

# Insider Info

Industrial Laundry Solutions  
with Brennan Pollnow



## Vacation and Term Rental Property Managers Gaining Control of Laundry with In-House Processing

While some property management companies inside the exploding vacation rental segment of hospitality provide laundry and linen services as part of their offerings, either by housekeeping turning on site, subcontracting it out, or handling it in-house, others don't. The point is, there's money to be made and saved in the event you want to bring laundry and linen services under your control as service offering that is in demand. When deciding whether you can benefit from processing your own linen at a central site, there are several areas to consider, including revenue/cost savings, customer owned goods or rental, quality control and turnaround time. Read on to learn about those benefits. Then, check out the steps to follow for developing a successful central laundry service — and new revenue stream — designed to grow in step with your business.

### Cost Savings/Revenue, Quality Control & Turnaround Time

A central laundry (which can be off-site of the property management office if you don't have space) can provide savings up to 50 percent over outsourcing to a commercial laundry. It also allows you to better serve customers, create new revenue streams and stand apart from your competition.

Moreover, an in-house laundry gives you total control over how laundry is processed, ironed, folded and presented to property owners and their guests. If you outsource it, you're at the mercy of the provider's turnaround time, fees, processing techniques and quality. By bringing it under your control, you can ensure a high-quality product that's delivered according to your timetable. Simultaneously, you gain full control of linen inventory, which usually reduces torn or lost items. Finally, with a central laundry plant and capacity, your property management company can pursue new business with motels, hotels, campgrounds and vacation rentals. This allows you to contract with them just for linen and laundry services — options that are in demand.

When the time comes to developing a highly efficient and flexible central laundry enterprise, there are multiple critical factors to consider that will ultimately shape its success. Go in knowing that a versatile laundry has many benefits. It can serve multiple markets, including hospitality, vacation rental and party rental, among others, and is therefore better protected from economic downturns that impact one market but not the others. Remember, it's essential to partner with a full-service, high-quality team of experts.

### Distributor & Equipment Manufacturer

The first step is to choose a distributor and manufacturer team that works well together and assists with every facet of laundry development, including design, equipment capacities & hourly/shift production, workflow, financing, staff training and potential future growth. A good team will size the laundry to meet specific production and quality requirements; calculate anticipated cost savings, revenue and return on investment (ROI); and assist with equipment operational and technical training after the sale.



## Location

Early on, your distributor/manufacturer will evaluate your current location and any potential off-property sites for suitability. When evaluating sites, consider whether they offer proper clearances, egress, docks, overhead doors, quick access to highways, available utilities and room for growth. Some equipment distributors can assist with building lease or purchase negotiations and ancillaries, including water heating and conditioning, compressed air, carts, shelving, and more.

## Equipment Mix, Utilities and Automation

Once the location is a go, you'll work with your distributor/manufacturer to equip your laundry with smart and affordable production automation for labor efficiencies. They should take you through equipment sizes, types and performance levels, while factoring in criteria like versatility, utility efficiency, automation, labor and quality. Together, you'll plan for the equipment, workflow and space for serving your current and potential clients. Remember, by offering laundry services to customers outside your vacation rental management realm (hotels, campgrounds, motels), you'll better penetrate your delivery area and serve a wider variety of customers, generate bolstered revenue, and better utilize employees. Finally, your distributor should provide detailed line drawings of the laundry.

## Pro Forma Summary & Financing

At this step, your equipment manufacturer or distributor can take all this data and generate a laundry cash-flow pro forma. This is a financial statement that overviews the on-premise laundry's capital outlay, return on investment, income, taxable income, losses, expenses, and more. This summary is essential to securing favorable financing and is submitted along with a detailed laundry site plan and equipment proposal to lenders by your distributor. As a side note, most distributors work with lenders familiar with the laundry business, which often becomes critical to getting funded. This lender becomes a key partner, just like the distributor.

## Laundry Buildout

Once financing is approved, you and your distributor will typically engage an architect and a general contractor to perform necessary plans, process for permits and buildout your space. The general contractor coordinates subcontractors and your distributor provides all your equipment and needed ancillary items.

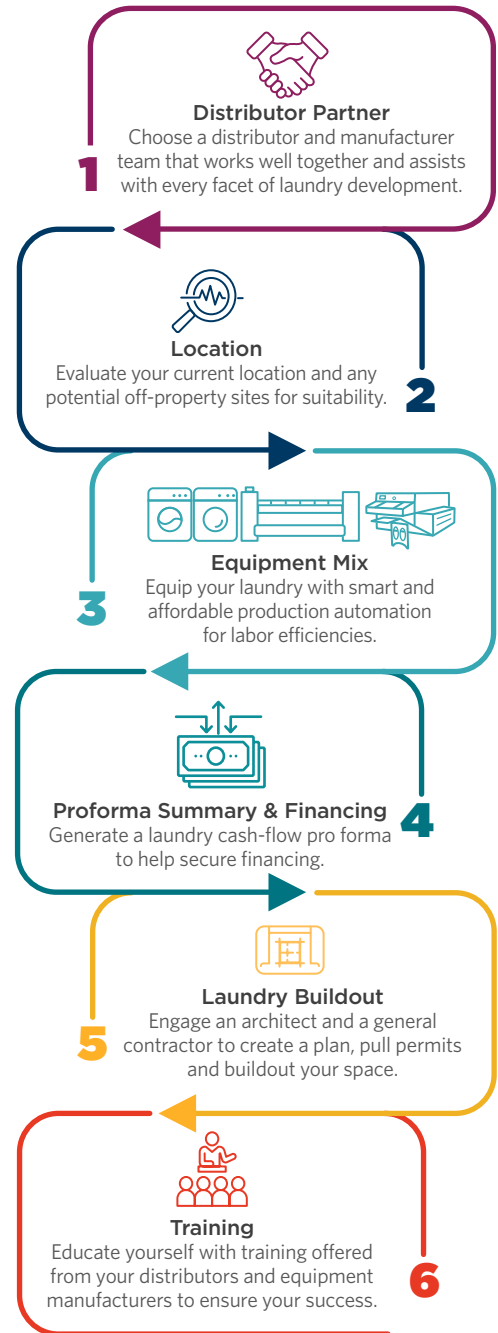
## Training

When the laundry is complete — or nearly complete — some distributors and equipment manufacturers provide training on maintaining equipment, operating machines and programming machines. Most will gladly share their knowledge. Some distributors offer hands-on training as well as offering preventative maintenance schedules and service contracts. After all, they want you to be successful.

## Phased Approach to Laundry Development

Remember, you can take a phased approach to laundry development that starts small and grows as your laundry volume increases. If you're just getting into laundry services, start small and add equipment and automation, like ironing and folding machines, as laundry production needs increase. Make sure you have a reliable distributor business partner who is always looking for ways to improve and streamline your laundry's processes. Follow these steps and you'll be well on your way to successfully processing your laundry in-house.

## The Path Towards a Successful Laundry



Brennan Pollnow, North American business manager for Girbau Industrial, assists commercial and industrial laundries with laundry room design and workflow, proper equipment mix and sizing, as well as automation and efficiency recommendations. He interfaces closely with local distributors and customers to ensure seamless communication, installation and startup. Please contact him with any questions at [bpollnow@cgilaundry.com](mailto:bpollnow@cgilaundry.com) or call 800-256-1073.