



Two cleaners try to reinvent the game

Startups innovate with online service; one stresses eco-friendly processes
by [Erika Rasmusson Janes](#)

Several years ago, Joselynn See and her husband, Lawrence Chua, ran out of patience with the dry cleaner in their Upper East Side neighborhood.

"The place was so inconvenient," Ms. See says. "It would close at 7 p.m., and it was always a struggle for us to make it." She also found the pricing "arbitrary" and the quality "spotty."

When her brother mentioned a high-quality, one-rate cleaner near his home in Virginia, Ms. See and Mr. Chua looked into the concept. Two years ago, they started Flat Rate Cleaners. The company, based in Edgewater, N.J., charges a single, per-piece rate of \$4.99. Customers place their orders for pickup and delivery online. The actual cleaning is done by a wholesaler.

Flat Rate is one of two firms trying to prove that even in one of the city's oldest and most crowded service industries, there's room for innovators that can shake things up--and grab market share.

Green Apple Cleaners is also determined to make that point. Co-founder David Kistner and his wife became concerned about the dangers that dry cleaning chemicals can pose to pregnant women when she was expecting twins.

An article about a method that uses liquid carbon dioxide as an alternative to the standard solvents inspired him.

"I wanted this service, and I thought others would, too," Mr. Kistner says.

Green machine

He and co-founder Stavros Michailidis spent the next two years researching the industry; last March, they bought an eco-friendly dry cleaning plant in Lodi, N.J. It's being

retrofitted with \$500,000 worth of equipment, including a \$120,000 CO2 cleaning machine, and will be rebranded Green Apple Cleaners in September.

Early indications for both enterprises are good. Despite the existence of an estimated 1,500 dry cleaners in New York City, the recent entries are attracting attention and clients. Flat Rate projects revenues of about \$500,000 for 2006, and Green Apple expects to hit \$2 million.

Nora Nealis, executive director of the Manhattan-based National Cleaners Association, describes the city's average dry cleaner as "a mom-and-pop shop with \$250,000 in sales and five or fewer employees."

Flat Rate and Green Apple promote service and convenience as major selling points. Customers can go online 24/7, set up an account profile, and choose their pickup and delivery dates. Though both firms currently have no retail locations, Green Apple plans to open stores that will feature drop-off kiosks.

"I think the convenience really attracts people," says Ms. See at Flat Rate, which primarily serves Manhattan, but aims to expand to other boroughs.

Twist ties, be gone

Green apple, which also targets Manhattan, boasts an environmental advantage in its cleaning method. In addition, the firm delivers all clothing in multiuse nylon and cloth bags--not disposable plastic--and doesn't package it with twist ties or paper sleeves.

"I want to get everyone used to a garment bag instead of 50 million plastic bags," Mr. Kistner says.

Whether online ordering and environmentally friendly processes can power above-average growth over the long haul remains to be seen.

"It boils down to convenience and price point," says Joyce Moy, who has worked with many cleaners as director of the small business development center at LaGuardia Community College in Queens.

Comments? smallbiz@crain.com