

THE WAVE OF THE FUTURE

Customer Convenience Reigns at Michigan Self-Service Laundry

At New Wave Laundromat, a 3,500-square-foot, card-operated laundry in Sterling Heights, Mich., customers are encouraged to visit nearby shops, taverns and grocery stores after putting in their wash. And once their loads are completed, they're buzzed on portable pagers.

A customer-oriented focus inspired store owner Mike "Stucky" Szczotka to offer this paging service to customers. But he didn't stop there.

By using card technology, New Wave brings added convenience to its customers. This system eliminates hassles associated with making change, loading quarters and jammed machines. Plus, New Wave customers receive bonus dollars when they put more than \$20 on their cards. They also receive one free dryer turn each time they utilize the store's Continental PowerLoad washers.

To help protect against lost cards, customers are also encouraged to register with an attendant. That way, says Stucky, any money left on lost cards can be transferred to new ones. New Wave's Hispanic customers also appreciate that the Card Concepts vending machine gives directions in both Spanish and English, he adds.

But the real benefit comes in simplifying store management, according to Stucky's son, Darin Szczotka, who runs New Wave.

"We can print reports daily, weekly or monthly and track the usage of each piece of equipment," says Szczotka.

Plus, he maintains, the card system allows for flexible vend pricing.

"I can drop prices during off hours, and increase it during busy times," he says. "I can automatically change the vend price of any machine up to three times per day in penny increments."

This flexibility allows the store to capture more business during slow hours by enticing customers with bonus programs or special promotions.

Already, the newly opened, handicapped-accessible store is exceeding sales expectations.

"Every day, business increases," says Stucky of New Wave. "I'm very happy with how it's ramping up."

TAPPING INTO DEMOGRAPHICS

But that's no surprise, considering this owner's background. Stucky has more than 14 years of experience in the drycleaning and laundry equipment industries. In addition to New Wave, he owns and runs Eagle Star Equipment, a drycleaning and commercial laundry equipment distributorship in Troy, Mich.

As a result, he carefully planned New Wave to fit the needs of multiple consumers, including professionals, businesses and families.

"Once we get into full gear, I fully expect the commercial side of the business to overtake the self-service side," adds Stucky.

The laundry already offers wash-dry-fold, as well as drop-off drycleaning services to customers. But there are also plans to aggressively market "casual fluff-and-fold" services to area

drycleaners. In doing so, Stucky says he'll maximize the use of his capital investment—the store's laundry equipment.

"In order to get the most out of a laundry, owners need to look at various ways to maximize the use of their equipment," says Stucky. "It should never stand idle."

During slow times at New Wave—basically, weekdays from 8 a.m. to 3 p.m.—attendants will use the store's empty laundry equipment to serve a growing commercial business.

"This should be a tremendous profit center for us, as well as for the drycleaning companies with which we contract," says Stucky.

Strategically located in a strip mall near a large mobile home park, several apartment complexes and hundreds of expensive single-family homes, New Wave offers something for everyone—always with a focus on customer satisfaction. Adding to customer comfort is New Wave's convenient layout offering many amenities, including televisions, vending and video machines.

New Wave's card system eliminates the hassles associated with making change, loading quarters and jammed machines.



**New Wave offers something
for
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ALWAYS with a focus on
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Clean, bright, uncluttered décor—along with spacious aisles—serves notice that New Wave's focus is on the customer.



AN EFFICIENT, PROFITABLE MIX

Stucky's focus on serving commercial and walk-in clients drove the way he equipped New Wave. The store's energy-efficient laundry equipment misers water, gas and electricity, and is built for durability and customer convenience, he says.

Jeff Quail of Eagle Star Equipment put a lot of thought into the store's equipment mix and layout.

"There is a large mobile home community right behind the store and a decent number of apartments close by," he says. "Typically the family size is smaller because of the smaller living space, so we put in 10 double-load washers and 14 triple-load washers to accommodate those families," he says.

New Wave is also outfitted with three Continental PowerLoads and 10 ExtraLoads. Three 75-pound drying tumblers handle large loads, and 19 stack drying tumblers are designed to take on 30-pound loads.

"We didn't feel there was a big difference between a 30-pound pocket dryer and a 50-pound pocket dryer," says Quail. "So we jumped up to the 75-pound dryer."

The 75-pound dryers work in tandem with the PowerLoad washers, making it so customers won't have to split loads to get them dry, says Quail.

"This also gives customers quicker drying cycles for comforters and other large items," he says.

"There are no topload washers in this store," adds Stucky. Instead, he opted for 10 double load Auroras. The new stainless steel, Energy Star-approved, frontloading Continental washer-extractors are similar in size and capacity to most topload machines, but use less water and gas.

"We're looking at a utility savings of 30 percent or more because we installed the Auroras rather than topload machines," says Stucky. The Auroras' high extract speeds save customers time, he adds. "They remove a lot of water from a load, so customer's don't spend much time waiting for laundry to dry."

Better yet, the washer demands a higher vend price than a toploader, according to Stucky. This is due to the industrial design and heavy-duty look.

But it's the three 75-pound PowerLoad washer-extractors that bring people in the door, he maintains. Strategically placed so that they're visible from New Wave's front windows, the washer-extractors are designed for heavy loads such as comforters, area rugs, sleeping bags and more. Using the larger washer-extractors, according to Stucky, is also the most efficient way to process laundry generated by drop-off customers or commercial accounts.

Conserving water and utilities is important to Stucky, which helped him gain city approval for the project. In addition to choosing energy-efficient equipment for New Wave, he installed Hamilton Engineering's Evolution 99 water heating system, known for its high efficiency.

"Initially, we had some difficulty running a water line to the store," says Stucky. "The city actually had an inspector stay overtime to sign off on the job. They went out of their way to help us."

STORE PROFILE

That's because, in Stucky's mind, the city understood the benefits of New Wave to the community. Power doors, handicapped accessibility, quality equipment and multiple services targeted to a variety of consumers, make this laundry an asset to Sterling Heights. For Stucky's laundry equipment distribution business, New Wave has also meant added credibility and improved sales.

A BLUEPRINT FOR BEGINNERS

After all, New Wave is first and foremost a show store—a place to bring investors looking for answers to questions regarding the coin laundry business. Of course, simultaneously, the laundry brings the ultimate in convenience and amenities to walk-in customers.

Stucky didn't open New Wave merely because it was a good business investment. Rather, he opened the store so he might share everything about it—in hopes of making his existing and future coin-store clients successful.

As a Continental Girbau laundry equipment distributor, a large part of Stucky's business involves helping people start their own self-serve laundries.

"I wanted a coin laundry of my own, so I could share every detail of the business with investors," says Stucky.

Now, when investors tour New Wave, Stucky shells out real and detailed information regarding the coin laundry business. He shares marketing tactics, start-up costs, equipment recommendations and daily, monthly and yearly revenue reports.

For Stucky, being able to share that data is critical. "It's very important that I be able to tell investors the facts, including exactly how much revenue is produced at particular times of the day or by specific pieces of equipment," he says. "Having a card system allows me to explain the business in very fine detail. By sharing this information, I can help my clients make informed decisions regarding their own self serve laundries."




The 3,500-square-foot laundry features ample parking and a paging system to alert customers when their wash is finished.

Investors touring the store are able to learn about the performance of the equipment, along with how to place and install it to promote customer convenience and traffic flow. For demonstration purposes, Stucky installed New Wave's drying tumblers using a variety of venting options through the roof and wall.

By investing in New Wave, Stucky maintains he's also investing in his clients' success.

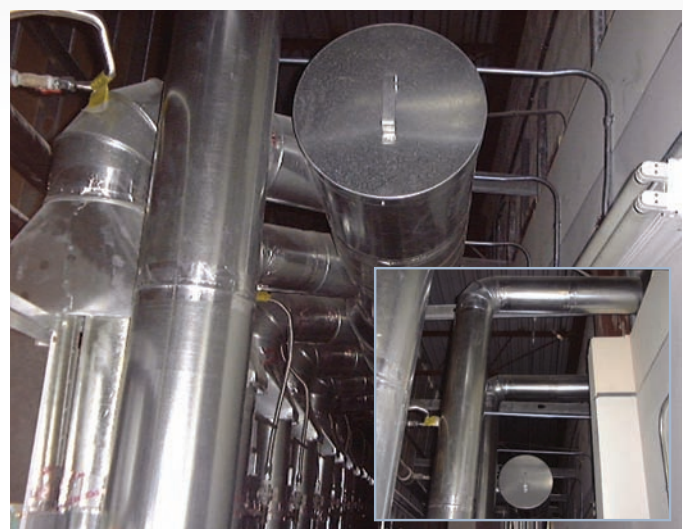
And he should know. Stucky, who has been in the drycleaning business for years, found success after opening a spec drycleaning store years ago. This "blueprint" store provided a clean working show room and training center for potential investors. As a result, Stucky says, Eagle Star Equipment has a near perfect success rate in opening drycleaning plants for first-time investors.

He hopes to mirror that success for coin-store investors using New Wave.

"When people ask me what it takes to open a laundromat, I can now give them true and accurate information and numbers," he says. 



New Wave features three 75-pound washer-extractors, which vend for \$6.49.



An upclose look at New Wave's exhaust vent manifold. *Inset:* New Wave Laundromat's drying tumblers are installed using a variety of venting options through the roof and wall.



From left:
Mike "Stucky" Szczotka, Eagle Star Equipment;
Darin Szczotka and Brandon Ashton, New Wave Laundromat;
and Jeff Quail, Eagle Star.

The store includes 10 20-pound washers, 14 30-pounders,
10 40-pounders and three 75-pound models.

The store's energy-efficient
laundry equipment **MISERS**
water, gas and electricity,
and is built for
durability
and
customer
convenience

EQUIPMENT MIX

New Wave Laundromat
Sterling Heights, Mich.

- 10 Continental 20-pound frontload Auroras\$1.89
- 14 Continental 30-pound Triple Load Washer-Extractors\$3.29
- 10 Continental 40-pound Extra Load Washer-Extractors\$4.39
- 3 Continental 75-pound Power Load Washer-Extractors \$6.49
- 19 Continental Stack Drying Tumblers\$.35 /12 minutes
- 3 Continental 75-pound Drying Tumblers\$.55 /12 minutes

Card Concepts Payment and Store Management System
Hamilton Evolution 99 Water Heating System

- 5 Video Machines
- 4 Vending Machines
- 6 Televisions

Fully attended store
Customer Pagers with two-mile radius
Surveillance System with eight cameras
Handicapped Accessible
Power Doors
Wash-Dry-Fold Service
Drop-off Drycleaning Service

