

Brand News

By Joe Aliperta

BP: "Helios 100 Program"

Dealers are advised that the BP Helios 100 Program is ready to launch. Effective March 1, 2006, quarterly Image evaluations will be conducted for each BP jobber retail site. The \$300 yearly fee will include Point of Purchase signage and a great deal of incentives. Take a look at these financial rewards:

1. A score of 90% and above will receive \$150 per evaluation.
2. A score of 80% and above will receive \$75 per evaluation.

Contact your marketing representative if you have questions, concerns, or are interested in inquiring additional details of how this program will work.

CITGO: "Revamped IVP & POP programs for the New Year"

CITGO has revamped the "Image Value" and the "Point of Purchase Program" for this upcoming year combining the cost of \$150 per location. Furthermore, Mystery Shops that were once evaluated quarterly will now be evaluated three times a year, allowing the final evaluation to rollover into the upcoming year. Each location that scores a "Gold Certified" rating on all three inspections will receive a credit for the \$150 fee. Look for the 2006 CITGO Plus Card Point of Purchase material to arrive soon.

CLARK: "Coming Soon...The Omni 3750!"

During the first and second quarter of 2006, Clark Brands will Implement a program to replace the Verifone Omni 490 with the Verifone Omni 3750 processor. The New POS device will not only allow you to run your business more efficiently, but will also feature upgraded software that will allow account masking and debit encryption. Look for information and further details on the Omni replacement and upgrade process during the early quarter of 2006.

MARATHON: "Community Participation Reimbursement"

Get involved with your community by sponsoring local athletic apparel, equipment or other material on which the Marathon logo can be displayed. Marathon will reimburse 50% of up to \$500 of qualified expenses during a calendar year for any one location. Increase consumer traffic and loyalty by generating a name for yourself within your local community. Contact your marketing representative for complete instructions and additional information on how you can participate in this exciting program!

MOBIL: "PLCC Card transition plan"

Effective January 4, the old 10-digit Blue and White cards are no longer being accepted at Exxon/Mobil stations. The Blue and White card paper tickets will not be accepted after February 6, 2006, so all tickets must be sent to processing before this date. Consumers should now use the new 12-digit, Improved Fraud Prevention, Tiger & Pegasus card provided by GM Money Bank. Retailers may contact 1-800-413-9966 for questions regarding this matter.

PHILLIPS: "Who says our gas is Top Tier?"

The first quarter of 2006 brings the Quality PROclean message to the forefront. Quality PROclean Gasolines help to restore engine performance, reduce hesitation and keep vital engine parts clean and deposit free. Make sure to become compliant by displaying your Point of Purchase materials as they arrive at your doorsteps. Take advantage of this great opportunity to reassure your customers of the "Top Tier" products they receive at your location!

Did You Know...

Hot coffee has the highest level of planned purchase of any in-store category. In fact, only 2% of customers purchasing hot coffee don't plan buying it before entering the store.

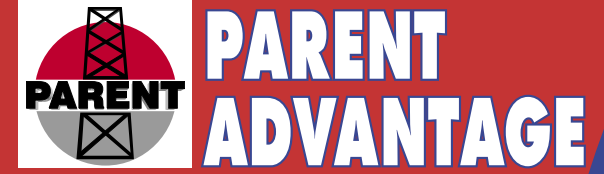
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"If you can't excel with talent, triumph with effort."
- David Weinbaum

Final Phase of Sulfur Controls...

...in Gasoline Arrives

Federal Regulations will require all retail gasoline tanks be converted to the new EPA mandated 80 ppm (parts per million) maximum sulfur specifications effective March 1, 2006. This cap is considered a "per gallon" cap and should not be confused with an annual average.

Terminals are currently supplying gasoline with 80 ppm sulfur and our gasoline delivered to you meets the 80 ppm sulfur cap. The requirements specify that the station operator is responsible for assuring conversion of the retail tanks to this new standard by March 1.

As you plan your orders for the remainder of the month, please make sure your inventory is turned enough times to meet this deadline. This sulfur cap applies to all gasolines (reformulated and conventional).

We recommend that you maintain relatively low inventories through the end of February to ensure enough turns of the product. Please pay particular attention to slow moving grades such as midgrade and premium. Before you order these products make sure the tanks are as low as possible. Project your February sales and try to turn these tanks at least three to four times. In other words, if you sell 4,000 gallons per month, order 1,000 gallons four times but place your orders when your tanks are down to 500 gallons or less.

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February 2006



Behind the Scenes with Harry Beepath

As one of the newest additions to the company, Harry Beepath works behind-the-scenes performing a variety of important functions. With just over six months in his role as Assistant Credit Manager for the Lube, Oils and Fuels segment of the company,

After a decade of traveling back and forth throughout the U.S. and his native Trinidad, Harry Beepath has put down roots in Illinois with a new job at Parent Petroleum and a new home in the Western suburbs.

Harry has already made valuable contributions in strengthening the credit management procedures as well as working with fuel price updates and various tax issues – tasks for which he is well suited.

“The collection and credit management of our business is both a service for customers and a vital part of our operation,” explained Harry, who brings to the company a strong background in economics and accounts receivable management.

“Monitoring key credit ratios improves our cash flow and saves our company money in the long run.”

Another important aspect of Harry’s responsibilities includes the compilation and distribution of the daily fuel pricing sheets for station dealers.

In his short tenure with the company, Harry has enjoyed success in his role because he is patient, detail-oriented, and organized. He takes a positive approach with customers. “Patience and understanding are as important as treating people with respect and dignity,” noted Harry. “It’s important to be patient, flexible and understanding when working with customers to remain current on their gasoline accounts.

“I enjoy this industry and the work very much,” noted Harry, a soccer enthusiast, who once played competitive soccer and now simply enjoys his weekly recreational soccer games. “It is exciting and every day is different. An additional bonus to my work at Parent is that I have a wonderful, supportive work environment and am surrounded by a talented group of colleagues who take a team approach to getting the job done.” Harry considers himself “fortunate” as along with this new job he has a beautiful wife and two wonderful kids.

On the Move with Bejoy Zachariah



Bejoy Zachariah, a native of Kerala, India, has been in the country almost 10 years and in the retail gasoline industry for just two years. During his short tenure in the field, Bejoy has taken two underperforming units and turned them into thriving businesses.

After earning a master’s degree in social work, Bejoy Zachariah worked in a number of venues including nursing homes, hospitals, and public housing projects providing guidance to people who were in need of public assistance.

After five years in the field, Bejoy, encouraged by friends and family, stepped into the retail gasoline business as a leasee dealer of a Marathon location in Aurora, IL. He drastically improved the volume and revenue of the station and sold that business after a year in order to realize his dream of owning his own station.

The new facility was a low volume site with c-store, car wash, and single point diesel dispenser. All three profit centers were underachieving but Bejoy was up to the challenge. Despite the downturn of the industry plus a fledgling business, Bejoy found a number of ways to improve the situation. With drive and determination, he rolled up his sleeves and employed some common sense tactics that have really paid off. Today, the business is bustling. The car wash volume is up by almost five fold while the store revenue has increased four fold. Here are some of the things Bejoy did to boost his business:

Bejoy increased his gasoline volume by maintaining a vigilance on the competition, what he calls “price watching,” which allows him to maintain consistent competitiveness with his competition. Rather than watching his cost of fuel, he keys off his competition and rides the margin roller coaster with the knowledge that during the low or negative margin periods, he is optimizing his business by maintaining traffic in his other profit centers. He utilizes his background and people skills by maintaining an almost constant presence in order to maximize his understanding of

and service to, his customers, who he really tries to get to know.

By continually introducing new products into the c-store and merchandising effectively, Bejoy has increased his store sales almost four fold, since taking over the facility just over a year ago. He stresses the importance of a premium coffee program, with a first-class presentation and loyalty programs. Finally, maintaining competitive consistency inside, on important reference items like cigarettes and milk, has enabled Bejoy to build a loyal and growing store business. He’s also keenly aware of the market needs around him and has added a myriad of products in order to satisfy the needs of local demographic groups. Although he has always sold wine and beer, Bejoy recently added liquor to his product mix, at the request of his customers.

His car wash is a conveyor tunnel with soft cloth. In this profit center, the first thing Bejoy did was to increase the quality and quantity of detergents used to clean the vehicles. This involved consideration of three dimensions: color, scent, and cleaning strength. Bejoy actually increased his cost of goods sold while lowering his price in order to win the business of his local customer base. He also beautified the outside of the car wash building in order to affect the consumer’s perception of the offering. Cross marketing the gasoline with the car wash at the price sign and illustrative pump toppers also drives a lot of traffic. Cashiers are very suggestive sellers, as well.

Final Phase . . . continued

The EPA will be collecting samples either directly or by independent inspectors beginning March 1. Please be aware that the EPA may issue notices of violations for sulfur contents exceeding the 80 ppm limit. Fines could be up to \$32,500 per day per violation.

Again, please note that federal regulations require and hold you, the retailer, responsible for meeting this conversion deadline. We are here to assist you in any way possible, however, we are not be responsible for any violations. If you have any questions or concerns, please contact your marketing representative.

Help Stop Senate Bill 2236

Senate Bill 2236, sponsored by Illinois State Senator Deanna Demuzio, is under review. If this bill becomes law, you will lose 50 percent of your sale tax incentives and will be burdened with an ethanol mandate.

The Illinois Petroleum Marketer’s Association (IPMA) in cooperation with the Illinois Association of C-Stores (IACS) is encouraging everyone to act now through calls and letters to your local Senator as well as the Bill sponsor, opposing Senate Bill 2236.

This is a very important issue, please don’t hesitate, call and/or write your Senator today - tomorrow may be too late. For a copy of Senate Bill 2236, list of Illinois Senators, or sample correspondence opposing this bill, please call IPMA at (217) 544-4609.