

SPARKLING GROWTH FOR LAUNDRY CHAINS

PWS, The Laundry Company and Martinizing Dry Cleaning, two of the largest chains in the laundromat and dry cleaners niche, both will add locations this year and next. PWS plans to match this year's number of openings with 20 in 2011 in the West and Southwest. Martinizing Dry Cleaning plans to double this year's six openings with 12 in 2011. Meanwhile **Laundry Capital Co. LLC** plans to add 20 locations in 2011 for its **Clean Rite Centers** division, matching its number of openings for this year.

PWS, Martinizing and Laundry Capital join the estimated 35,000 laundromats and dry cleaners nationwide in serving the estimated population of 100 million who live in rental housing. Laundromats and dry cleaners as an industry churn out annual sales of \$4 billion to \$5 billion. That provides a virtual bottomless pit as far as customer base and one which actually rises with a faltering economy. On the other hand, the rough economic climate makes it somewhat tougher for PWS and Martinizing, both franchise-driven chains, to generate new operators. Each has seen the number of new franchisees shrink as fewer can qualify financially, especially without financing. To their credit, both chains are still adding new locations, just not at the pace of the past.

Look for most of PWS' new locations to be in California. The franchisor will also consider shopping center and pad sites in its existing markets in Arizona, Nevada, New Mexico and Texas. New units can open under any of the trade names under the PWS umbrella: **SpinCycle, Lucy's LaundryMart, Launderland, Sudz Coin Laundry and Fiesta Lavanderia**. Launderland easily leads the way, accounting for 2,000 of the 3,000 total locations PWS operates among its various divisions. Launderland and the other banners can open in 1,800 to 3,500 s.f., the typical range for the industry. PWS often adds locations by recruiting operators of existing laundromats, typically ones with just a few locations, to join the system.

Martinizing works on sites for 2011 now, after wrapping up deals for openings in Chicago; Miami and Coral Gables, Fla.; and Rochester, N.Y., to finish off this year. Look for the franchisor to return to southeast Florida for additional sites to help fill its pipeline of projects for next year. Additional locations will also open in Minneapolis/St. Paul, Salt Lake City, and its existing markets in Pennsylvania and Texas. Martinizing laundromats/dry cleaners can open in three different floor plans: 2,500 to 3,000 s.f. for freestanding locations, on one-half acre of land; 1,500 to 2,000 s.f. for inline shopping centers; and 800 to 1,200 s.f. for drop off-only units. The dry cleaning/laundry locations target men and women age 25 to 59, with median household incomes of \$60,000 or higher.

Clean Rite focuses on the New York metropolitan area for all of its openings both 2010 and 2011 while parent company Laundry Capital Co. backs off growth of the Laundromax concept for now. Clean Rite takes 3,500 to 7,500 s.f., twice the size of most laundromats or dry cleaners and also sign for primary terms of at least 20 years with options. Clean Rite takes space on pad sites or as part of a shopping center. Laundromax and Clean Rite in addition to New York, have locations in Atlanta, Los Angeles, Philadelphia, Connecticut, New Jersey and Rhode Island. Potential locations need populations of at least 75,000 within three miles and a median household income of \$25,000 to \$50,000.

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