



CANADIAN CARWASH ASSOCIATION

SEPTEMBER 2007

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Research shows carwash volumes up nationally in 1st quarter

By Karen Dalton

THE CANADIAN CARWASH ASSOCIATION (CCA) Wash Volume Report program, launched in January 2006, provides participating Members with reliable data on the carwash industry in Canada.

National results for the first quarter of 2007 show that 893 carwashes reported wash volumes of 8,436,266 cycles, average quarterly revenues per site of \$65,671 and average revenues per cycle of \$6.95. This represented an increase from the first quarter of 2006 of 11.8% in average cycles per site, 26.5% in average revenues per site and 10.3% in average revenues per cycle. *See chart.*

When reviewing the results by the 14 regions of Canada covered by CCA's Wash Volume Reports, there were dramatic differences in performance. As an example, while one region reported a 37.6% increase in cycles, another reported a decline of 19.5%.

Results may vary across the country for a host of reasons: weather conditions, economic conditions and too many competitors to name just three. Similarly, results vary by month, largely due to weather conditions. This phenomenon emphasizes the importance of preparing a well-researched business plan, including demographic data, appropriate site selection within the geographic region and choice of wash type before investing in a carwash.

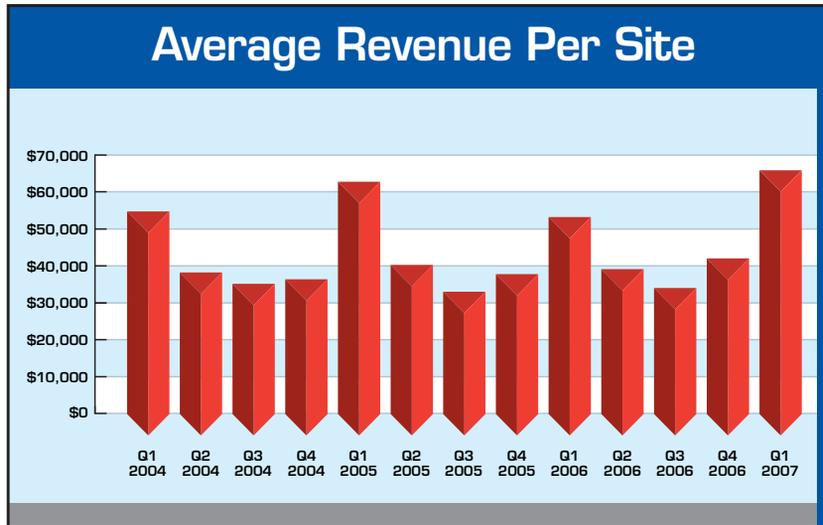
Benefit to CCA Members

The WVR program provides participants with both national and regional reports on a quarterly basis showing monthly wash volumes by participant (number of wash cycles) and aggregate revenues, average revenue per wash, trend information, wash and industry totals, including benchmarking data for carwash sites and companies. The reports assist participants to determine market share and industry performance by tier (based on number of car wash sites owned).



INDUSTRY FORUM

PROMOTING THE RESPONSIBLE GROWTH AND PROSPERITY OF THE CAR WASH INDUSTRY



TIPS FOR OPERATORS

“ACCEPTING” QUARTERS

Although the new nickel plated steel quarter has been in circulation for some time now, we still receive calls from car wash operators about acceptance issues of this new coin in their self-serve bays. The “old” quarter is a nickel alloy and has been produced very consistently by the Canadian Mint, which results in excellent acceptance rates. The “new” quarter is steel with nickel plating, creating an electronic signature radically different than the older quarters resulting in poor acceptance or none at all. Trying to program a coin acceptor using both types as samples in the same programming position results in poor acceptance because the two quarters are so different from one another. The solution is to program your coin acceptor with the “new” quarter as you would a \$0.25 token, treating it as a separate coin altogether. The new steel plated quarter is identified by a small “P” under the Queen’s head.

CCA Wash Volume Reports allow participating members to compare their carwash operations performance with that of other similar operators both locally and nationally, identify seasonal variations, assess the performance of their business, understand how the overall carwash market is performing and make informed decisions regarding new locations or expansion. The program is provided at no cost to CCA members.

Members simply agree to provide their WVR data monthly on a strictly confidential basis for three years to Kent Marketing Services Limited, selected by CCA as the approved provider of data collection and reporting for the program. Kent Marketing has over 30 years’ experience in analyzing Canada’s retail fuel industry and provides confidential reporting of this data to Canada’s major oil companies.

As a participant in the program the member is bound to a confidentiality agreement and agrees not to use the

information contained in the WVR for promotional purposes. CCA is solely responsible for the dissemination of aggregate information contained in the reports to any third party. For more information on CCA’s Wash Volume Report program contact Philip Boyd, Executive Director of CCA at 416-239-0339.

NEW MEMBERS

Carwash & Detailing

- Cravin Auto Detailing Ltd. – Red Deer, AB
- McDougall Fuels – Sault Ste. Marie, ON
- Miami Car Care Centre Inc. – London, ON
- New Image Carwash – Niagara Falls, ON
- R. Agostino & Sons Ltd. – Thunder Bay, ON
- Rims and Rovers Auto & Pet Wash – Beaumont, AB

Manufacturers/Suppliers

- Forsythe Lubrication Associates Ltd. – Hamilton, ON
- Howard Noble Insurance Limited – Collingwood, ON
- ProMinent Fluid Controls Ltd. – Guelph, ON
- Washlinks – Mississauga, ON

Annual Golf Tournament

The annual Canadian Carwash Association golf tournament in Ontario is being held at the Richmond Hill Golf Club on Tuesday, September 18, 2007. The day begins with a networking buffet lunch, followed by “Scramble” format golf with a shotgun start at 1 p.m. and a presentation dinner.

Thanks to the generosity of numerous supplier sponsors, who will pay \$175 to play golf, the registration fee for carwash operators is a modest \$125.

To receive a registration form for further information, please call 416-239-0339.