

# VOL 5 ISSUE 1 SourceLine



## Find Close-out Deals at Source's S<sup>3</sup> Website

Source North America's new retail website, [Source Simple Solutions \(S<sup>3</sup>\)](#), features more than 3,000 fueling products including a new promotional close-out section. Here customers will find nozzles, POS displays and more at significantly discounted prices (while supplies last).

To learn about the latest close-out deals or to browse station and dispensing equipment, POS systems, aboveground and underground containment and more, please visit [Source Simple Solutions](#).



## Source Featured in New Video and Article

Fuel Marketer News is spotlighting Source in a new video and article.

In the [video](#) filmed by Fuel Marketer News, Source's Jim Gaszynski describes the many value-added services that Source's [SOLUTIONS Design Group](#) provides to assist fuel retailers with designing a gas station.

Source also is featured in a new Fuel Marketer News ["Fueled For Thought"](#) column. The article describes the considerations fuel retailers need to make in order to realize a successful Phase 2 EMV conversion.

## 2016 Story to Watch: Environmental Policy Changes

While environmental compliance has been a major undercurrent of the petroleum industry for the past 40 years, recent developments in global and U.S. energy policies have the potential to significantly impact the retail fuel industry in 2016. Source will be keeping an eye on these developments this year, focusing on how the issues will impact fuel retailers.

### Global Climate Initiatives

In December, 195 countries agreed at the Paris climate conference (COP21) to reduce [global warming](#) by limiting the increase in the average global temperature to less than 2°C, with a goal of eventually limiting it to 1.5°C. Countries will be required to report progress on their efforts beginning in 2020. [The Oil and Gas Climate Initiative](#), which is a collaborative energy solutions effort from 10 gas and oil companies, states that the agreement "offers significant opportunity for innovation and investments in lower GHG emission solutions." While the specifics of how the U.S. will meet the COP21 standard have not yet been disclosed, the policies could drive support for alternative fuels and stricter compliance through equipment design.



### U.S. Energy Regulations

Effective Dec. 28, 2015, the U.S. Environmental Protection Agency's ozone National Ambient Air Quality Standards (NAAQS) were lowered from 75 parts per billion (ppb) to 70 ppb. In addition, the EPA released its final Renewable Fuel Standard volume requirements on Nov. 30. These two policies will have significant implications on the fuel sold on the forecourt and the equipment used to dispense it. By lowering the NAAQS standard, the number of areas designated as ["non-attainment" areas](#) is likely to increase, triggering additional regulations for those areas. In comments submitted to the EPA, NACS stated that more stringent ground-level ozone standards could prompt states to require reformulated gasoline in more stations, impose lower [Reid Vapor Pressure](#) requirements and possibly retain [Stage II recovery requirements](#). The EPA expects to complete non-attainment designations by October 2017.

### Experts with Expert Solutions

Source North America will closely monitor the industry's response to these environmental compliance initiatives in the coming months and years. With decades of experience delivering solutions through timely, practical fuel equipment solutions and innovative services, Source's team of industry experts can guide fuel marketers through whatever changes may come. For assistance, please call (800) 572-5578.

## The Sweeter Side of Alternative Fuels



Several notable alternative fuel discoveries have been made in the brewing industry recently — [biofuels made from beer yeast and whiskey](#) byproducts, for example. Did you know that another edible, chocolate, has proven itself as a potential fuel source?

Researchers at the University of Birmingham in the United Kingdom fed chocolate factory byproducts (diluted caramel and nougat waste) to E. coli bacteria, which created a reaction that produced enough hydrogen to power a fuel cell. The fuel cell, in turn, produced enough electricity to power a small fan.

With the ability to power fuel cells in zero-emission electric vehicles, [hydrogen](#) has great potential as an alternative fuel. However, because hydrogen has a low volumetric energy density (it requires a lot of storage space relative to the amount of energy it can produce), innovations are needed in order for it to deliver the driving range capabilities that most motorists will expect. That notwithstanding, Hyundai, Honda and Toyota automakers recently introduced hydrogen fuel cell vehicles. Now that's probably something consumers can sink their teeth into.



Source™ North America Corporation is proud to serve you for over 35 years as the industry's central source for fueling equipment solutions.

## Upcoming Industry Trade Shows

### WPMA

**When:** February 16-18, 2016  
**Where:** Booth 209, Mirage Convention Center at The Mirage Hotel, Las Vegas, NV  
**Website:** [www.wpma.com](http://www.wpma.com)

### Southeast Petro-Food Marketing Exposition

**When:** March 2-4, 2016  
**Where:** Booth 815, Myrtle Beach Convention Center, Myrtle Beach, SC  
**Website:** [www.sepetro.org](http://www.sepetro.org)

### NECSEMA

**When:** March 16, 2016  
**Where:** Booth 149, DCU Center, Worcester, MA  
**Website:** [www.necsa.net](http://www.necsa.net)

### M-PACT

**When:** March 22-24, 2016  
**Where:** Booth 715, Indiana Convention Center, Indianapolis, IN  
**Website:** [m-pact.org](http://m-pact.org)

### Southwest Fuel & Convenience Expo

**When:** May 9-11, 2016  
**Where:** Booth 709, Austin Convention Center, Austin, TX  
**Website:** [www.sw-expo.com](http://www.sw-expo.com)

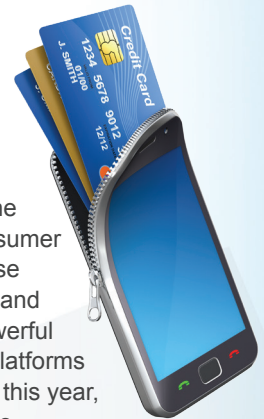


## Driving Innovation

Ace Tank and Fueling Equipment and Source were proud to sponsor the development of a hybrid-powered, formula-style race car for Yale University's 2014 Formula-Hybrid Competition. The car was designed by Bulldogs Racing, Yale's chapter of the Society of Automotive Engineers, who are currently working on the all-electric "BR '16" race car. Nice work, team!

## New Technologies Poised to 'Disrupt' the Forecourt

The retail fuel industry is at the intersection of many "disruptive" technologies that, through their innovation, have the potential to displace similar technologies currently being used and "disrupt" the current status quo. Source will be monitoring these technologies as they continue to evolve.



### The Disruptor: Mobile Payment Technology

**Potential impact:** The mobile payment innovations that continue to permeate the market have the potential to revolutionize commerce as we know it. From a consumer perspective, mobile payment platforms — on smartphones and in cars — promise to digitize wallets and provide faster, more convenient transactions. For C-store and gas station operators, it could yield reduced credit card processing fees and powerful integrated customer loyalty and marketing opportunities. With mobile payment platforms such as Chase Pay and Walmart Pay set to launch nationwide in the first half of this year, we should soon gain greater insights about the technology's industry implications.

### The Disruptor: On-Demand Gas Delivery Services

**Potential impact:** Start-up apps such as Purple and Filld are now delivering fuel to consumers. While the service is enormously convenient, is it a service the average consumer will pay for — especially if fuel prices rise? Only currently available in limited markets, it is definitely a trend to watch.

### The Disruptor: Autonomous Cars

**Potential impact:** [Forbes](http://Forbes) listed autonomous cars as the No. 1 Most Disruptive Innovation at the 2016 Consumer Electronics Show. Self-driving cars have the potential to enhance the independence of aging or visually impaired drivers, and entice more drivers, who are free to pursue other in-car activities such as work or relaxation, to get in their car and go places. Poised to go mainstream, battery-powered autonomous cars could increase the number of vehicles on the roadway and influence future fueling trends. We'll be watching for developments from Google, who is currently testing driverless cars, and Apple, who has been rumored to be developing an autonomous car of its own.

## Fuel Equipment Loans Can Save Money in Long Run

Fuel retailers have a staggering number of equipment, infrastructure and compliance investment needs before them: EMV and UST upgrades, alternative fuels equipment, and media-rich marketing platforms, just to name a few. Although equipment upgrade costs can add up in the short term, new equipment can position marketers for long-term profitability through reduced downtime or increased throughput. Financing companies that specialize in underwriting C-Store and retail petroleum equipment investments offer a number of advantages, including:



- **Competitive, Fast Financing:** Flexible loan terms and interest rates are competitive with financing from other commercial lending entities and may be approved in as little as 48 hours
- **Minimal Upfront Costs:** Frequently loans can be secured with a small down payment, or sometimes, no down payment at all, and minimal collateral
- **Industry Experience:** The lenders are familiar with the needs and challenges of the retail petroleum industry, from compliance requirements and technology advances to legal and political issues
- **Brand Partnerships:** These lenders partner with major equipment manufacturers and oil brands to offer special financing packages that leverage leading equipment and brand identities
- **Applicative Solutions:** Lenders offer programs designed for specific, timely needs such as EMV or UST upgrades. In addition, programs that bundle financing for a timely, urgent equipment need and a long-term operational goal (such as lighting upgrades) in the same loan enable sites to secure a longer overall financing term and interest rate

Visit Source's financing partners, [Patriot Capital](http://PatriotCapital) and [Allied Brand Capital](http://AlliedBrandCapital) to learn more.