

SSERVICE QUARTERLY



March
1997
\$10

An official publication of the Service Station Dealers Association of Michigan

'We Card' program helps to snuff out underage smoking

Under 18? No tobacco, because "We Card." That is a common statement heard today at retail locations throughout the state. It is against the law to sell tobacco products to anyone under the age of 18. But for some cashiers, owners or managers, this line of questioning is much more difficult than it may seem.

In order to help those on the front lines, "We Card" training programs were held throughout the state in the month of February. These training programs had two goals—to supply information to cashiers, managers and owners on the proper ways to enforce the laws and to bring awareness of the "We Card" program to communi-



"We Card" officials detail the program at a press conference held before the Lansing training seminar

ties across the state.

It is very important that community members understand why retailers must use the "We Card" program. When a customer is in line and there seems to be a delay because we have asked someone for identification, they need to know that we are doing our part to stop underage

smoking. This questioning puts the cashier in a difficult spot because customers do not like delays while waiting in line and the person being carded many times does not care for that either. The "We Card" program gives helpful hints on handling these situations and making sure the product is delivered to only those over 18 in an orderly fashion.

Under FDA rules that went into effect on Feb. 28th, not only must 18 year olds and younger be carded, but also anyone who appears to be under the age of 27 must show proper identification. In order to meet this requirement, the "We Card" program recommends that anyone appearing under



see "We Card"

pg. 23



Look for the cherries to find SSDA Annual Convention information

Wherever you see the cherry logo, you can be sure to find information on the 1997 SSDA Annual Convention at the Park

Place Hotel in Traverse City on August 3-6.

The logo reflects the Traverse City area's cherry growing industry while

serving as a colorful guidepost in Convention mailings and publications. See page 10 for more Annual Convention information.

Oscar W. Larson Co.



*Celebrating
50+ Years of Excellence
in*



Petroleum Equipment Service, Sales, and Installation **THE ONLY COMPANY YOU NEED**

■ "Full Service" Contractor

- Licensed Electrical, Mechanical and HVAC
- Certified Service Technicians
- Certified Construction Installers
- Licensed Hazardous Material Hauler
- Product Recovery and Disposal
- Certified Confined Space Entry Crews
- Excavation • Tank Removals and Disposals
- Building Renovations and Demolitions

Financing/Leasing

Through our strategic alliance with funding partners, we offer numerous options and payment plans with minimal down payment.

■ Electrical Contractor

- Licensed Electricians
- New Service Installation
- Expansions, Repairs and Upgrades
- Canopy Lights
- Fuel Equipment Systems
- New Building Electrical
- Remodels
- Permit Application
- Supply and Installation of Area Lighting
- Tank Monitoring Equipment Wiring

■ Excavation/Construction

- New Tank Installations
- Existing Tanks Upgrades
- Tank Removal and Disposal
- Emergency Tank Repairs
- Confined Space Services
- Soil Removal and Disposal
- Canopy, Sign and Light Base Footings
- Soil Remediation Systems
- Ground Thawing and Building Heating

■ Service 24 Hours

- Programming and System Start Ups
- Operator Training
- Dispenser Maintenance and Repairs
- Cash Registers, Printers and Consoles
- Precision Tank Testing
- Dispenser Calibration
- HVAC Maintenance and Freon Recovery
- Automotive Lifts
- Air Compressors
- Service Contracts



DISTRIBUTOR



DON'T WAIT UNTIL 1998, CALL NOW FOR A FREE EPA/DEQ COMPLIANCE REVIEW

10100 Dixie Hwy.
Clarkston, MI 48348
Phone: (810) 620-0070
Fax: (810) 620-0071 or 72
Phone: (313) 549-3610 Detroit

Phone: (517) 732-4190 Gaylord
Fax: (517) 732-3377



6568 Clay Ave., S.W.
Grand Rapids, MI 49548
Phone: (616) 698-0001
Fax: (616) 698-2265

Phone: (906) 632-0491 SS Marie
Fax: (906) 632-2284

Phone: (419) 697-0851 Ohio
Fax: (419) 697-1181



March 1997

1st Quarter
Vol. IX No. XXXVII
ISSN 1043-7053

Features

8 New Benefit update

The CRIS Information Services, Inc. employee screening service has received favorable reviews from SSDA members who have used the service. Dealers Ed Weglarz and Dave Horton tell how they used the service to help them hire quality workers.

10 Annual Convention Preview

The 1997 SSDA Annual Convention at the Park Place Hotel in Traverse City promises to be filled with informative workshops and fun-filled events. Included in this issue is a look at the Park Place Hotel and the activities and events that make Traverse City a great Convention destination.

14-15 Member Profile: John Curtis

Benton Harbor area Shell dealer John Curtis offers his customers the products they want at his clean, flower-filled stations.

Departments

- | | |
|----------------------|-----------------------|
| 5 Board members | 9 Viewpoint |
| 5 President's Corner | 12 Supplier Spotlight |
| 6 Member Briefs | 17 News Briefs |
| 7 Classifieds | 18 Member Application |

Articles

11 Lottery Update

New mid-day Daily 3 & 4 Game drawings are increasing sales; Michigan Lottery celebrates its 25th year with a new \$5 instant game.

12 Supplier Spotlight

Beckler Scramstad, Inc. and Specialty and Environmental Administrators.

16 Law Talk

Attorney Mark Cousens discusses the issues of zone pricing.

19 Business Focus

Financial Advisor Larry Wright writes about marketing to maximize profits.

20 In the Repair Facility

A look at airbag operation and repairs.

Advertisers

AKT Environmental	8
Beckler Scramstad, Inc.	11
Blue Cross Blue Shield	23
Cech and Associates	24
Comerica Bank	17
Compatible Software Systems	22
Dodson	19
Eby-Brown	13
Great American Brokers	6
Hawkins Equipment	9
Mechanical Wash Systems	21
Mellema's Service Station Maintenance	6
Oscar W. Larson Company	2
Simpol	9
Sunrise Environmental	15
Tire Wholesalers	20
Voss Insurance	16
Young's Fuel Equipment	4

Service Quarterly is published in March, June, September and December by the Service Station Dealers Association of Michigan, 200 North Capitol Ave., Suite 420, Lansing, Michigan 48933. ©1997, SSDA-MI.
Subscription price to all members is free. All other U.S. subscriptions, \$40 per year. Prepayment of \$10 is required for single copy orders. Subscription inquiries call SSDA-MI at (517) 484-4096. Address all single copy requests along with payment to SSDA-MI, 200 N. Capitol, Suite 420, Lansing, Michigan 48933. Postmaster: Please send address changes to same.



Young's Offers

- Tank & Piping Installation
- UST Removals & Replacements
- System Upgrades
- At the Pump Card Readers
- Aboveground Tanks
- Automotive Hoists
- Lubrication Equipment
- Electronic Monitor Systems
- Cash/Controller Consoles
- Canopy Installation
- Canopy Lighting and Upgrades
- Air Compressor Sales and Service
- Commercial Card Readers for Unattended Fueling
- Remediation Services
- Oil Water Separators
- Transport Drop Hoses
- Airless Paint Sprayers

Proudly Serving Michigan, Ohio, Indiana, Illinois and the Midwest Region.

Full Service Electrical Department

24 Hour Emergency Service

Young's Fuel Equipment Services Headquarters

G-5339 N. Dort Highway • Flint, MI 48505

Phone (810) 785-5509 or (810) 789-0160

Fax (810) 785-4733 • Toll Free (800) 547-1126



Grand Rapids Area Office

4990 West River Dr., NE
Comstock Park, MI 49321
(616) 785-3374

Toledo Ohio Area Office

369 W. Dussel Dr., Unit #10
Maumee, OH 43537
(419) 867-3212



**PROVIDING THE HIGHEST QUALITY SERVICE TO THE
SERVICE STATION DEALERS ASSOCIATION.**

**INNOVATION IN FUEL DISTRIBUTION, DESIGN AND INSTALLATION.
SUPPORTED BY A COMMITMENT TO SERVICE.**

President's Corner —

Dennis Sidorski, SSDA-MI President

Opportunity is knocking

Our business has a lot of ups and downs. Many times it feels like there are more downs than anything. We need to make sure we take advantage of every opportunity we have in order to survive and maybe even prosper.

One such opportunity that we can take advantage of is our SSDA membership. Many members participate in all the activities and benefits that the Association offers. Many others only use one or two of the Association's programs. While we are happy to serve our members in various capacities, we would like to encourage more participation in Association programs and events that will make things a bit easier for you.

The SSDA Convention is one of the best ways to get more involved in the Association. The big value of being an Association member is the chance to collaborate with fellow members and the Convention is the main source of this collaboration among SSDA members. Many ideas, improvements and member benefit programs have come about as a direct result of discussions at the Convention. For example, some members expressed their concerns about hiring quality employees at last year's Convention. The SSDA Board of Directors and staff then researched the problem and developed SSDA's new relationship with CRIS Information Services, an employee screening service (see the information on page 8).

In addition, many useful ideas pass between members at the formal discussions and the more informal social



events. A big problem in our business is it is easy to feel as if you are on your own when a problem arises. By attending the SSDA Convention, you will get to speak with many other members from around the state who face the same problems you do each day. A dealer from Troy can talk to a dealer from Grand Rapids and not feel like he is giving away any secrets. Why should we struggle with solutions to the same problems on our own when we can get quicker and even better results by working together?

I would like to personally invite you to this year's annual convention. If you have never attended a Convention in the past, this year is the time to start. This year's convention at the Park Place Hotel in Traverse City on August 3-6, promises to be another informative and fun-filled event. See the information on page 10 for more details and call the SSDA office at 517-484-4096 to register today. Also, watch your mail for more information on this event.

Let's come together at this year's Convention to learn from each other so we have more ups than downs in the coming year.

Publisher
Terry Burns

SERVICE
QUARTERLY

Editor
Steve Ott



Terry Burns
Steve Ott
Denise Bernwanger
Jeri Miles
Tony DeLuca
Willie Calloway
George Robb

Executive Director
Communications Director
Membership Services/Blue Cross
Executive Assistant
Membership Services
Marketing Representative
Marketing Representative

Board of Directors (as of 4-97)

Officers

President
Dennis Sidorski
J&S Shell
(313) 994-0373

1st Vice President
Larry Troy
M59 Crooks Auto Svc.
(810) 853-7137

2nd Vice President
David Cornish
Zeeb Road Amoco
(313) 769-0845

3rd Vice President
Rich Bratschi
Lake Lansing Mobil
(517) 484-2300

Treasurer
Gary Fuller
12 & Evergreen Shell
(810) 358-2087

Directors

Mark Ambroziak
Wixom I-96 Shell
(810) 349-9900

Keith Anderson
Anderson Service Center
(517) 832-8895

Warren Barrone
University Amoco
(517) 351-0770

Reg Binge
Binge's Limited
(313) 792-0430

Pete Doneth
Fenton Hill Shell
(810) 750-0300

Joseph J. Grish
Joe Grish Servicenter Inc.
(616) 584-3200

Matt Lentz
Haslett Road Marathon
(517) 339-0220

Executive Committee

Philip Bucalo
New Five Shell
(313) 464-3323

Connie Cothran
M-59 Pontiac Lake Shell
(810) 674-0408

James Malek
Malek Shell
(616) 842-8677

Lou McAboy
Big Beaver Shell
(810) 689-8186

Dennis Pellicci
D & M Pellicci Ent.
(810) 852-2191

Robert Waller
Franklin Standard, Inc.
(313) 626-2080

Ed Wiegartz
Hunter & Oak Amoco
(810) 646-5300

Jim Little
H & H Mobil
(517) 332-6335

Tim Mariner
Mariner Petroleum Company
(616) 538-7990

Darrell Marx
Marx Auto Care Inc.
(810) 553-2662

Derry Middleton
Lakeside Marathon Service
(810) 247-0080

Joseph Nashar
6 & Telegraph Shell
(313) 534-5910

Tom Onofrey
Standard on the Hill
(313) 885-4630

George Schuhmacher
Colonial Standard Service
(313) 773-7000

Service Station Dealers Association of Michigan

200 N. Capitol, Suite 420 • Lansing, MI 48933

(517) 484-4096 • Fax (517) 484-5705

E-mail: ssdami@sojourn.com

Member Briefs

Swartz Creek member celebrates 50 years of service

Congratulations to Don Spillane of Swartz Creek who marked 50 years as a service station owner in December.

Don, a long-time SSDA member, owned the Apple Creek Amoco Food Shop on Morrish Road next to I-69 from December 15, 1946 until his retirement at the end of last December.

The business has been around since 1911 when Don's grandfather, Frank Kennedy, opened it as a tire shop. In 1915, Standard gas pumps were installed and in 1929 the station was rebuilt—complete with two inside car bays and a lifting hoist. Don's father, Ben

Spillane, took over the business in 1938 when Kennedy died.

Don became a business partner with Ben in 1946, and Don's brother, Jack, joined them in 1950. Don became the sole owner after the deaths of his father and brother.

Over the years, Don moved the station to its present location and converted the two-bay garage into a food mart. He just recently sold the station to retire.

SSDA is proud to serve dealers like Don and his family who have been successful by evolving with the times. We wish him luck in the future and a happy retirement.

Battle Creek member named Man of the Year by regional publication

Because of his hard work and dedication to community work, SSDA member Jim Hazel has been named Man of the Year by the Battle Creek publication *Scene Magazine*.

Jim, who owns Union 76 Service on the Beadle Lake Road exit of I-94 east of Battle Creek, does an unbelievable amount of volunteer work in his community. He contributes his time to many youth development projects and community building programs. A few organizations he works with include the YMCA Camping and Retreat Services, the Boy Scouts, the Battle Creek Community Foundation and the W.K.

Kellogg Foundation. He teaches second graders at his area's Junior Achievement program and is on the Rotary Club board of directors. He is also an active supporter of his area high school, Harper Creek, where he has started an alumni association.

We are proud to have Jim as an SSDA member. His community involvement shows customers the value of independent dealers to the industry and their home town. We appreciate all Jim does for the people of Calhoun County and the service station industry and we believe the award is very well-deserved.

Congratulations Jim!

SALES • SERVICE • PARTS • INSTALLATION

**MELLEMA'S
SERVICE STATION MAINTENANCE, INC.**
11644 S. Greenville Rd.
Belding, Michigan 48809

616-794-2330 FAX

616-794-2606



Total Containment/Enviroflex

Bennett Gasboy Red Jacket

O/C - ZORN - Clawson Tanks

EBW Hoists Emco Wheaton

Certified Tank & Line Testing

SERVICE STATIONS

THROUGHOUT MICHIGAN
C-STORES & AUTO REPAIR FACILITIES

—We Have Buyers—
—We Need Listings—

Ask us about our variable commission rate

JIM FERRIS
STEPHEN JOSEPH

CALL 517-323-3200
(FAX 517-323-9899)

"We're Making it Happen"



2801 N. Grand River Ave. • Lansing, Michigan 48906

In memory...

Our condolences go out to the family of long-time SSDA member and Shell dealer Robert J. Adams, who passed away in January.

Mr. Adams owned Bob Adams Shell Service in Birmingham from 1951 until December 1993 when he sold the station. His son, Bob, had been a partner in the business with him. Mr. Adams also owned Bob Adams towing with his son, Terry, who still operates that business.

We are grateful to Mr. Adams for his contributions to the service station industry over the past 40 years and we extend our warmest regards to his wife, JoAnn, and his entire family.

New Blue Cross mail order prescription benefit helps cut rising health care costs

Lawmakers were told recently by business and labor officials that after several years of overall moderate increases in health care costs, the rate of cost hikes is expected to begin to rise to more than twice the rate of consumer inflation.

Those expected increases mean that ways of holding the line on cost increases will continue to be a key issue in the upcoming years. Finding ways to keep costs under control will prove increasingly difficult.

In February, Blue Cross Blue Shield announced another enhancement to their benefits to help reduce health care costs. Blue Cross an-

nounced the addition of mail order service for prescription drug benefits. Eligible members may want to use the mail order program for prescription medicine they take on an ongoing basis. Not only will the program save members money, it offers the convenience of having medicine shipped directly to their homes. Members can receive up to a 90 day supply of medication for a single copayment if applicable. Notification to eligible members will be sent by mail later this month.

While many members may find the mail order service attractive, those who prefer more personalized ser-

vice can continue to have their prescriptions filled locally at one of their participating pharmacists. The pharmacy network remains the same.

The SSDA, along with Blue Cross Blue Shield, is always reviewing the benefits offered by the Association in order to keep costs as low as possible and we are pleased with the announcement of the Blue Cross mail order services.

If you have any questions about Blue Cross Blue Shield coverage or would like to know more about this June's open enrollment period, contact your agent or the SSDA office at 517-484-4096.

SSDA Classifieds

For Sale

Algonac station—120' x 120' frontage on M29 in Algonac. Two bays, c-store, full service and self-service. Gasoline, kerosene and diesel. Some equipment will stay. Across the street from public access to St. Clair River. At present a Sunoco, but can change. Call (810) 794-4310.

Car wash—A used rollover car wash. Nu-Star poly pad, five brush, soft cloth wash with underbody rinse. Good operating condition, well maintained, newer cloth. Used three years. Call Tim Mariner or John Racine at (616) 538-7990.

Equipment—Wayne Decade cash register, and a True 1 door cooler. Call Dick or Mark at Campus Mobil (517) 332-2797.

Repair shop—with auto sales. Four bays and two hoists with large office. Located on corner lot on the west side of Flint. Call (810) 233-9399.

Station—1.8 million gallons. Major brand in mid-Michigan area. Interstate location—first off exit. New drive-thru car wash and remodeled c-store. Contact SSDA at 517-484-4096.

Station—3 bay car wash and convenience store with gas, diesel, K-1, beer and wine. Lotto and more. Port Hope, MI. Call (517) 428-4441.

Station—150' of M24 frontage. Zoned for commercial use (c-store and/or full service). Asking \$250,000. Please call (810) 628-1875 for more information.

Wanted

Stations to buy—Looking for stations within 50 miles of Detroit. Please contact Jerry or Jim at Jericko and Sons at (810) 647-0770 or page at (810) 704-7133.

If you are interested in buying or selling an existing service station or equipment, please call the SSDA at (517) 484-4096. We are keeping a running list of sellers and buyers.

New employee screening program receives favorable reviews from dealers

Preventing future employment related headaches is one reason two SSDA members cited as to why they used the CRIS Information Services, Inc. Employment Screening program.

The new program, announced in the January edition of the *Service Monthly* newsletter, offers participating SSDA members a **discounted rate** on a variety of investigative options to verify job applicant's qualifications and backgrounds. Some of the reports that can be obtained include a locator search to verify previous addresses, an employment history, criminal records, driving records, credit histories and drug screening. CRIS provides the necessary authori-

zation and release forms for these checks.

Since its announcement, the program has received favorable reviews from dealers who have used it.

SSDA member Ed Weglarz, owner of Hunter and Oak Amoco in Birmingham, recently used the service to check the background of an applicant being considered for a mechanic's helper position. "The service was quick and the report CRIS gave me was comprehensive," said Weglarz. Though the report did not show any negative implications about the applicant, Weglarz said he felt more secure about hiring him after finding out more about him.

Knowing about any over-

whelming financial obligations is one of the main reasons Weglarz feels that the searches are important. "It gives you a better picture of the employee if you can know of any problems up front," Weglarz said. "For example, if an employee needs money deducted from his or her check for personal reasons, you can plan ahead for that."

Finding out about an applicant's driving record is also important to Weglarz. "I have one guy with a bad driving record that I just don't let drive cars, not even in or out of the bays," Weglarz said. Because of that, the insurance company doesn't surcharge Weglarz for the employee. "Using the CRIS driving record check enables you to find out this kind of information so you can work around problems before they happen."

The criminal and civil record checks are equally important to Weglarz. "If a person has a record of fights, disorderly conduct or spouse abuse, I think that bears some concern in a retail business."

SSDA member Dave Horton started using the CRIS service last fall after hearing an advertisement on WJR radio in Detroit. Horton owns the Southeast Sunoco Sun Mart in Whitmore Lake and the Southeast Marathon Gas Mart in Canton Township.

In the five times Horton has used the service, three of the applicants had negative material in their credit reports and were subsequently not hired. "They seemed really great in the interviews but who is to say that you're not going to be part of the solution to their financial problems down the line," said

Horton. "Someone I hired last summer took me for \$500 before I could get rid of her."

Discouraged with traditional reference checking that often yielded inaccurate results, Horton said he felt too limited in the information that was available to access. "Employees aren't going to put their enemies down as personal references and many times companies won't give you more than employment status verification," Horton said. "The CRIS reports help put more of the odds on my side."

The knowledge and security the employee screening program provides are well worth the money according to Horton. "Previously, on my own I could access credit history information, but it cost a lot more than CRIS charges." Now that SSDA members get reduced rates on CRIS services, Horton said he will be able to save even more money on the company's services.

Horton rated the overall service CRIS provides as being fast and thorough. "They have always been quick to get the results back to me and I have never had any difficulties," Horton said. "I'd strongly recommend them to anybody that's hiring positions where they are exposed to money...of course, they are all exposed to money."

SSDA is proud to offer this new benefit to SSDA members. To begin using this service, please call the SSDA office and we will mail you an employee screening package along with applications, authorizations, releases and the name of the appropriate person from CRIS who will contact you.



*AKT is a
full service
environmental
engineering and
remediation firm
committed to site
closure and
decontamination.*

Planning is Everything

As UST owners prepare to comply with the 1998 performance requirements, many will choose to remove and replace their USTs, discovering subsurface contamination in the process. AKT specializes in Risk Based Corrective Action (RBCA) closures for UST sites. Hundreds of contaminated sites across Michigan have been closed using the RBCA process, resulting in dramatically lower remediation costs and minimizing station down time.

Let AKT be part of your Plan

AKT Environmental Consultants, Inc.
24073 Research Dr. • Farmington, Michigan
Phone (810) 615-1333 Fax (810) 615-1334

AKT is pleased to announce that it has recently become an

**Associate Member
Service Station Dealers Association**

Viewpoint

Terry Burns, executive director SSDA-MI

Welcome to Mayberry

On February 28, 1997, you became a deputy of the Food and Drug Administration. Your task—to make sure no one under the age of 18 purchases tobacco products. In order to make sure this is accomplished, you are required to obtain identification from each person that appears to be under the age of 27.

This deputizing of the public in order to get the FDA's mission accomplished reminds me of deputy Barney Fife and how he would deputize citizens of Mayberry in order to take care of one of his most serious problems. Of course, this meant Otis, Goober and Floyd were promptly deputized. They were sent out with only a mission and some instructions. They were given no tools, no guns, no bullets and no penalties—only that they were now deputies to enforce the law. These are the same circumstances that retailers are now given to enforce the new ban on selling tobacco to minors.

There are going to be

“sting” operations from the FDA and possibly from state and local agents under the FDA's requests. If a retailer is found to have sold products to someone under the age of 18, they can be fined \$250. What is the penalty for the underage person that bought the tobacco products? It is \$0.

If a consumer or an anti-tobacco vigilante had reason to think your business is selling tobacco products to minors, they can call the FDA toll-free number and have someone come out and perform a “sting” operation on your site. The “sting” operations will consist of a 15- or 16-year-old and an adult working together. The youth will attempt to buy the tobacco products with the adult observing. If the tobacco product is sold, a fine will be forthcoming from the FDA.

For the first offense, the FDA now says a warning letter may be issued, the second offense is \$250—only for the retailer, not to the person purchasing the tobacco prod-

ucts. A newly created association, Action on Smoking and Health (ASH) announced the formation of a private, citizen army to enforce FDA cigarette rules by reporting retailers who do not require I.D. Recently, an ASH volunteer was asked if he witnessed a clerk refusing to sell cigarettes to a minor, would he report the minor to the FDA for attempting to buy the cigarettes? The volunteer said that he would not.

Once again, we have been called to arms and given no tools just like Barney and his group. We are only to enforce it upon ourselves and if we do not, they have a reminder for us—a \$250 fine.

Let's make sure our cashiers and managers know the importance of complying with this law. It is also important that our non-tobacco purchasing customers understand this law and that we are just doing our part to stop underage smoking.

Whatever happened to less regulation and a smaller government?

Introducing the nation's leader in
storage tank pollution liability insurance

The best
pollution
solution is
always the

Simpol^{est}

HAWKINS EQUIPMENT COMPANY

747 Orchard Lake Ave.

Pontiac, Michigan 48341

OVER 50 YEARS SERVING THE OIL INDUSTRY

- Petroleum Equipment Experts
- Service Station Maintenance
- Certified Tank Testing “Petro Tite”
- Tank Lining “Glass Armor Epoxy”
- Tank Sales Installation and Removal
- State Required Overfill and Overspill Sold and Installed
- Pump Installation Sales and Service
- Distributor – Tokheim, Opw, Red Jacket, Gasboy, Emco Wheaton, EBW

(810) 335-9285
(810) 547-4477

Pontiac, Michigan
FAX (810) 335-6767



Simpol
Storage tank pollution liability insurance experts

1-800-713-1158



1997 SSDA Annual Convention to feature informative workshops and family fun

Improving your business while enjoying the beautiful surroundings of Traverse City will be the goal of the 1997 SSDA Annual Convention to be held August 3-6 at the Park Place Hotel.

Plans are currently being made for informative workshops with knowledgeable speakers on matters that are vital to the gasoline retailing and convenience store industries. These workshops will give attendees hands-on knowledge that they can apply the day they return to work after the convention.

There will also be plenty to do after the meetings. The beautiful waters of Grand Traverse Bay are within walking distance to the Park Place Hotel. The Traverse City area is filled with family activity possibilities including excursions to the Sleeping Bear Dunes, vineyard and orchard tours and shopping at an array of surrounding malls and manufacturer's outlets. Of course, golfing opportunities abound.

To enroll in the early bird registration drawing, please call the SSDA office at 517-484-4096. Your



The beautiful Grand Traverse Bay Area has a lot to offer 1997 SSDA Annual Convention attendees.

entry will give you a chance to win a get-away weekend at one of Michigan's premier destinations while signing up for the premier

event of this summer, the 1997 SSDA Annual Convention. Watch for more details in future SSDA mailings and publications.

Park Place Hotel has a lot to offer SSDA Convention attendees

Attendees of the 1997 SSDA Annual Convention will enjoy turn-of-the-century atmosphere with all of today's amenities when they check-in at the Park



The Park Place Hotel features deluxe accommodations in a convenient location.

Place Hotel.

The hotel offers 140 guest rooms decorated with Victorian furnishings. The hotel's Health Club features a swimming pool, whirlpool, private men's and women's saunas, a weight room and aerobic machines. Overlooking Grand Traverse Bay and centrally located in downtown Traverse City, the Park Place Hotel offers front-door availability to beautiful beaches, shopping and entertainment.

For more information on how you can attend the 1997 SSDA Annual Convention and to enroll in the early bird drawing, please call the SSDA office at 517-484-4096.

1997 Annual Convention Logo designed by MSU student

The SSDA Annual Convention Committee and the SSDA staff would like to thank Alicia Mertz for her work in creating this year's Convention logo.

Alicia is a senior at Michigan State University majoring in graphic design. Her illustration was selected from many different works created by her fellow students in a graphic arts class at MSU who were asked to make sketches for the logo.

The logo created by Alicia was chosen because of its reflection of the Traverse City area's trademark cherry growing industry. The logo will be used on all future 1997 SSDA Annual Convention

correspondence and promotional materials. *To register for the Convention, please call the SSDA office at 517-484-4096.*



MSU graphic arts major Alicia Mertz designed this year's SSDA Annual Convention logo.

**Mark your calendars now for the
1997 SSDA Annual Convention!**

AUGUST 97						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Lottery Update

Commissioner Bill Martin, Michigan State Lottery

New drawings add mid-day excitement

The launch of "double draws" for the Michigan Lottery Daily 3 and 4 games has been a very successful move. Since debuting December 16, mid-day draws have bolstered overall Daily Game sales and they show no signs of slowing.

The new mid-day draw takes place at 12:59 p.m. and the regular drawing remains at 7:28 p.m.

Through the first four weeks, average weekly sales for both the Daily 3 and Daily 4 games were higher than anticipated, with Daily 3 at \$8.1 million and Daily 4 at \$5.3 million. Compared to those weekly averages in fiscal 1996, that amounts to increases of 11 percent for Daily 3 and 15 percent for Daily 4.

Loyal Daily Game players have really responded to the new double draws. That

means more traffic through your stores, higher sales and increased sales and redemption commissions.

Through 22 weeks of Big Game play, the Michigan Lottery has awarded more than \$59.8 million in prizes to Michigan players. Growing jackpots boosted sales in January and February and we expect more big jackpots throughout 1997.

Don't forget to remind your Lottery customers about The Big Game and Michigan Lotto "Smartplay." When a \$5 five-wager ticket for the next Lotto drawing is purchased, a free \$1 "easy pick" wager-also for the next drawing is automatically produced. Advance wagers are not part of the Smartplay promotion. The promotion continues in 1997, after having made two lucky Lotto players millions of dollars richer

in 1996. Twice last year, it was the Smartplay wager that matched all six numbers for the Lotto jackpot. Ask your customers if they'd like to play it smart for the next Lotto drawing; it might just be their ticket to Lotto's millions!

The Michigan Lottery is celebrating its 25th Anniversary and is sharing the celebration with lottery players.

Sales for the new 25th Anniversary Cash instant game started on Feb. 24th. Tickets cost \$5 each, players can win up to 10 times on each ticket and the top prize is \$250,000.

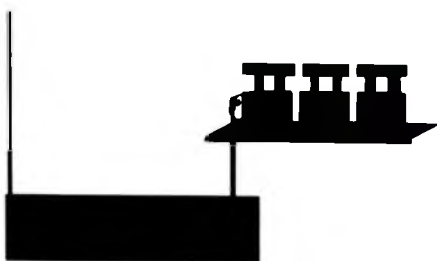
With exciting developments like mid-day drawings, growing Big Game jackpots and the new 25th Anniversary Cash game, everyone's a winner!



Promotional materials remind Daily 3 & 4 Game players of the new mid-day drawings.

SOME FACTS SIMPLY CAN'T BE IGNORED!!

- FACT 1** The MUSTFA program is gone.
- FACT 2** Most Contamination problems aren't gone.
- FACT 3** *New RBCA regulations allow 70% of contaminated sites to be closed without further remediation.*



Closing your clean-up project is our goal.

It can be done...we are doing it.

Call us for more information.

BECKLER SCRAMSTAD, Inc.

12200 Farmington Road

Livonia, MI 48150

(313) 421-6880

"Solving Problems Since 1980"

Supplier Spotlight

Specialty & Environmental Administrators

Giving tank owners the security they need through insurance

If you ask Roger Brunner, president of Specialty and Environmental Administrators (S & EA), how underground storage tank owners can feel secure about their tank insurance he'll tell you one thing—its Simpol.

S & EA has been distributing Simpol, a storage tank pollution liability insurance policy, since 1992. S & EA distributes the policy for the Zurich-American Insurance Company to more than 500 local insurance agents in Michigan. Zurich has been in business for over 100 years and is one of the 10 largest insurance companies in the world.

Simpol offers tank owners peace of mind when it

comes to environmental liability. "As small business owners, dealers work hard—and they don't want some catastrophe to take away all they have worked for," said Brunner. "Our customers know that we will be there if they have a problem—and that's what they need."

In addition to security, S & EA provides answers to tank owners' questions about insurance. "We provide customers with information about what the policy covers, how much it costs, if they should buy it and why they should buy it," said Brunner. "For example, many tank owners are surprised we will insure currently contaminated sites for new leaks if



S & EA President Roger Brunner fills up his tank at one of the many stations his company insures.

there is enough information about the site."

Varying deductibles, broader defense coverage and overspill coverage also makes Simpol more attractive. Simpol can be bought

through dealers' local insurance agents.

To receive the answers that S & EA provides and the security that comes with Simpol, see their ad on page 9 and call (800) 713-1158.

Beckler Scramstad, Inc.

Offering one-company environmental and civil services

By combining civil engineering capabilities with their environmental compliance abilities, Beckler Scramstad, Inc. (previously Beckler Consultants) is growing to meet industry needs.

Beckler Consultants, owned by Richard Tomich, recently merged with Richard Scramstad's company, Scramstad and Associates, to form the new company. Beckler Scramstad is lo-

cated in Livonia and serves clients in Michigan, Ohio and Indiana.

"We now offer a complete package of environmental and civil work," said Tomich. "If someone is going to build or remodel a station, we can go in and do the environmental and then do the civil engineering for the site plans."

Satisfying many different requirements to get the job done is one of the main goals of the company. "We have to satisfy not only the client but also make sure we do our work according to the state and local regulations," Tomich said. "Our primary loyalty is to our clients and it's in their best interest if we

are loyal to the regulatory agencies as well."

Something Tomich said he is working to overcome is the stigma that was placed on environmental companies because of the abuses that occurred with MUSTFA. "When MUSTFA crashed, a lot of people were angry and there were a lot of environmental companies who were crooks," said Tomich. "Those people are gone now and we are still here serving our customers."

To get the one-company environmental and civil responsibility that Beckler Scramstad, Inc. now offers, please see their ad on page 10 and call their office at (313) 421-6880.



Beckler Scramstad, Inc. leaders Richard Tomich (left) and Richard Scramstad (right) hard at work at their Livonia office.

Customer Driven...



To Provide Value-Added Distribution.

Take us for a test drive and compare us against your current supplier.
Chances are they don't stack up to our value-added products and services.

PEOPLE

- Knowledgeable Customer Service Representatives
- Courteous and Efficient Delivery People
- Scheduled Visits by Professional Sales/Marketing Representatives
- Representatives are Effective in Communication
- Privately Held, Family Owned Business
- National Distributor Alliance Member

PRODUCT

- Over 13,000 Items, Including Refrigerated, Frozen and Ice Cream
- Each Pick Selection in Grocery, HBC and Other Categories
- Reduced Cost When Purchasing Full-Case Grocery Products
- Quality Assured Controlled Label Product Line
- Timely New Product Additions

PROGRAMS

- Experienced In Supporting Customers' POS Conversions
- Accurate Price Book Support
- E.D.I. Ordering, Invoicing, Payment and Reporting
- On-Line Information Access Capability
- Electronic Retail Maintenance
- Custom Order Guides and Developmental Planograms
- E.C.R. Support
- Item Popularity Ranking Reports by Product Category
- Gross Profit Contribution Ranking Reports by Product Category
- Summarized Cost and Retails by Product Category
- Price Change Notification
- Annual Customer Survey

PRODUCTIVITY

- Next Business Day, On-Time Delivery of Order
- Straight Truck Delivery Vehicles
- In Store Delivery
- Accurate Orders With High In-Stock Ratio
- Emergency Delivery Capability
- Quality Assurance Programs
- Customized Price-Stickers Program

PROMOTION

- Monthly Promotions with Displays and Banners
- Monthly "Super Values" Advertising Program
- Customized In-Store Advertising Programs
- Seasonal Merchandise Advance Bookings

PRICE

- New Product Allowances Every Week
- Quarterly "Super Savers" Sales Booklets
- Manufacturer Accrual Programs
- Annual Buying/Merchandising Trade Shows
- No Cartage or Delivery Charge with Minimum Order
- No Service or Administration Charge

Superior Service At Competitive Prices

EBY-BROWN

SERVING ILLINOIS, INDIANA, IOWA, KENTUCKY, OHIO, MICHIGAN, MISSOURI AND WISCONSIN

PLEASE CALL TIM CAMPBELL 1 (800) 840-5100 EXT. 201

Giving customers what they want

By Steve Ott

By keeping his stores clean, well stocked and chock-full of flower beds in the summer, Shell dealer John Curtis manages to keep his customers smiling and his stations busy.

John owns three Shell stations in the Benton Harbor region. His Napier Shell and Lakeshore Shell stations are at exits 30 and 23 off I-94 and his Plaza Shell station is located in town at Napier Road and M-139. All of his stations have convenience stores and the Plaza Shell also offers repairs.

John first got into the service station business when he was 19 as the manager of an Amoco station in Watervliet. He took that opportunity to learn about the business and he attended Amoco's dealer training school. When he was 22, John "jumped ship" and bought the Plaza Shell location. After eight successful years at the Plaza location, John built the Lakeshore station. Just two years ago, he added the Napier Shell to his ownership.

Much of the success John has enjoyed comes from listening to his customer's needs. For example, John's c-stores stock a large selection of groceries. "My customer's want more than just candy bars and chips," said John. Offering product variety is important to him—the Napier and Lakeshore stations each stock more than fifteen types of cereal. His stores also stock low-fat foods for the growing health conscious population. "Many suppliers say these types of items won't sell in c-stores, and they won't unless you give your customers a chance to buy them," John said. Stocking family size items is another way John



Benton Harbor area dealer John Curtis stands behind his stations' customer service.

has set himself apart from c-store tradition. "Why should people have to buy the ridiculously priced c-store-sized jar of mayonnaise when they can buy the regular-sized jar for just pennies more."

Because he sells so many food items, keeping his stores clean is high on John's priority list. "Customers feel more comfortable shopping and employees feel more comfortable working in a clean environment," said John. His employees must complete a cleaning checklist before the end of each shift and bathrooms are cleaned, not just checked. "If you just say 'check the bathrooms,' the employee might think they are clean when I do not think they are," said John. "You can't see germs."

To keep his employees motivated, John uses an Employee of the Month program. His employees have a specific goal each month that determines who will be selected for recognition. Some examples include who sells the most shamrocks for the local Muscular Dystrophy Association (MDA) fundraiser and who has the most positive customer comment cards submitted on them. "We try to give them something to work towards," John said. "If we can keep the employees happy and working hard, it creates a good atmosphere for the customers."

The atmosphere outside John's station is pleasing to customers in a



John's Napier Shell location off I-94 offers highway travellers plenty of room to gas up.

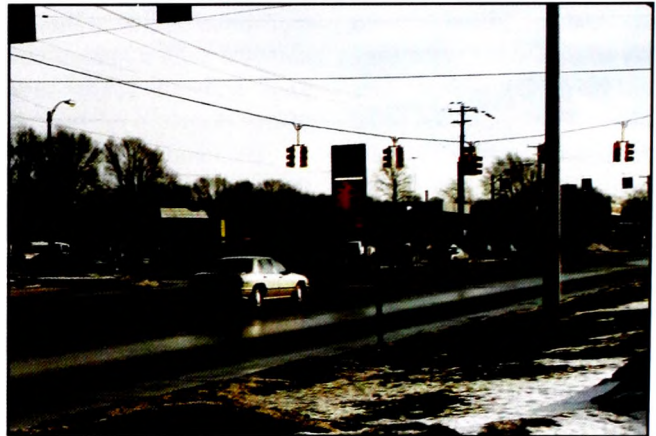
different way. When the blanketing lake effect snows of southwest Michigan stop and Winter's dreary gives way to Spring growth, John's stations will be alive with color from the many flowers he plants each year. "We have something blooming at all times at each store," said John. Each year, there are more than 100 flats of flowers planted at each store. "The flowers make a real difference to my customers."

In addition to his beautiful flower beds, some other ways John makes a difference in his community include sponsoring area youth athletic teams and participating with groups like the MDA. "We try to be community minded, even though two of the stations are highway locations," said John. "You can't depend on highway traffic alone and there are times that you can't be the same price as everyone else in the area, but your customers will remember you because of a couple of special things you did."

Because John's stations are located so far from Lansing, he depends on SSDA to keep him informed on important legislative and regulatory issues. "It's a great organization that supplies me with the information I need to run my stations." John has been a SSDA member for more than 13 years and he attends the Association's Roundtable Group meetings. Keeping up with the ever-changing environmental requirements is a challenge that John said his SSDA membership has helped him to meet. "There are so many things out there that get pushed through that we would never know about if it wasn't for the Association."

FORMALITIES

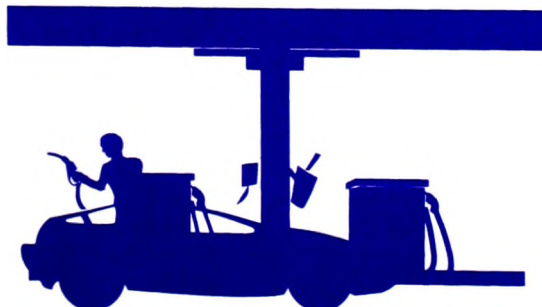
- John Curtis owns three stations in the Benton Harbor area: Plaza Shell, Lakeshore Shell and Napier Shell.
- John is married to Kathy and they have one daughter and two sons, Michelle, 11, Mark, 10, and Mathew, 9. Kathy is a dental hygienist.
- John is a member of the SSDA Roundtable group.



It all started for John more than 13 years ago at the Plaza Shell location. He opened the station when he was 22.

Tracer Tight® No Down Time Tank and Pipeline Leak Tests Two tests for one price

Information about site contamination is important. It may be required for your insurance coverage. The Tracer method gives you a quantitative sample of TVHC at each test location.



- No interruption of service.
- No overfill; no topping off tanks.
- Tests any tank size and pipeline length.
- Michigan State Police Fire Marshal approved.
- Reliable for any type of fuel, oil or chemicals.
- Detects and locates leaks as small as 0.05 gph.
- Third party evaluations surpass EPA requirements.
- Method is on the EPA list of accepted tests October 1991.
- Does not subject tanks to any structurally damaging pressures.



A New Day
A Better Way

Sunrise Environmental

A licensed *Tracer Tight* Leak Detection Affiliate

Gordon Brown • P.O. Box 353 • Marion, MI 49665

(616) 743-6950 • Fax (616) 734-2055

Zoned Out

Zone pricing—dealers hate it. And with good reason. It is invariably unfair.

Dealers who benefit from the pricing scheme one day may suffer from it another day. And no one knows, from day to day, what price they will be paying or how their price compares to the price charged by another dealer. I have yet to meet a dealer who was a supporter of this system.

Dealer complaints about zone pricing are understandable. First, no one knows what the zones are. None of the major suppliers will provide a map. Second, no one

knows the justification for the zones. None of the major suppliers will provide any explanation. This leaves dealers with a considerable amount of anxiety regarding their price. How are they to compete with a station that pays a lower dealer tank wagon price?

The majors try to justify the concept of zone pricing in a general way. They explain that the zones are required to meet competition. But they are not willing to provide any details. Dealers are not permitted to know why a price is raised or lowered. The result is that many

dealers view the entire concept as simply illegal. Price discrimination is unlawful, isn't it?

Price discrimination is unlawful. But zone pricing is not, in and of itself, price discrimination. Several court decisions, some more than thirty years old, explain that the use of a zone price does not, without more, violate the law. However, a price zone may violate the law if the price zone is arbitrary, or if the zone is drawn without regard to competition.

The use of a price zone becomes unlawful if the zone results in an injury to competition or if it is not drawn to meet competition. That means that the zone is not permissible if one or more dealers in a price zone are given a favored price and the dealers within a price zone are in competition with each other. Stating this another way, prices within a zone must be uniform.

Price zones may become unlawful in another way. A price zone is illegal if the zone is an excuse to provide support to a favored dealer and the result is that competition is injured. For example, a price zone that is drawn to affect a single dealer would be illegal if that dealer was able to reduce his or her price and other dealers suffered as a result.

The principles of the regulation of zone pricing are clear enough. But potential plaintiffs to a price action are in a classic "catch-22." The problem is that we do not know the zones, when the zones are changed or why the zones are drawn. This leaves dealers with a real dilemma.



A price zone can be challenged under Federal law. But a dealer, or group of dealers, will be appropriately reluctant to challenge the zone unless there is a good chance they will prevail. And they cannot know that they can prevail unless they know what the zones are. But they may not be able to know what the zones are unless they begin litigation. So where do we go from here?

First, dealers should not be passive regarding zone pricing. An effort should be made to track the price zones. DTW information should be gathered carefully and differences between dealers should be noted.

Second, an effort should be made to compel disclosure of pricing zones. Suppliers may contend that this is proprietary information; that it should not be disclosed. But disclosure is precisely what is needed to prevent zones from being drawn in an arbitrary manner.

Third, dealers should not hesitate to consider class-action litigation to challenge a zone in an appropriate situation. The right case, brought at the right time, may chill the arbitrary use of the zones.

Zone pricing is not new. But the increasing use of the practice has had a dramatic, and adverse, impact on competition. No dealer should have to tolerate unwarranted or unfair pricing. But change will only come about with vigilance and effort.

MAXIMIZE YOUR PROTECTION

— MINIMIZE YOUR PREMIUM —

With a Business Insurance Program designed specifically for the Auto Service industry.

- Property
- General Liability
- Business Income
- Business Autos
- Garage/Garagekeepers Liability
- Umbrella Liability
- Data Processing Equipment
- Crime Coverage
- Gasoline Contamination Coverage
- Fuel Access Card Coverage
- Underground Storage Tank Liability

VOSS

INSURANCE SERVICES, INC.

6810 S. Cedar, Suite 15
Lansing, MI 48911
(517) 694-8100
(800) 678-8327 • Watts
(517) 694-8196 • Fax

**Call now for a quick, no obligation quote to
compare with your current program.
Ask for Scott Voss.**

State sets mechanic certification schedule

A new rule amending the Bureau of Automotive Regulation's existing administrative rules on mechanic certification was recently approved by the Michigan Legislature. The rule requires automobile and light truck mechanics certified in the three categories of Engine Tune-Up/Performance, Electrical Systems, and Brakes and Braking Systems to recertify. Mechanics must pass the latest state certification test or show proof of current and appropriate ASE certification or successfully complete a state-approved training program.

Mechanics certified in each of the three categories

must comply by the following dates and be recertified every fifth year thereafter:

Engine Tune-up/Performance in 1998; Electrical Systems in 1999; Brakes and Braking Systems in 2000.

Any mechanic unable to meet the recertification requirements may qualify for a trainee permit.

State Minimum wage increased

Legislation to raise Michigan's minimum wage was recently signed into law by Governor John Engler.

The new law will raise the state minimum wage from \$3.35 to \$4.75 on May 1, then to \$5.15 on Sept. 1. Only businesses that gross less than \$500,000 a year and do not do out of state busi-

ness are eligible to pay the state minimum wage—otherwise the federal wage applies. According to federal labor officials, accepting credit cards is a form of out of state business, so few, if any, service stations or c-stores are eligible to pay this state wage.

The new state law will also raise the base salary for tipped employees such as waiters from \$2.52 per hour to \$2.65. The law also allows employers to pay new employees (up to 90 days) a \$4.25 per hour training wage.

Tax stamp legislation passes Senate

Legislation that would require a Michigan Tax Stamp on all cigarettes sold in Michigan (Senate Bill 101) has passed in the Senate and

is awaiting action in the House.

The bill attempts to stop the importation of cigarettes from states that have a very low tobacco tax. The bill's proponents estimate Michigan loses over \$140 million from this smuggling annually.

This bill requires cigarette wholesalers to place a tax stamp on all packs of cigarettes before they are sold. Wholesalers would also receive an additional half percent of the tax to affix the stamp. This provision held the bill up when it was introduced last year. The Governor's office does not support the bill with that provision.

Refer to upcoming issues of *Service Monthly* for more information on this legislation as it develops.



BENEFIT YOUR BUSINESS BY
BECOMING A MEMBER

SSDA OFFERS ITS MEMBERS:

- BLUE CROSS BLUE SHIELD HEALTH COVERAGE
- LOW CREDIT CARD RATES
- A COMPETITIVE WORKER'S COMPENSATION PROGRAM
- LEGISLATIVE INFLUENCE IN LANSING AND WASHINGTON

SEE PAGE 18 FOR A MEMBERSHIP
APPLICATION OR CALL THE SSDA
OFFICE AT (517) 484-4096

1.98% Rate
No transaction fee



SSDA and Comerica Bank are
proud to offer an improved
merchant Visa & Mastercard
program for SSDA members.

- 1.98 percent processing rate, regardless of ticket size.
- No transaction fee.



If you're an SSDA member and would like to sign up for
this program, please call SSDA at (517) 484-4096.

Q. What can the SSDA do for me?



- A.**
- Provide you with one hour of phone consultation with our legal consultant.
 - Give you group insurance through Blue Cross/Blue Shield, which you can pass on to your employees.
 - Regular updates on legislative, regulatory and membership issues through Service Monthly newsletter and Service Quarterly magazine.
 - Save you up to 50 percent with a Visa/Mastercard program; with no transaction fees and a fixed rate of 1.98 percent.
 - Earn you an annual dividend with Dodson workers' compensation; this year's is 16 percent!
 - Give you additional promotional points toward Tire Wholesalers programs, as a Tire Wholesalers customer and SSDA member.
 - Host an annual convention each year filled with business advantages and entertainment.
 - Protect your interests by having an SSDA representative on the MUSTFA Policy Board.
 - Make sure your voice is heard in Lansing with an active legislative support network and PAC.
 - Put a staff at your fingertips to find the legislative and regulatory answers you need.
 - Invite you to join a network of hundreds of other dedicated professionals in the industry who can help with advice and support.

THE SSDA CAN PROVIDE YOU WITH THE KNOWLEDGE YOU NEED AND THE SAVINGS YOU WANT.

Please send the application below to SSDA, 200 N. Capitol Suite 420, Lansing, MI 48933

APPLICATION FOR MEMBERSHIP		
I (we), by submitting this application and the payment of scheduled dues, hereby apply for membership in the Service Station Dealers Association of Michigan, Inc.		
BUSINESS NAME: _____		
BUSINESS ADDRESS: _____		
CITY: _____	MI ZIP: _____	PHONE: () _____
COUNTY: _____	TYPE OF OWNERSHIP: <input type="checkbox"/> CORPORATE <input type="checkbox"/> NON-CORPORATE <small>SOLE PROPRIETORSHIP PARTNERSHIP</small>	
ENCLOSED PLEASE FIND A CHECK FOR _____		
PLEASE CHARGE MY MEMBERSHIP TO MY MC OR VISA (PLEASE CIRCLE ONE) CARD # AND EXP. DATE _____		
PLEASE BILL ME		
ANNUAL MEMBERSHIP DUES:		ANNUAL ASSOCIATE MEMBERSHIP DUES:
_____ \$41 monthly (electronic banking)		_____ \$25 monthly (electronic banking)
_____ \$480 annual payment		_____ \$250 annual payment
Add \$120 per station after four stations.		
_____ Signature		_____ Date
		March 1997 SQ

Are you maximizing profits?

The methods used for gasoline profit management differ for the convenience store and the full service dealer. Since the c-store is the simplest, we will start with that analysis.

Since c-store ancillary sales are measured in sales per gallon, and those ancillary profits are referred to in cents per gallon, it is easy to see the direct relationship between gasoline volume and ancillary sales volume (i.e., fewer gallons mean fewer customers means fewer ancillary sales means lower gross profit at an alarming rate). If the pool margin on gasoline volume is 8 cents per gallon, and ancillary sales produce an additional 8.4 cents per gallon in gross profit, we can readily see that each gallon sold is worth 16.4 cents and a disruption in gasoline volume sales could cost the c-store operator a \$164 per 1000 gallon drop. This analysis is important to the c-store operator who wishes to manage for the greatest profit, since it is easy to project the outcome needed for profit gain from variations in gasoline price changes.

If the c-store operator with a \$19,970 profit demand makes 18.4 cents in combined gross profit on a gallon of gasoline, it stands to reason that he needs to sell 108,552 gallons in a month. As shifts take place in profit demand, ancillary sales, ancillary sales margins and gasoline volume offsetting changes can or should be made in pool margin. Using the prior example, should profit demand rise to \$21,000 and volume drop to 105,000, combined gross profits must be adjusted to 20 cents per

gallon *or* the decision to lower the combined gross profit to 16 cents would demand a resulting increase in volume to 131,250 gallons.

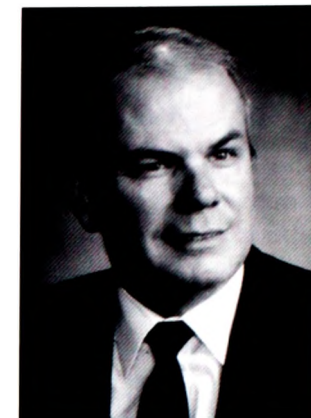
On the other hand, the full service dealer needs to manage gasoline and ancillary sales profits separately from oil, TBA, labor and road service sales, since those categories of activity can be separately influenced in a way that would diminish or neutralize any effect gasoline volume variation would have on their sales levels. The key to the six product (3 products x 2 methods of selling—full serve and self serve) pooled analysis is to measure the results of each day's profit contribution toward a longer term TREND. I suggest using a 30 day period so your results will be tied to your monthly operating statement results. While daily profit results assist in your preview of your gasoline marketing profits, it falls short of your "need-to-know" in TREND long term projections, and is daily influenced by day-of-the-week, weather and other extemporaneous factors. While these variations will always be there, they must be seen in the light of a larger picture and therefore the necessity to measure TRENDS.

To get TRENDS, using the monthly time frame, measure how much "spendable" profit will come from gasoline by the end of the month, based upon the results of the profits of the accumulating days of the month. Each day's profits added together and divided by the number of days in the test, and then multiplied by the number of days in the month will tell you where you would end up in profit by the

end of the month at the rate you are going.

- Gasoline profits for 7 days of \$2,865=\$12,278 by month end.
- 8 days of \$3,249=12,183 by month end.
- 9 days of \$3,249=\$12,073 by month end.
- 10 days of \$4,011=\$12,033 by month end.

Since this example indicates TREND towards reduced profit results during the selected time period of 30 days, it also indicates some need to adjust pricing to reverse this TREND. This could entail price increases in certain products as well as possible decreases to pro-



mote volume to overcome drops in "spendable" Note, however, that the number of gallons pumped do not enter into this formula but instead are addresses as a result of marketing to maximize profits. Volume could go up or down during the pricing maneuvers necessary to enhance gasoline spendable profit.

The idea is to maximize
see business pg. 22

SSDA-MI members shared \$163,604 in Dodson dividends last year.

Endorsed by Service Station Dealers Association of Michigan since 1962, the Dodson Plan gives association members the opportunity to earn dividends each year on their workers' compensation insurance.

Because SSDAM members are promoting job safety and keeping claim costs low, dividends have been earned every year since 1962.

In fact, more than \$750,000 in dividends has been returned to insured SSDAM members in the last five years alone!

**You, too, can share in the savings . . .
Call Dodson today!**

**1-800-825-3760
Ext. 2990**

underwritten by
Casualty Reciprocal Exchange
member

 **DODSON GROUP**
9201 State Line Rd.
Kansas City, MO 64114

In the Repair Shop

Dave Dixon, Snap On/Sun Tech Systems

Airbags present new repair challenges

With the recent publicity concerning air bag systems and their effectiveness, it may be time to look at what air bags are, what they actually do and how to service them safely.

Air bag systems are designed to deploy a split second after impact to cushion the driver or front seat passenger so as to avoid serious injury. Air bag sensors mounted near the front of the vehicle and in the passenger compartment constantly monitor vehicle speed and look for conditions that would alert the air bag system that an impact has occurred. When the system sees that frontal impact has occurred and that vehicle speed is also sufficient, the air bag computer electronically triggers a small chemical explosion in the air bag module. This explosion causes rapid

inflation of the air bag, thus cushioning the driver and/or passenger from serious injury. Sounds good in principle and actually, it works very well as designed, but, there are several factors that come into play if the system is to function properly and protect the driver and front seat passenger.

The driver and passenger must be wearing safety belts at all times. The seat belt plays an integral part in keeping the occupants in the right position so the air bag can deploy and cushion the driver instead of injuring him or her. Under no circumstances should a young child or infant be placed on the passenger side front seat if the vehicle has a passenger side air bag. Deployment of the air bag can cause severe injury.

Air bags are designed to deploy in frontal collisions

only. That means if the vehicle is rear ended or gets a severe impact from the side, the air bag is designed *not to deploy!* The vehicle must also be above a certain speed, usually 30 mph, before the air bag will deploy.

Air bags can work effectively and they certainly save lives every day, but it is up to motorists and technicians alike to make sure that these systems are functioning properly, and that they are repaired correctly. Because of safety concerns and liability issues, it is important that technicians know how to detect air bag system problems, and avoid accidental air bag deployment. Here are a few tips:

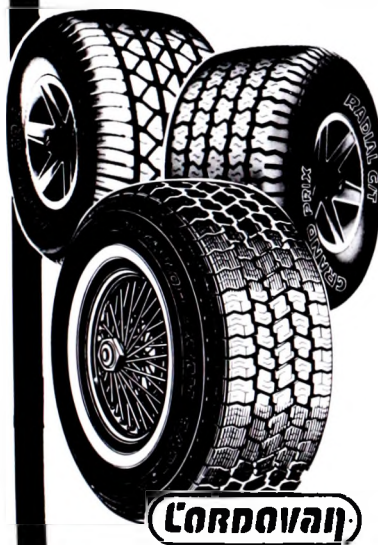
- All vehicles with air bags have an air bag light or a SIR. (Supplemental Inflatable Restraint), light. This is the system warning light.

When the ignition is first turned on, the light should come on then go out after several seconds if the system is functioning properly. A steady light or a constantly flashing light indicates an air bag system problem. Consult the manufacturer's service manual for details on how to check for trouble codes and how to make repairs.

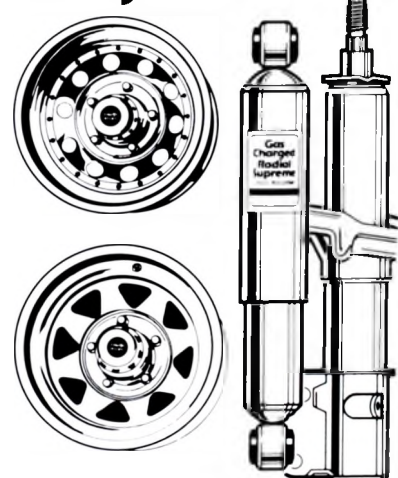
- Watch for yellow or orange colored wiring harnesses in vehicles. The yellow or orange color indicates that they are part of the air bag system wiring. Never ground, induce voltage, hook up a test light or use a DVOM on these circuits unless specifically told to do so by the service manual. Make sure DVOM's and test lights have the proper impedance when directed to use them.

see Airbags pg. 22

Tire Wholesalers Co., Inc.



- As our name implies, we are a wholesaler of tires.
- We are an established business, having been in business for over 25 years.
- We deliver.
- We have UPS service daily.
- We guarantee what we sell.
- We want your business.
- We have a huge inventory of Passenger, High Performance, Truck, Trailer, Motorcycle, Carlisle Lawn & Garden, Industrial Tires & Tubes, Shocks, Struts, Custom Mag Wheels and Accessories, all in stock for immediate delivery.



CADILLAC WAREHOUSE

303 Hawthorn Street
Cadillac, MI 49601
(616) **775-6666**



TROY DISTRIBUTION CENTER

1783 E. 14 Mile Road
Troy, MI 48083
(810) **589-9910**



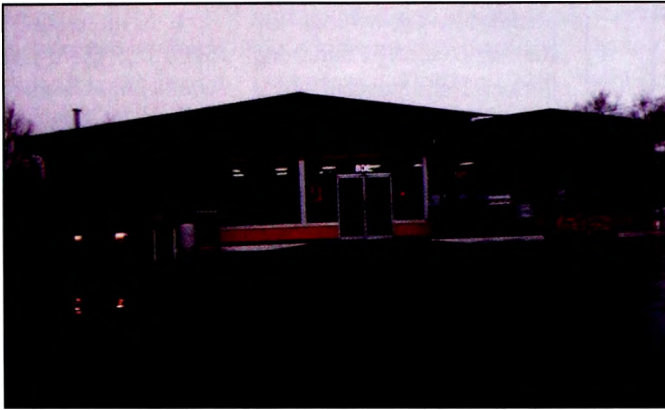
SOUTHFIELD WAREHOUSE

19240 West 8 Mile Road
Southfield, MI 48075
(810) **354-9910**



MECHANICAL WASH SYSTEMS, INC.

DISTRIBUTORS OF HANNA-SHERMAN INTERNATIONAL, INC.



"Our Hanna Petro-Bay Wash helped greatly improve our bottom line. A top quality wash in a limited space."

*-Tim Mariner
SSDA member
Wyoming dealer*

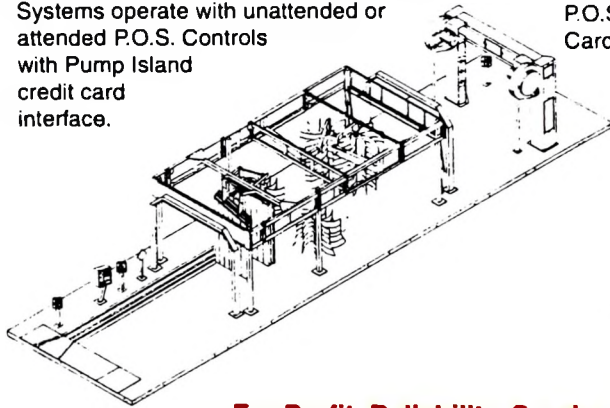
The Operator's Choice in Vehicle Washing Equipment

HSI sells Value . . You can Profit from Value.

*The Motorist perceives a Soft Cloth Wash has Value and is willing to pay for it.
With Hanna-Sherman you have the selection that will best fit your needs.*

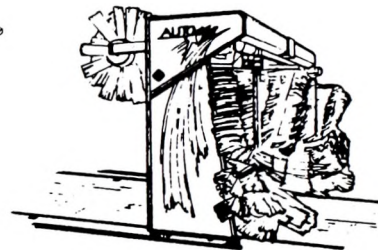
CONVEYORIZED SYSTEM

The HSI Petro Plus and Deluxe Models have the capability to wash and dry 50 to 70 cars per hour. The Soft Cloth "Mini" Tunnel Systems operate with unattended or attended P.O.S. Controls with Pump Island credit card interface.



SOFT CLOTH ROLL-OVER

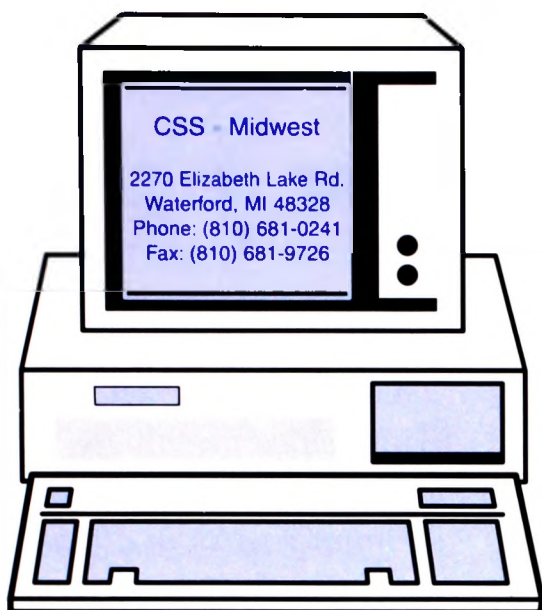
The HSI Autostar Soft Cloth Roll-Over has the capability to wash 30 to 35 cars per hour with the Autostar Valet unattended P.O.S. Controls with Pump Island Credit Card Interface.



**For Profit, Reliability, Service and Installation call
MECHANICAL WASH SYSTEMS., INC. at (810) 543-5850**

- *Unattended controls with two-way voice communications.*
- *Pay at the pump credit card interface.*
- *Customer friendly wash process.*
- *No-touch drying system.*

**Please call 1-800-722-WASH
to learn more about how a Hanna-Sherman
car wash can benefit your business.**



SOFTWARE DESIGNED FOR THE RETAIL GASOLINE INDUSTRY OFFERING

Cash Register/Pump Interfacing
C-Store Inventory
Payroll

Accounts Receivable
Accounts Payable
Daily Over/Short

EPA Gasoline Reconciliation
Repair Order Generation

Parts Inventory
General Ledger

On-Site Training
System Upgrades

Professional Support

Trained experts in hardware and
software set-ups

Windows '95 Users:

*We can put icons for CSS
on your screen*

*Further Enhance Your
Operations with
**Windows,
Wordperfect
and Lotus***

**Consulting and
Training Available**

Airbags

from pg. 20

- Never repair air bag system wiring. Harnesses are designed to disconnect in sections. Replace the section that is damaged.

- When disconnecting the steering column during repairs such as steering rack replacement or engine replacement, always lock the steering column by removing the key. If the steering wheel is turned while the column is disconnected, clock spring damage will most likely occur, usually ending up with a costly repair.

- When servicing air bag systems and replacing components, follow the manufacturer's procedures explicitly. Replace all components that are required. Many air bag components cannot be used again after deployment even though they look good. Make sure to position components properly and torque to proper specifications.

- Use extreme caution when handling and installing air bag modules. Improper repair procedures can cause accidental air bag deployment. Do not drop air bag modules as that may also cause deployment.

- Air bag system repairs can be extremely expensive. Many components contain gold contacts and sophisticated electrical circuits. Proper repairs to restore an air bag system to proper working order can cost on an average up to \$1500 on do-

mestic vehicles and up to \$3000 on import vehicles. Vehicles with dual air bags can cost significantly more. This is another reason why proper service techniques need to be followed. One accidental air bag deployment can be very costly.

It is interesting to note that since there have been several infant deaths reported due to the passenger side air bag deploying with the infant riding in the passenger front seat, legislators and vehicle manufacturers are looking at allowing the driver to have direct control over the air bag system.

One system that may show up on future vehicles contains a switch which allows the driver to disable the air bag system. The system could be disabled with the driver putting the ignition key in a separate switch. This would allow the driver the choice to enable or disable the air bag system each time he or she got in the vehicle.

No matter how you feel about air bag systems, the fact is that there are millions of these systems on the road today. Many systems are in need of repair or have been repaired improperly. With a good scan tool, a good information source, and some basic electrical tools, air bag system repairs can be safe and *very profitable*. Are you ready to get your share of air bag system repairs?

Business

from pg. 19

profit for the sake of profit, not gallons for the sake of gallons.

Since finding gasoline "spendable" differs slightly from pool margin because it includes a variable sales tax into the cost of gasoline, it makes that formula a little more complex. In the past we used work sheets to measure our TREND. Today, you use a computer template and can

have it built just for your operation. If you have Windows 95 and use Microsoft Office Excel, then we can assist you in developing your template. It's a valuable exercise to check your TREND and should assist you in maximizing gasoline profits.

You can contact us to help you with your TREND line by asking for Larry at (810) 547-3141.

Dodson to return 16 percent dividend

On March 3, 1997, the Dodson Group announced that the 1996 premium dividend for the SSDA workers' compensation program will be 16 percent.

The announced premium dividend was for the period between November 1, 1995, and November 1, 1996.

Those participating in the SSDA Dodson program benefit from very competitive prices, up-front scheduled credits and an excellent premium dividend earned for good claims management. Participating members in good standing should expect to receive their premium dividends in the beginning of April.

Dodson also announced new marketing strategies to lower the up-front costs for workers' compensation insurance. These include increases of scheduled credits and additional credit for good operation. Dodson and SSDA will soon be announcing even more incentives that will help you lower your workers' compensation premiums.

If you are not presently participating in the SSDA program, please call the SSDA office at 517-484-4096 to get a quote. You will be pleasantly surprised. The Dodson Group program is one more example of how it pays to be an SSDA member!

"We Card"

from pg. 1

the age of 35 should be requested to show identification. This brings 10 more years of customers into the requirement of being asked for identification. It is very important that we use information such as "We Card" to help our cashiers, our managers and our customers understand why we are asking for this information.

The Food and Drug Administration now is in charge of this program at the Federal level and can fine those selling cigarettes to minors \$250 per incident. Also, there are municipalities throughout the state who have their own "sting" operations to try to determine those retail outlets selling tobacco products to

minors. Retailers have been put on the front lines of enforcement just because they sell a product. The best thing we can do is comply with the law at this level so that we can divert other municipalities and cities from developing their own rules and regulations. We do not want 83 counties or over one thousand cities enforcing different standards throughout the state.

Let's all do our part in trying to stop underage smoking by asking, "Under 18? No tobacco because 'We Card' " If you would like more information about the "We Card" program, please call the SSDA office at 517-484-4096.

Attention Service Station Dealers:
If you're in the market for a
health plan, get the most
accepted, unquestioned
coverage there is.



Blue Care Network



Cech & Associates, P.C.

Certified Public Accountants

We are a
full-service accounting firm
specializing in the
automotive service industry,
providing a wide variety of services,
including:

Monthly Financial Statements

(compilations, reviews and audits)

Counseling for Improving Profits

Payroll Checkwriting Service

Business and Personal Income Taxes



**Call today to set up your appointment
for a free initial review.
Be sure to mention this ad!**

28277 Dequindre
Madison Heights, MI 48071-3016
Phone: (810) 547-3141 Fax: (810) 547-3223

Formerly Lawrence A. Wright, Inc.

SERVICE QUARTERLY
200 N. Capitol • Suite 420
Lansing, Michigan 48933

BULK RATE
U.S. POSTAGE
PAID
Lansing, MI
Permit 771