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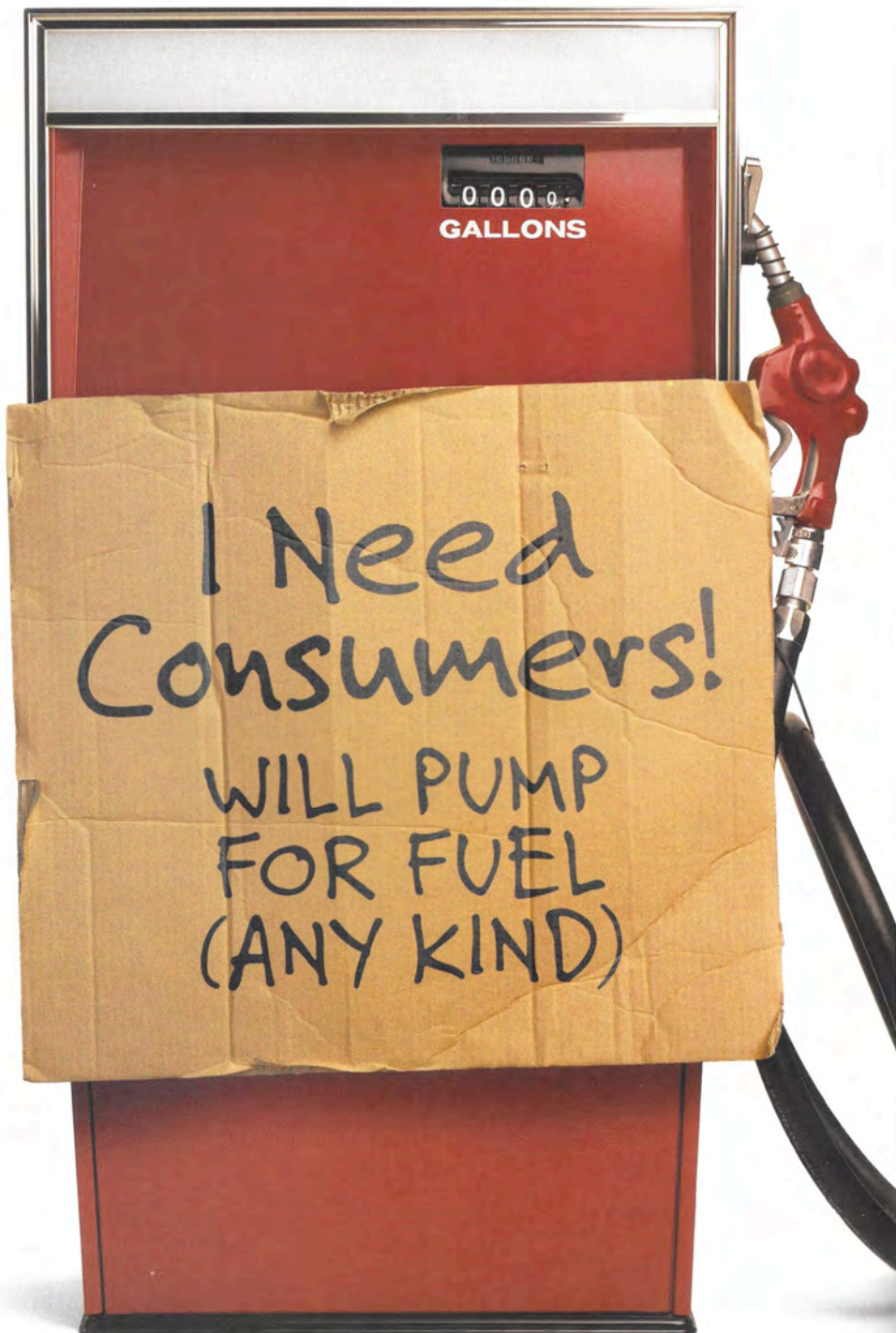
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PLUS:
**2013 NACS
Consumer
Fuels Report**

What Will Fuel Your Future?

As consumer demand wanes and fuel efficiency rises, the fuels you sell will change.





50 With good food, the right amenities and an expedient location, convenience stores can attract truckers — a loyal and profitable demographic.

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NACS FUELS

32 2013 Future of Fuels Report

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A few of today's leading retailers look back on the stores that put them on the path to success.

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Serving convenience to the professional truck driver.

A few of today's leading retailers look back on the stores that put them on the path to success.

YOU NEVER
FORGET
*Your
First*

BY
MICHAEL KLEIN
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Things change so fast in society today: Technology barely survives a year before updates are needed or it becomes obsolete, movies from six years ago are already being remade and fads fade away so quickly they're easy to miss completely if you're not paying attention.

But if you are taking notice, the change over time and the evolution of our convenience retailing industry is pretty interesting to observe. We asked a few industry leaders to reflect back and reminisce about their company's beginnings: store #1. They all don't still operate #1, but they do remember where it all began.



QuikTrip

Cadieux observed local construction crews coming into the store and buying sliced cold cuts and bread, and making sandwiches on his counter — he realized he needed to start offering customers food for immediate consumption.

QuickChek

With the rise of supermarkets, the younger generation of Durlings realized that they needed to evolve away from just a dairy if they wanted to survive.



QuikTrip

September 25, 1958: Tulsa, Oklahoma

“Our motto was: We did everything wrong,” explained Mike Thornbrugh, manager of public and government affairs for the now 600-plus store QuikTrip Corporation in Tulsa, Oklahoma.

When Chester Cadieux and a partner opened the first QuikTrip on September 25, 1958, it was nothing more than a glorified, small grocery store. They chose the Tulsa location because it was all they could afford and they didn’t offer customers anything out of the ordinary.

Many people think QuikTrip was the first convenience store in Tulsa, but another operator actually beat them by a few days — thanks to some road crews

that delayed the QT opening. But those same road crews would eventually help secure QuikTrip’s future.

Cadieux observed these local road, construction and landscaping crews coming into the store and buying sliced cold cuts and bread, and then making sandwiches right on his counter. He realized he needed to start offering customers food for immediate consumption — and that’s just what he did. Many of the standard grocery items went away and the retailer’s foodservice was born.

Store #1 was finally closed in July 1982 and Thornbrugh admits nostalgia kept it open longer than was practical, but there’s no arguing with the success that began on the corner of East 51st Street and South Peoria Avenue.

QuickChek

March 15, 1967: Dunellen, New Jersey

Another smart retailer that adapted and grew from watching his customers is Whitehouse Station, New Jersey-based QuickChek Corporation.

The company’s roots go back to its original dairy business in 1888 when it was known as Durling Farms, which sold fresh dairy in central New Jersey, even providing home delivery well into the 1950s.

But with the rise of supermarkets, the younger generation of Durlings realized that they needed to evolve if they wanted to survive. On March 15, 1967, they opened their first store in Dunellen, New Jersey, offering their own fresh dairy products and other fill-in grocery items.



Rutter's
As late as the 1960s Rutter's was still operating 60 milk routes in Pennsylvania.

Parker's
Recalls CEO Greg Parker: "I'd pump people's gas, check the air in their tires, their oil and washer fluid... Then I'd run around the back, wash my hands and make them a sandwich."



"We had coffee behind the counter so the clerk could stay awake and someone asked, 'Will you sell me a cup of your coffee?'"

"Our first stores were actually downtown superettes," QuickChek President and CEO Dean Durling said. "We opened them along the corridors where we had a loyal customer base from the dairy business and then we started making customer-driven changes."

Offering sliced deli meats was a tradition for small markets in the northeast and QuickChek did this from the beginning. The full page-ad for the grand opening of QuickChek #1 shows sliced bologna and liverwurst at 59 cents per pound. (It also shows somewhat unique giveaways for lucky customers — a mink stole, a mink boa and a mink hat!)

"We started slicing deli meats, and then one day a customer came in and said, 'Hey, will you make me a sandwich?' So we said, 'Sure,' and then put up a simple menu board," remembered Durling. "Coffee started the same way. We had a coffee pot behind the counter so the clerk could stay awake and someone asked, 'Will you sell me a cup of your coffee?' Then we get two pots of coffee going, then we turn them around so people can serve themselves and now we're selling thousands of cups of coffee per location each week."

QuickChek closed store #1 in 1981, relocating to a larger space across the street; the other 128 stores are all considerably larger than #1. In the early years, each QuickChek needed a crew of 15 to stay open from 7:00 am to midnight. Now each store employs about 40 people to stay open 24 hours and sell fuel (New Jersey is a full-serve state) — a late addition to QuickChek's portfolio.

Rutter's

February 1968: York, Pennsylvania

Another store with deep roots in the dairy industry is York, Pennsylvania-based Rutter's. As late as the 1960s Rutter's was still operating 60 milk routes in Pennsylvania. In 1968, a Rutter's driver mentioned that one of the tiny mom-and-pop stores on his route was looking for a buyer. Stew Hartman, chairman emeritus, says the company bought the tiny 1,000-square-foot store, the adjoining house and lot for \$37,000 and opened Rutter's Farm Store #1.

The company would follow that real estate model for a while; stores #2 through #7 were all pre-existing structures. With store #8 they began building their own stores to fit their evolving business, which would include fuel

when self-serve became legal in the early 1970s.

Rutter's #1 shut down in 1978, partly because the lot wouldn't allow for the addition of fuel pumps, but the retailer still operates #3, now a large modern store about six miles from the site of #1 in York.

Parker's

January 1, 1976: Midway, Georgia

Savannah, Georgia-based Parker's still operates store #1, though it's been greatly remodeled.

"In 1975 when I opened the first Parker's in Midway, Georgia, it was basically a one-man operation," recalled CEO Greg Parker. "I'd pump people's gas, check the air in their tires, their oil and washer fluid... Then I'd run around the back, wash my hands and make them a sandwich."

Parker also had a tow truck and would close the shop to go out on runs. The beginnings were so humble he recalls that the local Coca-Cola bottler refused to give him a soda fountain, thinking it was too risky an investment. Parker is good natured about the fact that now, 37 years and 27 stores later, he sells 1,800 soft drinks per day per location.



Nice N Easy Grocery Shoppes

Nice N Easy's #1 is an old two-story house in Clinton, New York, that was converted into a store with fuel pumps and modest corporate headquarters.

Weigel's Convenience Stores

"I hired a wholesale grocer to stock whatever he wanted," remembered Weigel with a laugh. "I still have those #10 cans of sweet potatoes!"



"I learned our hours — 10 to 10 — were all wrong — that other guys were doing 7 to 11."

Parker's #1 has been expanded and refurbished a few times and would have been outright replaced had it not been for the local government. "I was going to build a brand new state-of-the-art store behind #1 and then tear down #1," said Parker. "But the county told me I had to get permits to build a convenience store on the site of my current convenience store. A few months and zoning hearings later we got the permits, but then the city said, 'No, no, now you need to get permits from us to build a convenience store where your existing convenience store is.' So I said, 'Forget it.' We remodeled the store for a lot less money and less hassle and the store looks great!"

Nice N Easy Grocery Shoppes

April 1, 1980: Clinton, New York

Nice N Easy's #1 is an old two-story house in Clinton, New York, that was converted into a store with fuel pumps and modest corporate headquarters.

"The manager's office was the former kitchen and the upstairs bedrooms were our corporate offices," said Senior Executive Vice President Fran Duskiewicz. "[CEO] John MacDougall

couldn't even stand up straight in his office because of the sloped roof."

The store is still profitable, but at 1,800 square feet and with no foodservice it's not surprising that it isn't on the company tour. The other 84 Nice N Easy stores are between 5,000 and 7,000 square feet and feature many industry innovations.

Weigel's Convenience Stores

December 9, 1958: Knoxville, Tennessee

Powell, Tennessee-based Weigel's is also no stranger to innovation. Starting as a dairy in the 1930s it was one of the first dairies to distribute pasteurized milk in the state. Weigel's became the first convenience store to offer self-service gas in the state and develop the first drive-thru stores in Tennessee in 1958 to help subsidize its home-delivery dairy business.

"It was small — about 500 square feet," remembered CEO Bill Weigel of store #1. "We sold milk, ice cream, bread; not much room for anything else."

In 1964 Weigel built his first walk-in store, and at 1,800 square feet it seemed huge by comparison. "I wanted to get

people into the store to buy something other than just milk, so I hired a wholesale grocer to stock whatever he wanted," remembered Weigel with a laugh. "I still have #10 cans of sweet potatoes — I mean, who's going to buy sweet potatoes from a convenience store?"

Weigel admits it was a lot of trial and error back then, and he credits NACS with opening his eyes and mind to new possibilities. "I went to the NACS Convention in '65 — it was an early one — and I learned so much," recalled Weigel. "I learned our hours — 10 to 10 — were all wrong — that other guys were doing 7 to 11. And they were selling cigarettes, beer and so on. I came home from that show and started doing all of that and more."

Like many #1s, Weigel's first store is no longer in operation, but the lessons learned and the inspiration that came out of those modest beginnings — for them and all the other successful operators — is worth remembering. Sometimes, a look back can help you move forward. **NACS**

Michael Klein is a writer in Northern Virginia who doesn't mind missing the occasional fad.