

Lube 2 Go

A multifunctional LOF company



Investment Opportunity  
December 2012



- **The Lube Oil Filter (“LOF”) industry is ripe for disruption with an on-demand solution:**
  - Located where fleets, property owners, employees & customers are already parked as opposed to where they need to drive, park, and wait
- **Built on an efficient process and a diversified business model:**
  - Mobile LOF service via a multi-functional truck with ads
    - Servicing fleets in the morning
    - Business parks in the afternoon
    - Generating advertising revenue all day long
  - Plus Static Locations inside existing parking infrastructures
    - An amenity and service to people who are parked as they work, live or shop
    - Value proposition is understood and valued by operators of parking facilities



- **The problem has been deeply explored, proven and tested**
  - Signed up multiple clients, delivered services, and has two franchisees
  - Demonstrated market demand from national fleet companies, parking garage operators, shopping malls and business parks
  - Now is the time to turn the dial and scale this process and proven model
- **The Lube2Go differentiated solution is a high-performing, highly efficient, and environmentally conscious process supporting a diversified business model**
  - Mobile LOF truck designed to integrate services, including oil-change, steam car wash, oil-recycling and other LOF services
  - Technology to simultaneously service multiple cars at the same time
  - Advertising on the sides and back of the truck
  - Packaging of capabilities translates into value for static locations



# The Right Time

WHY NOW

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- **Business Model is ready for new approach and disruptive change**
  - Car detailing and car wash services are being provided NOW in parking facilities while customers/employees shop or work
  - Auto-glass repair was location-based 10 years ago; mobile glass repair is normal
  - Standard fast lube companies will have a hard time pivoting
  - Lube2Go can make a big impact in this greenfield where the interest in the service is high and a key is getting footholds in the market
- **More cost-effective and efficient model than standard fast lube companies**
  - Innovators dilemma: Moving from location-based service to mobile and static in parking facilities will impact the existing business infrastructure of incumbents
  - High average start up costs for Franchisees (\$250K - \$350K)
  - Less efficient business process and model:
    - Method for performing the oil change (draining vs. sucking)
    - People have to come to the location rather than where they already are
    - Employees on-site rather than going to where the business is
- **No National players exist in Mobile Oil Change**
  - There are a few small Regional Companies not based in the Northeast





# Investment to Scale | GROWTH

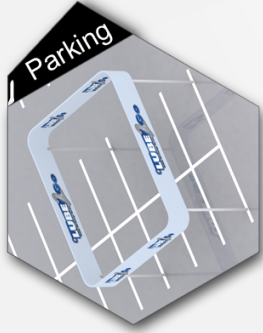
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- **Expansion is already underway**
  - Currently two franchisees (with the right to buy back)
  - Partnerships with:
    - Simon Malls, Normandy Real Estate, Avis, and Enterprise Rental Car
  - Conversations in process with:
    - Central Parking & Standard Parking, Airports, Municipal Facilities, and more
- **Scale through relationships with a set of companies that alone represent 150+ locations in Greater Boston, including business parks, malls, airports, etc. and 1000s nationwide**
- **Goal to raise Capital to grow within Greater Boston and NYC:**
  - 40 Locations after Year 1
  - 200 Locations after Year 2
  - 450 Locations after Year 3
- **~450 locations in 3 years generates ~\$220m in revenue**

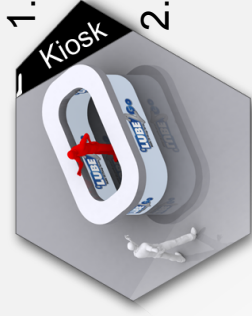
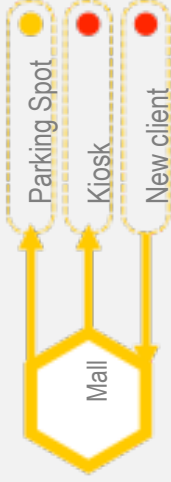


Mobile





**1** Mall dedicates an area for L2G in the parking lot to perform oil change and steam cleaning services



**2** Mall provides L2G with a kiosk space. L2G will use the kiosk as coordination and customer contact point.



**3** L2G provides service and generates a revenue stream for Mall or parking facility

Static





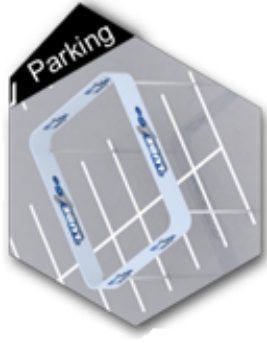
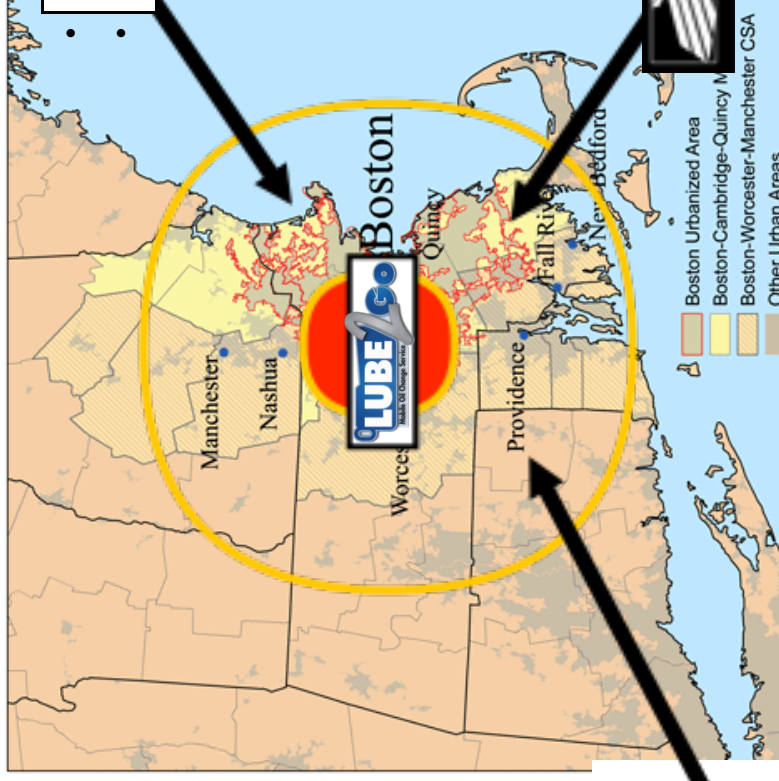
# Greater Boston Region

STATIC

100+ Static Locations  
in Greater Boston

SIMON<sup>TM</sup>  
M A L L S

16 Malls in Massachusetts  
5 Malls in New Hampshire



- 60+ locations including 49 Consumer Parking Lots in Boston, City of Cambridge, City of Chelsea, Harvard Medical School, Rowes Wharf, Bradley International Airport and More





# Greater Boston Region

## MOBILE

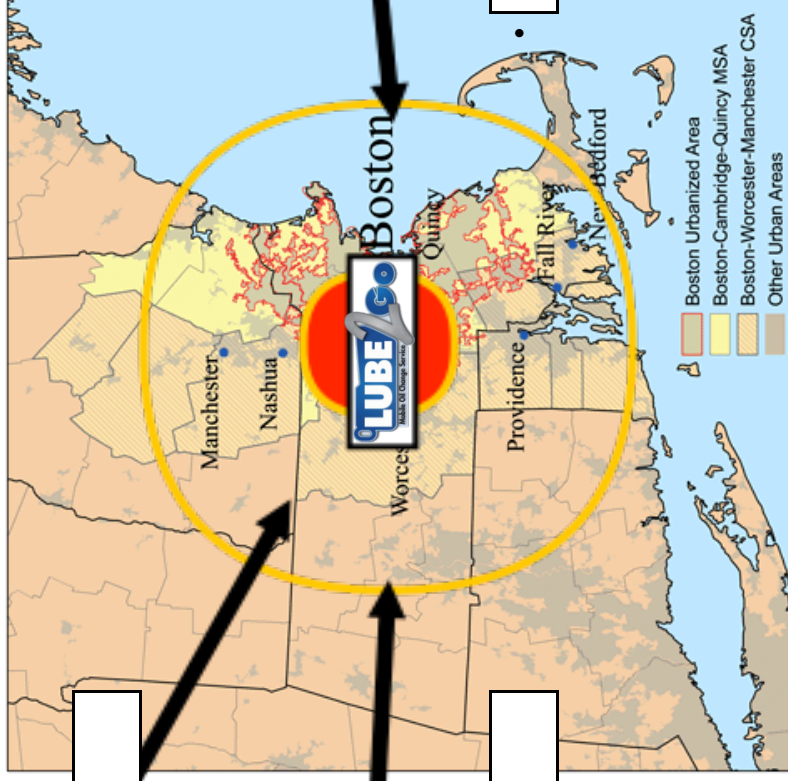
**50+ Mobile Locations  
in Greater Boston**



• 20 Locations in Greater Boston



• 20 Locations in Greater Boston



• 13 Properties in Greater Boston



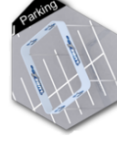
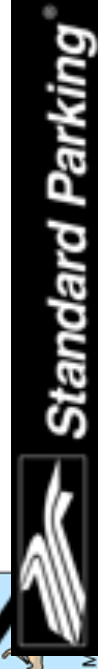


# Greater Boston Region

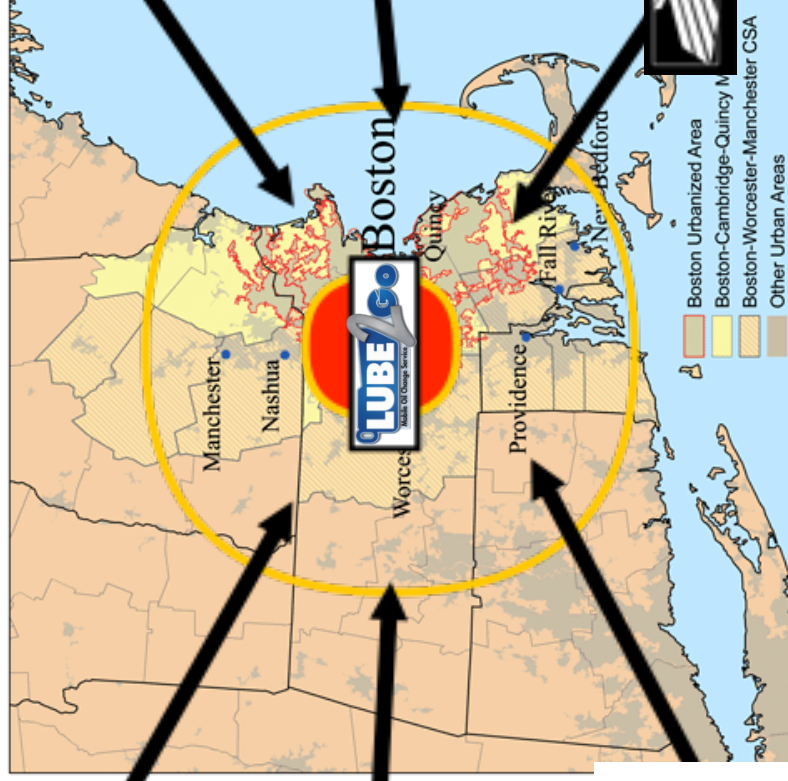
COMBINED



**SIMON**<sup>TM</sup>  
M A L L S



**150+ Mobile & Static  
in Greater Boston**





# Greater New York Region

COMBINED



500+ Mobile & Static  
in Greater NYC



SIMON<sup>TM</sup>  
M A L L S

Over 100 Locations in Greater NYC



Over 100 Locations in Greater NYC



Central  
Parking System

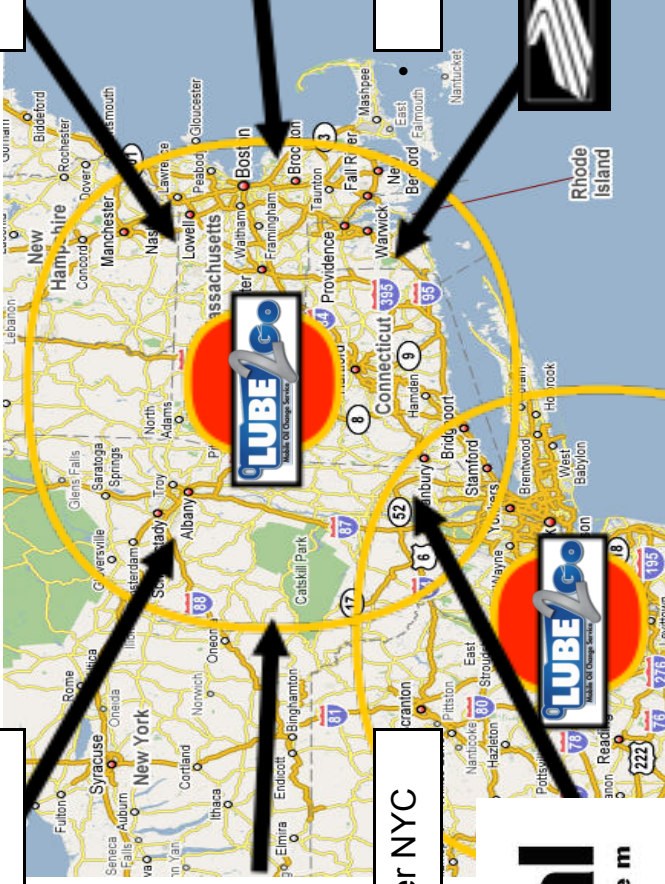


122 Consumer Parking Lots in New York, including Yankee Stadium, Staten Island Ferry, NJ Transit, Long Island Railroad – Mineola, Rego Park, McArthur Airport, Red Bull Arena, and More

11 Malls in New York



16 Properties in Tri-State New York

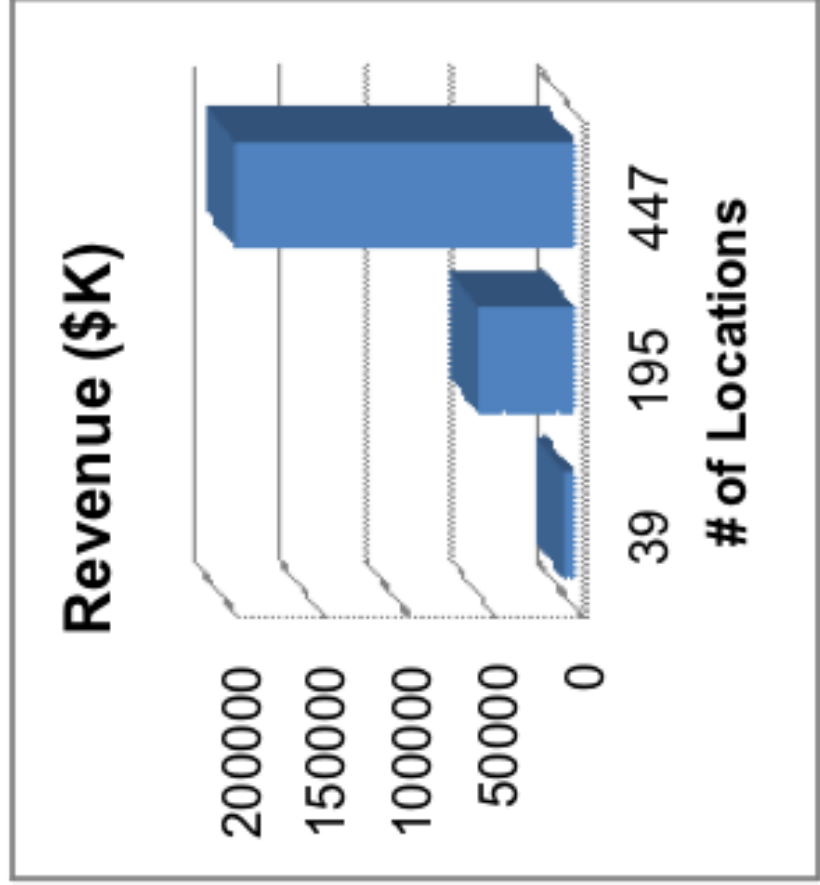






# Financials

# REVENUE



	Year 1	Year 2	Year 3
Revenue	6,432	56,184	197,832
Cost of Goods Sold	4,857	38,008	126,161
Gross Margin	1,574	18,176	71,671
Technology	0	173	238
Marketing & Sales	503	2,692	10,459
G&A	1,237	4,439	9,983
Operating Margin	-166	10,872	50,992
% Revenue	-3%	19%	26%
Profit /(Loss) After Taxes	-162	6,605	30,679
Total Sites	39	195	447
Headcount			
At Parking Sites	78	390	894
Drivers	4	20	45
Extra Workers	4	20	45
Supervisors/Managers	5	24	56
HQ	10	20 <sup>12</sup>	27



# One Location Start Up | COSTS

	Static Locations		Mobile Trucks	
	% of Exp	% of Rev	% of Exp	% of Rev
Cost of Delivery	47%	33%	51%	28%
Parking Mgmt Fee	21%	15%	14%	7.5%
Employee Payroll	26%	18%	30%	16%
Commission to Employees	6%	4%	5%	3%
Revenue	\$397,000	\$397,000	\$439,000	\$439,000
Expenses	\$221,000	\$221,000	\$209,000	\$209,000
Parking Mgmt Fee	\$60,000	\$60,000	\$30,000	\$30,000
Gross Margin	30%	30%	45%	45%
Initial Equipment Cost	\$10,000	\$10,000	\$50,000	\$50,000