

Distributor Spotlight:

J.H. Stuckey Distributing



J.H. Stuckey Distributing takes pride in its unofficial motto – “We Know Laundry.” Over the past 25 years, this family-owned company has grown to become one of the Midwest’s premier providers of vended laundry solutions.

In 1992, company owner and president, John Stuckey, decided to switch careers. His position as a successful sales representative for Black & Decker power tools had served him well since graduating from college in 1989. However, John was convinced that owning his own business was what his future had in store. And so the research began. He looked at numerous options – fast-food chains, specialized health club facilities, car washes, and, of course, laundromats. Deciding to make his home in Omaha, Neb., John soon realized there was a great need for a new type of laundromat – one that he would actually use.

After much research and a little soul searching, John opened his first laundromat in 1992. The new and ultra-modern Wash World Coin Laundry was a huge success within Stuckey’s Omaha marketplace, and soon John had caught the “laundry bug.” Shortly thereafter, he established J.H. Stuckey Distributing – becoming a distributor for a major equipment line and setting out to help others create the same kind of thriving,

cutting edge vended laundry business he had developed with Wash World.

Fast forward 25 years: J.H. Stuckey Distributing now sells commercial and vended laundry equipment throughout Nebraska, South Dakota, western Iowa and Oklahoma. John is the exclusive distributor for Continental Girbau equipment, with whom he partnered in 1996; and for Maytag, partnering with that brand in 2007. In addition to selling vended and commercial laundry equipment to an array of clients – including self-service laundries, hospitals, health clubs, fire departments, salons and spas, and so on – John’s passion lies in helping customers open new locations or retool existing ones.

He also is the owner/operator of three fully attended self-service laundries in



EXPRESS LAUNDRY CENTER
OWASSO, OK



OWASSO EXPRESS LAUNDRY CENTER



Omaha and two unattended laundry centers that he operates with a partner. He feels his experience as a successful owner/operator adds value to his ability to guide customers in the right direction.

As experienced developers of more than 40 successful self-service laundries, Stuckey Distributing will be involved in a new store buildout or remodeling project as much or as little as the specific customer prefers. The company's services include:

- Site selection
- Demographic studies
- Income/expense projections
- Financing options
- General contractor support
- Laundry design and layout
- Equipment selection/installation
- Ancillary product selection
- Employee training
- Marketing support
- Ongoing technical service
- Replacement parts

As a distributor, John said he believes establishing trust and creating an evolving, working partnership with his customers is a key.

"We are in this together," Stuckey explained. "I have been working with many of my customers for more than 20 years. My number-one goal is to help my customers be as successful as possible."

Stuckey is proud to say that his customer relationships are one of the greatest benefits of being a distributor. "When I started, I didn't realize that I wasn't just gaining

customers, I was gaining lifelong friends," he said.

Stuckey credits mutual trust and respect with fostering such strong relationships.

As a distributor, Stuckey feels fortunate to learn first-hand what's happening within the industry.

"It could be upgrades in equipment, new marketing initiatives, new payment methods – the list is endless," he noted. "It's imperative that I keep my customers abreast of these trends so that they can make informed decisions to ensure their laundries are operating as effectively and profitably as possible."

Stuckey also believes that the laundry business is incredibly dynamic and that it's crucial to continually update service offerings to provide customers with what they want. Store owners are encouraged to get to know their customer base so that they can assess these needs.

Additionally, it's no secret that existing self-service laundries can benefit by upgrading outdated equipment with new, energy-efficient washers and dryers. With the right equipment, vended laundries can dramatically reduce utility costs and, at the same time, boost profits. Stuckey has witnessed this in his

own stores and continues to share the benefits of his practices with his store-owner customers.

"Stuckey Distributing is not here just to open laundromats," John stated. "Our goal is to help our customers build, develop, maintain and grow a business. Our job is not finished when the doors open. We are committed to our customers' successes and are willing to be there for them along the way – no matter how long that 'way' may be."

John Stuckey recently shared his thoughts on the state of the vended laundry business and where he sees the industry headed:

What is the most pronounced trend you're currently seeing in the industry?

In the last 10 years, the technological advancements in payment processing systems for vended laundries have been incredible. In the "old days," customers had to decide upfront whether they wanted a coin-operated store or one that used a pre-paid card system. Today, store owners can choose from offering coin, credit card or pre-paid card options, or almost any combination of the three – and most machines can be retrofitted to accommodate



any necessary hardware and software. Today's consumer is so accustomed to not using cash; the emergence of credit card applications for vended laundry equipment has really changed the way customers view laundry day.

Along with this, the payment applications allow for precise monitoring of machine usage and the amount of money collected by each. This gives an owner greater control and the flexibility to monitor income even if he or she is not the one doing collections.

What are you most excited about?

Both Continental and Maytag, the equipment lines we represent, have developed "store concept" models, which provide customers with a turnkey design plan for a new store or a remodel. This has been a fantastic sales tool in our industry. Customers are able to see a complete laundry model from the beginning; along with that, they can take advantage of years of industry experience, user-tested design features, well-developed marketing programs,

predesigned signage and so much more. Customers are able to use as much, or as little, from the programs as desired, allowing them the flexibility to customize the program to their needs. It is the equivalent of having corporate franchise support, without all of the costly fees normally associated with such. Our customers have loved having the choice – they can make all of the decisions, some of the decisions, or just run with a total concept package.

What are you most concerned about?

There are two major factors influencing vended laundry profitability right now: the increase in minimum wage and the rising cost of utilities. Both are making a huge impact on operating expenses for vended laundries, and both leave owners with the unnerving task of figuring out how to increase revenue to cover them.

Regarding minimum wage, for attended stores it becomes imperative for operators to make sure employees

are being utilized at all times. For many, this means adding or increasing services offered. Ramping up a location's wash-dry-fold service, adding commercial/business accounts and offering pickup and delivery are areas we recommend for this focus. All inevitably require some marketing efforts on the part of the owner, but the reward is well worth it.

With ever-rising utility costs, we place an emphasis on working with customers, both new and existing, on the benefits of using high-efficiency, soft-mount washers to decrease water consumption and usage time. Although replacement costs, or the initial investment of such equipment, may seem overwhelming, the energy savings – even in the short term – are well worth it. I've seen stores, including my own, convert older equipment to new, high-efficiency models, and the average utility savings for such a conversion can be a 25 percent to 30 percent reduction in overall utility costs for equipment. It is significant.

To help customers understand the benefit, Continental has created an Energy Savings Calculator that enables store owners to run scenarios using different equipment and actual utility costs from their areas; it's one thing for me to talk about it, but it's something else entirely when customers can actually see the math.

Where do you see the self-service laundry industry headed?

One of the most exciting trends in vended laundries is the addition of much larger capacity washers and dryers. Customers used to think a 60-pound washer was huge and



wouldn't get used very often. It was a tough sell.

Today, store-owner customers are lamenting that they didn't put in more 90-pound machines. Some of our most recent vended laundry installations have included multiple 90- and 125-pound washers. This switch is due to the laundry customer wanting to do more wash in less time, along with an increase in vended laundry use by non-traditional customers. By "non-traditional," I mean those who actually have washers and dryers at home, but are using laundromats more frequently to launder specialty items, such as comforters, boat covers, tents, horse blankets and a whole list of other items people might not always consider "machine washable." It's really quite remarkable what you can wash these days.

What's the biggest reason for laundry owners to be optimistic?

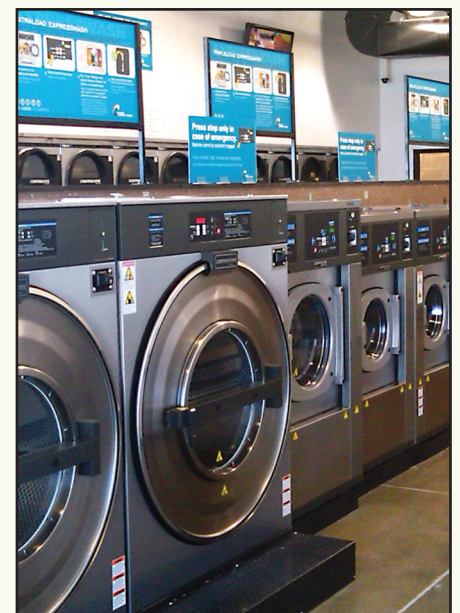
Laundry owners are excited at the influx of customers wanting larger-capacity machines. They have done the math and know that these

machines can generate great revenue in a moderate amount of floor space. Having large machines – 75-pound capacity and up – in a laundry opens up a store to so many different users. For regular customers, this is a win-win. They are able to get more laundry done in less time, and owners are able to cycle more customers through their stores.

Today's busy lifestyles also have created a greater desire by customers for convenience services, such as wash-dry-fold and pickup and delivery options. Owners can take advantage of additional revenue streams when they look at adding or increasing these services.

What are the keys to successful vended laundry ownership today?

I encourage all of our customers to be proactive in staying abreast of industry trends and working to implement them in their business models. Not everything is going to work for every laundry, but owners have a responsibility to know who their customers are and what they



are looking for in their vended laundry. Owners need to spend time in their stores, assessing what is great and what is not, what customers are using and what they aren't.

As I mentioned before, the laundry business is dynamic. People are always changing – that's why we have to be aware, involved and proactive. We need to change with our customer base to ensure that we're always there to serve their current needs.