



SPRING 2016

### We Stock Over 12,000 Essential Items!

BASIC ESSENTIALS

- First Stage Regulators
- Second Stage Regulators
- Integral Two Stage
- 2-PSI Service Regulators
- Changeover Regulators
- Hogtails/Pigtails
- Copper Tubing
- Brass Fittings
- Hoses
- Pumps
- Paint
- Internal Valves
- ESVs

#### PLASTIC PIPE & FITTINGS

- X-Risers
- Con-Stab Fittings
- PE Tubing

#### **RETAIL PROPANE**

- Cylinders
- Cylinder Cabinets
- OPD Valves

AND MORE!

#### **BERGQUIST SEMINARS!**

Visit the Bergquist Academy at bergquistacademy.com to view upcoming training programs or call us at 800-537-7518.

### WE'RE HERE FOR YOU!

When you call Bergquist, you get "your questions answered by the people who know propane equipment."



## Teaming up with Federal Resources: Propane Emergency Response Kits for Firefighters

Bergquist was recently approached by Federal Resources to supply them with propane emergency response kits for their **HazMatlQ** program. Federal Resources provides response and special mission-based solutions for the Department of Defense, state and local agencies, and first responders. A large part of their HazMatlQ program focuses on training local fire departments for propane emergency response.

### Custom Designed to Meet Training Needs

Working closely with Federal Resources, we developed two emergency response kits — one for DOT cylinders and another for ASME tanks. Both emergency response kits aide in the assessment, leak control and evacuation of propane vessels and are available for purchase by local fire departments for training purposes.

We're very honored to assist Federal Resources with their HazMatIQ program and training fire fighters in dealing with propane emergencies across the U.S. It's also another example of meeting our mission to introduce quality products to the propane industry.

**Top: Propane Kit A: DOT Cylinders** For Assessment, Leak Control, and Evacuation of DOT Propane Cylinders

**Bottom: Propane Kit B: ASME Tanks** For Assessment, Leak Control, and Evacuation of ASME Tanks

### For more information on HazMatIQ by Federal Resources, visit **www.hazmatiq.com**.

### HazMatIQ Tactics: Propane IQ

Propane emergencies remain one of the most common and most deadly hazmat incidents responders face. To date, over 25 responders have been killed at propane emergencies.

Federal Resources offers a 16-hour course that prepares responders to safely mitigate a propane emergency. To learn more visit their website **www.hazmatiq.com.** 



# The Time is Right for More Storage

Written By Bruce Montroy, Senior Vice President-Sales Originally published in Oil & Energy Magazine Online, March 2016

There seems to be plenty of propane to go around this heating season, but this winter has been quite a bit warmer than average in most parts of the country. Would there have been enough propane if there had been the kind of winter we had the last two years? Or even an average winter? The answer is maybe.

Conversations with propane marketers reveal that, while propane is plentiful and prices are low, much of the propane available is in the wrong part of the country. It will be tough to reach consumers if temperatures take an extended dip. There are complaints of some refiners and processing plants being down and not enough product in pipelines. In some areas, there is no spot market fuel as everything has been contracted.

But, new rail terminals have opened and are planned to help get product where it's needed. Propane production projections remain robust for the foreseeable future. If the price of crude were to increase to a point that shale exploration starts again, there will be even more propane. No worries, right?

Propane production in the U.S. has grown to the point that we've become a net exporter. The U.S. is part of the world market now. New export terminals have opened and more are planned to open soon. The expanded Panama Canal will allow more propane shipments to reach growing energy markets in Asia. This means propane exports will continue to increase as long as markets overseas are more profitable (and expensive) than those in the U.S. Propane is going to go where the money is until price is equal both here and abroad. All of this is going to present some new challenges for propane marketers at home.

There are other roadblocks, literally, that hinder the movement of propane to where it is needed. Murphy's Law seems to always ring true: The weather is always the worst when you need product the most. Snowstorms close highways so transports can't get through. Lines are long at terminals, delaying shipments. **You can have all of the contracts that you need, but if you can't get the product** where you need it, what good is the contract?

To top it all off, customers don't want to hear all the reasons why they may not be able to get their propane. They just want to be warm. The best way to keep a loyal customer base is to keep them warm and their water hot. Oddly enough, if they never have to think about you, then you've done a good job.

So, the best way to make sure that you keep them warm is to have enough storage on hand. Keep it full for when times get tough. Having enough storage, either at your main facility or satellite locations, is the best way to assert your independence. Counting on producers to ensure there is enough product is fine until they can get more money for it overseas. Buy it low and put it in your storage — at least a good percentage of it anyway.

As long as you rely on pipelines, rail lines, or transport lines, you roll the dice when it's time to really deliver propane. The times have changed and you can no longer count on everything to fall into place neat and tidy like it used to. You cannot count on all of the outside influences to help maintain goodwill with your customers.

"With the propane game changing, it's time to build for when your customers need you the most."

There are all kinds of opinions as to how much storage is enough. A good rule of thumb is to prepare for enough product for an entire seven days during your busiest week of the year – with no additional deliveries to your storage site possible for one reason or another. It could happen. It has happened. Maybe ten days is better. Having that much product on hand could buy the time needed to stay off the local news. A couple of weeks of bad press can affect your business for a long time.

The cost to add a 30,000 gallon tank to an existing plant is in the \$100,000 neighborhood. Less if you scour the markets for a good used tank. It doesn't take long to pay that off by being able to buy more product when the cost is low and putting it in your storage until needed. You pay your own storage cost as well. No extra added fees.

Giant shopping malls are built for the business that retailers get the last two months of the year. Huge NFL stadiums are built for eight home games a season, nine or ten if they're lucky. They don't average the crowd out over the other 44 weeks and build accordingly. With the propane game changing, it's time to build for when your customers need you the most.

## 2016 NPGA Southeastern Convention & International Propane Expo

We hope you were able to make it out to see us. We had a great time and enjoyed spending time with many of you!



The Bergquist booth — all set up and ready to go!



Trent Johnson, Andy Carnes, and Jill Vargo joined us all weekend.



The "Bergquist Ladies" enjoy some Nashville sightseeing.



After hours is a favorite time for more great company and food!

### Please join us in welcoming our newest team members!



**Butch Reabold** Area Sales Manager, NY & Eastern PA

We're happy to announce William "Butch" Reabold as the latest addition to our growing sales group. He is our new Area Sales

Manager for New York and eastern Pennsylvania. Butch has several years' experience in the propane industry. He has worked in sales and service positions for a propane marketer and, most recently, a bobtail manufacturer.



**Craig Vogel** Inside Sales, Bowling Green, KY

Please help us welcome Craig Vogel to our Inside Sales team. Craig is a long-time propane industry veteran. He has spent the majority of

his career managing retail propane locations throughout Ohio and Tennessee. Craig works in our Bowling Green, KY office.



Chad Hallsworth Inside Sales, North Kansas City, MO

We'd like to welcome the newest member of our Inside Sales team, Chad Hallsworth. Chad works in our North Kansas City

office. Chad has several years of experience in the propane industry, most recently as a sales representative for a major marketer in Missouri. Please help us in welcoming Chad to Bergquist.



Mike Kelley Inside Sales, Toledo, OH

We're happy to announce Mike Kelley has joined our Inside Sales team. Mike comes to us from a major propane marketer where he

worked in various service and supervisory roles. Mike lives in southeast Michigan and works in our Toledo, OH office.





### Your Propane Equipment Experts

HOME OFFICE & WAREHOUSE 1100 King Rd., Toledo, OH 43635 800-537-7518

INDIANA Crawfordsville, IN 47933 800-662-3252

KENTUCKY 1344 Memphis Junction Rd., Bowling Green, KY 42101 800-448-9504

MINNESOTA

327 Marschall Road, Suite 355, Shakopee, MN 55439 800-328-6291

MISSOURI 1828 Swift Ave., Suite 350, N. Kansas City, MO 64116 800-821-3878

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# BERGQUIST BULLETIN BOARD

# Happy Retirement to Bobby and Doug!

We recently celebrated Bobby Lanham's 26 years of service with Bergquist this January in Bowling Green, KY. Bobby officially retired in February, but we're pleased to say Bobby has agreed to stay on part-time to do some compressor repair work for us.

Thank you, again, Bobby for your career at Bergquist. You're a big reason why we've become the company we are. We hope you and Mary enjoy your extra time!



We celebrated Doug Box's retirement with a party at Trezo Mare in Kansas City this March. Doug has been an Inside Sales Rep in our North Kansas City office for over 19 years.

Thank you so much for your loyal service, Doug. Good luck in your retirement endeavors!

### Mark Your Calendar for this year's Open Houses August 16 • Toledo, OH

### August 18 • Bowling Green, KY

Don't miss our 11th annual Open Houses this August at our distribution centers in Toledo and Bowling Green. We are already lining up demonstrations for new products and planning the menu for our famous lunch buffet! You can also look forward to meeting manufacturer representatives, Bergquist staff, and old industry friends!

