions for quality control and provide "peace of mind" for your customers.

Attendants are necessary for successful automatic and Self-service combined facilities, and there is strong evidence that attended washes do more business than unattended ones.

## ***Equipment Considerations***

### **THE RELIABILITY FACTOR**

When carwash customers tap their card or put their money in your meterbox, they expect your equipment to work properly the first time, every time. When it doesn't they get angry. The result may be damage to your equipment, or even worse the permanent loss of a regular customer. Cutting costs by using

unreliable equipment can mean lost income and can increase your vulnerability to competition.

### **SELECTING YOUR EQUIPMENT**

Your choice of equipment will have a profound impact on the workload of you and your employees. There is a great deal of difference between different brands of equipment.

The first and most obvious difference is the quality of the components selected by the manufacturer to be included in the system. Unfortunately, many manufacturers only look at the short term and in order to keep their selling prices as low as possible, furnish their systems with inferior components or components never designed for carwash use. These inferior components will require more attention in the field, will increase your down time, and will increase your labour and repair costs.

While it may be difficult for a new investor to evaluate the quality of equipment and components, it can be done. As a general rule, the use of the same component by several major manufacturers is a good indication that the part is widely accepted in the carwash industry. Conversely, if other manufacturers do not use an item you should be concerned.

Another good test is the system's acceptance with experienced operators. Ask the supplier for references. Experienced operators will rarely choose a system with substandard components.

Just as important as the component itself, is its location on the system. It must be accessible. Operators tend to postpone the repair or replacement of parts that are hard to get at. Inaccessibility also causes excessive down time for the bay being repaired. A job that should take only minutes may take hours if the component is not easily accessible.

The location of components on the system can also affect operator and employee morale. If the part to be repaired is only six inches above the floor, someone is going to have to get down on the floor to fix it, a nasty chore that no one wants to do.

## ***Selecting Your Supplier***

Other than your own intensive effort, nothing will affect the success of your new self-service carwash more than your equipment supplier. A competent supplier will be of great assistance to you when planning your facility. Their advice and recommendations can save you months of time and thousands of dollars in cost.

During the planning and construction phases of your wash, you will have many questions for your equipment supplier. The supplier's availability to answer these questions will save you both time and money. If you can't get in touch with your supplier, he won't be of much help to you.

After opening your wash, you need full time backup from your supplier. When you have a problem, the supplier must be able to help you analyse the situation, and solve the problem. If parts are required, the supplier must have the capability of shipping them to you quickly. This means having a large inventory and a full time parts and service department to serve you.

The supplier you choose should also be very active. There are manufacturers in the carwash industry who supply only a few systems annually. Because of this slow activity, these suppliers cannot stock large production inventories. Components are frequently substituted and production systems are not standardized. This inconsistency is confusing later on when you are attempting to order parts and the manufacturer is not sure how your system was built.

A lack of sales volume may also indicate that the manufacturer's product may not be current to industry standards or "state of the art". New products and improvements to equipment are constantly being introduced. The industry leaders tend to keep up with this new technology. Many suppliers however, just keep making the same system year after year.

The financial stability of your prospective supplier should also be considered. Manufacturers who do not have much business may be having financial difficulties. The Self-service carwash industry has seen several suppliers come and go over the past few years.

## ***Cost of Investment***

The cost of investing in a new Self-service carwash depends on many factors. The first is the cost of land. You may already have a suitable lot that is paid for. If not, your total cost of investment will depend on whether you purchase or lease the property.

The cost of improvements to the property, building, paving and equipment, depend on the type of structure that you build, its geographic location and the equipment package that you choose. If you build a structure as recommended and equip your wash as recommended, you can estimate your cost of improvements to be \$120,000 to \$250,000(CDN\$) per bay.

This cost estimate is based on recent reports from operators with new carwashes. The estimate does not include unusually high costs of site preparation such as landfill or a retaining wall, nor does the estimate include excessive permit or utility tap fees.

## ***PELCO Service***

The staff and distributors of PELCO are ready to help you get into the carwash business. We can answer any questions that you might have concerning this business, and we can provide you with any additional assistance that you might require. Should you need assistance, contact us!

# Equipment Problems?

## **DEFINITION: band aid approach**

A hasty solution that covers up the symptoms but does little or nothing to mitigate the underlying problem. See also quick fix.

# ***CALL US FOR HELP & SERVICE***

