

SPECIAL OLYMPIC GOAL OF \$100,000.00 TO BE MET!

NELLA Oil Company has been a major sponsor of Special Olympics for the past seven years. Although there are many worthy causes and charities, NELLA Oil takes pride in having Special Olympics as our "charity of choice". As a member of the NELLA Oil family, you should know that 100% of all funds collected go towards supporting these deserving athletes. The funds help the athletes with uniforms, bus rentals, overnight accommodations and other fees for their events.

We held a fundraising event this last March. Through all of your dedication and commitment, we were able to raise a whopping \$39,479.40 for Special

Olympics. Prior to the beginning of their Summer Games 2003 event, a press conference was held on the West steps of the State Capitol building in Sacramento. NELLA Oil Company was the only Corporate Sponsor at the event and presented a check in the amount of \$72,952.40. This amount was the grand total of the last two fund raising events.

The Special Olympics "contest" in March was for three different vacation trips as well as one "Top Seller" prize, which included a trip for two to Monterey with tickets to the Monterey Bay Aquarium. The Top Seller for this fund raising event was **Diana Medina** from station #219 in South San Francisco. Diana raised a total of \$1,187.00 by herself! Each team member that raised \$100.00 was eligible to have his or her name entered in the drawing for three fabulous trip packages. Congratulations to the following team members. **Alfred Avelar** from

station #89, **Linda Harrington** from station #89 and **Estella Ceja** from station #235 all won some great vacations.

Our next fund raising event is in August. This will be the last event for 2003. Special mention and thanks go to **Chere Ewing's Area**. Her six stores together raised an outrageous \$11,285.00. Thanks go out to all team members for your dedication and support. Let's get ready for August and make this NELLA Oil Company's Best!



Help Us to Help YOU!!

By Chris Frickstad

Nella Oil Company has always prided itself on having a hard-working and cooperative support staff that is there to help, train, and inform Operations in any way they can. The first step in getting that great support in motion is communicating what you need. Two great communication tools for non-emergency situations are right at your fingertips, voicemail and email. Both take little effort and can produce quick results. Don't get discouraged though if you don't get a response immediately. Remember that similar to what we experience out in the field, support staff can get busy and have to prioritize tasks. Following up with a "friendly reminder" is a nice way to let people know that you are still out there needing support!! I have been "cc'd" on several emails and was glad I was made aware of situations out in the field. In emergency situations such as system crashes, don't hesitate to use chain of command. Remember that is why our numbers are posted in all the stations. Make sure to involve the Mgr. & Asst. Mgr. first, than

the Area Mgr., than the Retail Mgr., and so forth on down through the chain. Remember that support staff can only help and inform when they know there is an issue or problem. Operations need to be the "eyes and ears" to quote Tom Nolan of Nella, and we are the first line of defense out on the front lines!

Recently, there have been some great examples from the field of individuals who have helped us to help them by communicating their needs and successes to the support staff at Nella. **Linda Harrington**, Mgr. at #89, made sure the Marketing Dept. was aware that 12 pks of beer were left off the last major beer price change we had. **Bill Miller**, Mgr. at #34, let us know that he had record carwash sales of \$1004 and 194 cars all in one day even though we had recently increased prices!!! **Roseann Doak**, Training Mgr. at #28, informed the IT Department that she had a credit card issue at her station that she was having trouble figuring out. **Brian Little** went out and discovered that the station did indeed have a CFN issue that needed to be resolved by new software. **Tim McCord**, Mgr. at #243, has communicated several marketing concerns and register issues he was having and needed either clarification on, or help with. **Jason Lance**, Mgr. at #219, called Marketing to see if he could increase the

number of special cigarette deals at his location since he seem to blow out of them within a day. **Cindy Niehaus**, Mgr. at #224, and **Sam Segrest**, Mgr. at #234 let their Area Manager know that they had large numbers of requests for propane and wanted to get propane into their locations. **Elke McCollugh**, Mgr. at #4, let me know that I had miscalculated the cash variance portion of the bonus program. More stations than become qualified for that section of the bonus once the numbers were redone. **Jerry McIntosh**, Mgr. at #256, had a broken hotdog grill but **Glen** from maintenance was tied up with an emergency situation. Jerry volunteered to drive to West Sacramento to pick up a new grill. Not only did Jerry help us to help him...he helped out the support staff as well!!!

I hope that you now understand that Nella's support staff is there to help you and also celebrate in your success stories. The key is communication. Take an active role in your station and speak up when you have a great idea, success, or a concern/issue. Don't get discouraged even if you have to follow up occasionally. The only way that we can succeed as a company is for you to let us know what support is needed to help you run your stations efficiently and profitability. Remember.....Help Us To Help YOU!!!!



NELLA OIL COMPANY

SUMMER 2003

The only thing that is constant at NELLA Oil is CHANGE!

As in 2002, NELLA Oil continues to face and manage the many changes in the Company. One big change has been the creation of FLYERS Transportation (dba GULF Transportation) as a separate company to best manage our fleet of tanker trucks. A new logo was designed and all of the trucks were decaled GULF Transportation. Director of Transportation **Jerry Lightell** has begun to transform the fleet with the new design so that all of the trucks will have the same "look". Jerry has also hired several new drivers to address the increased demand of the transportation department. Joining GULF Transportation so far this year are **Timothy Bredemeyer** (Sacramento), **Donald Conway** (Bay Area), **Marco Figueroa** (Bay Area), **Patrick Hiatt** (Bay Area), **Allan Moura** (Bay Area), and **Randy Bolin** (Fresno). Other changes include the constant effort to improve technology across the Company, new accounting programs to better manage the Commercial Fuel Division of NELLA, temporary office space to manage short term growth and a new building in Auburn to manage the long term growth. Partner **David Dwelle** is spearheading an effort to take advantage of solar power in our sites. A few have already been set up with great results.

What hasn't changed lately is NELLA's

annual company picnic in Rocklin. Many team members from all over gather for day of fun, food and prizes. Pricebook coordinator **Shauna Picasso** spearheads this event and always does a great job. Look for pictures in the next pipeline.



"New Look Gulf Truck"

Congratulations to Retail Operations for another successful Special Olympics fundraising effort. See the article in this pipeline for more details. Another fundraising drive will be coming later this year. Maybe one of the other Areas will be able to knock **Chere Ewings** and her South Area managers out of the streak of being the top fundraising Area for as long as anybody can remember. NELLA also sponsors a golf tournament every fall to

raise money for Special Olympics. This year's tournament is already full and promises to be another great event. NELLA is also a major sponsor of the "Thunder in the Sky" air show in Auburn, CA. NELLA representatives will be present raising funds for Special Olympics. For more information, visit our website.

On the safety front, in the last Pipeline, we acknowledged the managers whose stores went the entire year without a disqualifying accident. **Scot Mortensen** (manager #73 in West Sacramento) let us know that although he wasn't the manager for the entire year, his store went without a disqualifying accident. So..... Congratulations to Store #73's team members for their safe work habits in 2002! Keep up the good work!

Both **Gene Goodman** (GULF) and **Ben "Louie"** were recently recognized for their 20 years of service with NELLA Oil. Other Team Members in the 20 year and plus club (years of service with Beacon and Olympian included) are **Chandra Maharaj** #226 (29 years), **Mario Flores** #270 (22 years), **Barbara Figueira** #66 (21 years), **Thomas Cordell** CFS (33 years), and **Diane Johnson** CFS (21 years). GULF team members include **Dennis McCooey** and **Tim Humphreys** (both 21 years).



Gene Goodman — Happy 20 Years!

Wholesale News



Our dealer network group saw improved second quarter results for fuel profits, but supply, competition and refinery conditions still remain

very volatile in California. Daily **competitive price surveys** by our individual dealers for their retail marketplace have been a large focus to insure maximum volume for gasoline daily sales and fuel gallon margin. The importance of **facility management** review for dealer site expenses, both daily and monthly, still continues to be a continued focus also. As pledged, our **“support network team”** through your immediate wholesale department representative, Stuart Winters or Tim Robertson, at Nella Oil Company is available to discuss any dealer’s environment at their location.

Two of our Chevron dealers were honored for Chevron’s **“True Blue”** guest service mystery shopper program for 2002. **Rick Shields**, Grass Valley Chevron, and **Bill Thornton**, Thornton’s Chevron in Chico, earned Gold Standard Awards for their team member unannounced guest service shops last year. Both dealers are continuing through this year’s shops with exceptional results. Grass Valley Chevron has already had 3 shops at 100% and Thornton’s Chevron is currently placed at 5th in the entire nation (some 1400

Commercial Fueling Update

By Kari Akchurin

In April, the company purchased a cardlock site in Belmont, CA from an existing CFN participant, Peninsula Oil Company. This location is a great fit to the 50 plus existing Nella/Olympian Commercial Fueling sites. The site pumps 80,000 plus gallons! Congratulations to Operations, CFS Sales and Customer Service for a smooth transition. Look for site remodeling “coming soon”!!

The 15th annual CFN Conference was held May 20-23 in Scottsdale, Arizona. Olympian/Nella received awards for 300 switched (foreign & domestic) gallons. This is the most switched transactions by any participant in network history. Nella Oil also received an award for 25 million switched transactions recognizing their efforts prior to the Olympian acquisition.

“CFN now available at the Pump at these locations”:
Placerville, 519 Placerville Dr. & **Newcastle**, 601 Newcastle Rd.



Descoe, Jennifer, Jessie, Dawn, Amberlynn, Will and Nancy at Grass Valley Chevron “True Blue” Gold winners for 2002.



Humberto Rangel and Ron Thornton of Thorton’s Chevron. “True Blue” Gold winners for 2002

locations) for mystery shopper scores. Keep up the great work at all of our Chevron dealer sites.

We would like to welcome the following dealers to our dealer network group: **Sarjit Kang**, King’s Beach and So. Tahoe Beacons, **Peter Pe**, Folsom Beacon, **Shaikali Hakeem**, Placerville Beacon, **Resham Sidher**, Auburn Beacon, **Tawab Wafa**, Concord Ultramar and **Pal Dhaliwal**, Arden Exxon, to our existing group of retail marketers. Good luck to all of you and may we invite all of our Flyer’s team members to visit our newest dealer network group sites in the future.

Level Testing is Contagious!

By Rebecca Steffensrud

“Be careful what you ask for... you just might get it.” That statement should be the title of this story. We asked you to *step up the plate* and demonstrate your commitment to growth with NELLA Oil Company and support of the Team Member Level Testing process, and you are coming through! The Area Managers are well on board: in the past 3 months we have had numerous Team Members in most areas move toward promotion and advancement. Currently, nearly 15% of our eligible (hourly, non-managers) Team Members have begun the Level Testing process, many of whom are beyond Level 1.

Here are some of their comments about their experience:

North Area – Don Walk

Larry Pollard – Weaverville #258, Level 1 – Started with Beacon in 3/02, joined Nella in 12/02. “Don was awesome, very patient. It was a little nerve wracking, but tests always are. It’s all about the preparation, and I was prepared. The demonstrations were good, it was good hands-on experience rather than just paperwork.”

Tamera Smith – Willits #224, Level 1 – Started with Beacon in 6/02, joined Nella in 12/02. “I was a little nervous about the ABC and tobacco portion of the tests, because I know they can be detailed, but I am knowledgeable of that and it was no problem. Don was great! It has been great working for Flyers and I hope to advance soon to Level 2.”

Jennifer Westfall – Chico Flyers #46, Level 1 – 1 yr anniversary with Nella in July 2003. I was nervous, but I studied and asked questions about the stuff I didn’t know, and read the list of demonstrations so I was prepared. Don was patient and made me very comfortable and I’m already for Level 2!”

East Area – Mike Walker

Cathy Harris – Auburn #261, Level 1 – 4 years with Tesoro, joined Nella in 12/02. “I was a little nervous, as I don’t do well with tests. I could have taken the test verbally, but I chose to take the written one. I believe the test is o.k., but I think our raises should be based on our abilities and daily performance as observed by our manager. Their input should be as important as any test. The whole raise should not be based entirely on a test. A person

could do really well at retaining customers and delivering great customer service, but not do well on a test, which is not an accurate representation of their abilities. But I did well, and Mike (Walker) was helpful and put us at ease.

Barbara Dyce – Auburn Flyers #5, Levels 1, 2, & 3 – Total of 7 years with Nella. “I have trained managers higher than me, so I knew the information and I was not nervous. Information on the test is important – it is what you need to know – changing hoses and nozzles, etc. Some of the questions are not applicable to everyone, so those shouldn’t count. [they don’t] The only thing I would change is I wish we didn’t have to wait 60 days for the next test.”

SF Olympian – Chrissy Villanueva

Alberto Pimental – San Francisco Oly #233, Level 1 – 5 months with Nella. “Of course I was nervous about the test: it was a very different experience, very unusual. I have never worked for a company before where you had to take a test, but it was easy, not as hard as I thought it would be. I like the idea of being rewarded for efforts, but since I am a student I am used to tests. I worry a little about the people who don’t speak English very well, since it will be harder for them. I have the blessing of a good manager (Sharon Smith) but some managers can pre-dispose you to a certain result if they are not interested or patient. But Sharon is great. I think this is a good system, but it needs refining. The test was given to me by Chrissy Villanueva – she was not imposing, and relaxed, but not too much so. I look forward to the next test.”

Maria Santiago – Daly City Oly #213, Level 1 – 10 months with Nella. “Even though I am a part-time student and used to tests, it is a normal reaction to be nervous. But I prepared by asking questions about the merchandising and cashiering procedures, but about company policies, I went and read the handbook. I was kind of ‘jittery’ at first, but as we went along it got better. Chrissy Villanueva gave me the test, and she was great – she knows how to make you feel comfortable.”

Central Area – Ali Mortezaei

Wendy Sands – North Highlands Flyers #66 – Levels 1 & 2 – 5 years with Nella. “I was not nervous. I have been with the company for almost 5 years (November 1998) and was prepared, since I already knew the procedures and policies. Some of the questions were not applicable to our store, so I didn’t get marked down for those, which was good.”

Anna Bernaix – Rancho Cordova Flyers #65 – Levels 1 & 2 – 1.5 years with Nella. “I liked the test, it went well, Ali was great, so that helped. I was not nervous, even though I have Dyslexia – it just takes me a lot longer to finish the written portion of the test. The information in the test was common sense, it is stuff you should know just from showing up every day. I am ready for the next test whenever they are ready to give it to me!”

South Area – Chere Ewings

Shajna Jarrel – Jackson #272 – Level 1 – Started with Beacon in 9/02, with Nella since 12/02. “It went great! I was a little nervous because of the word ‘test’ but it was all stuff I knew. We had discussed my taking the test, but had not made the appt. yet. When Chere showed up for a store visit and asked if I was ready, I was caught off-guard, but said yes, kinda nervously. But I did great. I’ll be ready again when my 60 days are up. I really enjoy working for Nella – my boss is nice, her boss is nice!”

Alfred Avelar – Visalia Flyers #89 – with Nella 1 year. Level 1 (written in 12/02, demonstrations taken in 4/03) “I was both nervous and confident. The hardest part was when I was taking the test, the area manager (Chere) was so quiet, I couldn’t tell how I was doing. I have been here a year, so I figured I must be doing some things right or I would have been in trouble. My manager (Linda Harrington) went over the information on the instruction sheets with us a couple of weeks in advance to help me prepare. Another Team Member and I were testing together, so we helped each other out. Test is good and I wouldn’t change anything. I am working on preparing for the next level as soon as I am able to take it.”

Please Note the Following:

- For those needing additional help, written test can be delivered verbally - upon request
- Some questions may not apply to all stores (due to different POS, etc) so will be removed from scoring
- Next Level Test may occur at 60 days from completion of previous level
- Store managers are *encouraged* to work directly with “Instructions” and “Demonstrations” to team members to ensure success in testing process
- If Area Manager is not available for test, HR personnel or proxy manager (designated by Area Manager) may conduct test

- Inability to “pass” the test (rare) doesn’t result in demotion or reduction of wages. This is a training and promotion tool! Don’t be discouraged – use the information to increase knowledge to pass next time!
- **New Levels Added!** To accommodate employees who have specialized positions with duties falling outside those of a regular Team Member’s, we have added 2 new levels. This was done to include those TMs who do not work inside the stores or perform the standard cashier / clerk duties so they may pursue wage increases and professional growth. The Barista level which includes drink recipes, espresso equipment operations, and the Car Wash and/or Maintenance levels which includes appropriate questions regarding cleaning solution mixtures, etc.
- **Revisions Coming!** To accommodate the stores with different POS systems, we are updating the process to include new versions/questions applicable to each area or store.

Cardlock News

By Partick Cruse

May 1st 2003 the CFS Department held a Guest Appreciation Day at our San Jose Cardlock facility. Manager **John LoBue** hosted the 10am to 2pm event. Hundreds of our local area business customers and their employees were asked to attend our festivities for free hot dogs, sodas and ice cream. We asked our guests to test their skills at a ‘ring toss’ game and darts for chances to win prizes supplied by **Louie** in Merchandising. The attendance also included a car show with street rods, a sprint racecar, and a vintage cop car. Team Members from CFS, **Elaine Mejia**, **Tom Burke**, **Kari Akchurin** staffed the event. “Much fun was had by all!”



John Lobue maintains a keen eye as the head official of the ring toss competition.