

**Quarterly
Newsletter
September 2019
Issue - 9**

LEWIS & Raulerson, INC.

"Integrity Driven...Service Powered"

Est. 1938

INFLUENCERS THAT DRIVE CONSUMERS INTO YOUR PARKING LOT

By: Bill Raulerson



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Before we begin, let's revisit those competitors or channels of trade that compete very well for our consumers; i.e., other c-stores, drug stores, grocery stores and dollar stores. At 10,000 feet we are all aware that curb appeal, customer service, competitive pricing and technology apps are critical areas of our business. However, have you ever considered that time is also a precious commodity that none of the above can duplicate?

While we will discuss later other important factors; i.e., hours of operation, SKUS, and price, let's get into the weeds regarding time. *"Convenience stores sell time – time that benefits the community, whether this time is spent living in, working in or supporting that community."* *"And this is a commodity that consumers value: 80%"* (NACS, 2019). The average transaction time for c-store customers is 3 minutes 33 seconds. That same time for a grocery store purchase is 41 minutes. **Result:** c-stores are the clear winners regarding time. Now, all we have to do is execute our other offerings.

Hours of operation are imperative. You can do everything right; but, if you're not open, all is for naught. Remember, just being open during critical dayparts is not enough because those daypart

customers shop at night. If you alienate customers by not opening with or closing ahead of market, you will lose daypart traffic. **70%** of consumers are loyal to one store. If you don't meet the needs of that consumer, they have other options. Below is a recap of industry store hours with percentage of sales:

- 6:00am – 11:00pm – 55%
- 11:00am – 4:00pm – 53%
- 4:00pm – 10:00pm – 64%

7:00pm – 10:00pm – more frequency than average
more beverages, cigarettes and food.

Let's review opportunities for extended hours. Not all stores justify 24 hours but opening at 4:00 a.m. vs. 6:00 a.m. and closing at 12:00 a.m. vs. 10:00 p.m. could generate an extra \$750.00 per day or \$275,000 per year in revenue which equates to \$80,000 per year gross profit (excluding motor fuel and lotto). Below are other customer profiles that you may capture by opening extended hours or 24 hours:

- Shift workers – 6:00 p.m. – 6:00 a.m. 15%
- Health care – 28%
- Transportation – 29%
- Food Prep – 40%
- Protective service workers (police, fire, EMT) – 2nd and 3rd shifts – 51%

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OUR FOUNDERS...OUR HISTORY



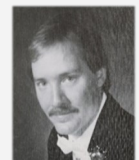
Ernest Lewis, Founder
1898-1978



Bill W. Raulerson, Partner
1915-1987



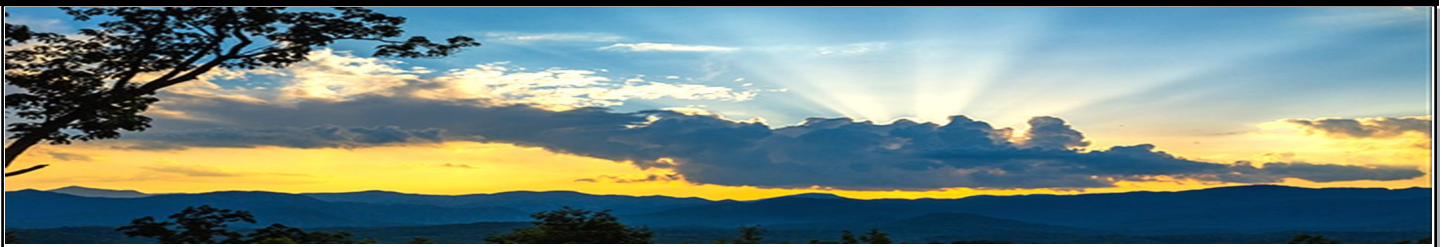
Carl Howard Lewis, 2nd Generation



Grady Carl Lewis, 3rd Generation
1962-2012

Excellence

By: David Turner, President



If we could all be honest with ourselves, I think that we'd admit that there are times, significant spans of time, that we really don't reflect on the value of our lives to neither ourselves nor to those that depend on us each day. We go through the motions of the day essentially ignoring the fact that someday, as the Foo-Fighters song goes, "your heart will stop and play its final beat".

I recall my dad lamenting, before he passed away from leukemia nearly fifteen years ago, that he wished that he could go back in time and have a do-over. He was a great man and a wonderful dad. He worked hard and worked long hours, six days-a-week. His business became successful as a result of the time and effort that he devoted to it. However, in doing so, he rarely stopped to enjoy the fruits of his labor, the life that he was given by his creator or to allow his family to fully experience life with him until he got to the point that he couldn't work any longer. We were thankful for the time that we had with him, we were grateful for his hard work and efforts, but he left us wanting more. I'm sure if he were able to say how he felt today, he'd say that he would have spent a bit more time with his family and enjoying God's creation, and maybe a little less time at the office. We should all have that attitude.

YOU CAN'T GIVE
YOUR LIFE MORE TIME,
SO GIVE THE TIME
YOU HAVE LEFT
MORE LIFE.



There's nothing wrong with working hard and devoting energy and time to a career. In fact, it's an honorable thing to do and we should all approach our work life, as we should all things, seeking excellence in what we do. Inherent in this particular definition of excellence, however, is a balance within all aspects of our lives. I watched an interview yesterday with my favorite coach, Kirby Smart. A reporter asked him if he thought of the coming year as one of those undefeated-or-bust types of years. Coach Smart replied by saying that he didn't measure his team's success based on perfection – it's impossible to be perfect. He measures their success by being excellent. The difference between perfection and excellence in this case, and in our lives, is that in excellence, we strive to be the best that we can every day across all areas of our lives.

We owe it to ourselves to enjoy a little of what God has created for us. We owe it to our family and loved ones to give ourselves fully to them every day. We owe it to those who depend on us to work hard and provide. We owe it to our families to love with all that we have and to share experiences that impact each other's lives. We owe it to them to create memories and a legacy that will shine and last forever. We owe them excellence.



Here We "Grow" Again!!



Another Great Day to be FRIENDLY!!! Friendly Express recently celebrated another "Grand Opening" in Brunswick, GA.



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- Fully Operational



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We encourage all customers to visit our website www.lewisandraulerson.com and our BLOG 8/29/19 regarding "Hurricane Season Preparation". You will find suggested actions that your business can take to help best prepare your company and/or your sites. While we have no control over the weather, we do have the ability to plan, prepare, and execute a response to natural disasters.

We Love Our Customers

By: Casey Hall, Executive Coordinator



Thank You We Appreciate Your Business

Lewis & Raulerson, Inc. recently held its annual "Customer Appreciation Day". We celebrated at the corporate office on a humid yet beautiful Friday afternoon with cold drinks and snacks. We also raffled off a Visa Gift Card. Ms. Carolyn, a dedicated Ware County Bus driver won (photo: bottom right). She was beyond excited and thankful! We appreciate everyone coming in and taking time to say hello. We enjoyed visiting with each of you.

I enjoy working with our customers. Customer service excellence has always been and will always be one of the critical competitive advantages for any business. I believe customer service represents your brand image. When your customers are happy, they are more likely to spread positive feedback to their friends, family and coworkers. Lewis & Raulerson, Inc. consistently works to exceed customer expectations regarding quality, service and value.

In an era where companies are learning to prioritize customer service, any company that doesn't will fail. Customers are influenced by a single experience. Many times you only have one shot to make a first impression. That first impression may be the deciding factor if the customer returns to your business. One major key to customer service is your employees. If your employees are happy...your customers are happy. Your customer service team is your connection to the public! Employees are the face of the company. Employees are your brand ambassadors, they model your company values and take care of the consumer on a daily basis. Both, Lewis & Raulerson, Inc. and its employees pride themselves on taking care of our customers. We believe in doing what's right. BIG thanks to everyone that helped with the customer appreciation day! You made the day a success and we thank you!

We hope to host another "Customer Appreciation Day" this fall. We will send out notifications via email, social media, and post on the Lewis & Raulerson, Inc. blog. Hope to see you there!





Lewis and Raulerson, Inc. follows policies and programs designed to prevent sales of tobacco to minors at the retail level.

We follow the guidelines below based on the information from the Center of Disease Control (CDC) & Food and Drug Administration:

- **Each day, more than 3,200 persons under the age of 18 smoke their first cigarette. More than 80% begin smoking before age 18.**
- **More than 10 million youth aged 12-17 in the U.S. are either open to trying smoking or are already experimenting with cigarettes.**
- **Each day, an estimated 2,100 youth and young adults who have been occasional smokers become daily cigarette smokers.**
- **1 child out of every 13 alive in the U.S. today will die early from smoking.**

The Family Smoking Prevention and Tobacco Control Act (Tobacco Control Act) became law on June 22, 2009. It gives the FDA the authority to regulate the manufacture, distribution, and marketing of tobacco products to protect public health.

FDA recognizes that virtually all new users of tobacco products are under 18 years old. Many new users will become addicted before they are old enough to understand the risks.

In addition, the U.S. Drug Enforcement Administration (DEA) has added some of the compounds used in making "bath salts" and other synthetic drugs to the federally controlled drug schedule as a Schedule 1 controlled substance. Please note that the sale of synthetic drugs (products that are designed to mimic the effects of marijuana, amphetamines, and other illegal drugs) are illegal. Therefore, the possession, distribution, sale and use of these synthetic stimulants are a violation of federal law and, in many cases, state law as well.

According to the DEA, these products are sold at a variety of retail outlets including service stations under brands such as "Ivory Wave", "Purple Wave", "Vanilla Sky", "Bliss", "Spice", "K2", "Blaze", "Red X Dawn" and other names, and are usually labeled as incense or other legal products to mask their intended purpose. These substances have been shown to have harmful physical effects in those who take them.

Your supply contract with Lewis and Raulerson, Inc. requires you to comply with all federal, state and local laws. In addition, your supply contract with Lewis and Raulerson, Inc. requires you to comply with your brand's image standards. All Lewis and Raulerson, Inc. supplied sites are prohibited from displaying, using, storing, offering or selling illegal drugs, OR synthetic drugs produced to mimic illegal drugs, (including, but not limited to cannabinoids), or items that are intended or designed for use in ingesting, inhaling or otherwise consuming like an illegal drug. In addition to the synthetic drugs themselves, prohibited items include, but not be limited to, pipes, tubes, roach clips, instructions or descriptive materials, or containers for concealing illegal drugs or paraphernalia.

We appreciate your diligence in ensuring that your site meets all contractual obligations including, but not limited to, prohibiting the sale of tobacco to minors and the sale of synthetic drugs. Please join us in preventing sales of tobacco to minors, and the sale of synthetic drugs, at the retail sites you operate. Failure to abide by the terms of your agreements with Lewis and Raulerson, Inc. and your specific brand, may result in loss of the privilege to operate under your branded flag at a non-complying site and termination of your agreement with same brand, as well as Lewis and Raulerson, Inc.

Thank you for your past and future compliance to this important public safety concern and your continued business.



Lewis & Raulerson, Inc. welcomes new business and thanks our loyal retention customers.



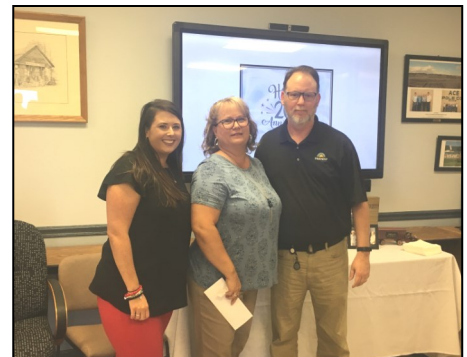
Camden Grocery, Unbranded
Cheaha Country Store, Marathon Brand
Eddie's Express, Shell
Lotto Express, Marathon Brand
Jack Rabbit #4, #57, #62 and #72, Sunoco Brand
Sunoco 51, Sunoco
Choose's #1, Unbranded (2nd Decade)
Just Jessup, Mobil (2nd Decade)
Xpress Stop, Sunoco (2nd Decade)
Mac's Milk, Sunoco, (2nd Decade)
Kahler's, Mobil (3rd Decade)
Davey's Discount, BP (3rd Decade)
K.D. Food Mart, BP (2nd Decade)



LEWIS & Raulerson, INC.

"Integrity Driven...Service Powered"

Est. 1938



Lewis & Raulerson, Inc. celebrates Lisa Lytle – a dedicated employee since 1999!

Lisa was honored by her family and work family for 20 years of dedicated service. *"The company and its employees are like family to me. I love all of you. The best part of working for this company is the fact that I was always able to be a mother first to my babies and grandchildren."* said Lisa.

Lisa started her career with Lewis & Raulerson, Inc. in 1999 and has worked in many positions throughout the company. *"Lisa is an asset to our team and we couldn't do it without her."* said David Turner, President of Lewis & Raulerson, Inc.



LEWIS & Raulerson

CARRIER GROUP, LLC.



Happy Retirement Bobby!

Thank you for your 28 years of dedicated service. You will be missed.

Good luck and call us when you get tired of fishing. You're always welcome home!

Celebrating Truck Driver Appreciation Week

National Truck Driver Appreciation Week, scheduled Sept. 8-14, is just around the corner. Remember to thank your drivers for their hard work and dedication.

THANK YOU

Meet our friend, Pete!

Pete, a dedicated Lewis & Raulerson, Inc. driver is staying cool by wearing his awesome hat and staying hydrated.

Keeping cool when temperatures reach record highs isn't just about comfort. Dangerously high temperatures can result in heat-related illnesses ranging from heat cramps to heat exhaustion and heat stroke. A few tips to stay cool include: staying hydrated, avoid caffeinated drinks, use a battery operated fan, wear loose fitting clothes and find shade. Be safe out there and keep smiling, Pete!



Continued from page #1

Of course, site location is important whether rural, urban or metro. You can check your POS data to calculate by hour if gross profit margin dollars (GPMD) cover direct store operating expenses (DSOE):

[Print out sales and transaction by hour](#)

[Print out labor by hour](#)

[Print out labor by sale](#)

[Transaction count is most critical](#)

SKUS – You must carry and stock products that consumers want. **Out of stock equals no sale.** According to a NACS survey, the top reasons for choosing a site are as follows: Fountain Drinks (73%), Package Beverages (39%), Motor Fuel (69%), and Coffee (35%). Other important offers include food service, healthy snacks, water and energy drinks. View your category report to determine what products are moving. Attend trade shows that your local grocer sponsors to receive information on new popular products. Remember we are selling to multiple generations today that have multiple priorities and desires.

Next, consumer price sensitivity – 75% of consumers will drive 10 minutes to save \$.05. However, consumers do value quality on fuel (55%) and in-store items such as food (32%), merchandise and employees (25%). This allows you to stay competitive with big box retailers when margins are good (\$.02 over) and margins are tight

(\$.05 over). In addition, the following payment methods were cash (35%) – many of you have cash/credit modules, credit card (21%) and debit card (44%). So, if you price \$.04-\$.05 over unbranded, the cash/credit module allows you to stay competitive.

While 58% of a store's total sales are fuel, fuel only accounts for 40% of profit dollars. Of those 58% that bought fuel, only 45% went inside and made a purchase but accounted for 60% of profit dollars. So, it is important to get the consumer in the box. Other strategies to change consumer behavior include your reputation among consumers (15%), radio, TV (10%) and social media (8%) – ages 18-24 (13%), 25-34 (17%) and 35-44 (10%).

While we all work hard everyday to support our employees and family, many of us have made a career in the c-store industry and have had a positive impact in our communities by providing jobs, growing the local economy and supporting community initiatives. You should be proud. Job well done.

Thank you for allowing Lewis and Raulerson to be a part of your industry and neighborhood.

Good Selling, Bill

Reference: NACS (2018, 2019)

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

Shout Out To All Shell Dealers!!! Thank you for making Lewis & Raulerson, Inc. #1. Big thanks to Michelle Harris!

South Carolina has long reigned atop the Shell MMP rankings - **UNTIL NOW**. This is the first time that GA has taken top billing. Congratulations to Lewis and Raulerson with a stellar 96.3% average! Thank you all for your dedication and attention to detail.



Wholesaler	Site Essentials Score %	P1	P2	P3	YTD
LEWIS AND RAULERSON		91.7	96.3	--	94.1
C.P. (2nd Place)		92.8	94.9	--	93.9
W.P. (3rd Place)		96.3	93.6	--	94.9

Congratulations On Your Perfect Mystery Shop Score!!!

Thank you for your hard work and dedication!

3rd QTR—2019 (LISTED IF POSTED BY BRAND ON OR BEFORE 9/1/19)

- | | | | |
|--------------------|----------------------|-------------------|------------------|
| BP Food Mart #6116 | BP Food Mart #7435 | Chevron Food Mart | Hanceville Exxon |
| Corner Stop | Friendly Express #50 | Lawtey Shell | Parker Shell |
| Carver's | Country Store | Joey's Sunoco | Mac's Milk |
| Pig Jig | Sam's Food Mart 2 | Sumner Food Mart | M&M Sunoco |
| Sunoco Food Mart | Sunoco Super Sol | AV Food Mart | |

100%