



Turner Gas' propane rail terminal in Carlin, Nev.

## More Than 70 Years of Propane... On Both Sides of the Pump

**T**urner Gas started out as a retail fuel company in 1939 and eventually operated seven retail locations throughout California and Nevada. That past experience as a retailer has been a big advantage for the company, which moved out of retail and into wholesale about 14 years ago.

"We have been in retail, and we understand what the customers really need. That is service," said company president Jim Turner. "They need product when they need it. That's easily done in the summer, but it's more difficult in this region in the winter. The independent retailers are our biggest customers, and we're not a retailer, so they tend to like the fact that we're not competing against them while we're also hauling to them." Other Turner Gas customers include large industrial buyers such as mining and manufacturing companies.

Jim Turner's father, Ivan Turner, and Ivan's brother George Turner founded the company in Bishop, Calif. with the help of their father, Roy. From its beginnings until 1996, the business was in retail sales of fueloil, diesel, gasoline, and propane. The company eventually phased out its fueloil and gasoline business and expanded its propane business. The retail propane business handled about 5 million gallons and served residents and businesses until 1996, when the company sold its retail locations and moved into wholesale for what Turner described as business and personal reasons. "We started to build the wholesale business in Salt Lake and revolved around trucking and supply, providing full service."

The business, headquartered in Salt Lake City, serves Arizona, California, Colorado, Idaho, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Utah, and Wyoming. Turner Gas recently sold the Oregon/Washington portion of its wholesale operation.

Providing that service in such spacious regions can be a challenge, with delivery runs averaging about 250 miles one way. To meet the challenge, knowledgeable salespeople and drivers are important. A strong fleet of transports is also a must. Turner's fleet includes about 40 of the

mostly larger transports that move 12,000 to 15,000 gallons per load.

"Some people call them the 'Rocky Mountain doubles,'" Turner commented. "The weight limits are a lot higher out in this region than say in California. "Most of our rigs are set up for the intermountain area, the larger loads."

With a major reliance on transports, Turner Gas and other wholesale companies continue to deal with various transportation issues, and safety is No. 1.

### Safety

"Everything has become safety-oriented," Turner stated. Brian Blazzard, safety manager, organizes monthly safety meetings with the drivers and employees.

Turner Gas around the middle of 2009 added global positioning systems (GPS) to all its trucks. Turner says his company installed the systems—manufactured by PeopleNet (Minnetonka, Minn.)—simply because of an increased focus on safety for his business and the entire industry. The company installed the systems to keep track of the trucks' location, their speed, and their idle times. Turner noted that the company has improved its fuel economy and safety record.

In addition to insurance, federal, and local regulations, several of Turner's large mine and large industrial customers require standards of safety performance for Turner drivers to follow. "They have requirements before you can



Turner's fleet includes about 40 transports that move 12,000 to 15,000 gallons per load.



When Roy Turner (pictured) began in business 71 years ago, he was an Associated Oil jobber handling refined fuels and fueloil.

even get on their property,” he pointed out. “Safety has become a No. 1 priority, which includes maintenance of the equipment. We’re making sure we can service our customers, especially in the winter season, which is pretty tough out here.”

Greg Marsing is the fleet manager for Turner Gas, and safety is his top priority. Marsing oversees the vehicle maintenance program at the Salt Lake City headquarters, but the fleet is spread out through a wide area, so Turner holds contracts with Freightliner dealers and independent repair stations to do repairs in the various areas where the trucks operate.

#### Supply and Credit

“Credit is a challenge to everybody these days, throughout the system from the supplier down to us as a middle wholesaler to the retailer,” Turner remarked.

Turner Gas offers credit terms of 15 days to most customers. “The retailers are struggling because they have a hard time collecting in less than 30 days, while our suppliers are paid in 5 to 10 days,” he pointed out. “There is a cash crunch. It’s a significant issue in the industry.”

He believes the larger wholesale companies will contin-



An old Turner Gas delivery truck is pictured at 12,000 feet in the bristlecone pine forest of Eastern California.

ue to do well, because they have the available supply and financing. But he isn’t so sure about the smaller independent wholesale companies.

“A lot of the small independents are struggling, especially in this combination of supply and credit,” he noted. “And there’s not enough margin in this atmosphere, fighting for supply and the credit. I believe we will be one of the independents that will be able to remain in that business environment.”

#### Family-Operated, and Local

Jim Turner says his company stands out because wholesale propane is its primary business. Also, the company operates locally in the towns it serves. “In other words, we’re not selling to Montana from Texas,” he explained. “We’re in Montana. We have local sales people. We know who our customers are and work with them pretty closely. We also have the trucking in the regions. The drivers have good relations with the customers to keep on top of what they’re doing. And it’s a competitive business. It’s a fight for the customers.”

As company president, Jim Turner sits on the board of directors and reports to the rest of the board, which includes his brothers Tom, John, and Ken. Jim’s nephew, Mike Turner, serves as general manager, and Jim’s niece, Natalie Turner, works in sales.

After 71 years in business, Turner Gas is working toward the future. The company recently expanded into the diesel business, purchasing a fuel terminal in Carlin, Nev. “It’s both a rail and truck terminal for diesel and eventually gasoline, but diesel primarily, to come in as a supply point,” Turner noted. “We also have a propane rail terminal just a mile away.”

Turner anticipates more regional expansion in the coming years, with the company considering areas such as North Carolina, Oklahoma, and Texas. The overall future of the company looks strong, he commented.

“Because we’ve been around so long, we have a strong balance sheet and are prepared to weather the storm,” he remarked. “Our debts are in control, and our equity position is strong. So that gives us long-term viability in a tough environment.”

– Daryl Lubinsky