

Ready to clean up with a green business

June 10 2011, By Diane Mastrull

There's figurative sweating, as in the fretting that goes on in the lives of small-business owners, a worry-filled club of risk-takers.

Then there's real sweating, as in the perspiring that occurred in abundance during last week's soupy, clothes-sticking, oppressive blanket of wretched weather.

That's the kind Gabriel Mandujano likes a lot, because it leads to clothes and towels in need of cleaning. And that's where he's ready to ride to the rescue.

The "cycle" in the name of his company, Wash Cycle Laundry, refers to the two-wheeled variety. To a city that already offers food delivery by bicycle, as well as recycling pickup and even police protection, Mandujano has introduced a pedal-powered laundry service.

Rising [gasoline prices](#) are not among the things on his worry list.

"I sometimes am secretly happy when gas prices go up," Mandujano said with a guilty smile. "I know it's tough on a lot of people, but it proves the [business](#) case."

His business case, that is: "Biking makes sense from an environmental perspective, but I'd bet a business that it's also a lot more cost-effective on delivering goods in downtown Philadelphia."

He rattled off a few for-instances: His four employees don't need

commercial driver's licenses or car insurance; they do not incur parking tickets; and fixing flat bicycle tires or broken chains is far less expensive than maintaining a fleet of trucks.

A delivery cyclist can pull as much as 200 pounds of laundry per bike in the 40-pound aluminum trailer attached to the back.

Mandujano has not even had to invest in washers and dryers: He has a contract with a Laundromat where [high-efficiency](#) machines save on energy and water use.

How did a 28-year-old Wharton School graduate with dual bachelor's degrees in business and urban studies and a graduate-school experience abroad at the University of Cambridge and the London School of Economics wind up in the laundry business? An unconventional laundry business, no less? (He is not above getting on a bike when staffing needs warrant.)

As executive director of the Enterprise Center Community Development Corp., a Philadelphia nonprofit that provides business-development help to minority and disadvantaged companies, Mandujano said, he "became very passionate" about local economic development, creating jobs, and involving communities in revitalization efforts.

He also found himself attracted to the sustainability movement - in which companies value not only profit, but their effect on the environment and on employees.

He left the Enterprise Center in 2009 to help communities in Mexico develop public-transportation systems, bicycle and pedestrian trails, and urban-planning guides. But the work was heavy in policy writing, and Mandujano is someone who likes "getting my hands dirty."

He wanted to do work that blended his interest in local economic development and sustainability, especially creating entry-level jobs that could give people an opportunity for more meaningful careers.

"That took me to laundry," he explained.

Huh?

The step in between was a realization, Mandujano said, that businesses had been designed "in a cheap-resources world and now things are expensive - gasoline is expensive, energy is expensive."

In considering businesses that could benefit from resource efficiency, Mandujano thought of laundry, where "so much" is spent on utilities associated with running washers and dryers - and, in many cases, delivery trucks.

He also had one other desire: "I wanted something where being greener would help you be cheaper," he said, noting that not all green businesses provide less costly options for consumers. Organic food, for example.

"I didn't want to be in an industry where I had to convince people to pay more for an alternative."

A friend had just had a baby and had encouraged him to get into the diaper-laundrying business. Once he started doing laundry research, Mandujano concluded: "Why just diapers?" And then: "Why do diapers at all?"

He started writing a business plan for a bicycle-based laundry service in February 2010 and left Mexico six months later for Philadelphia. By September, he had a business-privilege license from the city and had done a beta test, earning about \$800 in November with a dozen or so

clients.

Start-up capital came not from banks, which were too leery about the concept and Mandujano's lack of laundry experience, but from \$25,000 of his own money and a \$15,000 micro-loan from Cooperative Business Assistance Corp. in Camden, N.J.

Customer growth has been slower than expected, but is increasing. Wash Cycle Laundry has about 75 clients, both consumer and commercial.

Mandujano said half the business has come from cold calling - an effort that has to pack in a lot of information in two to three minutes because "people don't like talking about laundry. It's not on the top of anyone's priority list."

With business customers, he stresses the value of outsourcing laundry services to free up employees to do more relevant, preferably revenue-generating work, and how the greening of their laundry service is likely to appeal to a more environmentally minded consuming public.

It's a pitch that worked on Scott Caplan, chief executive officer of Sweat Fitness, an area chain of nine gyms that currently does most of its laundry in-house.

Wash Cycle Laundry is serving one of the gyms, where staff no longer has to be "constantly worrying about the towels," Caplan said, and can instead "concentrate on things that drive revenue."

Last week, Gina Spinelli, 27, a Fidler Square resident who professed a "hate" for doing laundry, raved about her biweekly Wash Cycle Laundry service at \$24 a pickup, especially because it's a twofer.

"I think it's neat that they can do your chores for you, and you

considered the environment," Spinelli said. "They please me and Mother Nature."

How soon the business pleases Mandujano from a revenue perspective is uncertain. He expects to close the year with monthly revenue of \$20,000. He is about halfway there.

His ultimate goal is to expand throughout the United States, if not the world, and to prove, among other things, "that bikes are serious, functional delivery vehicles."

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