

# Gray, Gray & Gray Oilheat Survey Results 2007

In what state does your company primarily do business?

- 33% Massachusetts
- 25% Pennsylvania
- 11% Connecticut
- 11% New York
- 5% Maryland
- 5% New Hampshire
- 5% New Jersey
- 5% Vermont

Which of the following do you provide?

- 86% Service
- 81% Heating oil
- 76% Retail heating oil
- 76% Installation
- 57% Diesel fuel
- 48% Low Sulfur Diesel
- 38% Commercial fuel
- 19% Propane
- 10% Motor fuels
- 10% Gasoline products
- 10% Bio Fuels
- 5% Wheel-to-Wheel Delivery

The 2005-2006 heating season was:

- 5% Our best ever!
- 25% Good
- 30% OK
- 25% Down a bit
- 15% Awful!

What were your administrative (overhead) expenses?

\$1,017,725

Total number of employees:

17.5

Number of service technicians (full-time equivalent):

4.7

Number of delivery drivers (full-time equivalent)

4.7

Are your employees unionized?

- 10% Yes
- 90% No

Which of the following employee benefits do you offer? (check all that apply)

- 76% Group Health Plan
  - 67% Retirement Plan (401k)
  - 62% Paid Sick Days
  - 48% Group Life Insurance
  - 48% Dental Plan
  - 38% Group Disability Insurance
  - 33% Incentive Pay/Bonuses
  - 29% Pre-Tax Benefit Package (Sec. 125 Plan)
- Group health percent company paid: 70%

How much do you think your customer list is worth?

- 5% Less than \$200 per customer
- 19% \$200-\$299 per customer
- 5% \$300-\$399 per customer
- 14% \$400-\$499 per customer
- 10% \$500-\$599 per customer
- 14% \$600-\$699 per customer
- 19% \$700-\$799 per customer
- 5% \$800-\$899 per customer
- 5% \$900 per customer or more

Are you considering any of the following

- 24% Acquiring another company
- 24% Upgrading an existing bulk plant
- 14% Transitioning to the next generation
- 14% Flat rate billing for service/installation
- 10% Selling your company
- 10% Conducting a business valuation
- 10% Retiring
- 10% Expanding product lines
- 0% Developing a bulk plant
- 0% Refinancing
- 0% Converting to an S Corporation
- 29% None of the above

What is the average HOURLY rate you pay your Delivery Drivers?

\$18.00 per hour

What is the average HOURLY rate you pay your Dispatchers?

\$16.50 per hour



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Do you use fuel additives?

71% Yes  
29% No

## RETAIL HEATING OIL INFORMATION

How many RETAIL heating oil customers do you have?

1,819

How many RETAIL gallons of heating oil did you sell during the heating season just ending?

1,885,289 gallons

What was your total revenue from RETAIL heating oil sales this season?

\$3,802,700

What was your cost of sales (product cost plus hedging cost) for RETAIL heating oil this season?

\$2,972,000

What was your Delivery Department payroll? (Drivers & dispatcher only. Do not include owner's salary.)

\$107,508

What was your average TARGETED margin for RETAIL heating oil sales during the heating season just ending?

51.5 per gallon

Which of the following does your company offer to RETAIL oil customers? (check all that apply)

94% Budget payment plan  
94% Heating equipment service  
81% Heating system installation  
69% Price cap  
69% Service contracts  
63% Fixed pricing  
38% Central air conditioning  
25% Tank protection plans  
19% Free oil for new customers (oil coupons)  
13% Tank monitoring system  
6% Plumbing service  
6% On-line ordering  
0% Free service for new customers

Do you charge RETAIL customers a fee for a price protection plan?

50% No  
25% Yes  
25% Do not offer a price protection plan

How much do you charge for a price protection plan?

\$65

Do your price protection plans offer customers a buyout option?

22% Yes  
78% No

What percentage of your RETAIL customers are on a price protection plan?

15%

Will you offer RETAIL customers price protection plans next year?

65% Yes  
15% No  
20% Not sure

What percentage of your price protection programs did you hedge?

70%

At a hedging cost of \_\_\_\_ cents per gallon

\$0.17 per gallon

Excluding product (oil), what is your estimated cost per RETAIL delivery?

\$23.50

How many delivery trucks do you have for RETAIL oil sales?

4 delivery trucks

What was your total delivery mileage (all trucks)?

35,000 miles

What was the total number of RETAIL delivery stops made last season (October-March)?

8,840 stops



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What is the average number of deliveries made per day (October-March)?

57 deliveries per day

What is your average RESIDENTIAL drop (gallons delivered per stop)?

156 gallons per drop

## COMMERCIAL ACCOUNTS INFORMATION

How many COMMERCIAL petroleum customers do you have?

40

How many COMMERCIAL gallons of petroleum products did you sell during the heating season just ending?

362,223 gallons

What was your total revenue from COMMERCIAL petroleum sales last year?

\$524,029

What was your cost of sales (product only) for COMMERCIAL petroleum products?

\$464,083

What was your average TARGETED margin for COMMERCIAL fuel sales during the season just ended?

\$0.275 cents per gallon

## PROPANE ACCOUNTS INFORMATION

How many propane customers do you have?

1,815

How many gallons of propane did you sell during the heating season just ending?

749,470 gallons

What was your average TARGETED margin for propane sales during the heating season just ending?

\$0.615 cents per gallon

How many propane delivery trucks do you have?

3 trucks

What was the total number of propane delivery stops made last season (October-March)?

4,180 stops

## SERVICE DEPARTMENT INFORMATION

What was your total revenue for the Service/Installation Department this past season?

\$1,209,228

What was your cost of sales for service and installation (parts and equipment)?

\$421,232

What was your Service/Installation Department payroll (including managers and subcontractor costs)?

\$476,399

What is the average renewal price you charge for a service contract?

\$189

How many PAID service contracts do you have?

502

How many FREE service contracts did you have last year?

66.5

How many service/installation trucks do you have?

4 service trucks

How many total service calls were made last year?

4,191

How many installations did you complete last year?

127 installations

What is the average HOURLY rate you pay your Service Technicians?

\$20 per hour

What is the average HOURLY rate you pay your Service Manager?

\$26 per hour



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