

News

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Floyd Advisory Study
Analyzes Gender Based Pricing at
Manhattan Dry Cleaners

New York – January 30, 2009 – Floyd Advisory, LLC, a newly incorporated research and market analysis company, today released its study, “Gender Based Pricing at Manhattan Dry Cleaners: Does it exist, Has New York City Law made any difference, What is the Solution”.

The Floyd Advisory study analyzed a survey of 50 randomly selected dry cleaners from Lower Manhattan up to Washington Heights. The study examined prices charged to men, prices charged to women, price statistics, whether women’s shirts could be laundered and latest advances in press machines.

The survey found women paid an average of 73 percent more than men for laundered shirts. Among the 50 dry cleaners surveyed, 16 percent did not offer laundered shirts for women, leaving women to pay the higher priced service of dry cleaning. The additional cost to women over a week, a month and a year is quite considerable.

“Dry cleaners repeatedly claimed their press machines were not able to handle the smaller size of a woman’s shirt and therefore hand ironing was used, increasing the price. My research found a machine that does press both men and women’s shirts including various fabrics,” said Janet Floyd, President of Floyd Advisory, LLC.

Since 1996, California Law explicitly bans gender based pricing at both dry cleaners and hair salons. In 1998, New York City passed a law which bans the public display of gender based pricing, not the pricing.

The study concluded pricing differences for men and women do exist and upgrading press machines may be one solution.

Gender Based Pricing in Manhattan

Gender based pricing exists when prices are determined on the basis of gender. In 1998, in an attempt to deter gender based pricing, New York City passed a law banning the public display of gender based prices, not the actual gender based prices. New York City's Department of Consumer Affairs responded that in 2008, a minimum of 3 violations were issued to dry cleaners not complying with the gender based pricing requirements.

To further test the extent of gender based pricing in Manhattan, 50 randomly selected dry cleaners were surveyed over the phone. All were asked the same questions, what were the prices charged to men and what were the prices charged to women, for laundered shirts, for dry cleaned shirts, and for dry cleaned pants. If the dry cleaner did not launder women's shirts they were asked why?

The survey results showed dry cleaners from lower Manhattan to Washington Heights, charge women on average, 73 percent more than men for laundered shirts. Of the 50 dry cleaners surveyed, 16 percent did not launder women's shirts, leaving women to pay the higher priced service of dry cleaning. The unanimous reason given for not laundering women's shirts was that they did not fit the press machines.

Laundered shirts for men cost an average of \$2.86 while the average cost for women was \$4.95, a difference of \$2.09. Based on laundering 5 shirts weekly, women pay an average of \$10.45 more per week and \$41.80 more per month than men.

The greatest price difference was found at a dry cleaner located in the Carnegie Hill neighborhood of Manhattan. This dry cleaner offered men shirt laundering for \$4.50 but women's shirts had to be dry cleaned at a price of \$27.50 per shirt. Women paid \$23 more for shirts because they were not being offered the much less expensive service of laundering. This is an extreme example though it clearly validates the negative financial impact placed on women due to gender based pricing.

Equal pricing for laundered shirts was found at 21 percent of the 42 dry cleaners offering laundering for men and women's shirts. The remaining 79 percent charged higher prices to women for shirt laundering. Among the 79 percent charging higher prices, 9 percent charged up to 15 percent more, 55 percent charged 15 to 60 percent more and 36 percent charged women over 60 percent more for laundered shirts.

The majority of dry cleaners did not have websites. The survey found 16 dry cleaners with websites though only 2 featured price lists. One price list was dated 2005.

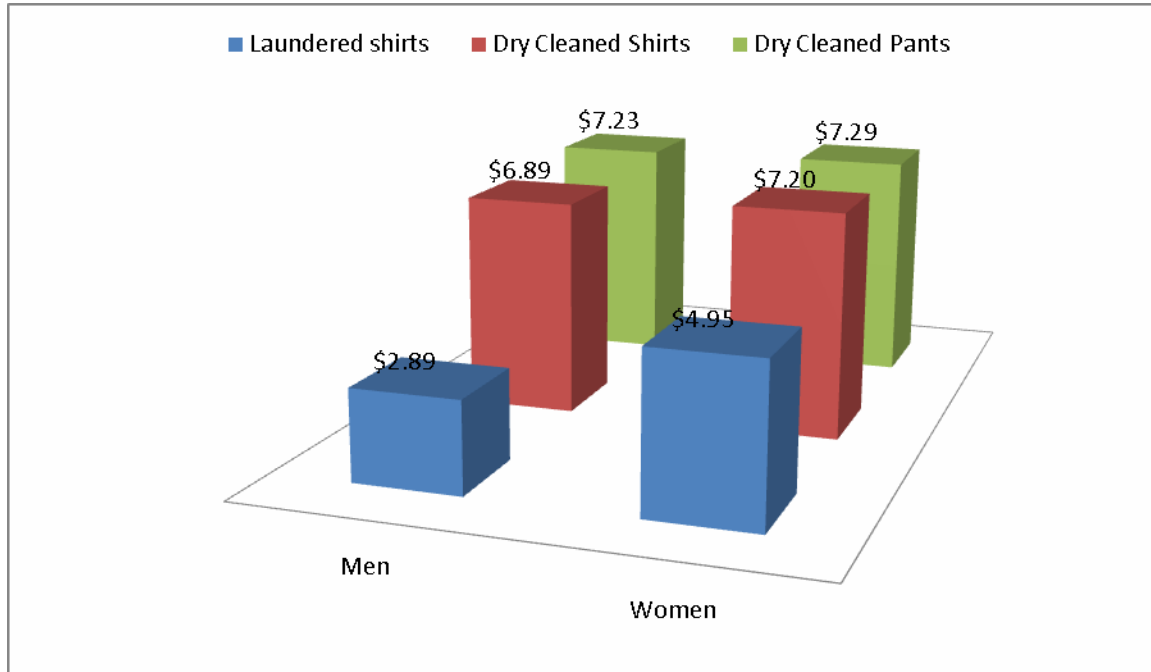
Dry cleaners claim their press machines are not equipped for the smaller size of a woman's shirt. This assumes all women wear smaller shirt sizes than men which is obviously untrue. The study

found a press machine that presses both men and women's shirts, the V3 Versaform made by Unipress. This machine has automatic measuring and presses both men and women's shirts of various fabrics.

In 1996, California passed a law that explicitly banned gender based pricing at both dry cleaners and hair salons. That same year Massachusetts' Attorney General surveyed dry cleaners to ascertain prices for men's and women's shirts. The survey revealed that women were charged up to \$2.50 more for shirts. Dry cleaners defended the higher prices stating it was the result of women's shirts not fitting on press machines, requiring shirts be done by hand or dry cleaned. The Attorney General's office informed dry cleaners that gender based pricing was against Massachusetts Law. The survey was reissued a year later and the new results showed a shift to compliance.

In conclusion, gender based pricing does exist at Manhattan dry cleaners. Women are being overcharged and the reasons given by dry cleaners are unacceptable. Perhaps the current economic climate will force New York City to pass real legislation that bans gender based pricing not just the public display of gender based prices. Women should not bear the burden of finding a dry cleaner that does not charge on the basis of gender.

Average Prices For Dry Cleaning



Women are paying on average 73% more than men for laundered shirts.

The Additional Percentage Charged To Women for Laundered Shirts

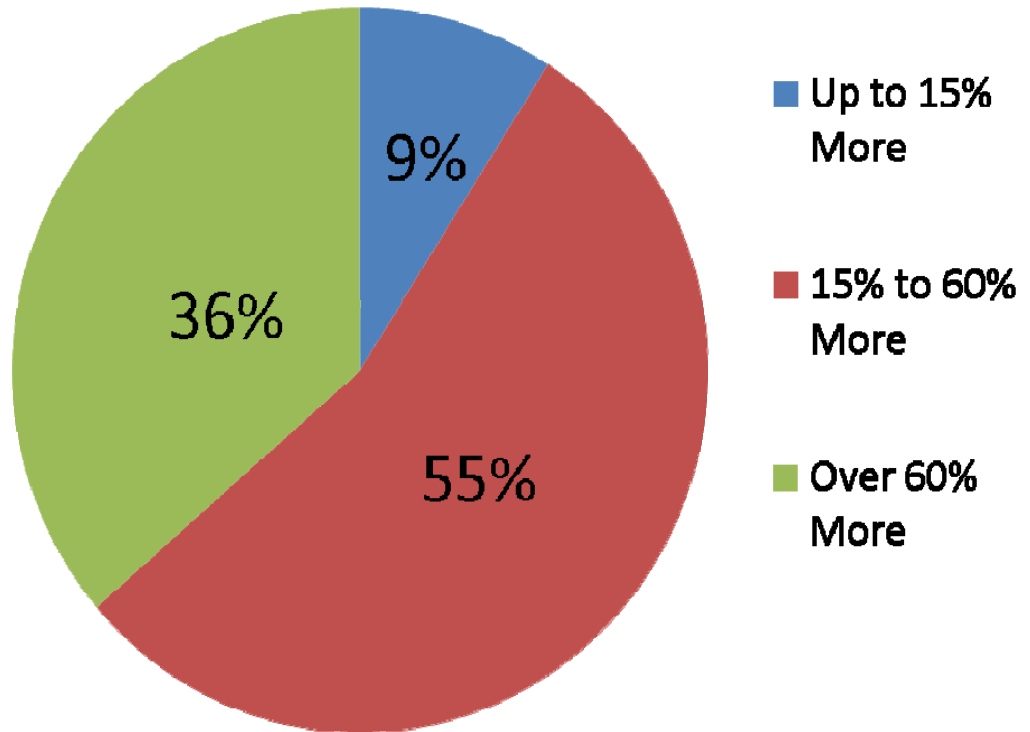
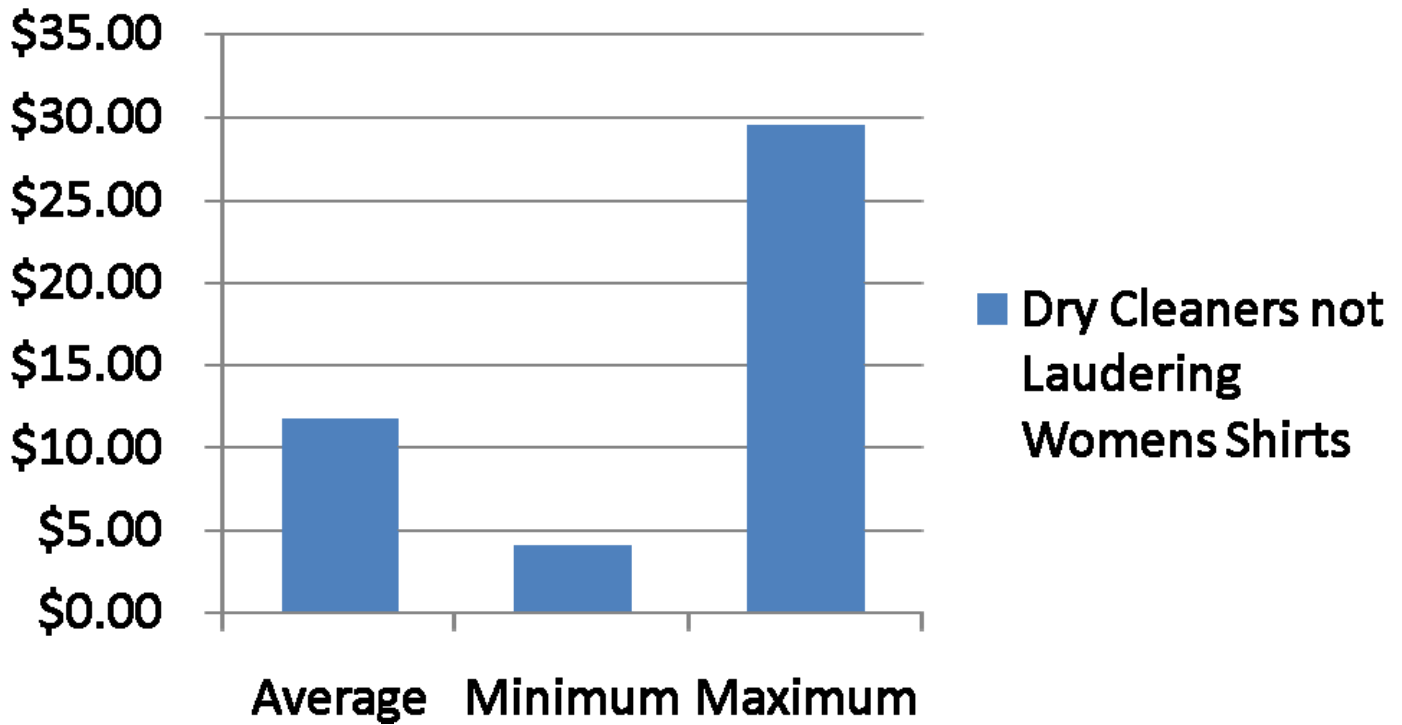


Table of Price Statistics

	Average	Minimum	Maximum	Median
Dry Cleaned men's Shirt	\$6.89	\$2.75	\$29.50	\$6.00
Laundered Men's Shirt	\$2.86	\$1.50	\$11.00	\$2.50
Dry Cleaned Men's Pants	\$7.23	\$2.75	\$29.50	\$6.25
Laundered Women's Shirt	\$4.95	\$1.90	\$10.00	\$5.00
Dry Cleaned Women's Shirt	\$7.20	\$2.75	\$29.50	\$5.99
Dry Cleaned Women's Pants	\$7.29	\$2.75	\$29.50	\$6.50

Shirt prices at Dry Cleaners without Laundered Shirt Service for Women



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