

## COIN-OP AND COMMERCIAL LAUNDRY:

# Maintaining a Dual Identity

*Whichever side of the line you're on,  
it's about best serving all customers*

by Bruce Beggs, Editorial Director



(Photo: © iStockphoto/PeopleImages)

**T**he concept of adding commercial account work after opening your self-service laundry is well established in our industry, and many owners maintain such multi-faceted operations that boost their collective bottom lines.

But it's important to understand how these two similar operations differ and how to best coordinate them when offering both so that one doesn't impede the other. Whether it's the walk-in customers standing in the next aisle over or the commercial accounts whose representatives you may rarely see face to face, whichever side of the line you're on, your goal should be to best serve your customers—all of them.

In a way, it's about creating and maintaining a dual identity.

### GETTING STARTED

Michael "Stucky" Szczotka co-owns New Wave Laundromat in Sterling Heights, Mich., just north of Detroit. He says the business has been doing laundry work for commercial accounts for roughly 14 years.

His staff of three full-time employees and three part-time employees processes a few thousand pounds of commercial work each week for the likes of cosmetic surgeons, party rental companies, spas, dental offices, massage therapists and dry cleaners to keep his wash wheels turning when walk-in business slows. But it's done under a separate

banner: New Wave Laundry Services.

"The store wasn't ramping up as quickly as I thought," recalls Szczotka, who also owns retail and commercial drycleaning operations and a textile restoration company. "With my background on the dry-cleaning side, I figured I could very easily just bring some accounts in.

"I realized very quickly if I had a 50-pound washer that I had vended for \$6.30, if I could load up 30 pounds in there for \$2 a pound, turning those wheels for \$60 rather than \$6.30, even though I had to pay some payroll, was worthwhile."

The facility housing both measures just shy of 3,500 square feet and boasts 38 washers (ranging in capacity from 20 to 75 pounds), 22 dryers (16 are stacks, the remainder are 75-pounders), and a flat-work ironer, all from Continental Girbau (Szczotka is also president of Eagle Star Equipment, a Continental distributor).

In Norwalk, Conn., roughly an hour northeast of New York City, Bjorn Wisecup is a co-owner of The Laundry Basket (self-service Laundromat) and LBN Linens (commercial laundry). Here, the two operations are in adjacent, connected buildings, with 2,800 square feet of space dedicated to the Laundromat and approximately 1,400 square feet dedicated to commercial linen processing.

The Dexter brand washers used in the Laundromat include five 20-pounders,

eight 30s, eight 40s, two 60s and two 80s. There are 14 30-pound stack dryers, two stack 50s and two 80-pound standalone machines.

LBN Linens uses larger OPL (on-premise laundry) equipment, including Milnor 140- and 160-pound washer-extractors, a 180-pound ADC dryer, and a Chicago® Comet flatwork ironer.

The Laundromat turns 7 in March, and LBN Linens has been operating nearly six years.

"We started that pretty quickly after we started hiring attendants for the Laundromat, just to fill the void when they weren't doing wash-dry-fold," Wisecup says. "It was a great revenue-producing source because the employees were on salary and they weren't always busy for 40 hours a week. The labor, which is one of the biggest expenses in the commercial (side), was already in place and built into the revenue model of the Laundromat itself."

Wisecup says LBN Linens started small with gyms, salons, physical therapy centers, and a nursing home: "Very simple, easy stuff to do. It doesn't really take a lot of chemicals to get sweat out of towels."

Since expanding and dedicating space to commercial accounts, LBN now also serves 50 restaurants.

He employs a staff of 10, including

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three part-timers. There is a plant manager responsible for processing and handling the commercial accounts, two attendants doing wash-dry-fold work, and everyone else works on the commercial side.

As his company embarked on handling commercial accounts, Wisecup says it was important to decide which accounts to take on based on their processing needs.

"They're good, small accounts. If you do wash-dry-fold, you can squeeze a couple in and not fall behind too bad. Handling the medical stuff, we'll leave that to the 100% dedicated linen companies that are properly set up and have the staff safeguards."

Liz Snowdon is director of operations for Get Fresh Laundry, a 1,200-square-foot facility in Vancouver, B.C., that offers walk-in, commercial and other laundry services. For a decade, the company has processed goods for hotels, sports teams, massage clinics, shelters, bakeries, churches and other commercial accounts. The self-service and the commercial aspects of the business are "viewed and treated as separate entities," she says.

Huebsch equipment utilized by Get Fresh's walk-in customers includes 10 front-load washers (six 20s, two 30s and two 40s) and 10 dryers (six 30s and four 45s). A 75-pound Milnor washer-extractor and 55-pound Wascomat dryer are exclusive to the commercial business.

The pursuit of commercial accounts was done "for the consistency of workflow," adds Snowdon, who employs a staff of 12.

"It helps keep everybody busy and buzzing with things to do. (It) helps the customers feel more comfortable when they are dropping off their laundry, seeing all the work going on, which gives them a feeling that we know what we are doing. We then don't just rely on walk-in customers, we have something to fall back on."

## DEGREES OF SEPARATION

Szczotka says he made the decision to brand New Wave's commercial laundry portion separately from the Laundromat "right out of the box."

"We actually created a different logo (for New Wave Laundry Services). We also wrapped our van with that logo, and we made up business cards that were completely different from our Laundromat, that made it look more sterile and professional. ... That's how we were able to brand it. Even though it was still 'New Wave,' it actually had the appearance of being more of an industrial-type laundry rather than us actually taking it to a Laundromat."

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— 'Stucky' Szczotka



There is some physical separation between the two operations, but it is not complete.

"The flatwork ironer, as well as one of the 30-pound washers, are in an area where (Laundromat) customers do not have access," Szczotka says. "The washer is for anything that comes in that has body fluids on it. We actually increase the water temperature—I run my Laundromat at 128 degrees but going into that machine, I can go up to 165 degrees. With temperature as well as chemistry, I can satisfy anything that I need to as far as the body fluids go."

The flatwork ironer is used primarily for party rental (tablecloths and chair covers), including wholesale work for several dry cleaners.

"I believe I was one of the first, if not the first, to put a flatwork ironer in my Laundromat," he says. "I thought it could stimulate some extra opportunities, and it turned out to be correct. I could never get party rental (work), never cash in, especially around Thanksgiving and Christmas with all of the fancy tablecloths and that."

The commercial laundry operates during regular business hours, 8 a.m. to 4 p.m., Szczotka says, while the store remains open for self-service customers until 9:30 each night.

"My (commercial) accounts are done toward the back of the store, where I have an aisle that has five 50-pounders and four 20s, then six stack dryers. It's very easy for us to block off that portion of the store [using retractable rails]. During the day, I don't have as much activity as I do late afternoon, evening and weekend hours. It's never created a conflict with any of my walk-in business, customers not having access to empty machines during normal working hours Monday through Friday."

In Wisecup's case, walk-in customers may not even be wise to the LBN Linens commercial side.

"If you would look at it (from the outside), you would not see any signage for the commercial. There is a garage door. If the garage door is all the way up, you would see the OPL operation. If the door is down, you could easily not even know it exists back there."

While there is a clear physical plant separation, he says light commercial goods received are treated like wash-dry-fold and attendants process them in the coin-op equipment. But the staff is careful to not cause problems for its walk-in clientele.

"I work it into the operation as I need to. I'm infringing

on the rights of my self-service customers, so they have the right to use those machines before we do," Wisecup says. "If we get a lull, we'll run them right through. ... I don't want somebody to come to me and say, 'There are no dryers,' but I've got six (commercial account) tickets sitting in dryers."

He says The Laundry Basket never sections off or ropes off machines from walk-in use.

At Get Fresh Laundry, commercial laundry work is handled in the back area of the store, separated by a wall.

"The equipment in the back set up for commercial work, i.e. 75-pound (washer-) extractor and the 55-pound dryer, are strictly for commercial account work and not for (walk-in) customer use," says Snowdon. "We are in the process of upgrading and restructuring our older machines with high-efficiency equipment, which will help our bottom line."

The Get Fresh staff will use the coin-op equipment should commercial volume and deadlines warrant it, she says, working in between the customers' rush time and slow times. "Otherwise, we use the equipment set up in the back area or stay open after the store is closed or come in earlier."

As for the marketing of self-service and commercial operations, Szczotka, Wisecup and Snowdon each say they do so separately.

"You wouldn't be targeting the same people," Wisecup adds.

The three also say that taking on commercial accounts has been beneficial to their businesses in a variety of ways.

"I really believe that operators who own Laundromats and go into the commercial business, the utilization of the capital investment for the equipment, being able to turn those wheels more frequently because of commercial (work) will dramatically increase not only the profitability but the price if they ever want to sell that business," Szczotka says.

"Embrace the small commercial accounts like you would a wash-dry-fold customer, but you're giving them door-to-door service, so you charge a premium for that," Wisecup says. "They can be very beneficial." **ACO**