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Gasoline prices reflect stations' diverse goals

By Duane Retzlaff and Lori Siewert

Service stations' freedom to set their own gasoline prices has resulted in prices varying by as much as 23 cents in Lincoln.

Federal gasoline price controls were lifted in January 1981, according to a spokesman from the Federal Energy Office in Kansas City, Mo.

The price of a gallon of regular gasoline recently ranged from \$1.16 to \$1.35,9; unleaded gasoline prices ranged from \$1.22 to \$1.44.8. These figures were compiled in an informal telephone survey of 28 Lincoln service stations.

Some of the cheaper gasoline prices were at convenience stores and others that sell self-service gasoline. Wheeler's, 5640 Cornhusker Highway, had the lowest prices for both regular and unleaded gasoline. Wheeler's is primarily a hardware store.

Wheeler's manager Alan Svoboda, said the store uses gasoline as a lead-in to get customers inside the store. The store sometimes takes a loss on the gasoline, but makes it up with sales of merchandise, he said.

Gas war

Jim Hiland, manager of Jim's Service, 3301 Cornhusker Highway, said Wheeler's pricing practices are like a gasoline war.

"They have more fun hurting the other guys," Hiland said. "They won't admit that, but that's what they're doing.'

Hiland said a large chain like Wheeler's can afford to sell gasoline at lower prices at some stations because they make up the loss at other stations.

Customers are attracted to his station by the full service he offers, Hiland said.

At a full-service station, the attendant pumps the gasoline, washes the windows, checks the oil and checks under the hood. This differs from a mini-serve station, where the attendent only pumps gasoline.

"I don't believe in self-service," Hiland said. "It isn't what the customer needs or wants." He said most people won't check their own oil or wash their windows.

Steven Bailey, owner of Shop Easy, 3735 N. 70th St., said competition from the nearby Wheeler's has forced him to lower his gasoline prices. "Wheeler's could care less if they make money on gas," he said.

Bailey said Shop Easy sells groceries to about 75 percent of its gasoline customers.

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Save time

John Edwards, manager of Gas 'N' Shop, 2801 O St., said most of the customers who buy gasoline also buy groceries there.

"They can pop in, get some gas, get some milk and combine two errands," he said. "They don't have to stand in line at a grocery store."

Melanie Riblett, an employee at the Kwik Shop, 1111 N. Cotner, said the store sets its gasoline prices to be competitive with other stations in its area.

"Gas is our main money-maker," she said. They sell twice as much gas as merchandise.

Gasoline is not the main money-maker at full-service stations such as the Amazon Amoco, 1235 S. 11th St. Station manager Kim Stokes said they depend on profits from renting garage space and tools to people who want to work on their cars.

Terry Mead, an employee of Irv's Standard Service, 14th and High streets, also said the station does not make money from its gasoline sales.

"The only thing that keeps us going is the shop work," he said.

The convenience of full-service and the quality of gasoline attracts customers, Mead said.



Mary Glaser 116 So. 42nd St. Omaha, NE 68131 (collect) 402-221-4319 :10:

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"People are willing to pay a few cents more for a better grade of gas," Mead said. "If you get cheaper gas, it's likely to have some water."



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