

# General

The Fast Lube Operators Survey is much-requested by both newcomers to the fast lube industry and seasoned operators who use it to evaluate the success of their own operations. In order to provide the most pertinent data possible, *National Oil & Lube News* annually publishes a breakdown of this survey by region.

Results are for those companies operating less than 30 facilities. The Northeast region is comprised of the states of Connecticut, Delaware, Maine, Maryland, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island and Vermont. The Southeast region includes the states of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia. The Midwest region includes the states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin. The Southwest includes the states of Arizona, New Mexico, Oklahoma and Texas. The Mountain region includes the states of Colorado, Idaho, Montana, Nevada, Wyoming and Utah. Finally, the West Coast region includes the states of Alaska, California, Hawaii, Oregon and Washington.

Operations	NAT'L	NE	SE	MW	SW	MT	WC
Independent/company-owned facilities	83%	81%	81%	85%	86%	85%	80%
Franchised facilities	17%	19%	19%	15%	14%	15%	20%
Member of fast lube trade association	52%	69%	52%	40%	58%	47%	58%
Years in the fast lube business	9.1	10.6	8.7	9.5	7.9	9.2	9.7
Number of facilities per response	2.0	2.3	2.1	2.2	1.5	1.8	2.4
Number of bays per facility	3.0	3.0	2.8	2.8	3.4	2.6	3.1
Fast lubes within three miles of respondent	2.4	1.8	2.1	2.2	2.8	2.4	2.8
Oil change facilities within three miles of respondent	5.5	7.1	6.0	5.0	4.4	5.5	6.1
Competitors discounting their oil changes	86%	83%	83%	89%	82%	93%	91%
How much?	\$5.10	\$4.83	\$4.92	\$5.63	\$4.33	\$4.37	\$5.95
Operators discounting their own oil changes	72%	83%	60%	86%	62%	59%	78%
How much?	\$3.86	\$4.25	\$3.54	\$4.07	\$3.42	\$3.38	\$4.45
Population within three-mile radius of best store	29,793	37,411	25,469	30,330	28,571	26,167	35,517
Daily traffic count in front of best store	21,484	22,056	21,991	22,941	19,366	18,867	21,531
Customer base that is female	51%	50%	51%	50%	49%	53%	52%
Number of stores operator will open in next 12 months	0.2	0.3	0.2	0.3	0.3	0.1	0.2
Price of standard, full service LOF/multipoint check	\$27.36	\$26.83	\$26.51	\$27.26	\$27.12	\$29.09	\$29.10
Cost of goods for standard, full service LOF	\$9.13	\$8.82	\$8.92	\$8.94	\$9.52	\$9.67	\$9.24
Time guarantee offered	16%	25%	12%	14%	20%	23%	12%
Operators who offer basic, low-cost LOF service	32%	17%	33%	36%	40%	31%	24%
Price, if offered	\$22.29	\$23.71	\$21.52	\$22.21	\$21.84	\$23.66	\$23.09
Operators who offer up-scale/premium LOF (specialty/high mileage motor oil)	89%	94%	87%	93%	90%	80%	89%
Price, if offered	\$37.28	\$39.93	\$35.39	\$37.65	\$36.22	\$39.42	\$39.24
Operators who offer up-scale/premium LOF (synthetic motor oil)	95%	98%	96%	93%	98%	86%	95%
Price, if offered	\$48.49	\$49.38	\$47.35	\$48.82	\$47.80	\$51.04	\$49.31
Operators increasing LOF price in the past 12 months	40%	16%	54%	29%	39%	39%	52%
How much?	\$1.30	\$1.50	\$1.43	\$1.30	\$1.19	\$1.17	\$1.22
Ticket total	\$40.36	\$40.91	\$37.36	\$38.06	\$41.75	\$42.81	\$46.60
Number of cars serviced per day	37.0	43.6	34.4	36.7	36.1	36.8	39.8
State inspections per day (by facilities that offer)	17.1	14.3	13.4	19.7	18.0	30.8	14.3
Break-even car count	24.0	25.6	22.8	25.2	24.1	22.6	24.7
Percent of business that is repeat	72%	75%	71%	73%	73%	72%	69%
Operators who own their building/land	67%	57%	83%	65%	86%	71%	44%
Operators who lease their building/land	33%	43%	17%	35%	14%	29%	56%
Building/land costs for most recent fast lube (if owned)	\$460,234	\$392,875	\$450,075	\$394,538	\$492,262	\$540,556	\$544,118
Cost for leasing building/land (per month)	\$3,944	\$4,221	\$3,277	\$3,311	\$4,421	\$4,240	\$5,149
Equipment costs for fast lube	\$42,253	\$30,910	\$37,863	\$34,917	\$39,113	\$48,750	\$76,760
Mention 3,000-mile oil change intervals to customers	89%	93%	88%	88%	83%	94%	93%
Miles customers drive between oil changes	4,227	4,049	4,325	4,254	4,100	4,298	4,274
Portion of overall sales made up of fleet accounts	11%	10%	10%	10%	13%	11%	9%
Average number of vehicles per fleet	7.7	10.6	7.8	8.0	8.0	6.0	6.4

# Employees

NAT'L NE SE MW SW MT WC

Length of employment for managers	4.8 yrs	6.2	4.3	4.7	4.2	5.1	5.6
Length of employment for technicians	2.1 yrs	2.0	2.2	1.8	2.1	2.2	2.5
Hourly rate paid to lube techs	\$8.11	\$8.43	\$8.23	\$7.74	\$7.68	\$8.19	\$8.87
Annual salary paid to managers	\$33,640	\$39,526	\$32,621	\$32,239	\$31,222	\$34,200	\$37,343
Annual salary paid to owners (if full-time employee)	\$47,331	\$64,244	\$47,000	\$44,360	\$45,704	\$46,432	\$47,500
Average number of employees per store	5.8	6.4	5.0	6.0	6.0	7.0	6.0

# Carwash

## Percentage of lube operations offering on-site carwashes:

	30%	14%	26%	42%	20%	29%	37%
Type of carwash:							
Full service	19%	36%	17%	8%	28%	7%	36%
Exterior tunnel	26%	27%	9%	49%	16%	0%	16%
In-bay automatic	48%	36%	55%	42%	36%	80%	49%
Self-service spray	8%	0%	19%	1%	20%	13%	0%
Percentage offering free carwash with lube service	52%	42%	29%	74%	39%	31%	48%

## Operators planning to add a carwash to an existing fast lube:

	10%	2%	12%	10%	8%	7%	17%
Type of carwash:							
Full service	14%	100%	31%	0%	29%	0%	0%
Exterior tunnel	46%	0%	25%	54%	71%	67%	47%
In-bay automatic	34%	0%	44%	39%	0%	33%	40%
Self-service spray	5%	0%	0%	8%	0%	0%	13%

# Insurance

Workers' Comp rate (per \$100 of payroll): for techs	\$5.04	\$5.43	\$4.07	\$4.47	\$4.09	\$4.40	\$7.79
Per-store amount of Workers' Comp claims:							
Less than \$1,000	90%	87%	94%	90%	94%	87%	84%
More than \$1,000	10%	13%	6%	10%	6%	13%	16%
Annual cost of insuring a fast lube facility \$5,122	\$5,612	\$4,314	\$4,865	\$5,929	\$5,740	\$5,102	
Amount of per-store warranty work performed during preceding 12 months	\$1,287	\$1,253	\$624	\$1,174	\$1,311	\$2,207	\$2,121

# Advertising

Percentage of sales designated for advertising/promotion	5%	6%	4%	6%	4%	5%	4%
Percentage of that figure that is co-op	21%	24%	21%	12%	31%	21%	18%
Operators who send reminder cards to customers	51%	51%	53%	42%	44%	60%	72%
Operators offering discounted reminder cards	81%	95%	87%	82%	56%	70%	80%
Response rate	31%	36%	23%	39%	26%	39%	33%

# Sales

## Yearly sales per store:

\$0-200,000	15%	12%	17%	20%	12%	19%	8%
\$200-400,000	32%	21%	42%	34%	27%	31%	21%
\$400-600,000	27%	15%	30%	26%	30%	23%	31%
\$600-800,000	16%	33%	10%	13%	19%	15%	17%
\$800-up	10%	18%	2%	7%	11%	12%	23%

## Portion of gross sales used for:

Payroll <sup>1</sup>	26.4%	24.4%	26.0%	28.1%	24.1%	28.8%	27.9%
Lease/Mortgage	11.5%	11.0%	12.8%	11.6%	10.9%	11.1%	10.1%
COGS <sup>2</sup>	28.7%	26.5%	28.2%	27%	31.1%	29.8%	29.1%
Net Profit	12.7%	17.5%	13.1%	11.3%	11.3%	15.6%	12.3%
Operations <sup>3</sup>	15.9%	15.6%	14.6%	17.6%	16.6%	12.5%	16.7%
Other <sup>4</sup>	4.8%	4.9%	5.4%	4.4%	5.9%	2.3%	4.0%

<sup>1</sup> Includes all payroll (taxes included), salary of owner (if "hands-on" employee), unemployment taxes, workers' compensation, health insurance, bonuses, etc.

<sup>2</sup> Includes materials and supplies necessary to perform services.

<sup>3</sup> Includes utilities, maintenance, company insurance, advertising, franchise fees, uniforms, freight, postage, administrative costs, office supplies, non-income taxes, training, company vehicle, etc. used to operate business on a day-to-day basis.

<sup>4</sup> Dues, subscriptions, warranties, travel/entertainment, etc.

# Oil & Equipment

NAT'L NE SE MW SW MT WC

Total sales represented by #1 brand of motor oil.....	81%.....	88%.....	81%.....	81%.....	76%.....	77%.....	83%
Customers committed to a specific brand of motor oil.....	45%.....	41%.....	46%.....	43%.....	57%.....	47%.....	31%
Operations that implement used oil for heating purposes .....	21%.....	41%.....	18%.....	27%.....	4%.....	53%.....	9%
Facilities equipped with lifts.....	28%.....	38%.....	36%.....	26%.....	27%.....	21%.....	14%
Facilities equipped with pits .....	94%.....	94%.....	93%.....	95%.....	98%.....	90%.....	95%
Percentage of pits equipped with safety covers .....	71%.....	66%.....	80%.....	63%.....	68%.....	62%.....	82%
Facilities using evacuation systems for oil changes .....	10%.....	4%.....	4%.....	13%.....	19%.....	4%.....	12%
Facilities using a filter crusher.....	47%.....	21%.....	50%.....	42%.....	52%.....	57%.....	56%
Type(s) of tank(s) used: Underground .....	18%.....	7%.....	18%.....	22%.....	31%.....	12%.....	7%
Aboveground.....	82%.....	93%.....	82%.....	78%.....	69%.....	88%.....	93%
Operations that use scrap metal haulers .....	23%.....	32%.....	19%.....	14%.....	36%.....	12%.....	34%
Operations that accept used oil from DIYers .....	82%.....	84%.....	84%.....	88%.....	86%.....	61%.....	70%
Operations that accept used oil filters from DIYers.....	59%.....	43%.....	63%.....	59%.....	67%.....	44%.....	63%
Operations that charge fee for accepting DIY used oil/oil filters.....	9%.....	18%.....	1%.....	12%.....	17%.....	15%.....	2%
Operations being paid for their used oil .....	74%.....	84%.....	85%.....	88%.....	63%.....	47%.....	48%
Amount per gallon.....	\$0.21.....	\$0.22.....	\$0.20.....	\$0.25.....	\$0.18.....	\$0.15.....	\$0.15
Operations that invoice customers for environmental fees .....	38%.....	57%.....	14%.....	41%.....	49%.....	42%.....	47%
Average amount.....	\$1.44.....	\$1.14.....	\$1.22.....	\$1.33.....	\$1.57.....	\$1.75.....	1.68
Per-gallon cost of highest volume bulk oil .....	\$4.66.....	\$4.11.....	\$4.69.....	\$4.45.....	\$5.09.....	\$4.73.....	\$4.60
Operators recycling antifreeze .....	73%.....	65%.....	71%.....	72%.....	63%.....	89%.....	88%
Customers that buy synthetic lubricants .....	7%.....	11%.....	6%.....	8%.....	7%.....	6%.....	7%
Percentage of business that is oil change .....	75%.....	71%.....	78%.....	77%.....	75%.....	79%.....	68%

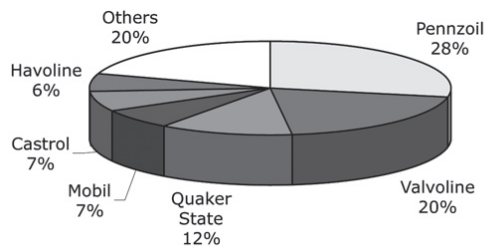
# Services

## Percentage of survey respondents offering following services:

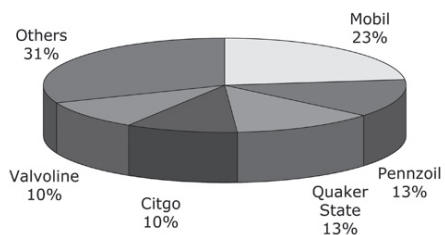
Air filter replacement .....	100%.....	100%.....	100%.....	100%.....	100%.....	100%.....	100%
Windshield wipers/blades replacement .....	99%.....	100%.....	99%.....	100%.....	100%.....	100%.....	99%
Oil monitoring device reset.....	98%.....	88%.....	99%.....	99%.....	100%.....	100%.....	100%
Differential service .....	97%.....	85%.....	98%.....	99%.....	96%.....	98%.....	100%
Serpentine belt replacement .....	93%.....	90%.....	90%.....	97%.....	91%.....	94%.....	95%
Mechanical ATF exchange .....	91%.....	77%.....	88%.....	93%.....	92%.....	100%.....	95%
Breather replacement .....	89%.....	85%.....	84%.....	94%.....	83%.....	92%.....	95%
Additive sales .....	87%.....	78%.....	83%.....	93%.....	85%.....	85%.....	89%
Fuel system cleaning .....	100%.....	76%.....	90%.....	88%.....	87%.....	94%.....	86%
Mechanical full-block coolant flushes.....	99%.....	76%.....	85%.....	89%.....	73%.....	94%.....	91%
PCV replacement .....	84%.....	85%.....	78%.....	89%.....	83%.....	71%.....	89%
Cabin air filter replacement .....	80%.....	68%.....	81%.....	82%.....	72%.....	83%.....	87%
Chemical engine flush.....	62%.....	71%.....	67%.....	82%.....	81%.....	75%.....	70%
Fuel filter replacement .....	75%.....	63%.....	83%.....	50%.....	97%.....	85%.....	87%
Light replacement.....	75%.....	61%.....	73%.....	83%.....	81%.....	83%.....	67%
Clean windshields .....	73%.....	85%.....	80%.....	63%.....	75%.....	96%.....	62%
Oil changes on RVs .....	70%.....	57%.....	82%.....	40%.....	85%.....	96%.....	82%
Transmission filter replacement .....	65%.....	70%.....	65%.....	67%.....	62%.....	60%.....	65%
Manual transmission service .....	63%.....	66%.....	68%.....	59%.....	62%.....	58%.....	66%
Synthetic transmission fluid sales .....	59%.....	75%.....	47%.....	47%.....	68%.....	88%.....	69%
Tire rotation .....	57%.....	68%.....	64%.....	53%.....	48%.....	57%.....	51%
Vacuum customers' cars .....	57%.....	34%.....	58%.....	55%.....	70%.....	81%.....	53%
Maintain/replace batteries .....	50%.....	58%.....	49%.....	46%.....	50%.....	53%.....	53%
Power steering flushes .....	43%.....	65%.....	25%.....	46%.....	30%.....	73%.....	54%
Water-repellent glass treatments .....	41%.....	40%.....	31%.....	59%.....	34%.....	52%.....	31%
Manual drain and refill of radiators.....	35%.....	48%.....	33%.....	32%.....	30%.....	34%.....	42%
Air conditioner recharge .....	34%.....	39%.....	34%.....	28%.....	35%.....	54%.....	30%
Radiator, heater, air conditioner hose replacement.....	31%.....	16%.....	30%.....	22%.....	43%.....	47%.....	38%
Tune-ups .....	26%.....	52%.....	23%.....	21%.....	33%.....	23%.....	20%
Perform oil changes on commercial vehicles.....	19%.....	11%.....	20%.....	18%.....	20%.....	29%.....	19%
Smog checks/emission testing .....	13%.....	10%.....	10%.....	0%.....	34%.....	48%.....	9%
Mechanized engine cleaning system .....	11%.....	32%.....	5%.....	3%.....	9%.....	2%.....	24%
Windshield repair .....	10%.....	1%.....	5%.....	14%.....	14%.....	35%.....	7%
Gas sales .....	3%.....	3%.....	2%.....	2%.....	1%.....	2%.....	6%

## Best Selling MOTOR OIL in Fast Lubes

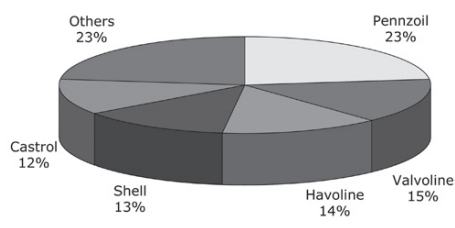
### National



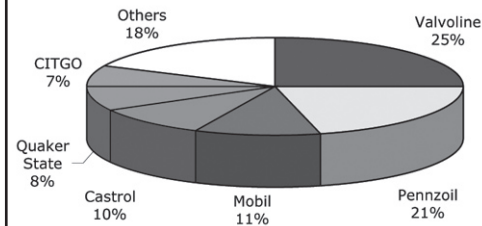
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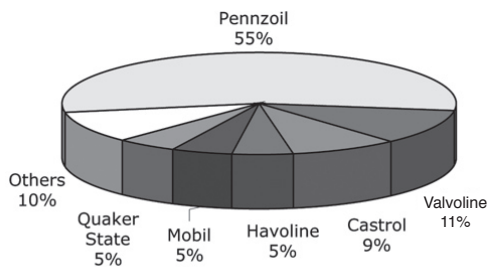
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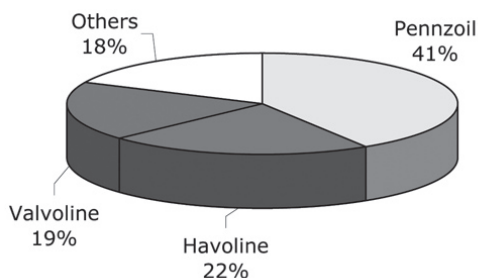
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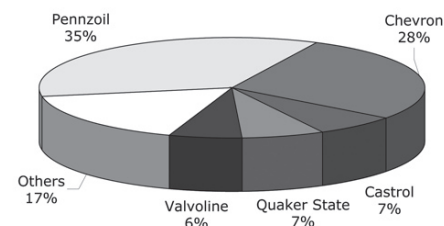
### Southwest



### Mountain



### West Coast



## DON'T MISS OUT!

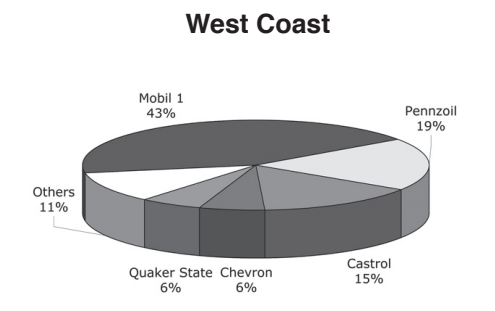
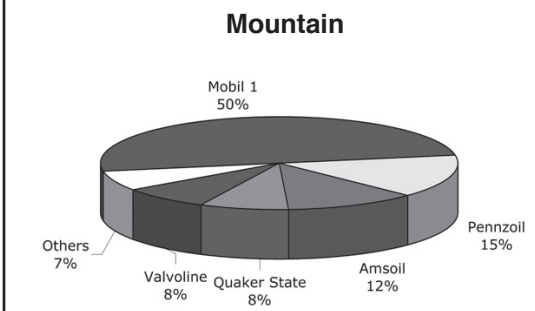
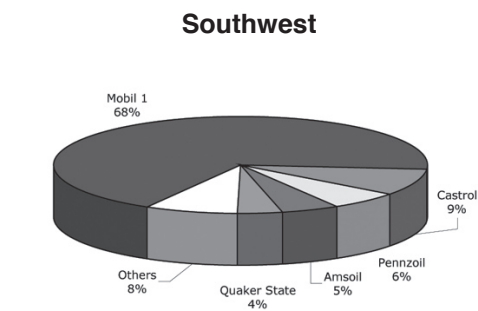
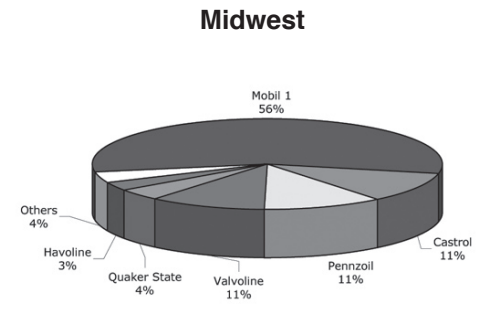
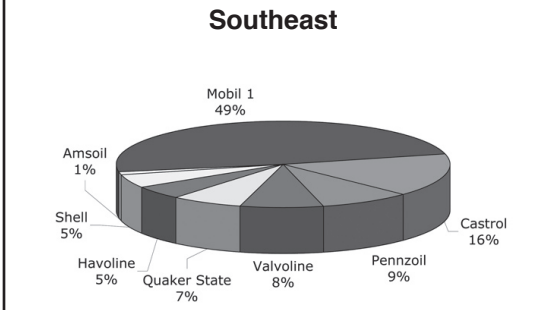
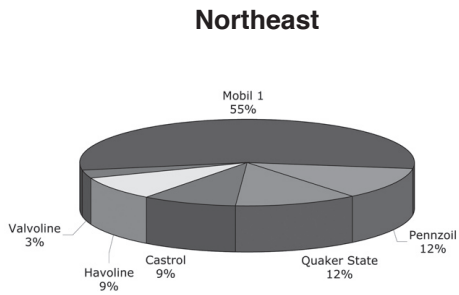
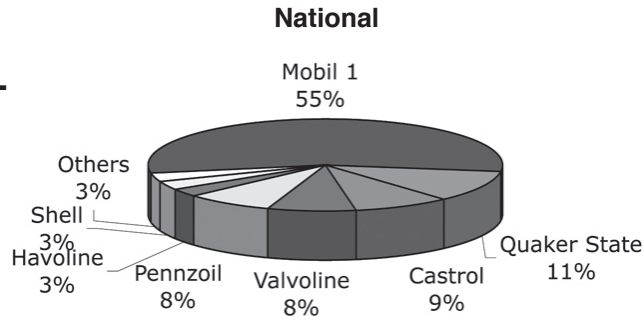
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of the  
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