THE PROGRESSIVE

Quarterly
Newsletter
September 2018

Issue - 5

LEWIS & Raulerson, INC.

"Integrity Driven...Service Powered"

Est. 1938

2nd Half - Refocus and Finish Strong

By: Bill Raulerson



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Dear Retailers,

I trust this article finds you and your families well. The 2nd half of 2018 marks the beginning of the 3rd and 4th QTR and allows all of us a fresh start with new goals that include improved branded consumer shops (scores), new growth (front court and back court) and better financial performance. Improved shop scores equal a corresponding increase in sales revenue. While maintaining curb appeal, which is your site's image to the motoring public, it is imperative that we all focus on operations as well, which I will discuss below. Like football, many games are won in the 2nd half. While we all have a favorite college football team; i.e., UGA (my alma mater), Alabama, Auburn, GA Tech, Florida, or FSU, you have to respect Nick Saban (AL—Head Coach) for the program he has built. I watched a special on him in recent weeks and realized his plan is simple, you have to practice, execute and finish the play. He demands this from his players. Run the last 5 yards like it's the first 5 yards. Finish Strong!

Consumers have told us what they expect and will vote with their wallet. We all want a larger share of the consumer's wallet. See below areas that you will need to focus on and that surveys have told us will generate more business.

- MID accurately shows price.
- Canopy is well maintained.
- Site is well lit and maintained.
- Dispenser works and is well maintained.
- Credit card acceptor at dispenser provides a receipt.
- Customer service is attentive, courteous, and presentable.
- Restrooms are clean and available.
- Site elements are clean.
- Windshield washer supplies are available.
- C-store is well maintained.



60% 70% 80% 90% 100% SCORE

We all know the above elements are paramount. I believe they are critical to our survival. Competitors born in the last decade, which include mass merchandisers, drug stores, hypermarkets, coffee shops & retail giants, all have offerings and executions that rival our sites. We must all take this threat very seriously. We can do this because I have witnessed retailers survive & prosper by embracing operational excellence and image that enabled them to retain their customers.

We have retailers that have performed well, while others have failed miserably. Whether your scores are trending up or down, there is a corresponding correlation to sales. Please note that the brands you represent have standards and they have become increasingly more stringent and intolerable for sites with poor scores. Branded suppliers should be concerned because retailers can harm, even damage, other sites that carry the same brand. We want to protect their brand and ours.

This year you have noticed that some brands have implemented substantial fines up to including de-identifying a site that continues to fail its mystery shops. This can be extremely painful and expensive with regards to lost business, debranding expenses, repayments schedules, commodity shortfalls and unamortized incentive monies that may become due. You have already received the 2018 brand standards for your respective brand. Please take care of your business and consider your site as your own body. Just as one's personal hygiene is important, you may want to consider your retail site's regimen and prepare for guests to arrive as you would welcome family to your home. The consumer is your guest. Whether you fly a branded flag or your own brand, take pride and you will be rewarded handsomely.

100%

Congratulations On Your Perfect

Mystery Shop Average Score!!!

* Average Scores Are Based On Mystery Shops From January 2018—August 2018

Hanceville Exxon A&H Food Mart—Shell K Grace - Shell

Friendly Express 73—Chevron Parker's Food Mart-Shell

Friendly Express 79—Chevron Friendly Express 50—Shell



Good news on the home front! Big "Thank You" to several loyal customers for re-signing with Lewis & Raulerson, Inc.

We would also like to WELCOME our new business! We appreciate you choosing Lewis & Raulerson, Inc. as your supplier of choice!

We Appreciate Your Loyalty!

Corner Stop – 2nd Decade
Halls – 3rd Decade
Just Jessup – 2nd Decade
Kahlers Pecan – 3rd Decade
One Stop 42 – 2nd Decade
Aden's Minit Mart – 3rd Decade
Rouse's Grocery – 3rd Decade
Parker Food Mart – 3rd Decade
Lawtey Shell — 3rd Decade
H&H Exxon — 3rd Decade

We Welcome New Business

Mobley's Auto, Blackshear, GA JM Food Mart, Statenville, GA Quick Stop 1 – McCrea, GA Quick Stop 2—Helena, GA Ware County Board of Education City of Waycross

Ware County Maintenance Department

Aden's Minit Mart—Additional Sites (#50,#52, #54, #66, #86)

United Market—Blackshear, GA—Opening Soon



We would also like to wish Carey Howell with H&H the best on his retirement and welcome Ankit Patel and Rimal Desai, new Owners/Operators of H&H located in Townsend, GA.



ATTENTION!!!





Responds To: DT

Last Seen: Woodstock

See You Next Quarter—December 2018

Truck Amuck: Part I

By Anna Lewis, Corporate Secretary



"It is possible to have too much of a good thing," are the wise words of Aesop, who, in another life, must have owned a 600 BC Ford F-150 chariot. Not exclusive to Ford, over engineering of our personal vehicles has become exponentially too much of a good thing over the last two decades.

A couple of weeks ago, my son Avery, my father ("Daddy") and I decided to go for a drive in Daddy's ubiquitous large white Ford pick-up truck. When the door to the truck is opened, a hydraulic ladder slowly lowers for you to enter. It's the reverse of Neil Armstrong's descent of the Eagle, but the image applies—why do I need a vehicle so high I have to have a ladder lowered to me? But, I allow myself to be transported up and over the threshold of the alien craft.

Daddy hoists himself into the front passenger seat and refuses to click his seat belt in his passive/ aggressive defiance of OSHA. So we're going to hear that dinging the whole time—it doesn't bother him as he can't hear it. Avery is the appointed pilot and summits the driver's seat. I am relegated to the right rear, next to the aromatic can of diesel fuel in the left rear, with my tiny Chihuahua (Buttercup) and Daddy's blimpish dog (Remmie) both in my lap competing for the window. Off we go.

"Avery, could you please turn on the air?" I ask while being trampled, scratched and licked, the truck quickly turning into an ambulatory greenhouse. We all stare at the computer screen with its make-life-simple icons in the middle of the dashboard.

"How?" asks Avery. Good question. First, you have to find the right screen. Avery and Daddy start pushing arbitrary buttons on the dashboard in a frenzied effort to find the AC before we all suffocate. Avery then prudently decides to dock the craft on a logging road so everyone can safely attend to the screen. Initially, the home screen does not say

"AC" but Avery finally finds a "climate" icon which resembles much more an old skeleton key than what I assume is supposed



to be a thermometer. That subdivides the screen into what is seen in the photo above.

Next, you have to know to hit that tiny AC bar just below center as just because you chose climate, it doesn't mean you're going to get AC. At the top of the screen are "auto" and "dual." In my 2004 vehicle, "auto" means everything is taken care of for you—no other mind-bending decisions. I would assume the same applies here, and that "dual" means both front passengers are allowed to choose their own microclimate as we dare not rely on simply closing vents or pointing them directionally anymore; the law of bureaucracy decrees that the simple must be made complicated. That decided, we turn attention to the driver icon in center left (by the way, what is at the top left?-appears to be an airplane about to shoot deathrays in the northeast quadrant).

The amputated driver icon depicts a man sitting somewhat upright, though a bit reclined for a driver it seems. Does this driver icon apply to both driver and passenger? If on dual, how can that be? Avery presses the bottom half of this icon. Cold air rushes out on his side of the truck but not on Daddy's. Then what about the arrow pointed at the neck of the man icon? The neck? Does this mean decapitation if pressed? It is a bit scary that the icon man's head is detached.

It is simply not clear what is going to happen and to whom. Finally, a blizzard of cold air rushes out of the front vents, blowing Daddy's hat off and Avery's hair straight back. Daddy presses the fan icon over and over, then the arrows above and below the icon. In the process, the A/C

button is inadvertently cut off. That resolved, there at last streams a weak flow of semi-cool air blowing from somewhere in front.

But now, inexplicably, the seat warmers are on! And, there is no air in the back seat where I am combating both canine drool and growth of a fur from dog shed.

"I'm going to let down the back window so these dogs can get some air while v'all find the AC back here," I say. The child safety feature is on and, no, I cannot let down the window. Avery must provide rescue from the pilot seat; he does, but due to the contour of the truck door, the window only goes down halfway in the back. Remmie is now digging his hind legs in my lap, squeezing his head out the small opening in the back window while Buttercup, frantically hassling, cannot reach said opening. Then the grand finale—Remmie steps on the window button of my door and now we face real decapitation rather than virtual. Thus, we continue the drive, weak AC in the front. none in the back, seat warmers on, diesel fuel hovering in a mist, and my hand over the window button so Remmie keeps his head. A member of the greatest generation, a baby boomer, and a millennialand none could figure out how to work the screen on the truck!

While I admit that many technological advances have made vehicles safer and more comfortable, it seems almost as if we have all the useful things we could need in a vehicle, so we're making up

"Don't let perfect be the enemy of good."

useless things. Car manufacturers may need to lay off the caffeine during focus group meetings and know when it's a good time to stop the rampant overdesign. Though we strive for it, and that is good, there is no such thing as perfection. In life, as with vehicles, "don't let perfect be the enemy of good." I don't think Aesop originated that quote, but I am sure he would agree.

To be continued.....

Are You Prepared? Visit our website and read our blog posted on 7/27/18 for a full list on how to prepare and what to expect. http://lewisandraulerson.com/blog/

HELPFUL TIPS TO SECURE YOUR SITE IN THE EVENT OF A HURRICANE

- Wrap pumps in plastic to protect them during the storm.
- Secure all loose items that can be blown around.
- Remove price numbers.
- Secure cash before you close prior to the storm's landfall.
- Elevate and secure computer equipment from possible storm waters.
- Secure all exterior glass with plywood or other barriers.
- Post emergency contact numbers at the store.
- Provide those numbers with emergency personnel (police & fire).
- Communicate your plan with your employees.
- Develop an emergency communication plan in case your phones or email are not accessible.
- Pre arrange meeting place after the storm for all employees.
- In the event of a shutdown, site should test their underground storage tanks for water contamination before resuming sales.



In The Community

By: Casey Hall, Executive Assistant

The Lewis & Raulerson Friendly Express Charitable Foundation Team transformed our corporate office into an island oasis themed party for Aaron, our 2018 Dreamer. Many team members came out to celebrate a wonderful young man and his family with food and fellowship.



Update on our Dreamer, Aaron! Aaron is back from his tropical vacation and he had a BLAST. His favorite part of the vacation was swimming with dolphins and



sailing. I think the smile on his face says it all. Our next Dreamer will be Aaron's brother, Andrew. We look forward to meeting with this family again. They were full of joy. Cant

wait to see what "DREAM" Andrew dreams up. He was quite the comedian at the party. We wish them all the best in the future.





LEWIS & Raulerson, Inc.

Charitable Foundation, Inc.

FRIENDLY

ANNOUNCEMENTS

FEEDING FAMILIES ON FRIDAY

Help Fight Hunger—Buy any size fountain drink or coffee from Friendly Express on Friday and we'll donate \$.10 for each cup sold!

18th Annual Charity Golf Tournament has been announced for Thursday, Nov 1st, 2018!!

LEWIS & Raulerson, INC.

"Integrity Driven. . . Service Powered"

Attn: Feedback P.O. Box 59 Waycross, GA 31502 912-283-5951

LET US KNOW HOW WE'RE DOING!!

QUESTIONS—CONCERNS—FEEDBACK

WE WOULD LOVE TO HEAR FROM YOU!!

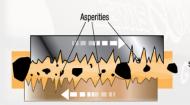
Best Practice Lubrication—Creating Interest/Adding Value By: Mike Cifranic, Industrial Sales Engineer



One of the services we provide industrial customers to increase the value of our lubricant offering is Basic Lubrication Training. This training is geared toward the folks at the "line level" which may or may not perform direct lubrication tasks but still have a substantial impact on production. These personnel might be machine operators, mechanics, material handlers, as well as the lubrication and maintenance technicians. The idea is to get as many of the customer's operating team understanding the value of good lube practices because that understanding will help them better contribute to equipment reliability and productivity. Our challenge is to generate interest that motivates participation...and the key is to "keep it simple."

So, we generally start with a pretty basic concept-What actually happens at the point of lubrication? If you think of the surface of a roller bearing or the ring it circulates in (called a "race") you will note they are "shiny", "smooth", "polished." Same with the cylinder wall in the crankcase of your car's engine and piston ring that comes in sliding contact, again, "smooth," to the point of "polished." So why is lubrication such a big deal? Well, those "smooth" surfaces, coming in contact at a microscopic level, look more like this:

TYPICAL SURFACE CONTACT POINT – A MICROSCOPIC PROFILE



Lubrication separates the 2 surfaces minimizing friction, wear, and failure!

Obviously, looks are deceiving! At the microscopic level with a 3-micron clearance, these two surfaces are actually very rough, so they require the proper lubricant to maintain a protective film in the clearance. The points in the "jagged" surface are called asperities. The more they make contact, the higher the friction and temperature, which results in

wear and damage. As the asperities break off, they also work against the protective film contributing to even more surface damage. And, without a good lubricant film to minimize resistance, it requires much more energy to achieve the required movement. (For example: better lubricant film = better gas mileage)

And now that we have established the "why lubrication", we can talk about "how" we achieve optimal results. We focus on the 2 most important characteristics of effective lubrication: Proper Viscosity and Maximum Cleanliness.

Proper viscosity (the oil's "thickness" level, for our purposes) is the characteristic that enables the most effective surface film. The correct viscosity for a given operation is determined by: Operating Load, Operating Temperature, and Operating Speed (strokes per minute/ revolutions per minute for instance). In our training classes we get a bit more into the weeds discussing viscosity classification equivalents, effects of temperature and speed on viscosity, etc. For the purpose of this writing, we won't go there. Again, our objective overall is a general understanding to motivate participation in the basic items that impact lubrication. We can drill down on things like lubricant regimes. K factors, coefficient of friction, etc, etc, with the help of our engineering staff if customers request. However, our typical audience may lose interest if we get into too much of the scientific stuff and tune us out in the process! The point is we understand the benefit of keeping the 2 surfaces separated and that proper viscosity and proper film strength is the key.

The second important lubricant characteristic:

Maximum Cleanliness. Again, referencing the graphic above, you note the "black chunks" illustrated in the clearance area. We call this "solids contamination" or "abrasive contamination". This can be generated during operation as the peaks (asperities) are broken off, or maybe

from airborne dust such as silica, or other solid dirt introduced into the system through seal leaks, or even from new oil. But the point is that a contaminated lubricant surface film (even though microscopic in size) acts more like liquid sandpaper than oil! It ruins the benefit you gained by applying the proper lubricant.

From this point, if our audience gets the importance of lubrication and the main factors to achieving optimal results, we can then talk about the ways they can contribute: things they can do to guard against improper application, contamination, preventive and remedial methods, etc. And if we can work this appreciation into their plant culture, the end result is increased value from their L&R lubricant expenditure and long-term, loyal customers!

Some Trivia stuff:

- We talked about the "microscopic" close clearances between moving surfaces being 3 microns. The actual clearance between ball bearing and race can range from 0.1 micron to 3 microns and clearance between your engine cylinder wall and piston ring can range from 0.2 microns to 8 microns. So, what does that mean, right? Well to give you a better idea how small that is, typically, the smallest particle you can see with the naked eye is 40 microns, so these clearances we discussed are at least 5 times smaller than what you can see.
- 10W30 or 15W40 motor oils... In this viscosity spec what does the W stand for? I know most of the L&R team knows the W stands for "winter"- describing the startup condition when the engine is cold. But you would be surprised to hear that some sales guys (outside our organization of course) still refer to it as 10"Weight"30 or 15" Weight"40; not understanding the significance of viscosity in a multi-grade motor oil.



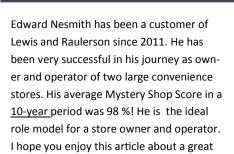
is a little thing that makes

a big difference between

success and failure.

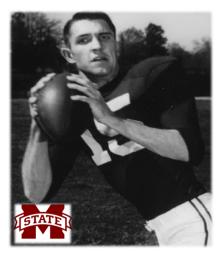
The Legend, Mr. Nesmith

By: Connie Cofield Business Development Manager, AL



customer, friend, and business man.

As a boy, Nesmith worked for his father in the Commission Agencies, known to us now as jobbers, where he installed tanks and pumps, much like PSG does today. After graduating high school, Mr. Nesmith accepted a scholarship offer to play football for Mississippi State. He played as the quarterback until he graduated in 1958! (GO BULLDOGS!) Along with playing football, he



was also majoring in Business. At that time, he said he would never return to the petroleum business. As time passed and he graduated, he was offered a job at Redstone Arsenal in Huntsville, Alabama due to his excellent testing scores in this field of work. However, after two years he realized his heart was not in it, so he came home to do what he knew, the petroleum husiness.

Mr. Nesmith came back to Albertville, Alabama and went to work for his father as a commission agent. His job included selling gas, driving tank truck, installing tanks, etc. He said that he did it all; however, what he liked the most was driving the tank wagon because he got to interact with customers and hear their praises as well as their complaints, as he believes this was an important piece of his business.

After his father passed in 1968, Mr.

Nesmith bought the business and built his first service station with 3 bays. As time passed, Mr. Nesmith was introduced to the convenience store world and knew the service station would soon be outdated.

So, he decided to sell his commission agencies and become a part of the real retail world. In 1994 he sold his business as a commission agent and built a convenience store in Albertville, Alabama. He also converted his service station into a retail store, giving him two stores to run, both of which were BP branded and are still strong BP sites.

Mr. Nesmith met Bill Raulerson in 2010. At that time, Mr. Nesmith was supplied and under contract with another jobber. However, he stressed his experience with his supplier and how he wished to change.



Shortly after meeting with Bill, Mr. Nesmith's #1 store was hit by a tornado.



Bill and his team did not hesitate to come to the rescue. Bill and Mr. Nesmith took the correct steps to move his business in 2011, and he is still currently a valued client of Lewis & Raulerson.

Mr. Nesmith reached out to me during my second year of working with the company. He decided to lease his stores at the age of 80 due to losing one of his sons and wife. In spite of his age and the losses he suffered, he was still working tirelessly to run his two sites. When I say running two sites, I mean 12 to 14 hours a day, 7 days a week. I was able to lease the sites for him for another 10 years. Together we found an answer to the next chapter of his legacy. He is old school, he does things by the book, and I have learned a lot from him. I consider him a friend and a role model for a convenience store owner and manager. I am so glad to have the opportunity to know him and have him on my team.

Thank You, Mr. Nesmith for a life commitment to this industry and for being on my team.

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END OF SUMMER

By: Lydia Varnes, FueLoc Manager





Hoping everyone had a wonderful summer and a little time to relax. During the summer we have been steadily working to bring improvements to our FueLoc program. Business is booming here at our Flagship Bulk Plant located on State Street in Waycross, GA. We recently installed a state-of-the-art duel sided dispenser which allows for faster fueling and the ability to authorize fuel at the pump. We have also been fortunate to welcome many new accounts which proudly include local government, schools, utility providers and many privately-owned local businesses. Thank you for selecting FueLoc for your Fleet fueling needs. We value your business partnership, look forward to providing the support for your business needs and continuing our friendship.

We realize many of our customers work extraordinary hours and often have other full-time occupations along with their busy operations. Please remember if you are interested in updating your FueLoc cards, adding new vehicles, or updating pin numbers to your account, you can always send in a request by Email to me at lvarnes@lewisandraulerson.com, or call my line direct and leave a voicemail at (912) 490-1110.







MEET THE TEAM

Maybre Zachry, Receptionist/Pricing Clerk



Maybre took the role of Receptionist/Pricing Clerk with Lewis & Raulerson, Inc. this year. Maybre brightens our office each day with her positive and upbeat personality. Maybre, we appreciate your hard work and dedication!



MEET THE TEAM

Randy Stringer, Warehouse Manager



Randy Stringer worked with Lewis & Raulerson, Inc. for 4 years in the early 90's as a transport driver. He returned to the team in 2014. Randy is a team player. He is dependable & dedicated to doing a good job in every role he has acquired.

Randy, we appreciate your hard work & dedication!

LEWIS & RAULERSON, INC. P.O. BOX 59 WAYCROSS, GA 31502