



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

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March 4, 2022

Setting the Record Straight About Lukoil Gas Stations

Sal Risalvato, Executive Director of the New Jersey Gasoline, C-Store, Automotive Association, a nonprofit trade association representing motor fuel retailers and associated small businesses, released the following comments:

“First off, I want to be absolutely clear that I strongly support dramatic sanctions against Russia in retaliation for its unjust war of aggression against Ukraine, and I am glad to see that the Governor and Legislature are working to make sure New Jersey is the leading state in US to cut off any possible financial support for the Russian government.”

“I need to make clear though that most if not all of the Lukoil stations found in this state are not being managed or operated by the Russian Lukoil corporation, but by individual franchisees, who have signed multi-year contracts to operate these locations.” Risalvato continued “These small businesses invest significant amounts of money, time, and sweat to keep these businesses open and their families fed. Running a small business, especially a retail business, is one of the greatest challenges there is in this country.”

“I have seen reports of other businesses like liquor stores choosing to stop stocking Russian manufactured liquors, and I applaud them for their initiative.” Risalvato added “But these Lukoil franchisees do not have that option. Many of these franchisees never even chose to be associated with Lukoil, they were Getty or

Mobil locations purchased in bulk by Lukoil years ago. Even the actual gas that they buy wholesale comes from US suppliers, Lukoil just slaps their brand name on it.”

“Small businesses—and particularly gas stations—have long been a difficult but rewarding pathway to achieving the American Dream for immigrants from across the world. They have also been a business passed across multiple generations of American citizens. These are the people who would be victimized if the government were to decide to shut these businesses down” Risalvato pointed out. “Their employees, also proud New Jersey residents, would also be out of work. With about 120 stations in the state I would estimate their closure would lead to between 600 and 1,200 people instantly added to the unemployment rolls.”

“If you do not want to take my word on this, I recommend the recent CNN article ‘Boycotting Lukoil would sting US gas station owners more than Russia's oil company’¹ as well as this well researched article by the objective fact-checker Snopes which concludes ‘a successful boycott could require financial devastation — if not ruination — among many dozens of local entrepreneurs in the United States, as well as sudden unemployment for their hundreds of workers, in order to achieve what would be only a very small financial impact on the Russian parent company, or its bosses in Moscow.’”².

¹ <https://www.cnn.com/2022/03/01/business/russia-lukoil-boycott/index.html>

² <https://www.snopes.com/fact-check/lukoil-russia/>