

The Little Machine That Solves a Problem

BY JVH

Len Kilfoyle talks about his niche – valometers. “They are a revenue control device. Validation stamps carry many problems. Valometers fix those problems.”

Kilfoyle has been a fixture in his part of the parking industry for more than two decades. He is retiring and has sold his business, Valometer Co., based in Woodland Hills, CA. According to Kilfoyle, the little machines that place a validation stamp on tickets provide a high level of control. “Validation stamps, by their very nature, can be a headache for operators and their customers,” he says. “These devices solve a lot of problems.”

“Valometers sit between stickers and a fully automated system. They solve the problem of inventory control and provide a major deterrent to theft,” he says.

“One of the issues with validations is that they can be peeled off the tickets and used on others. If the rate structure is such that a validation “kicks in” for only a certain period, say the first two hours, and after that time is invalid, the stamp is of no value on the ticket. The cashier can then remove the stamp and put it on another unvalidated ticket and keep the revenue from the second ticket.”

“Merchants, the people who provide the validations, have a different issue. Often, many more stamps than necessary will be put on the ticket, or the validation stamps will be handed to the person separately from the ticket, expecting that the parker will put the stamps on the ticket.”

“In the first case, the merchant is using more validations than necessary. In the second case, the possibility of fraud is greatly increased,” Kilfoyle says.

“Plus, validation stamp books can be pricy to have printed, and must be inventoried and secured. After all, validations are like cash. If you have a book of stamps, it’s exactly like having a stack of dollar bills.”

Valometers have changed over the years. The Valometer Co. has placed more than 2,000 machines with 300 individual customers. Kilfoyle says only one other company manufactures such machines. “I don’t see them too much in the market any more. We have the name, and we have the market.”

The technology of how imprinting devices work is evolving. Norma A. Benavides, the new owner of Valometer, says that it is looking at technology changes.

“The current method is a good, solid, proven technology.



Norma Benavides, new owner of The Valometer Company, and Len Kilfoyle.

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However, it allows only a single type of imprint per machine. We see a need to look at placing a printer in the Valometer so that other types of imprints can be added, including bar codes and special messages.”

“We have some R and D to do. Len had been working in that area prior to his retirement,” says Benavides, who came into the parking industry as a mystery shopper working for Southern California parking operators. “I see a large market not only for our existing product, but for an expanded line as well.”

According to Kilfoyle, the machines solve another problem for the parking operator. “The merchant can either purchase validations in advance or be billed on a monthly basis. In the first case, the machines have an up-down counter. The counter is set with the number of validations purchased. When it reaches “0,” it shuts off until refilled.”

With monthly billing, the operator goes to the merchant and takes a reading off the counter and invoices appropriately. “There is no supply of stamps to inventory and secure. No additional costs after the cost of the machine.

“The valometer also can put the merchant’s name on the stamp. This provides a bit of PR and gives another cross-check as to who has validated the ticket.”

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The Little Machine That Solves a Problem

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Kilfoyle notes that these machines also give the operator an opportunity to meet and get to know the merchants. "Too often the operator deals with the complex owner, but not the individual merchants. Stamps are often picked up by a clerk in the operator's office. With a Valometer, the operator goes to the merchant and can get to know this second tier of customer."

"The operators would spread the word throughout their company and orders would come in. Norma just got a call from a garage manager in Florida. She had a problem. She had discovered that some of her validation stamp inventory was missing.

She discussed it with her boss, and he recommended a valometer."

Benavides told **PT** that she would be bringing her marketing background to her new company. "Word of mouth and direct mail have worked well, but I think we will be doing a bit more outreach to potential customers."

Contact Benavides at www.valometer.com.

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COURTESY OF ACADIA. THE CROSSOVER FROM GMC.

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GMC

Shoppers Valet Park Free, Courtesy of GMC

During March and April, drivers in eight major U.S. cities were to be treated to free valet parking as they pulled into their favorite shopping centers, thanks to GMC and its first-of-its-kind national marketing push.

Automaker GMC is footing the bill for valet parking at popular shopping destinations in Los Angeles, Miami/Fort Lauderdale, Orlando, Phoenix, Sacramento, San Diego, San Francisco and Tampa as part of the launch

of its new Acadia crossover vehicle. The promotion marks the first time that an automaker has provided "free parking" on a national level.

More than 100,000 drivers nationwide were to be provided free valet parking during the program's two-month run.

"GMC wanted to find a way to introduce Acadia to busy families. We recognize how difficult running errands can be with small children and thought we could help make their shopping

trips a little easier by picking up the tab for the valet," said Mary Kubitskey, GMC National Advertising Manager.

During the program, as drivers got out of their car, they were to be handed a valet ticket promoting "free parking" and the launch of the GMC Acadia. Additionally, more than 3 million valet, hand-issued and machine-issued parking tickets were to be distributed directly to drivers in promoting the launch of the vehicle at other

locations, reaching GMC's target market nationwide. The promotion is being coordinated by Advertickets.

GMC also chose to pair the machine-issued tickets with Boom-Ads – full-color sleeves that slide over the gate arms at the entrances and exits of parking garages. A Boom-Ad is suspended in front of the driver at the moment he or she receives the machine-issued ticket in-hand.

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Eurazeo Buys Apcoa in Europe for \$1.3 Billion

Eurazeo has reached an agreement with Investcorp, the global alternative asset manager, to acquire Apcoa, the leading pan-European manager of parking services, for an enterprise value of €885 million. (\$1.3 billion). The closing of the transaction, subject to the relevant competition authority approval, should take place during the second quarter of 2007.

Apcoa has operations in 13 countries, primarily Germany, Great Britain and Scandinavia. The group manages more than 3,300 car parks providing some 725,000 car parking spaces, and

employs 2,900 staff. It manages town-center car parks, as well as shopping center, airport and hospital parking.

Peter Fischer, Apcoa's CEO, said: "Over the past three years, we have, together with Investcorp, developed and implemented a successful strategy to become the leading European car park operator. ... With the support, long-term orientation and strong financial backing of Eurazeo, we look forward to continuing the successful strategy implemented since 2004 and to realizing the full potential of international growth opportunities for Apcoa."