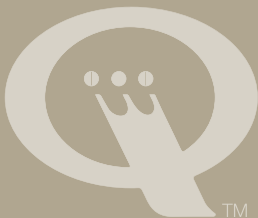




**Speed Queen**

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# SPEED QUEEN: FOR YOUR SUCCESS

Jon Horn:

I actually got interviewed by a company that literally owned a three-ring circus, and Susie and I met through Match Maker. Well, that was a real detractor for a lot of people. Okay, you've been running around with a circus for nine years, and now you wanna settle down and – so her father had passed the year before. She had half-ownership of this laundromat in town. So I said, "Well, maybe we'll build a laundromat franchise or two along the way, and I'll just be a stay-at-home dad."

I used to actually take Grace in a backpack and walk her in and do my rounds with her in a backpack. It took a little while to kind of convince my wife, because every time I'd come home and say, "Oh, I think we can build another coin laundry franchise in such-and-such town," she'd be like, "Oh!"

Jon Horn:

And you're literally looking at a business that's been here over 20 years, you know, reequipped to Speed Queen equipment and doubled their numbers within a year.

Wayne Costibile:

I believe I came here to help with that installation.

Jon Horn:

Yes, you did.

Wayne Costibile:

Yes – in my work clothes, I – that's right!

Jon Horn:

I remember giving –

[00:00:58]

Before we had done this latest remodel two years ago, we were probably in the \$2,800.00 to \$3,000.00 range, which was bad for this store – really bad. I had two major unfortunate experiences with the other distributor. We're not just talking about a part failure that's an annoyance. We were talking about risk of life and limb and building and material and assets.

Wayne Costibile:

Right – it was a safety issue.

Jon Horn:

It was a real safety issue then. They weren't particularly helpful in resolving those issues.

Wayne Costibile:

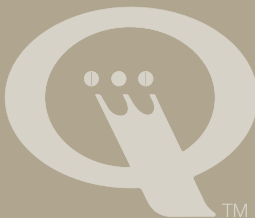
I remember walking into the carriage house and asking them, "How do your books look?" and you flat out said, "I have seen a 20 percent increase," because I think the

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controls have a lot to do with the marketing of these laundries. Today it's Quantum Gold and Quantum Silver. He utilizes those features on that control system specifically to market his laundry.

Jon Horn:

We got to the \$3,500.00-a-week gross within about a month after the – especially the big commercial washers went in. The larger washers probably bring in I would say a third to maybe 40 percent of the income for the entire store, and we're consistently over \$5,000.00 a week now, and we've even had \$6,000.00 weeks here.

[00:02:00]

So I think even five years ago, you would replace equipment to make more money, and now you almost have to replace equipment or you're gonna lose market share.

The trend in the laundromat business is bigger, bigger, bigger. I think people are gonna go to your competition if they have a bigger machine.

I grew up in this area, and my parents were customers here. My grandparents were customers here. To own a business that's been around since 1929, it's a real honor.

Believe it or not, when I bought the laundromat in 2003, those dryers were still there. And this is that same shot in 2012. I guess some things have changed.

Factory support, manufacturer support, parts support, tech support is excellent. More than once, he's come to stores to meet with me, you know, when we needed help with something, and that's just huge. If I really feel like I need help, I can get it.

Yeah, we won that one. Starting on the pole helps. That's my car there. Really the racing was a gift to myself to say, "You've made it. You can go do what you wanna do."

[00:03:00]

Something I learned the hard way was you have to be smart. If you're making money in a store, you have to put a certain amount aside every year. It should go into new equipment. You have to work that into your business plan.

[End of Audio]