

(IR, FOAMER















Australian Car Wash Association

New Investor Panel Session

WELCOME



New Investor Panel Session

Tracey Michaels

DIRECTOR AND DESIGNER TMC BUILDING DESIGN GROUP.

Let the Debate RAGE!!!



Michaels

By Tracey

To Purchase an Existing Site -v-Building a New One? That is the question...



Introduction

- >Show me the MONEY!!!
- Hidden Costs- what are they
- Site Layout Limitations.
- ≻Car Wash Equipment.



- >Your loyal or NOT so loyal Customers.
- Car Wash Site Procedures and Processes- Yes you'll need them.
- Conversion of a Self-Serve Wash Bay into an Automatic Wash Bay.

Show Me the Money!!!

DEVELOP NEW SITE:

- More expensive to build from scratch,
- May take 12 24 months from the start until you are operational,
- No income and possible loan repayments until operational.



PURCHASE EXISTING SITE:

- Cheaper to purchase or lease an existing site,
- Immediate income stream,
- Good opportunity to rebrand or renovate to increase turnover,
- Short down time for renovations of up to 12 weeks,
- > Utilities already connected.

Hidden Costs 🛞

DEVELOP NEW SITE:

- > Weather & material delays,
- Material & Labour price rises,
- > Trade shortages,
- Construction delays,
- ➢ Poor soil conditions,
- Utility connection costs,
- ➤ Council Fees and charges.

<u>PURCHASE EXISTING</u> <u>SITE:</u>

- Higher maintenance costs in the building & equipment,
- Higher chance of equipment breakdowns and lost revenue,
- Unknown existing build quality,
- What are the problems that you can't see?



Equipment

DEVELOP NEW SITE:

- > New Equipment installed,
- Higher Equipment cost,
- Low chance of breakdowns,
- Need to document & implement a equipment maintenance program.

PURCHASE EXISTING SITE:

- >Older aged equipment,
- Possibly costly to maintain,
- More frequent breakdowns,



 May look to replace existing aged equipment,
May be losing a lot of \$\$'s in wash bay closures.



Customers

DEVELOP NEW SITE:

- Need new customer base,
- Develop a new effective marketing campaign,
- Have a "Grand Opening" event,
- Support local community and sporting groups.



PURCHASE EXISTING SITE:

- Existing customers,
- Differentiate yourself from the previous operator,
- Promote that the site is "Under New Management".



Documenting Processes

DEVELOP NEW SITE:

- Create new systems & operational manuals,
- Develop new work practices and standards,
- Employ and train staff.



PURCHASE EXISTING SITE:

- Access to existing site documentation & systems,
- Negotiate a hand-over period with the existing operator,
- Then improve upon existing systems and work practices to make them suit the way you want to run your business.

Site Layout

DEVELOP NEW SITE:

- > Get it right from the start,
- Design to maximise your return on investment,
- Future proof the layout for potential expansion.

PURCHASE EXISTING SITE:

- Limited opportunity to change existing design flaws,
- Possibility that the site will never achieve its full earning potential.





Tips for Existing Site Purchase

- Prior to purchase, request the following documentation:
 - > Stamped copy of Town Planning Permit and drawings,
 - Full set of construction documentation- Architectural, Civil, Structural and Hydraulic Engineering,
 - Certificate of Occupancy,
 - > Soil Test reports, all other reports.







Auto Bay Conversion Tips

- > Will it fit in the existing Wash Bay?
- > Will equipment fit in the Plant Room?
- Existing power and water supply,
- > New queuing requirements,
- >Are secondary plant upgrades needed?





During-





Come and visit me at Booth 63 Thank-you for your time.

