



“We lead you through the profitability maze”.

CONDEVCO LLC / CONVENIENCE DEVELOPMENT CORP

THE “METER” NEWSLETTER “KEEPING TRACK OF THE FLOW...”

“THE METER”

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Brand Equity During the Economic Slowdown

We're changing up the newsletter format a bit this time. With all the economic news being created, we have extra topics for you, our loyal readership, to look over. Click on the links to view the whole article.

In general retail, Circuit City liquidating, in the convenience field, Flying J in reorganization, replacing their CEO (a 30 year employee) with a founding family member, RBS announcing a \$40+ billion loss on inauguration day; the hits just keep on coming.

Which brings us to the main topic for our newsletter: Brand Equity, and what it consists of. How do you support it in dire economic times? You will see in another article we discuss Macy's taking a \$3+ Billion dollar write down on the “Goodwill” it acquired when they purchased May Dept stores in 2005. Goodwill's definition, as described by

businessdictionary.com, is: **Goodwill:** Assumed value of the attractive force that generates sales revenue in a business, and adds value to its assets. Goodwill is an intangible but saleable asset, almost indestructible except by indiscretion. It is built painstakingly over the years generally with (1) heavy and continuous expenditure in promotion, (2) creation and maintenance of durable customer and supplier relationships, (3) high quality of goods and services, and (4) high quality and conduct of management and employees. Goodwill includes the worth of corporate identity, and is enhanced by corporate image and a proper location. In other words, **Brand Equity**.

In times of reduced consumer spending and economic uncertainty, of the 4 items that define what goodwill consists of, one is always controllable by current management, can be changed for the better in a hurry, and is something you owe your customers, in any case: and that is number (4) **High quality and conduct of management and employees**. Maybe you can't advertise like you did a couple of years ago, maybe your suppliers aren't as generous with the discounts and promo allowances as they once were, maybe you need to be a little “tighter” with promotions and discounts to your customers... BUT, it's your Store(s) / Business, and you CAN control how you treat your employees, and how your firm as a collective whole treats your customers...

We must strive to make every customer interaction a positive experience for the consumer, and make sure the connection between treating customers right and keeping the revenue flow where you need it to be is clearly understood by everyone on the team. The customers are living with the same news you are, make sure they understand that your firm truly appreciates their patronage.

Branding is so much more than a flashy logo or beautiful store designs, those are an adjunct to a solid system that keeps out-of stocks to a minimum, fulfills customer needs, and motivates your associates to take a sense of ownership in how your customers feel about purchasing in your stores.

Condevco has created and rejuvenated brands for many different clients in many different fields, retailing/distribution/services, so let us help you make it through. Contact Ron with your consulting inquiry. ([Click Here](#))

Fuel Prices and the Fuel Business:

Global Economic Downturn Primary Reason for Drop in Fuel Prices

A take on Oil & Fuel Prices, and what it's done to alternative Fuels—[Click Here to read](#)

Hertz Would take on Additional Risk if they start Hedging Fuel

Hertz Rent-A-Car is thinking about fuel hedging—See what we think—[Click Here to read](#)

General Retail Topics:

Down Only Slightly, Retail Volumes Mask Markdown's Damage

Christmas Retail Results commentary—[Click Here to read](#)

Goodwill Write down on Macy's purchase of May makes sense

Macy's 2005 Purchase of May Dept Stores revisited—[Click here to read](#)

Circuit City Management is Finally in a Hurry

Final thoughts on Circuit City's liquidation—[Click Here to read](#)



Who will be Next?

Check our Story from
Nov. 7th, 2008 ([Click Here](#))

ABOUT CONDEVCO LLC AND RON & DARCEE SANTICOLA

Retail and Consumer products
Experts for 25+ years...

RON SANTICOLA HAS BEEN IN THE CONVENIENCE STORE BUSINESS FOR 15+ YEARS HERE IN FLORIDA AND INTERNATIONALLY, AS A “C” LEVEL EXECUTIVE AND CONSULTANT. AWARD-WINNING AND RESPECTED INDUSTRY LEADER. DARCEE SANTICOLA IS AN AWARD-WINNING STORE DESIGNER AND SPACE PLANNER. WE MERCHANDISE LOCATIONS AND LAY OUT SELECTION, MIX AND PROMOTIONAL CALENDARS.

RON IS ALSO A FL LICENSED REAL ESTATE BROKER, SPECIALIZING IN PETROLEUM RETAILING PROPERTIES AND PETROLEUM DISTRIBUTION.

WE SPECIALIZE IN:

- ◆ SITE AND CHAIN ACQUISITION
- ◆ BRANDING AND FUEL SUPPLY
- ◆ STORE DESIGN—NEW & REFURBISHMENT / REBRANDING
- ◆ MERCHANDISING & PROMOTIONS
- ◆ FINANCIAL MODELING—ACQUISITION AND OPERATING
- ◆ CUSTOMER SERVICE TRAINING
- ◆ MYSTERY SHOPPING
- ◆ MANAGEMENT CONSULTING
- ◆ COMPANY BENCHMARKING
- ◆ FUEL PRICING USING THE:
marginvolumepricing.com©

Circuit City Management is Finally in a Hurry

The demise of Circuit City—We called it in early November! - [Click here to read](#)

Convenience Supplier and Merchandise:

Tobacco - The Regulatory Cash Cow - [Click Here to read](#)

We're in the news... [Click here to read](#) the January 18th Palm Beach Post Article on the Florida Station's Tank Situation - Ron is quoted in article.

Florida Station Owners - Tank-swap Financing

Hey Florida Station owners who haven't switched out their tanks yet! The deadline is approaching in under 12 months. **That's January 1st 2010!!!** We have a lender providing tank-finance programs to station owners, including a full refinance of the site if the numbers work. [Click to contact us for details on the program.](#)

More information on the situation can be seen on Ron's Blog "The Service Station" [Click here to access Ron's Blog](#) There are numerous articles of interest, pertaining both to Convenience/Gasoline and General Retail and QSR/Casual Dining subjects.

We love new readers!!! If you know someone who should read "The Meter" Please forward!

To be removed from the mailing write to rsanticola@condevco.com.

Questions or comments? E-mail us at rsanticola@condevco.com or call Ron at 561-274-4261

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