

CASE STUDY: REQUES E HIJOS, S.L.

A Partnership Built Through Progress

SPAIN'S PRIVATIZATION OF ITS OIL INDUSTRY CREATED REPSOL, WHICH ENABLED REQUES E HIJOS, S.L. TO BECOME MADRID'S LARGEST FUEL DISTRIBUTOR, WITH HELP FROM BLACKMER® TX SERIES SLIDING VANE PUMPS

By Iris Willmes



The demise of CAMPSA, Spain's national oil company, 30 years ago turned the country's fuel-supply industry on its head. However, it also created opportunities for independent operators. Through the assistance of Marcos Kremers, left, Sales Manager of Cetil Dispensing Technology, S.L., and Iris Willmes, center, Regional Sales Manager, Europe and Scandinavia for PSG® and Blackmer®, Ángel Reques, Jr., right, and his Reques e Hijos, S.L., fuel-distribution business has become the leading supplier of heating oil and diesel fuel in the Madrid market. Also playing a role are Blackmer TX Series Sliding Vane Pumps, which are featured on Reques e Hijos' entire rolling fleet and at its two fuel depots.

Introduction

Looking back, there were probably safer and less stressful times to launch a fuel-distribution business in Spain than the late 1980s. Spurred in part by the death in 1975 of dictator Francisco Franco, Spain had begun the long, arduous process that was required to gain admission to the European Community (EC). At that time, the EC, which was formerly known as the European Economic Community and which would eventually be absorbed into the European Union in 2009, was one of three international organizations that governed Europe's coal and steel, atomic energy, and economic/marketing communities.

QUICK FACTS

Company: Reques e Hijos, S.L.

Location: Collado Villalba, Spain

Market: Fuel Distribution

Distributor: Cetil Dispensing Technology, S.L.

Challenge: Identify and utilize a robust, reliable transport pump that could help a fledgling fuel-distribution company build a fleet that could create loyalty in a critical market and customer base

Solution: Blackmer® TX Series Sliding Vane Pumps



Gaining admission into the EC would necessitate the dismantling of, after 60 years of operation, Spain's state-run oil company, Compañía Arrendataria del Monopolio de Pétroleos Sociedad Anónima (CAMPASA), which was created in 1927. Replacing CAMPASA would be a conglomeration of formerly state-controlled oil-sector companies.

Amidst all of this turmoil, volatility and uncertainty, Ángel Reques, Sr., had created a trucking operation that would supply heating oil to residences in Madrid. After originally securing a supply contract in the early 1980s with CAMPASA, he started a one-truck operation, which expanded to two when his son, Ángel, Jr., joined the business.

"My father started with one truck that had a little 200-liter (53-gallon) tank that he would fill before going to homes to sell heating or diesel oil," recalled Ángel Reques, Jr. "In 1992, the monopoly of CAMPASA was officially ended and all of the distributors had the possibility to buy their own trucks and open their own distribution businesses."

Stability Amidst Uncertainty

Taking advantage of this opportunity, Reques, Sr., chose to form his own fuel-distribution business and named it Reques e Hijos, S.L. (Reques and Sons), which he based in the village of Collado Villalba, about 25 kilometers (16 miles) northwest of the Spanish capital of Madrid. By the time of CAMPASA's final dissolution in 1992, Reques e Hijos had already grown to the point where it was delivering two million liters (528,000 gallons) of heating oil and diesel fuel (called "gasoleo" in Spain) a year.

At the same time, rising from the ashes of CAMPASA's demise was Repsol S.A. Repsol, which was originally 100% state-owned, but today consists of more than 90% private ownership, was Spain's first integrated international oil company. It currently controls 60% of Spain's refining market and has grown into Europe's sixth-largest oil company.

"We were already buying two million liters of heating oil and diesel fuel and Repsol saw that we were a potential customer that sells a lot, so they gave us the opportunity to form a partnership with them to distribute heating oil under their brand," said Reques, Jr., who is now Director of Reques e Hijos. "So, we started buying more and more trucks and the business started to grow. We started only with heating oil, but now we also distribute diesel for cars and diesel for agricultural uses."

With all of the uncertainty that is inherent when launching a business in a turbulent market, Reques e Hijos benefited from the presence of one stabilizing factor – all of the company's trucks and the loading bays at its fuel depot were outfitted with TX Series Sliding Vane Pumps from Blackmer®, Grand Rapids, MI, USA. Blackmer, a product brand of PSG®, Oakbrook Terrace, IL, USA, a Dover company, is a leading manufacturer and supplier of pumps and compressors for use in industrial truck-transport applications.

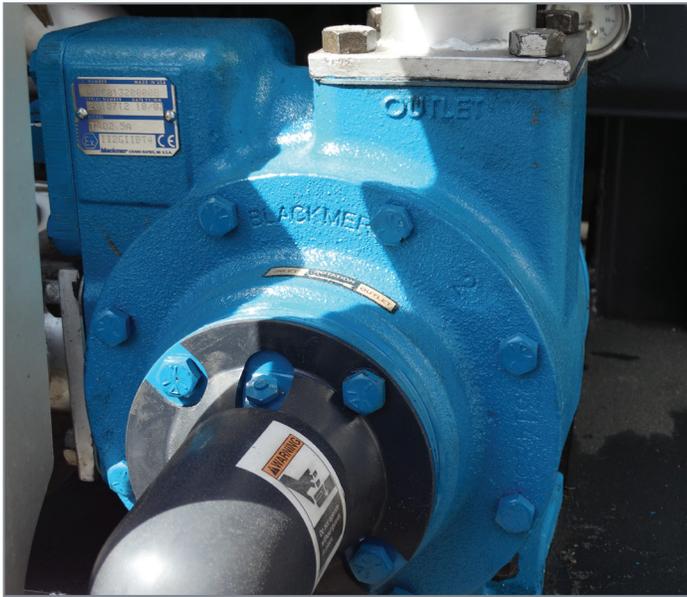


Heating oil and diesel fuel deliveries must be completed in a timely, safe and reliable fashion. By equipping all of its delivery trucks with TX Series Sliding Vane Pumps from Blackmer®, Reques e Hijos is able to satisfy the demands of these critical operations, especially in the cold winter months when service interruptions cannot be tolerated.

"We started mounting Blackmer pumps on our trucks in 1993 after we had been using other pumps for a couple of years," said Reques. "We have tried other brands over the years, mainly because some tank-truck manufacturers mount other brands of pumps, but when we order those trucks we get the surprise that it isn't a Blackmer pump. I prefer the TX pumps because they are very robust, very reliable, they last very, very long and we can trust them in almost every situation."

Specifically, the TX Series pumps provide the operational characteristics that can satisfy the demands that are common in the delivery of heating oil and diesel fuel, including:

- Sliding vane operation that self-adjusts for wear and maintains flow rates
- Dual-end shafts that simplify installation
- Mechanical seal and ball-bearing construction for maximum reliability
- Symmetrical bearing support for even loading wear and long life
- Adjustable relief valves that protect against excessive pressures
- Easy vane replacement without needing to take the pump out of service



By combining Blackmer® TX Series Sliding Vane Pumps, left, with Cetil Dispensing Technology's metering equipment and systems, Reques e Hijos has optimized the performance of its truck-mounted fuel-delivery systems.

A Symbiotic Relationship

Ensuring that the Reques e Hijos fleet, which now numbers 30 trucks that utilize two fuel depots to serve an expansive client base that makes it Madrid's largest fuel distributor, has ready access to TX Series pumps, parts and accessories is Cetil Dispensing Technology, S.L., Algete, Spain. Located 25 km northeast of Madrid, Cetil Dispensing Technology has its roots in the Spanish fuel-handling companies Cetil, S.A. and Medición y Transporte, S.A., which have served the market since 1953 and 1972, respectively. Cetil Dispensing Technology places an emphasis on developing dispenser equipment and systems that are used in the transfer of motor fuels and other oil-related products.

Marcos Kremers is Sales Manager for the company's High Flow division, which outfits truck fleets and depots with equipment and systems for use in handling heating oil and diesel fuel.

"Before we were Blackmer distributors, we were distributors for another company, but when that company decided to sell directly to its customers in Spain, we had no pumps," explained Kremers. "So, we decided to go with a high-quality pump and started the Blackmer partnership for distribution. Suddenly, all of our customers changed to Blackmer because they wanted Cetil's after-sales service and stock for immediate delivery of parts. This is a great example of customers being loyal to a company because of the great service that is provided."

In the case of the relationship between Reques e Hijos and Cetil, that loyalty is definitely a two-way street.

"We always ask our tank-truck manufacturers to install a compact pump-emission system from Cetil because they give

us a good warranty and help us to size the pump to our needs," said Reques. "We are happy with this solution we are using right now, and because Cetil's pump is Blackmer, we are happy with the Blackmer pumps."

A main contributor to the loyalty that Reques e Hijos has built with Cetil and Blackmer is the reliability of the TX Series pumps in varying operating conditions. Madrid is situated at the foot of the Sierra de Guadarrama mountain range, whose peaks are still snow-capped in June, serving as a reminder that the harsh winter months are never too far away. In those conditions, when people rely on the availability of heating oil to warm their homes, schools, hospitals and businesses, service interruptions cannot be tolerated, especially if they are caused by a malfunctioning pump.

The operational reliability of the TX pumps makes that concern irrelevant. "One of the things we appreciate most from Blackmer pumps is their high reliability in winter," said Reques. "Because heating oil is 70% of our turnover in the winter months, we need pumps that don't break and that we can trust during this very busy time for us."

Conclusion

Out of the upheaval and uncertainty that marked Spain's transition to a privatized oil industry nearly 30 years ago have risen the success stories of Reques e Hijos and Repsol, with a significant assist from Blackmer TX Series Sliding Vane Pumps and Cetil Dispensing Technology.

"Like our partners Blackmer and Cetil, we provide quality service, a quality product, and that is the secret of our success," said Reques. "The Blackmer pumps give us the guarantee that when we come to a customer we can make the delivery





Reques e Hijos, which began as a one-truck operation that delivered home heating oil in 200-liter (53-gallon) increments, is now one of the largest distributors of heating oil and diesel fuel for Repsol, Europe's sixth-largest oil company.

without any surprises. We pump a lot of liters a year, so we need something very trustworthy. We are very happy with Blackmer pumps and we will continue using these pumps for many years."

About the Author:

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