



New Jersey Gasoline, C-Store, and Automotive Association (**NJGCA**)
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FOR IMMEDIATE RELEASE

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Three Year Investigation Results in CITGO Taking Action at Their Branded Locations

*Locations in NJ forced to de-brand and contribute to CITGO's settlement with State
NJGCA initiated efforts to catch brand comminglers and octane cheaters*

Sal Risalvato, Executive Director of the New Jersey Gasoline, Convenience, Automotive Association (NJGCA), released the following statement in response to CITGO's recent announcements regarding commingling and the elevation of their product to "top tier" status:

"I applaud CITGO's recognition that co-mingling is a problem. When a consumer pulls up to the pump thinking that they are buying CITGO Tri-CLEAN fuel, that's what they deserve to receive. The all-too-common practice of unscrupulous retailers purchasing cheaper unbranded fuel and selling it at their branded locations is a misrepresentation and a fraud perpetrated against unknowing consumers. I fully expect that CITGO and all other oil companies should stand a hard line against retailers engaging in these practices."

"However," Risalvato continued, "What CITGO has failed to mention in their recent statements that were released to the press is that their new policy against commingling comes on the heels of a multi-year NJ Weights and Measures investigation, initiated by NJGCA. I first voiced my concern to NJ Weights and Measures officials in February of 2013, because I had seen far too many retailers gain an advantage and injure competitors in the retail marketplace by commingling cheaper and inferior product into their brand-name locations. Although the overwhelming majority of retailers are honest, it only takes a small handful of unscrupulous retailers to injure those who are honest."

"I asked state officials to launch an investigation," Risalvato explained, "and gave them some tips on what to look for when visiting retail gasoline locations. Investigators found evidence of commingling unbranded gasoline into branded locations, and commingling regular gasoline into

premium gasoline tanks. After convening a meeting with NJGCA, several concerned distributors, and state officials, Weights and Measures used the information that was given to them, and found that a large number of CITGO locations had been commingling cheaper, inferior gasoline into their branded locations. Knowing the gravity of these findings, I met again with officials from the Attorney General's office, the Department of Consumer Affairs, and the Office of Weights and Measures in September of 2015. I urged them to conclude their efforts to prosecute these dishonest business owners to the fullest extent of the law."

"Several months ago, I learned that CITGO was forcing retailers in more than 20 locations across the State to remove the CITGO identification from their locations and has cancelled the retailers' rights to use CITGO trademarks," Risalvato said. "Several retailers notified me that they are also being required to pay a heavy monetary penalty to reimburse CITGO for a settlement that they made with the NJ Attorney General's Office as a result of the Weights and Measures investigation. While I have never been notified by the Attorney General's office that a settlement had been reached, and I'm not privy to the terms of that settlement, I applaud the NJ Office of Weights and Measures for pursuing this initiative."

"As all of my members, and all of the County Weights and Measures Offices in New Jersey should know, NJGCA has a zero tolerance policy against dishonest retailers who cheat their customers. We strongly encourage the prosecution of the "bad apples" and we seek penalties against any retailer who is blatantly dishonest. I'm requesting that the investigations into brand co-mingling and octane co-mingling continue. Unscrupulous operators injure my honest, law-abiding members and all of the public, and that is something I cannot allow to continue unchecked," Risalvato concluded.

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