

**Engaged, Committed and Active: A Formula for Marketer Success.** by Mark Radosevich

I was compelled to write this article after experiencing a couple of eye opening situations at two different state petroleum marketer events this summer. My guess is that they are a fairly reliable barometer of a more pervasive situation happening throughout our industry. The consequences of this problem are further exacerbated by the acquisition trend happening across the country. Hopefully this article will help to motivate immediate corrective action or at least provoke some meaningful introspection and business redirection.

Over the past months, many industry trade publications have written on the subject of acquisitions and marketer divestitures. At the same time, various marketers have told us that they have never heard so many of their fellow compatriots discuss the prospect of selling their businesses; while active buyers have claimed that they've never had so many deals to assess. Although one c-store publication recently countered the claim that independent store counts were diminishing due to the acquisition phenomena, there's is no disputing the fact that the petro-business is in flux with high buyer interest and correspondingly higher than normal purchase values.

As a result, traditional marketers can expect heightened completion as high volume direct store operators and large multi-brand jobbers expand into new markets by rolling up nearby competitors. The prospect of significant volume and margin erosion is real and unabating. Layered on top of these competitive factors are continuing governmental interference, regulations and overall business uncertainty.

It is imperative that marketers who are in the game for the long haul become more proactive in shaping and redirecting their businesses. Becoming more engaged and active with State and branded marketer associations is a great first step to begin the process. However, far too many marketers seem to need a cattle prod to spur actions of self preservation, as the following situations indicate:

At a Mid-South state association annual planning event this June, the "Young Executives" committee was struggling to find ways to spur a greater level of participation from their next-generation association peers. The committee is comprised of only a small handful of the more than one hundred member companies that are eligible to participate. They were at a loss to understand why so few up-and-coming business leaders won't commit the time to become involved.

At another recently concluded state association convention and expo, only thirty percent of its marketer members registered and attended the event. This is hardly a rousing level of support for the numerous associate members that invested valuable time and resources to exhibit and participate. Based upon firsthand experience, participation and leadership within this marketer association increasingly rests with non-marketer members.

Association participation is one of the best investments to contend with the various business challenges that marketers face today and into the future. On the legislative front, associations provide a unified industry voice to protect business and blunt governmental and regulatory interference. For branded marketers, participation in branded supplier associations insure that the importance of wholesale fuels distributors are not taken for granted and that supplier policies are fair and mutually equitable.

From fuel distribution, store operations and food service, the retail petroleum business is a complex industry of evolving technology and processes. Active association membership is an economical platform to provide owners, managers and employees timely training programs to help insure business compliance and long term success. Membership also enables like minded petro-professionals to share ideas, tactics and strategies to synergistically promote the betterment of the overall wholesale fuels class of trade.

As more and more multi-generational marketers succumb to the current acquisition frenzy, the marketplace will become increasingly more competitive and challenging for those that decide to stay in the game. It's worth remembering that when business gets tough and market forces go against you, only you, your people and your association have a vested interest in your continued success. For simply this reason, I highly recommend that you and your team reengage with your industry trade associations to help weather the storm into the future. You may also find that monetary rewards are only a small part of the benefits to be gained by active membership with likeminded friends.

As the dog days of summer move along, we at PetroActive Services want to wish you a terrific Labor Day weekend and remind you that the football season is right around the corner, and maybe a few cooler days than we've been experiencing over these past summer months.

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