



Combating Market Volatility With the Best Market Information

Sapp Brothers Petroleum, Inc.
Ogallala, Nebraska

Sapp Brothers Petroleum is a wholesale outlet that delivers petroleum to the 16 Sapp Brothers truck stops (owned by the Sapp Brothers parent company in Omaha, Nebraska), as well as a number of independent gas stations and truck stops in Colorado, Wyoming, and western Nebraska.

Sapp Brothers Petroleum also has a large consumer client base of mostly farmers. The petroleum company delivers an average of 2 million gallons a month of diesel and gas, and also sells propane products.

“ Basically, it has added quite a bit in terms of the prices we bid to our customers and to our bottom line. ”

Sapp Brothers
Petroleum

“ Since we started using DTN Fuel Buyer with its real-time data, we have been consistently coming in 2 to 3 cents under our competitors. ”

Sapp Brothers Petroleum

What they were up against.

For some time, Sapp Brothers Petroleum had been gathering supplier pricing and market information that was delayed by 30 minutes. With the volatility of the markets, that simply didn't meet its needs; it had to have real-time data.

What we did to help.

In mid-2006, Sapp Brothers Petroleum started subscribing to DTN Fuel Buyer[®] to get real-time rack, spot, and market information, along with industry news and headlines.

It uses DTN Fuel Buyer to watch the market as it evolves throughout the day and to see how its rack prices are changing. When it's time to begin pricing customers in the evening, Sapp Brothers Petroleum is ahead of the game with its baseline for pricing.

What the impact was.

Before DTN Fuel Buyer became available, the staff at Sapp Brothers Petroleum spent three hours every day analyzing and preparing price data for their customers.

With DTN Fuel Buyer, it takes about 30 minutes — and they're able to get the information to their customers before close of business, as opposed to the next day.

Using DTN Fuel Buyer has given Sapp Brothers Petroleum a competitive edge. It has gained an advantage in the prices it bids to its customers, as well as in its bottom line. The company can bid knowing what's happening to the market, which has led to more business.

Sapp Brothers Petroleum has been very pleased with the access to real-time pricing information that DTN Fuel Buyer offers. Its team can see what's happening in real time to the market, allowing staff to make statements like "I can lower the bid price 2 cents, because I see that the price is going to be going down at 6 o'clock." They can then pull the product after 6 p.m. and make money — while saving the customer money.

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