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Silver Linings at WPMCA

Wisconsin retailers find bright spots at industry convention

By Bill Donahue

MADISON, Wis. -- A sagging U.S. economy didn't keep Wisconsin retailers—independent operators, small chains and industry giants—from taking some time away from their stores. More than 650 retailers gathered in Madison for the Wisconsin Petroleum Marketers & Convenience Store Association's two-day 2008 Convention & Industry Trade Show.

Current economic woes didn't seem to hurt traffic on the show floor. Exhibitor space sold out, and retailer attendance was tracking close to or above attendance of conventions from the last three years, according to Matt Hauser, the newly appointed president of WPMCA. He served WPMCA for five years as director of government affairs prior to becoming the association's leader.

Despite the optimism and robust traffic, he suggested retailers had already begun to feel the pinch of recent changes in consumer behavior.

"[Retailers] are looking at the general tax environment, whether it's a new tax on something they sell or some other tax," Hauser told *CSP Daily News*. "Plus there are global factors, like the price of crude oil and what it has done to the price of gas and gas margins. People now seem to have less disposable income, and I think we're going to see first-quarter inside sales taking a bit of a hit."



WPMCA has approximately 500 retailer members, which represent more than 2,000 independently owned and operated stores throughout the state. Much of its membership consists of operators of 10 stores or fewer. And those are the ones that have been hardest hit by fuel-price volatility, competition and other economic conditions, according to Todd Van Zeeland of Van Zeeland Oil Co., Appleton, Wis., which runs 12 stores and supplies fuel to a small group of dealers.

"Margins and credit-card fees are the two big things on the table," Van Zeeland said. "The volatility of fuel pricing has gotten so out of hand, especially for the small guy. You have price swings of 8, 10 or even 12 cents a day, and that's hard for the little guy to handle."

WPMCA caters to small marketers, a large majority of which attended this year's event. But Van Zeeland admitted there were many small-business owners out there who aren't taking steps to get the help they needed by attending industry events run by WPMCA or some other organization.

"There are a lot of dealers who should be here [at the convention] but always have an excuse not to come," he said. "And that's sad because they're the ones who need the most help and are having trouble making ends meet. They can't handle the volatility."

Education is a core part of WPMCA's mission. Retailers at this year's event, which ended Wednesday, took home tools and advice for dealing with future fuel-price volatility, improving customer service, coping with rising credit-card fees and merchandising their stores more effectively. They also networked with their peers and met new vendors on the trade-show floor.

On the show floor, retailers ambled among more than 100 booths, which showcased nearly everything the industry has to offer: fuel supply and equipment, car-wash technology, foodservice, energy drinks, novelty items, business and insurance services, hot dispensed beverages, point-of-sale software, etc. While no one on the show floor seemed ready to admit the industry was "recession-proof," as one supplier said, exhibitors seemed optimistic about growth opportunities among Wisconsin retailers.

"Wisconsin is an area we've targeted for growth," said Ken Stoner, projects manager for branded-foodservice vendor Martin Bros. Distributing Co. Inc., Cedar Falls, Iowa. "There's a strong presence of independent operators here. [In Iowa], our market is heavily saturated with Kum & Go and Casey's. Our biggest opportunities for c-store sales are in the states around us."