



"Growth of the car wash industry will accelerate" Ryan Essenburg, Tommy Car Wash Systems

Tommy Car Wash Systems has been in the car wash business for over 30 years, both as a site operator and as a supplier. We sat down with Ryan Essenburg, President of the Company, at the Car Wash Show 2017 to discuss the growth of the industry, monthly club programs and the revolution of belt conveyors, among other things.

Ryan Essenburg's grandfather founded Tommy Car Wash Systems back in 1969 and went on to build several car wash sites in Michigan. Over the years they focused on being self-sufficient; they didn't want to rely on a distributor and decided to take matters into their own hands. "They innovated out of necessity," says Ryan. Twenty years ago they partnered with a manufacturing company to have a full manufacturing product line.

Q. What are the benefits of being both a car wash operator and an equipment supplier?

A. The biggest benefit is that we develop products out of necessity for our own washes. By having high volume washes that we own and operate we are able to find different needs, and to create innovative products to fit those needs. Companies that are just manufacturers rely on their clients to either complain or to give them some feedback. It is a very efficient process because we design products that are applicable in our use cases.

Q. Of the two, what is a bigger part of the business right now? Are you planning on expanding on any of the two segments?

A. Very similar. There are a lot more employees on the retail side but in terms of size it is almost the same. Currently, we have two corporate stores in Michigan and four franchises in Missouri, Kansas and California. All over the world there is a shortage of professional car washes so we want to fulfil the needs of the market. People come to us every day from little cities that are completely underserved for good, professional, safe car washing. We are building as fast as we can all over the world: express car washes that have wide open spaces, are bright, and have full, moving conveyor systems that give the consumer a great experience.

Q. Customer experience seems to be a very important factor for car washes in America compared to other areas of the world. Why do you think that is?

A. The most important part of the experience is speed – people are very busy today and they don't want to waste their time seating on a line. So for the monthly program, where someone can wash their car when they like, people need to be able to get in and out as soon as possible. If their car is spotless at the end of the wash but the process has been a hassle, they won't be satisfied.

Q. The car wash industry in the U.S. is enjoying a very positive period. Do you think this rate of growth will continue?

A. Absolutely. It is going to accelerate even more because by building more car washes we are increasing the use and demand. When the service is available, people will come. Today, by building new washes the sector is creating more market, not dividing it. We have proven that in our own local corporate stores. There are a lot of cities that have too many car washes but what I see travelling around is that the majority of places are underserved. This is the case for the U.S. but there is an even bigger demand in other parts of the world.

Q. What do you identify as a key trend in the car wash market?

A. For us, a huge trend is what we call the "Tommy transporter belt conveyor" – a moving floor system that has eliminated the old chain and roller conveyor, which had guide rails and you had to line up to it. Not a very easy experience for the customer. They are a thing of the past. The new model caters to the new generations that don't want to be hassled. Belts are totally transforming the car wash industry and in a few years we will look back and laugh at the old chain roller. That is the biggest transition. This is also connected to the way new, intelligent cars function as they are not designed to work with the old systems.

Q. Do you feel like the car wash market still has a battle to fight to improve the perception that the general public has of the car wash industry?

A. We are trying to change that by building great looking, professional facilities with staff in uniforms. We try to showcase a little bit of how we wash cars to make sure people understand how safe and convenient it is. We are trying to break the image of car washes as old, dark and dingy places filled with dirty brushes. It is still an issue nowadays with some cities which are unconvinced about having a car wash on their premises until we show them our models... It is a whole new business now. Hopefully we will continue to change that by giving people awesome experiences.

Q. How important are loyalty programs for Tommy Car Wash Systems?

A. The only loyalty program we focus on is the Monthly Wash Club. For \$20 a month the customer can wash their car as many times as they want. It is good for the car wash owner because the customer is now committed to car washing. That is where the transition is happening. For them it is a great value because they are paying a very low price per wash. It is better for the car wash when it is busy because costs go down. People used to wash their car once a month while now people are doing it twice or three times a week. It has created a huge demand.

Q. Are there any other new features that you have added to your business?

A. We have two payments apps: Tommy's Express App and a Monthly Club app. With both you sign up with your smartphone and it works with a license plate recognition system. You can start, cancel and modify your plan from your smartphone. You don't even have to interact with a person on site – just drive up to the wash and the gates will open. It's technology that was developed in Finland and we brought it over to the U.S. It is all managed through the app.

Interview by Oscar Smith Diamante