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A decorative border with a Greek key (meander) pattern surrounds the text. The border is composed of a top horizontal line, a right vertical line, and a bottom horizontal line, all featuring the repeating geometric pattern.

**NATIONAL OIL &  
LUBE NEWS**

# Memphis Operator Not Singing Blues

by Garrett McKinnon  
NOLN Staff Writer  
garrett.mckinnon@nola.net

In most markets around the country, car counts are either steady or declining. To make up for that, lube operators have



The Sunshine Car Wash/Speedy Detail/GTX Fast Lube in Memphis, Tennessee. Co-owned by Tim Michelotti, the facility is the first of several that Michelotti and his partner plan to build in the area.

turned to add-on services that can be performed quickly and easily, turning what used to be a simple 'oil change' shop into a one-stop automotive maintenance facility. Operators earn in ticket average the profits they've lost due to car counts.

But, Tim Michelotti has a different idea. Michelotti believes that volume car counts are still the way to go, and the way to increase volume is to offer customers more than just maintenance.

"Customers don't expect to pay \$60 when they go into a fast lube. They don't want that much on top of their car payment," Michelotti said. "We're going the opposite route. We run \$39 to \$40 per car, but we run a lot of cars. If ticket averages get too high, it hurts a lube."

To do this, Michelotti has borrowed a concept he calls flex-serve. Essentially a fast lube/carwash/detail center, a flex-

serve center is focused on luring customers who want flexibility in their car service needs.

Michelotti, a former director of Operations with Jiffy Lube (he ran 88 fast lubes at one time), currently operates three (Castrol) GTX Fast Lubes and nine self-service/automatic in-bay carwashes in the Memphis, Tennessee area along with his partner Mark Johnson, a 14-year carwash veteran. His newest venture, however, is a double-bay 'lighthouse' soft-cloth carwash facility (so-named because the main structure features a glass lighthouse as one of its main architectural elements). The new facility, which will include a GTX Fast Lube, a Speedy Detail center and a Sunshine Carwash, sits on a 200-foot by 250-foot corner, and includes a five-bay

glass-paneled self-service carwash, a 40 by 60-foot shade awning, a double-bay carwash and a two-bay lube center.

"This concept allows me to move into areas where we couldn't otherwise have three facilities," he said. "When you buy a \$600,000 to \$700,000 lot, people are pretty picky about what type of business you can put in, and the land cost is too much for one facility."

The facility is modular in construction, with glass panels giving the structure a unique look and a magnificent visual impact.

"We start with a modular skeleton then upgrade everything," he said. "Our next lube will be built entirely of stainless steel and glass. It will be very modern looking."

Michelotti said the lube facility is the backbone of his new operation.

"It allows me to go into a market where car counts are declining," he said, "and focus on volume and not ticket average."

He said he chose a two-bay lube for its efficiency.

"A two-bay lube can be very efficient. We offer the fastest oil change in Memphis," he said. "In eight minutes or less, people are in and out. We offer them the choice of staying in their cars or waiting area, and we can still push a lot of cars through. Plus, with this facility our break-even car count is about 19 per day."

The company's lube centers give free carwashes with every lube service, and he said his car counts are growing by double digits.

One of the few ways he does increase ticket averages is by pushing synthetic and synthetic-blend motor oil sales.

Michelotti, a 13-year lube veteran before entering his current partnership, operates each of the facilities (the lube, carwash and detail center) as a separate entity.

"We operate the detail center like a lube shop. Everything has a process and procedure," he said.

Many lube operators might consider it

The centerpiece of the multi-profit center facility is a two-bay carwash constructed entirely with glass wall panels. According to facility co-owner Tim Michelotti, customers can expect the same quality wash that they might find at a full-service carwash, only faster and less expensive. By adding a separate detail shop to the facility, customers can then choose the option of having the inside of their vehicles cleaned.



surprising that the Memphis company would cater to both the do-it-for-me (DIFM) consumer with the lube and detail facilities (and his automatic carwashes) and the do-it-yourself (DIY) customer with the self-serve carwashes. Michelotti, though, said it's a natural mix — especially when you have an attendant with the self-serve washes.

"You'd be surprised at the people who wash their own cars. We've got one self-serve wash in an affluent area, and people are washing high-end vehicles. People are tired of full-service carwashes due to the high cost and time involved. People who want full-service don't like lines."

Michelotti uses soft-cloth automatic carwashes constructed in glass buildings that can deliver a high-quality exterior carwash in four minutes.

"The glass building is innovative. It's safe, bright, and colorful and it cleans itself," he said.

Michelotti said that people can spend \$5 to \$10 at his facility and come away with a clean car. Compare that with the \$20 or more he said they would spend at a full-service carwash.

"Full-service carwashes are a dying breed in this market. No one's building them anymore," he said.

"They're labor intensive — with 20 or more employees — and people don't have time to wait an hour for a carwash. Also, the price is now over \$20 for a basic wash and full-service carwashes are struggling to give the service that people expect for such a price. Our customers want convenience and quality."



One of the enticements his facility offers (and the reason he calls it a flex-serve) is that customers can have an array of a la carte services performed at the detail shop in a matter of minutes.

"People will go through the rollover and then spend an extra \$5 to have a detail service performed," he said. "It's kind of like going to a full-service carwash, just not as expensive."

And, Michelotti added, people clean the exteriors of their cars twice as often as they clean the interiors, so even if they don't feel like a detail service, he's still received their business at the carwash.

"I've talked to a lot of operators, and there is definitely a market for flex-serve facilities. People want it," he said.

"But people also want it neat. They don't want their cars cleaned with just a bunch of rags. That's why we use state-

of-the-art express detail equipment. I want the detail shop to cater to the full-service customer, but with a level of service that customers have not come to expect."

Michelotti said his company is the first in the Memphis area to attempt the flex-serve concept.

"Our mission is to deliver a total car-care experience, not just a service." ♦



A GTX fast lube is one of the combination facility's main draws. Co-owner Tim Michelotti offers a free carwash with an oil change, and a free tire rotation service with the purchase of an oil change using synthetic motor oil.



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