



FuelQuest Fuel Center® Enables Smaller Independent Fuel Retailer to Compete With Large Chains

Outsourced service leverages cutting edge technology and proven best practices to drive excess costs and inefficiencies from fuel management processes

THE CHALLENGE

Like all convenience store operators, Manish Sthanki, owner of Lucky Deuces Convenience Store, is always looking to maximize profit margins by reducing costs and operating more efficiently. As the owner of a single location convenience store, Manish's quest for operational efficiency is continually challenged by rising and volatile fuel prices as well as ongoing competition with larger multi-site retailers enjoying higher economies of scale. With only a handful of suppliers and manual processes to replenish and manage fuel inventory, Manish had limited control over fuel costs, which represent a significant portion of Lucky Deuces' operational expenditures. The cost advantages of diverse supplier networks and the ability to make data-driven, optimized purchase decisions seemed to be the purview of his larger competitors. Fortunately, Manish engaged FuelQuest and discovered how companies of all sizes can efficiently manage their fuel inventory, decrease their fuel costs, and maximize their profit margins.

SOLUTION – OUTSOURCED FUEL MANAGEMENT

FuelQuest Fuel Center® is an outsourced fuel management service providing fuel retailers and fleets with comprehensive sourcing, monitoring, management, and financial reconciliation of bulk fuel. Fuel Center allows smaller organizations, such as Lucky Deuces, to have an expert fuel team and best-in-class technology work on their behalf to drive excess costs and

inefficiencies from fuel management processes. Plus, Fuel Center makes the onboard process simple so savings are available from day-one.

Lucky Deuces signed a 5 year Fuel Center service agreement, which included supplier portfolio management, fuel inventory management, order placement, invoice and inventory reconciliation, and automated payment notification. With Fuel Center, Lucky Deuces is able to pay suppliers through the Automated Clearing House (ACH), the national network for electronic payment transactions.

Through Fuel Center, Lucky Deuces is buying its fuel based on OPIS pricing, a standardized price index published by the Oil Price Information Service. Fuel Center enables purchasing decisions to be made with complete visibility into current and forecasted inventory status, historical demand patterns, and current spot prices and trends. Lucky Deuces can also now employ sophisticated fuel strategies such as "load shifting", in which the timing and volume of fuel deliveries can be adjusted to take advantage of spot purchase pricing opportunities. This enables more fuel to be purchased when prices are low and less when prices are high – while simultaneously mitigating the risk of run-outs and retains. In short, Fuel Center enables Manish to have the same or better operational advantages of his larger multi-site competitors without having to hire the people or acquire the same expertise himself.

"As a single-location truck stop, I have to be able to compete against the bigger franchises. Fuel Center is the best solution for my business today and for the future. Their management services and significant fuel buying network will provide the competitive advantage I need to expand."

Manish Sthanki,
Owner, Lucky Deuces Convenience Store

ABOUT FUELQUEST

FuelQuest, Inc. provides on-demand, web-based supply chain management and tax automation software and services for fuel suppliers, distributors and buyers in global downstream energy. Our Fuel Management System (FMS) automates all aspects of the fuel management process from procurement, inventory management, demand forecasting, strategic sourcing and financial reconciliation to margin analysis and environmental compliance monitoring. The FMS solution powers the largest fuel management network in North America. Zytax supplies strategic software automation solutions for indirect tax determination and excise motor fuels compliance for the energy industry. Learn more at www.fuelquest.com or call 713-222-5700.

RESULTS – LEVELING THE PLAYING FIELD

With Fuel Center providing outsourced fuel management, Lucky Deuces has achieved significant benefits including:

- **Fuel Savings** – Fuel cost savings are nearly \$.05 per gallon
- **Competition** – Fuel prices are more competitive with larger, mainstream-branded chain stores that buy fuel in much greater quantities
- **In-Store Sales** – Sales inside the store have increased because better pump prices are attracting more customers

By entrusting Lucky Deuces' fuel management operations to FuelQuest Fuel Center, Manish can focus on the strategic areas of his convenience store business including expansion, knowing that Fuel Center is well-equipped to handle Lucky Deuces' current and future requirements.