FirstThing







Investing in a Cleaner Oklahoma Curtis Restaurant Supply Adds CNG Delivery Fleet

By Debra Laizure

A growing number of businesses are transitioning their delivery vehicles to run on compressed natural gas (CNG) as a cost effective alternative to gasoline and diesel. More and more companies are attracted to the lower fuel costs of natural gas, in addition to the opportunity to reduce their vehicles' carbon footprint. CNG typically retails for \$1.40 or less per gasoline gallon equivalent, burns cleaner, and can significantly lower vehicle operating costs.



Curtis Restaurant Supply owner, David Hillin, stands next to one of three new CNG powered delivery vehicles

Tulsa-based company, Curtis Restaurant Supply, recently purchased three CNG-powered Isuzu box trucks to replace its existing heavy duty delivery vehicles. David Hillin, Curtis Restaurant Supply owner, says, "It's not a new concept for passenger and light work vehicles, but for delivery and heavy duty vehicles, it is a very new concept." The overall positive economics of converting to CNG enticed Hillin to make the switch from traditional delivery vehicles to CNG powered ones.

Hillin says, "Right now, natural gas can be purchased for as little as one dollar per gasoline gallon equivalent, so if you are paying three dollars per gallon of gas, the fuel savings is substantial. The savings are even greater for diesel fuel, since diesel is much more expensive than regular gasoline."

The company uses the CNG powered vehicles for its large cooking equipment and new project installation deliveries.

Hillin says there are no plans to convert their smaller delivery vehicles and company cars. The cost of conversion vs. the lifetime cost of the vehicle, along with the lost amount of usable storage space the CNG tank requires, makes it a less attractive solution.

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Rapids Restaurant Equipment To Open Cash And Carry Foodservice & Bar Equipment And Supply Store In Twin Cities

FEDA member firm Rapids Wholesale Equipment Company has announced plans to make its online selection of more than 6,000 products even more accessible to customers by opening a cash-and-carry retail store in St. Paul, Minnesota. The company will use its 19,000-square-foot retail space to showcase its expansive inventory of supplies and equipment for foodservice and bar operators in the metro area. Rapids plans to open the store in November.

In many instances, customers in these industries are looking to make high-dollar purchases. Thus, giving them the ability to examine, touch and compare these items before making the purchase is invaluable. Everything featured within the store will be in stock and immediately available, so that a customer can take the product back to their operation or schedule delivery immediately.

Joe Schmitt, co-owner of the company, says the decision to launch the store came in response to customer wishes. "We have listened to our customers and plan to have everything you need, when you need it—on hand and ready for immediate use in your operation or home!" he says.

Rapids will offer the largest in-store cash and carry selection of restaurant and bar supplies and equipment in the Twin Cities market all in one convenient location. The thousands of items from which customers will have to choose include: True refrigeration, Gold Medal concession supplies and equipment, Libbey glassware, Manitowoc ice machines, Vollrath kitchen equipment and supplies, Cambro equipment and supplies, Vulcan cooking equipment, Frymaster fryers, Star countertop cooking equipment, Dexter Russell Cutlery and Carlisle equipment and supplies.

The new facility will be managed by Harold Parten. His qualifications include extensive retail and wholesale distribution experience, including time at Target Corporation. Joining him will be four to six sales associates and the company's contract and design team.

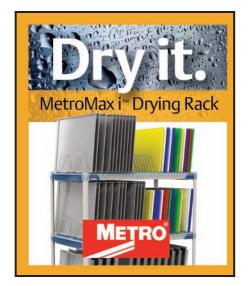
Rapids Wholesale has a history of devoting substantial company resources to employee training and education because the company believes this is a vital component of quality customer service and to staying current on the lat-

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(Investing in a Cleaner Oklahoma, cont.)

He says, "I prefer an original equipment manufacturer (OEM) conversion. If you take your regular vehicle to be fitted with an aftermarket kit, it can void the manufacturer's warranty. My strategy is to purchase new CNG vehicles from the manufacturer."

Hillin and his business partner, Jay Gulick, have been interested in energy conservation for a number of years. In the past five years, they have re-







placed all the windows in their office with double-pane windows and converted all fluorescent light fixtures to electronic ballasts. They have a recycling system for trash, in which their service provider recycles virtually all the refuse generated, and have replaced Styrofoam cups with ceramic coffee mugs.

Investing in a clean fuel delivery fleet took a great deal of time and research before implementation. The company owners looked at other types of clean energy solutions, such as wind power to generate electricity for their facility, but chose the CNG vehicle fuel option as the best immediate economic fit for the company. He



Single refueling station onsite

says the process took over a year, from expressing interest and educating himself on the requirements, to ordering the vehicles and putting them into service.

He says, "In September of 2012, I attended the first CNG Summit at the OU-Tulsa Schusterman Learning Center. The keynote speaker was Governor Mary Fallin. She addressed Oklahoma's commitment and the importance of the natural gas industry to the state. The seminars were presented by economists discussing the natural gas industry, as well as valuable information provided by clean vehicle educators, manufacturers and suppliers. It was very informative and got me further interested in CNG." The onsite CNG fueling station saves time and money

Oklahoma is a national leader in promoting CNG technology, equipment manufacturing, and clean vehicle legislation. As a locally owned and operated business, this played a large part in the owners' decision to move toward CNG energy.

"The State of Oklahoma, from a tax perspective, has made it very favorable to invest in CNG vehicles and onsite CNG fueling stations. As a company that employs Oklahomans and subcontracts to other Oklahoma-based companies, we are proud to support Oklahoma-made energy that creates Oklahoma jobs," he says.

The company has three CNG fueling stations at their facility. The lower cost of fuel was a factor, but another consideration was convenience. Having an onsite fueling station allows the company to fill the trucks overnight and be ready for service in the morning, rather than taking the trucks to a third-party fueling station.

Many companies making the switch to CNG have a fleet of 50 or more vehicles, but Hillin says it can be a cost effective solution for small to mid-sized businesses like Curtis Restaurant Supply. He estimates the return on investment for the complete project will take less than two years. He encourages business owners to look carefully at tax credits, both federal and state, as well as potential rebates from natural gas service companies.

He says, "If the economics work out like they have for us, it may be a good investment for them."

Sysco Agrees to Buy U.S. Foods

In a \$3.5 billion deal, broadline distributor Sysco Corporation (NYSE:SYY) agreed to acquire US Foods. Bill DeLaney, Sysco president and chief executive officer, will lead the combined company, which will operate under the Sysco name with its headquarters in Houston, Texas. When the deal closes, Sysco will have estimated annual sales of \$65 billion.

Sysco will develop a team comprised of members of both companies to prepare for and oversee a comprehensive integration for employees, customers and suppliers.

As part of the transaction, Sysco will also assume or refinance US Foods' net debt, which is currently approximately \$4.7 billion, bringing the total enterprise value to \$8.2 billion.

(Rapids Restaurant Equipment To Open Cash And Carry, cont.)

est products that keep clients' operations running smoothly and profitably. Rapids plans to uphold this tradition with the staff at its new facility.

"I am excited to be a part of the Rapids family and look forward to meeting the talented chefs and foodservice professionals in the Twin Cities," Parten says.

The new Rapids store will be conveniently located off Highway 280 and Como Ave. next to Appliance Smart.

In Memoriam

It is with much sadness that we report the passing of **Gordon F. Oates Jr.**, Beloved husband, father, brother, and friend, who passed peacefully on December 5 with his family at his side, following an illness. He was 62 years old. Gordon was an extraordinary man of principle and great integrity.

Gordon had a long and highly accomplished career in the food service equipment industry, where he would rise in executive management to leadership positions with Vulcan-Hart Corporation/Premark International (Louisville), Garland Commercial Industries/Welbilt Corporation (Freeland, PA), Blodgett Oven Company (Burlington, VT), APW/Wyott Foodservice Equip-ment Company (Dallas, TX), and Enodis Corporation. He retired as a Partner with Dallas-based E-Source Inc. in 2006. Services have been held Memorial gifts may be made to the Gordon F. Oates, Jr. Scholarship at Ursuline Academy of Dallas 4900 Walnut Hill Lane Dallas, TX 75229 or to the National Kidney Foundation

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