

2002 TOPS in the Industry Ranking Puts Fast Lube Business in the Spotlight

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By all accounts, 2001 was a difficult year for American businesses. A sluggish stock market in 2000 became downright bearish. A horrendous terrorist attack on one of the nation's most prominent landmarks left many Americans questioning their very security. And a corporate pyramid scheme collapsed, leaving the once-mighty Enron Corporation bankrupt and sending shockwaves throughout an already shaky economy.

So how did the fast lube industry hold up during all this economic stress? Well, here at *National Oil & Lube News*, it's our job to keep tabs on the lube industry, to let you, the fast lube operators, know how the fast lube business fares from year to year.

As part of that job, every year we conduct a survey to rank the top fast lube chains in the industry by the number of facilities they operate, a list we call TOPS in the Industry. Our purpose is to record the growth, or lack thereof, that those chains have experienced.

Why do we do this? In short, we do it so that you, the fast lube operator, will know what other fast lube companies are doing? Did your competitor down the street add stores last year, or close stores? Did his parent company get bought out, and can you expect him to turn into another brand of fast lube in a few weeks? Many of the lube chains identified in this survey are your competitors, and it is important to know how they, and indeed the industry as a whole, are doing.

We don't stop with simply the top chains, either. We also ascertain the total fast lube population in the United States, compare it to the previous year's figures, and calculate the industry's overall growth.

To track down all fast lube chains in the United States, we contact more than 100 fast lube companies before compiling the data and presenting it to you.

Before we begin our discussion of this year's TOPS listing, however, it is important that we define a few of the terms we use. NOLN defines a 'fast lube' as any facility where fast oil changes and preventive maintenance services are performed as one of the prime focuses of the business. That does not mean that, architecturally speaking, all fast lubes must be roll-in, roll-out buildings with pits. Instead, it means that if a business makes the majority of its income from routine fast oil changes, we consider it a fast lube.

Further, we define a fast lube 'chain' as a group of six or more stores owned by the same company/owner, or a group of facilities sharing the same signage.

The figures we publish are the figures that are reported to us by the companies themselves or a reliable third-party. We rely on these companies to accurately report their facility count to us.

A couple of fast lube chains refused to respond to our requests for information about their chains. But, they account for less than 50 stores in all.

One final note; in a few instances, fast lube chains share the signage of a larger chain. For example, several independent lube chains in our listing are affiliated with the Pennzoil 10-Minute Oil Change program, and wear the oil company's signage in addition to their own. In these instances, we recognize the smaller chain in our survey, but subtract those chains' store totals from the numbers reported by the larger chain. We also note on the TOPS listing where we have done this. Finally, several of the larger chains that share signage with smaller chains have requested that we not include the smaller chains in our ranking.

If we failed to list a chain of six or more stores, it

TOP 68 FAST LUBE CHAINS OPERATING IN 2002

2002 Rank	2001 Rank	Facility Signage/ Company Headquarters	Independent/ Company Owned	Franchised	Total Operating 2/28/02	Additional Stores Projected By 12/31/02	Growth Since 2/28/01
1	1	Jiffy Lube, TX	467	1,750	2,217	100	3%
2	2	Pennzoil 10-Minute Oil Change, TX (808 total*)	716	0	716	**	-11%
3	3	Shell Rapid Lube, TX	720	0	720	70	***
4	4	Valvoline Instant Oil Change, KY	365	318	683	**	6%
5	5	Kwik Kar, TX	320	0	320	27	-3%
6	6	Grease Monkey, CO	57	184	241	15	30%
7	7	Phillips TropArtic Fast Lube, OK (158 total*)	143	0	143	20	10%
8	8	Express Oil Change, AL	12	126	138	20	8%
9	12	Valvoline Express Care, KY (135 stores*)	129	0	129	100	170%
10	9	Citgo Lube, OK	130	0	130	43	4%
11	9	SpeeDee Oil Change & Tune-Up, LA	2	119	121	4	-3%
12	11	Super Lube/American LubeFast, GA	65	0	65	8	0%
13	14	Oil Can Henry's, OR	3	50	53	10	13%
14	13	Speed Lube, Highland, IL	48	0	48	0	0%
15	15	Lube Stop, OH	44	0	44	2	2%
16	16	Southern Express Lubes (includes 10 Texaco Xpress Lubes), FL (44 total)	34	0	34	3	5%
17	17	LubePro's, IL	15	25	40	0	-2%
18	18	Oil Changers, CA	37	0	37	8	3%
19	20	EZ Lube, CA	36	0	36	4	6%
20	21	Victory Lane Quick Oil Change, MI	8	27	35	8	3%
21	22	76 Express Lube, CA	30	0	30	**	0%
22	23	Uncle Ed's Oil Shoppe, MI	29	0	29	**	0%
23	24	Oil Express, IL	15	12	27	1	4%
24	29	Oilstop Drive-Thru Lube Center, CA	10	12	22	10	16%
25	28	ExpressWay Drive Thru Lube Center, CT	20	0	20	**	0%
19	19	Indy Lube, IN	1	19	20	5	-43%
30	30	Super-Lube, FL	20	0	20	2	11%
		Terrible Herbst, NV	20	0	20	6	****
29	27	Precision Lube Express, VA	0	19	19	**	-10%
30	31	Wonder Lube, WI	18	0	18	1	0%
31	25	Performance Plus Quick Lube, MI	13	4	17	0	-35%
32	34	Grease Spot, IL	16	0	16	0	0%
33	32	Avis Lube Fast Oil Change Center, TX	15	0	15	**	-6%
	33	FAS Lube 10 Minute Oil Change, OH	15	0	15	1	-6%
	35	Mr. Lubie, IN	15	0	15	0	-6%
	37	Speed Lube, Decatur, IL	15	0	15	**	0%
37	43	Mr. Good Lube, NJ	14	0	14	4	17%
	41	Pioneer Quick Lube, MI	14	0	14	**	8%
39	39	Fast Change Lube & Oil, KY	13	0	13	0	0%
	40	Fast Eddie's Oil Change, MI	13	0	13	0	0%
41	42	Duke of Oil, IL	12	0	12	1	0%
	56	LUBExpress, NJ	12	0	12	2	50%
	45	QuickChange, OH	12	0	12	2	0%
	51	QuikStop, KY	10	2	12	2	33%
45	44	Mr. Oil Change, NY	11	0	11	1	-8%
46	46	Sprint Lube, OH	10	0	10	5	0%
	53	Time-It Lube, LA	10	0	10	**	11%
48	47	Car Spa Express Lube, FL	9	0	9	**	0%
	48	Lube 'n Go, TX	9	0	9	0	0%
	49	Pit Stop "500", IL	9	0	9	0	0%
	52	Super Lube, TX	9	0	9	1	0%
	59	UMC dba Speedy Lube/Zap Lube/Hi-Tech Lube, NY	9	0	9	**	13%
	54	Zip Lube, NM	9	0	9	0	0%
54	60	Car Care Center, GA	8	0	8	0	14%
	55	Dr. Lube, MI	8	0	8	1	0%
	58	Mr. Fast Lube, AR	5	3	8	**	0%
	50	Pronto Lube, TX	8	0	8	0	-11%
58	38	Amerilube Oil Change Center, WV	7	0	7	0	-46%
	57	Lubrication Specialist, FL	7	0	7	0	-13%
	63	Oil Experts, IL	6	1	7	0	0%
	66	Skill Lube 10-Minute Oil Change, AL	7	0	7	**	0%
	67	Texas Oil X Change, TX	7	0	7	2	0%
63	61	DeGreve Oil Change, IL	6	0	6	0	-14%
	68	Finish Line Express Lube, TN	6	0	6	**	0%
	64	Grease Pro dba Express Lube, FL	6	0	6	2	NEW
	70	Kwikoil, TN	6	0	6	0	0%
	62	National Lube Express, TX	6	0	6	2	-14%
	65	Rapid Oil Change, TX	6	0	6	0	-14%
TOTAL			3,887	2,671	6,558	493	

*Includes smaller chains that appear on this chart **Projection not available ***Formerly Texaco Xpress Lubes ****Reappearing on TOPS Listing

Jiffy Lube, after little growth the previous year, added 74 stores during the last 12 months.

Although at press time, many of these facilities' signs read Texaco Xpress Lube, the majority will become Shell Rapid Lubes as a result of circumstances surrounding the ChevronTexaco merger.

Grease Monkey added 56 stores, its most impressive growth in several years.

Valvoline's Express Care grew by a whopping 170 percent, signing 85 facilities to the program.

Both Indy Lube and Performance Plus sold stores during the preceding 12 months.

A pair of New Jersey-based lube chains, Mr. Good Lube and LUBExpress, added multiple stores to their operations.

Florida-based Express Lube was the sole new lube chain to make our TOPS list.

Last year, TOPS chains estimated they would add 566 facilities. This year's figure is down by 73.

was inadvertent. We do our very best to recognize every single one of these chains, and if you own a chain that was overlooked, please feel free to contact us and we will do our best to rectify the situation next year.

Now, on to the numbers.

Fast Lube Chains

The single-biggest change that happened to the fast lube industry since our last TOPS survey was a direct result of the ChevronTexaco merger. Because of that merger, Equilon, Texaco's lubricant partnership with Shell, was sold in full to Shell. Equilon, overseer of the Texaco Xpress Lube program and its 700-plus fast lubes, has since announced its intention to convert those Texaco Xpress Lubes to the Shell Rapid Lube banner. And, it appears that quite a few of the independent operators doing business under the Texaco Xpress Lube banner will convert their facilities' signage, especially given Shell's recent announcement that it will rebrand some 13,000 Texaco gas stations to Shell during the next few years. Though some Texaco gas stations will continue to operate under the auspices of ChevronTexaco, the brand's overall identity will no doubt be affected as a result of Shell's actions, possibly causing some fast lube operators to look elsewhere for an oil company flag to fly.

The end result of all this merger madness? No one seems to know for sure just yet, but as of February 28 of this year, Equilon still claimed 720 facilities that it assumes will become Shell Rapid Lubes during the upcoming months, even though for now, the majority of those facilities still wear their old Texaco Xpress Lube signage. However, to clarify things, we have listed those facilities as Shell Rapid Lubes.

At the same time, not enough operators had, as of press time, definitively decided to remain with the reborn Texaco Xpress Lube program (now a part of ChevronTexaco) for the chain to make our TOPS list.

With the status of 700-plus (possibly) former Texaco Xpress Lubes, all of which are independently operated, up in the air now that Equilon has changed brands, we also decided not to record the chain's growth, or lack thereof, from 2001.

Moving on, we can dissect the TOPS listing a little better. This year, 68 chains qualified for inclusion on our list, down two chains from last year. With one new chain added to this year's list, where did the other chains go?

Oil X-Change, a 15-store chain in Illinois, was sold to a Valvoline Instant Oil Change franchisee. King Lube, a six-store chain in Georgia, was sold to Grease Monkey. Quick Lube, a seven-store chain in Texas, sold six of its stores to Jiffy Lube. And, Exxon Superflo Fast Lube, a branded program with 26-plus fast lubes under contract as of last year, decided not to be listed this year.

Now, it doesn't take a math genius to figure out that with one chain added to this year's list, and four chains subtracted, there should be only 67 chains. Where did the other chain come from?

Well, Terrible Herbst Lube, a Nevada fast lube chain, came back from two years of acquisition limbo to rejoin the TOPS listing. Last listed in 1999 before being acquired by another entity, Terrible Herbst has grown from 14 stores to 20 stores the past two years.

So there you have it, 68 fast lube chains.

Disregarding the new chain, and the two chains (the old Texaco Xpress Lube/nee Shell Rapid Lube and Terrible Herbst Lube) that underwent dramatic changes last year, we see that 23 chains added stores last year, while 26 chains kept things exactly the way they were. The surprising thing is that 16 fast lube chains actually sold or closed stores last year, one of the highest figures in recent memory. On the 2001 TOPS listing, for instance, 28 chains had added stores, 27 had remained static and only 10 had closed or sold stores.

In all, the 68 chains represented on our list accounted for 6,558 fast lube facilities, an increase of 127 stores over last year's figure of 6,431, or an increase of slightly less than 2 percent.

Independent and company-owned stores actually saw a decline, falling to 3,887 stores from last year's 3,931. Franchised facilities, however, picked up the slack, growing to 2,671 stores from last year's reported total of 2,500 stores. Also, the 68 lube chains reported that they plan to add a total of 493 stores during the upcoming 12 months, a decrease from last year's estimate.

The big winner, in terms of new stores, on this year's list is Valvoline Express Care. This new signage program, similar to Shell's Rapid Lube program and Pennzoil's 10-Minute Oil Change program, gathered 85 independent operators under its wings during the last year, growing to 135 total facilities from last year's figure of 50 facilities.

Also seeing significant growth during the past year is Jiffy Lube, with a net of 74 stores added to its stable, which is significant given that the company actually closed or sold 13 company-owned stores during the last year, making up the difference with additional franchised facilities.

Valvoline Instant Oil Change (VIOC) grew as well, adding 38 new facilities, a number surpassed slightly by Kwik Kar, which added 39 new facilities during the previous 12 months.

One of the most surprising jumps came from Grease Monkey. After several years of declining store numbers, Grease Monkey managed to add 56 facilities last year, mostly by acquisition. Other companies that added facilities were Phillips TropArtic Fast Lube (14), Express Oil Change (10), Citgo Lube (five), Oil Can Henry's (six), Oilstop (three) and LUBExpress (four).

Of the companies that saw store numbers decrease last year, the biggest decline was in the Pennzoil 10-Minute Oil Change program. Last year, the program reported 903 fast lubes in its fold. This year, the company reported 808, although in fairness, much of the reduction was due to a records update done by the program's managers.

Other companies that saw declines were Speedee Oil Change & Tune-up (which saw four stores closed or sold), Performance Plus Quick Lube (nine stores closed or sold), and Amerilube Oil Change Center (six stores closed or sold).

Aside from Pennzoil's reduction, though, the biggest decrease came from Indy Lube, which sold 17 of its company-owned stores to Grease Monkey last year, but opened two new franchised centers for a net decline of 15.

Based on NOLN estimates, the entire fast lube population in this country grew by less than 170 facilities last year, a growth rate of slightly more than 1 percent. Although fast lube chains added 127 facil-

ities during the previous 12 months, that figure can be misleading. No doubt many of the new stores reported by Valvoline Express Care and Phillips TropArtic Fast Lube were actually independent facilities that decided to fly an oil company banner in the interests of competing against their neighbors. Still, it appears that the majority of growth for the fast lube industry last year was done by fast lube chains, and not by lube operators with less than six stores.

Also clear is the growing popularity of franchised fast lubes. In 2001, 38.8 percent of the fast lubes ranked in the TOPS listing were franchised facilities. This year, that figure is 40.7 percent, and the percentage is likely to continue increasing as the industry matures, much as franchised restaurants now command the lion's share of the fast food market.

Oil Change Plus Chains

For years, the automotive aftermarket ignored the fast lube industry, convinced that the concept was doomed to fail. That is no longer the case.

As more and more facilities that previously specialized in one area (i.e. Meineke Discount Muffler and Brake Masters) offer inexpensive oil changes in an attempt to diversify their services, fast lube operators face more and more competition.

For our purposes, we term facilities that offer oil changes — though not as their primary business focus — oil change-plus (OC+) businesses. In other words, although consumers can have their oil changed at many Wal-Marts across the country, few would argue that Wal-Mart is in business strictly to perform quick and convenient automotive maintenance services.

Because NOLN is focused on the fast lube industry, we do not keep track of the total industry population of OC+ facilities. We do, however, track the OC+ chains that we can find, diligently recording their growth or decline.

Last year, we recorded 46 chains of facilities that fell into this category. This year, we found 49. Two chains (Excel Quick Lube Plus and Jim Paris Tire City) were new to our list. Two other chains (Oasis Car Wash and Wash Depot) are actually the remnants of Triton Car Wash Management, a company that was formed from the merger of Oasis and Wash Depot, but which declared bankruptcy late last year, splitting the merged company in two once more.

Disregarding these four chains, we find that 15 OC+ chains added stores last year, 12 remained static and 18 chains actually closed or sold stores last year.

The big gainers were, not surprisingly, the large companies. GM Goodwrench Quick Lube Plus grew by 300 facilities as the program continues to be embraced by GM auto dealers across the country. Likewise, Midas Auto Service grew by 250 facilities.

Somewhat surprisingly, given the company's bad wrap in the mainstream press in 2001, Firestone reported approximately 1,500 Tire & Service Centers in operation, an increase of nearly 100 stores from last year.

Not surprisingly, given the company's astounding success and continued growth, Wal-Mart reported opening an additional 140 Tire & Lube Express centers, bringing its total to 1,490 facilities. More than half of all Wal-Mart stores now have Tire & Lube

TOP OIL CHANGE PLUS BUSINESSES OPERATING IN 2002

2002 Rank	2001 Rank	Facility Signage/ Company Headquarters	Independent/ Company Owned	Franchised	Total Operating 2/28/02	Total that Perform O/C	Growth Since 2/28/01
1	1	GM Goodwrench Quick Lube Plus, MI	4,800	0	4,800	4,800	7%
2	2	Midas Auto Service Experts, IL	108	1,892	2,000	2,000	14%
3	3	Firestone Tire & Service Center, TN	1,500	0	1,500	1,500	7%
4	4	Wal-Mart Tire & Lube Express, AR	2,700	0	2,700	1,490	10%
5	5	Motorcraft Fast Lube (Ford), MI	980	0	980	980	-2%
6	6	DaimlerChrysler Mopar Xpress Lube, MI	915	0	915	915	-3%
7	9	Meineke Discount Muffler, NC	24	848	872	720	11%
8	7	Goodyear "Gemini" Auto Service Center, Just Tires, OH	673	0	673	673	-16%
9	8	Penske Auto Center, MI	628	0	628	628	-6%
10	10	Pep Boys, PA	628	0	628	616	0%
11	11	Shell Auto Care, TX	475	0	475	475	-21%
12	13	Precision Tune Auto Care, VA	0	387	387	387	2%
13	12	AutoNation, FL	0	368	368	368	-8%
14	14	Big O Tires, CO	8	496	504	300	11%
15	17	Tuffy Auto Service Center, OH	10	240	250	250	5%
16	17	Econo Lube N' Tune & Brakes, CA	25	217	242	242	15%
17	15	All Tune & Lube, MD	0	228	228	228	-4%
18	19	Car-X Auto Service, IL	51	132	183	183	-1%
19	22	Quick Lane (Ford), MI	155	0	155	155	107%
20	21	Tuneup Masters, TX	122	0	122	122	0%
21	20	ARCO Smogpros, CA	120	0	120	120	-4%
22	18	Winston Tires, CA	114	0	114	114	-43%
23	23	Brake Masters, AZ	41	36	77	77	7%
24	24	Merlin Muffler, IL	9	56	65	64	3%
25	25	Tilden Car Care Centers, NY	0	60	60	60	0%
26	26	Strauss Discount Auto, NJ	95	0	95	56	4%
27	28	CarMax, VA	38	0	38	38	-5%
29	29	Top Value Car & Truck Service Center, MI	8	30	38	38	-3%
29	30	King Bear Auto Service Center, NY	29	0	29	29	-15%
30	31	Tunex Automotive Specialists, UT	2	25	27	27	8%
31	41	Rapid Brake & Muffler/Master Muffler & Brake, KS	23	0	23	23	188%
32	32	Quality Tune Up Shop, CA	0	21	21	21	0%
33	27	Oasis Car Wash Inc., TX	28	0	28	20	*
34	34	Sun Devil Auto, AZ	19	0	19	19	0%
35	36	Commercial Tire, ID	28	0	28	14	0%
33	33	XPert Tune, TN	14	0	14	14	-33%
37	37	Wash Depot, MA	57	0	57	13	*
38	37	Tune Up Plus, FL	11	0	11	11	-21%
39	35	Mace Car Wash, NJ	55	0	55	10	-33%
40	39	Mister Car Wash/Detail Lube Center, TX	9	0	9	9	0%
40	40	StickerStop, TX	9	0	9	9	0%
42	38	Exhaust Pro, KY	0	8	8	8	-11%
43	42	Delta Sonic Carwash/Sonic Lube, NY	22	0	22	7	0%
44	44	Auto Quick, GA	6	0	6	6	0%
45	45	Car Care Clinic Jet Lube, MS	6	0	6	6	0%
		Excel Quick Lube Plus, TX	6	0	6	6	NEW
		Jim Paris Tire City, CO	6	0	6	6	NEW
43	43	Regal Car Wash & Lube, AZ	6	0	6	6	-14%
46	46	Scrub-A-Dub Quick Oil Change, WI	6	0	6	6	0%
TOTAL			14,569	5,044	19,613	17,869	

*Parent company dissolved

Wal-Mart continues to add Tire & Lube Express centers to its retail stores, adding 140 during the last 12 months.

Both Ford and Chrysler dealerships' fast lube numbers declined from last year. Together, the companies reported that a total of 29 centers were no longer open.

Much of Meineke's 'growth' actually comes from adding oil change services to existing muffler centers, as the company itself added only six new stores last year, but 66 other centers began offering oil changes.

Ford's Quick Lane program, which consists of off-site but dealership-owned auto service facilities, grew by 80 units in the last 12 months, continuing to demonstrate auto dealers efforts to make inroads into the convenient auto maintenance market.

Big O Tires opened 42 new facilities last year, 30 of which offer oil changes.

Carwash chains may be finding that operating profitable lube shops is easier said than done. New Jersey-based Mace Car Wash shuttered five of its fast lubes, resulting in a 33 percent decrease in its total number of lubes.

These two chains, Oasis Car Wash and Wash Depot, are the remnants of Triton Carwash Mangement, a multi-branded carwash/fast lube chain that declared bankruptcy late last year. In last year's Oil Change+ listing, the company claimed a total of 108 facilities, 42 of which offered fast lube and maintenance services.

Express centers attached.

In terms of percentage growth, Meineke Discount Muffler had a great year, growing 11 percent by facility count. That figure is misleading, however. In fact, Meineke Discount Mufflers added a total of only six facilities last year. What skews the total is that another 66 Meineke centers added oil changes to their service menus last year, which for fast lube operators who compete with them might as well be 11 percent growth.

Big O Tires, based in Colorado, grew the old-fashioned way. While the company opened 42 facilities last year, 30 of those stores will perform oil changes for customers.

One company that greatly increased in size was Rapid Brake & Muffler in Kansas. A 17-store chain last year, the company acquired the 8-store Master Muffler & Brake chain, bringing its total to 23 facilities that change oil.

Otherwise, the biggest gainer in the OC+ category was the Ford Quick Lane program. Basically designed as off-site, but dealership-owned fast lubes, Ford added 80 Quick Lane facilities to its stable last year, bringing the chain's total to 155 facilities.

Companies that saw big declines this year were Goodyear (which sold or closed 128 of its Brad Regan facilities last year), Winston Tires (which closed or sold 86 facilities last year), Mopar Xpress Lube (which saw 29 facilities closed), Motorcraft Fast Lube (which saw 20 facilities closed), Penske Auto Center (which saw 42 centers closed or sold), AutoNation (which saw 32 facilities closed or sold), and All Tune & Lube (which saw 10 facilities closed or sold).

One of the biggest declines, however, came from one of the few remaining classical service station programs around. Shell's Auto Care saw its facility total shrink from 600 facilities to 475 facilities, a decline of 125 stores.

In all, the OC+ chains that reported their figures to us added a total of 331 new facilities last year. However, an additional 214 existing facilities began offering oil changes, meaning a total of 545 new oil change facilities now exist where consumers can have their oil changed. These facilities represent growing competition to fast lube operators. In fact, last year less than 90 percent of the auto care and mass-merchant facilities claimed by the companies in our OC+ list performed oil changes as a service. This year, more than 91 percent do, a slow but noticeable increase, and simply more evidence that as the automotive aftermarket grows more and more competitive, facilities are adding whatever services they have to in order to retain or increase their profitability.

Foreign Facilities

For the most part, the fast lube concept is not well known outside the United States. But that is changing.

This year, the companies represented in our TOPS list and our OC+ list reported operating an additional 1,570 facilities outside the United States.

Midas leads the way with 700 facilities, but other companies are following their lead. In fact, fast lube companies are becoming better and better represented outside the United States. ChevronTexaco reports 85 fast lubes operating on foreign soil, while Pennzoil reports that there are 62 10-Minute Oil Changes operating in other countries.

U.S.-BASED OPERATIONS RANKED BY NUMBER OF FOREIGN FACILITIES

Rank	Facility Signage	Facilities
1	Midas Auto System Experts, IL	700
2	Precision Tune Auto Care, VA	219
3	Wal-Mart Tire & Lube Express, AR	152
4	Car-X Auto Service, IL	130
5	Xpress Lube (ChevronTexaco), FL	85
6	Pennzoil 10-Minute Oil Change, TX	62
7	Fast Lane (Ford), MI	45
8	Meineke Discount Muffler, NC	40
9	Jiffy Lube, TX	38
10	SpeeDee Oil Change & Tune-Up, LA	35
11	Pep Boys, PA	29
12	Grease Monkey, CO	20
13	Citgo Lube, OK	15
	TOTAL	1,570

More fast lube companies are entering foreign markets, as evidenced by Citgo Lube's 15 foreign fast lube facilities. Last year the company did not report any.

Ford's Fast Lane foreign program, similar to its domestic Quick Lane program that puts dealership-owned 'fast lubes' on convenient sites away from the dealership, grew by nine facilities during the last 12 months.

Pennzoil's international 10-Minute Oil Change program grew impressively since our 2001 TOPS listing. In that survey, the company reported seven facilities in operation outside the United States. Now, the company reports more than 60.

Summing Up

So, is the slumping U.S. economy to blame for the relative lack of growth in the fast lube industry in 2001? Well, not completely.

The facility growth curve in the lube industry has been flattening out for several years now, tapering steadily from the double-digit percentage growth seen in the early 1990s.

Many markets simply will not support new fast lube construction, leaving companies to grow by acquiring existing fast lubes. What few fast lubes are being built are entering already crowded markets or markets that conventional wisdom dictates are too small to support a profitable fast lube.

Of course, that is not to say that markets do not exist where clean, well-run and efficient organizations can thrive amidst their competitors. Those markets do exist, and entrepreneurial lube operators are entering them every day.

While the lube industry's store counts might not have grown as much last year as in years past, neither did they shrink. Instead, lube operators weathered the toughest economic conditions witnessed in at least a decade, and looked forward to the brighter future that tomorrow will almost certainly bring. ♦