



CAP
Carwash Association
of Pennsylvania

Spring 2019

VALUABLE NEWS AND ANNOUNCEMENTS FOR PENNSYLVANIA'S CARWASH INDUSTRY

IN THIS ISSUE

Message from Our President

Dear Friends and Colleagues:

2018 proved to be an active and exciting year for the Carwash Association of Pennsylvania! We again hosted our Annual Dinner and Table Top Show in June, followed by our first-ever baseball outing where operators, vendors and their families joined us in Pittsburgh in August.

In October, the CAP Annual Golf Outing more than doubled its number of golfers - and funds raised - in just one year. Most importantly, we continue to benefit from a very active and engaged Board of Directors who make this organization, and its growth, possible. So thank you - and to our loyal membership base as well.

While it was bittersweet to close the chapter on such an exciting year, I know that 2019 stands only to present more opportunities and yield greater outcomes for the carwash industry in Pennsylvania and beyond.

And we want you to be a part of this!

If you are not a current CAP member, we invite you to join our growing network of

operators and vendors from across the Commonwealth. We have hit the ground running in 2019 with plans to invest even more resources into our membership this year, resources that will help carwash businesses better connect, collaborate and contribute to our industry. Please visit us today at www.pacarwash.org to be a part of this movement!

As carwash professionals, we are faced with some pretty unique challenges, which is all the more reason for us to band together. I am proud of the progress we are making each and every year through the Carwash Association of Pennsylvania - and this year is just one more opportunity to keep the momentum going.

Best wishes for continued growth throughout 2019!

Keith Lutz

President of the Carwash Association of Pennsylvania



CAP Survey results are in!

Analyzing the latest trends in PA carwashes

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A New Market for Car Detailing

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Learn & Network with Pennsylvania Carwash Professionals

Every year, the Carwash Association of Pennsylvania proudly hosts our Dinner and Table Top Show where carwash professionals from across the Commonwealth join together for an evening of learning, networking, fun and entertainment.

This year our dinner will be held on **Thursday, June 6** starting at 5:00pm at the Hollywood Casino in Grantville.

We will again have vendor and operator networking opportunities, an inspiring and engaging guest speaker who will present on the industry's most pertinent topics, delicious food and drink, and various prizes and giveaways up to hundreds of dollars in value! Horse betting and casino games to follow, for those who are interested.

Won't you please plan to join us this year? We welcome you to also bring your spouse or members of your team to enjoy the evening and walk away with some valuable knowledge and business contacts.

To learn more, please email executivedirector@pacarwash.org. For all current CAP members, you will receive your invitation and complimentary tickets in the mail in April!



What you need to know to go!

Date: Thursday, June 6, 2019

Time: 5:00pm – 8:00pm

Location: Hollywood Casino in Grantville, PA

Member Cost: FREE to all current CAP members

Non-member vendor cost: \$395 for display + 5 tickets

Non-member operator cost: \$40 for 2 tickets

Let's Play Ball!

The Annual CAP Baseball Outing to take place in Scranton/Wilkes-Barre this year. Learn more below!



BASEBALL OUTING

SW-B RAILRIDERS

VS

SYRACUSE METS

Saturday April 27th @ 3:00pm

Game Starts @ 4:05pm

“THE FIRST BASE DECK”

SEATS, BUFFET & SOFT DRINKS INCLUDED

TICKETS: CAP Members \$35 | Non-CAP Members \$45

Reserve tickets by email: executivedirector@pacarwash.org

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How One Car Detailing Saved Thousands of Dollars

For anyone who has leased a vehicle, you know just how stressful the lease-end inspection can be. Especially if you don't plan to purchase the vehicle or to extend into a new lease with that dealership, chances are they are not going to cut you any slack come the detailed inspection.

As carwash owners, this is a valuable business opportunity to market your detailing and other services like paintless dent removal (PDR) services to people nearing the end of their vehicle leases. Why does this particular audience hold such potential for business growth? Let's take a look at one personal experience.

A customer was coming to the end of their 39-month lease on a 2015 GMC Acadia. When they visited their dealership for a pre-inspection consultation, they were shocked to find that they were likely going to face a final bill of \$5,000 or more for small dings and dents that weren't excessive, yet failed to fall under the limit of "normal wear and tear." Devastated by this news, the customer decided to visit their local carwash, Capital City Car Wash in Camp Hill, Pennsylvania.

Site Manager, Rob Staiger, immediately saw a solution through detailing the vehicle and using his skilled crew to try to remove and lessen the look of any dings or dents. After much time and manpower, Capital City Car Wash handed the vehicle back over to the customer in pristine condition. Virtually all signs of wear and tear had been removed, and for a fraction of what a dealership would charge! The engine and wheels sparkled and there was no sign two small child had ever been inside the car (much less riding around in it for three years)!

The result? Rather than receiving a final bill from GMC of \$5,000, the customer walked away owing a mere \$400 (only due to tire tread). The car went from being deemed as "poor" condition to passing lease inspection with flying colors. It likely didn't even need to be touched before re-entering the market for sale.

As this CAP member has proven, carwash businesses, especially those offering detailing services, should think outside the box and take advantage of the demand for a "Lease Inspection Prep Package." You'll help save your customer thousands of dollars while creating a new stream of revenue. Plus you'll likely gain a customer for life as a result of the money you will save them!

The Difference is in the "Detailing"

These after photos show the difference that detailing makes when it comes to preparing a leased vehicle to undergo lease-end inspection. Can you believe that this was a vehicle heavily used for three years by a family with young children?



Enjoy some more photos from Capital City Car Wash!

You can see how their passion for what they do really "shines" through.



CAP Treasurer, Dave Edwards Wants You to Consider This.

As each of you are aware, CAP is a membership-based organization operating for the support of its membership. That's *you!* So, in my attempts to encourage each of you to join and/or maintain your membership dues I am often met with these common questions:

- "What causes is CAP legislating for?"
- "How can CAP help my business?"
- "Are the benefits the worth investment?"

All of which are good questions, but I want to you read and consider this Winston Churchill quote. *"We make a living by what we get. We make a life by what we give."*

Now then, I encourage each of you to ask yourself, what can I do for a fellow member of the CAP? That answer maybe unknown right now – and that's okay. This is where each of us in membership come together and get together.

With each of the events CAP organizes each year, and the operations of our Facebook and LinkedIn pages, you have the opportunity to share and listen to-and-with other PA car wash operators and vendors. Within these social settings of comradery, you may share something that helps someone else, or you may learn of something new yourself.

Who knows? What you share or learn may bring benefit to you in positive and profitable ways.



"We make a living by what we get. We make a life by what we give."

--Winston Churchill

CAP is about each of us and the variety of car washes we operate in PA. So I encourage you...share through membership! This is how we all benefit - and how we build a helpful, thriving community of professionals.

Looking forward to seeing you at the next CAP event!

Dave Edwards, CAP Treasurer, Operator



The Biggest Trends Among Carwashes in PA

Alec Hedman of Simoniz helps us analyze the CAP survey results

Midway through 2018, the Carwash Association of Pennsylvania sent out a survey to a large sampling of Pennsylvania carwash owners and operators asking some critical questions regarding their business growth and development. We think you will be interested to learn what some of the more notable trends we discovered were. Take a look!

For Self-Serve Carwashes:

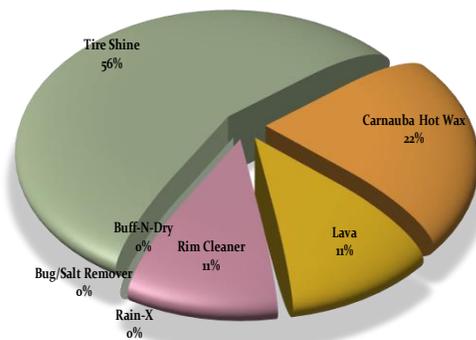
- 76% of owners answered their income was higher in 2018 than 2017
- ~ Monthly Income Per Bay-\$1,445.00
- ~ Monthly Vacuum Sales-\$840.00
- ~ Monthly Vending Sales-\$391.00

For In-Bay Automatic Carwashes:

- 82% of owners answered their income was higher in 2018 than 2017
- Avg. price per car was listed at \$10.00
- 35% of washes have a website

For Tunnel Carwashes:

- 89% of washes have a website
- 67% of washes offer free vacuum
- When asked "What is your best buy-up option?" the answers were as follows:
 - 56% Tire Shine
 - 22% Carnauba Hot Wax
 - 11% Lava
 - 11% Rim Cleaner



*Alec Hedman
CAP Board Member*

Pittsburgh Carwashes Have Reason for Concern

By Stuart Hammerschmidt of Shore Corporation and CAP Board Member

The City of Pittsburgh, specifically the Allegheny County Sanitary Authority (ALCOSAN), which includes 82 municipalities including Pittsburgh, has been continuously violating the Clean Water Act since its enactment in 1972. The US Environmental Protection Agency (EPA) sued ALCOSAN and forced them to sign a consent degree in 2007. Now, in 2019, it's time for residents and businesses to pay.

The issue stems from storm water management and sewage discharge into the rivers. Pittsburgh is a very old city with a sewer infrastructure that was never designed to handle the number of residents it once had (city limits had over 600,000 in the 1960 and has lost population every decade since) or the current environmental laws. The current system allows both storm water and sewage to enter the sanitary system for treatment. When there are heavy rains, the system is overwhelmed and untreated water, including raw sewage, is allowed to discharge directly into the rivers, which violates Federal law.

ALCOSAN, in their effort to continuously delay the inevitable, now must fix the problem quickly. Conservative cost estimates to address the issue total \$2 billion. Total compliance cost estimates are between \$4-\$8 billion. ALCOSAN could have started working on the project in the 1970s when the population was much higher and the industry in the area hadn't collapsed.

Due to their negligence and mismanagement, a population which is half of what it once was will face the financial burden of compliance.

ALCOSAN increased their rates 7.5% in 2018. They will increase their rates another 7% every year through 2021. The Pittsburgh Water and Sewer Authority (PWSA) also announced an increase in February 2019, which combined with ALCOSAN's increase, will total 14%. For the carwashes within the ALCOSAN service area, this may be too much to bear.



6 Social Media Mistakes Carwash Businesses Make

Think about the relationship between social media and your carwash business. On one end of the spectrum, maybe it is a highly valuable tool that generates buzz for your business on a regularly basis. Or on the other end of the spectrum, your business may not even show up in Google searches (but hopefully not!) let alone has its own Facebook page.

No matter where you land on the spectrum, you can still benefit from social media advice. Why? Because social media is only going to grow in popularity and use, and you can only ignore it for so long. So, there's no time like the present to take a crash course into some helpful ways in which you can use social media to grow your carwash business. But let's take a different approach, shall we? Instead, learn the 6 social media mistakes that carwash businesses mostly commonly make.

1. Creating a page but never adding to it. It sounds obvious, but it happens all the time. A business will create a Facebook page and never post content or grow its followers. This is possibly more damaging than having no presence at all!

2. Leaving outdated information on your page. If a customer finds your Facebook page but can't find your website, or your business hours and phone number are incorrect, they won't be able to find you to give you their business – and they'll likely just head over to one of your competitors.

3. Ignoring comments and direct messages. You would never imagine opening a carwash without a strategy to maintain it. The same goes for social media. Someone needs to be responsible for regularly checking in on engagements like comments and messages which could be asking for important information.

4. Failing to grow your audience. Maybe your Facebook page is great, but if you only have a handful of followers, you're still talking to a wall. Make sure part of your social media strategy includes ways to grow your followers.

5. Not asking for help. So you find you're in over your head and making some of these aforementioned mistakes. Ask for help! Just like if you were failing in any other aspect of your business, you would seek professional help to put you back on the right track. The same goes for social media.

6. Underestimating the value of social media as a marketing tool. Finally and most dangerously, businesses fail to see the value of social media. Instead they'll pour money into other forms of expensive and less effective advertising and overlook how a strong social media presence, combined with a modest social advertising budget will go so much further. If you don't see the value in social media, rest assured your competitors already do.

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NEWS YOU CAN USE FROM THE CARWASH ASSOCIATION OF PENNSYLVANIA

Look inside for...

- ▶ Upcoming CAP events you don't want to miss
- ▶ Results from the 2018 CAP Survey
- ▶ Social media mistakes that are hurting your business
- ▶ ...AND MORE!



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