



Patrick Graf

# Vending Opportunity

With a growing consumer demand for purified water, vending is an increasingly popular option for customers and businesses alike. Patrick Graf, president of Liquid Action Systems Inc., recently spoke with *Water Quality Products* Managing Editor Kate Cline about the latest trends and technologies that not only making vending a simpler option, but also a more profitable one.

**Kate Cline:** What are some current trends in the water vending industry?

**Patrick Graf:** Growth of product availability and increased numbers of vending sites—it would seem to me that there are more and more machines in almost any venue.

**Cline:** How has the economy affected the vending industry?

**Graf:** More first time entrepreneurs [are] looking for investment opportunities. Tough times mean people are looking at reducing costs wherever possible.

**Cline:** Have you seen an increase in new water vending businesses in the last few years? What growth potential is there in this market?

**Graf:** There has certainly been a good level of interest on an ongoing basis. The interest I see is from the small business investor/entrepreneur. A lot of that interest is generated by having seen a water vending site and going to the Internet for more information. There is still room for more growth; there are many areas with no water vending outlets.

**Cline:** What new technologies are available for water vending? What new technologies are currently in the works?

**Graf:** [There is] increasing interest in dedicated card and credit card applications to vending machines.

**Cline:** Do many vending machines currently accept cards? What are the advantages and disadvantages of this technology?

**Graf:** I am getting some enquiry for credit/debit cards, but more interest in machines with a dedicated card reader to enable the owner or merchant to have a loyalty program of some kind with proprietary card. The cost at this point on the card reader is still too high to make any inroads into the marketplace. When these devices become more commonplace and cheaper, they may become more popular.

With water vending, customers know when they load the empty bottle into their vehicle, they need the necessary coins for the purchase. Vended water is not an impulse purchase.

A good part of the appeal from an owner's standpoint is that the business is all cash, [with] no shelves

or machine to stock, with a very low level of maintenance. By keeping the vending machine simple, maintenance and breakdown are at a minimum.

**Cline:** What trends do you see in the future for water vending?

**Graf:** Water vending offers a customer the opportunity to purchase a much-needed product at a convenient location at the lowest price. I see expansion of vending sites as home delivery prices rise to reflect increasing costs.

**Cline:** How does the negative environmental image surrounding bottled water affect the vending industry?

**Graf:** Water vending reuses an existing bottle repeatedly. There are no single-service containers being thrown away after each use.

**Cline:** What is your opinion on the bans on bottled water sales recently in the news? How will they hurt or help the vending industry?

**Graf:** The bottled water sales mostly referred to in the bans are the single-serve bottles, whether vended or otherwise acquired. From a water vending perspective, users have the opportunity to have their own container and refill it at home from their own bottle.

As long as the city/town/municipal water suppliers keep treating the water with chlorine compounds, people will continue to buy purified water. The quality of the tap water varies so much from location to location that people have grown used to using purified water as their source of drinking water. Water vending (in 5-gal bottles) is a growing source of purified water. *wqp*

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For more information on this subject write in 1009 on the reader service form on page 33.

## Drilling Company Fined for Water Contamination

The Pennsylvania Department of Environmental Protection fined Catalyst Energy Inc. \$185,000 for contaminating 14 water supplies. In addition to paying a fine and taking corrective actions at its well sites, Catalyst faces restrictions on drilling, hydraulic fracturing and developing new or existing well sites.



## ASU Engineers to Develop Solutions for Small Systems

Arizona State University's Paul Westerhoff will lead two research teams to develop treatment solutions for small communities. The first, funded by the U.S. Environmental Protection Agency (EPA), will focus on improving monitoring, testing and treatment of water systems in communities with 50 to 500 residents.

## Groundwater Testing Finds Radium in East & Central U.S.

Groundwater on the East Coast and in the central U.S. has the highest risk of contamination from radium, according to a U.S. Geological Survey study. Radium was detected in concentrations that equaled or exceeded U.S. EPA drinking water standards in more than one in five wells tested in those regions.

## NSF Begins Water Filter Bottle Certification

NSF Intl. announced it now certifies filters used in portable water filter bottles against NSF standards for drinking water treatment products. Thus far, Brita, CamelBak, Cool Gear and Move Collective are the first to have their filter bottles certified to NSF/ANSI Standard 42.



## Report Highlights Potential of Rainwater Harvesting

An analysis on rainwater harvesting by the National Resources Defense Council (NRDC) said capturing rainwater from rooftops provides an opportunity for urban areas to increase water supply and improve water quality. In the report, NRDC determined that opportunities exist in each city to capture hundreds of millions of gallons of rainfall every year for reuse.



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