



HEATING

Jamie Oil Headlines

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Summer 2007

In This Issue

“The weather was warm, and the prices *still* went up.” a senior citizen told me this past winter. She was right. Looking back on how things were ten years ago, it seems as if they were simpler then. In this issue of our newsletter, we look back on the last ten years, introduce you to one of our most experienced service technicians, and bring you up to date on what is happening in the oil heating business, especially with fixed price oil contracts.



Tom Carey

“ Our goals and philosophy have not changed over the years; we continue to strive to run the best local heating oil company serving Metrowest.”

Last winter started out as one of the warmest ever. After January 15th the weather turned, and colder than normal temperatures prevailed up until the end of April, which was one of the coldest ever on record. The more years I spend at Jamie Oil, the more things seem to change. Oil prices were high, despite the warm weather. For the first time in many years, customers that bought fixed price oil contracts saw little, if any, savings.

This summer marks an important milestone at Jamie Oil. Ten years ago, we took over a company that at that time had two oil trucks and three employees. Our goals and philosophy have not changed over the years; we continue to strive to run the best local heating company serving Metrowest.

We want to be honest with our customers and help them through what quite often are difficult times.

Continued on Page 3

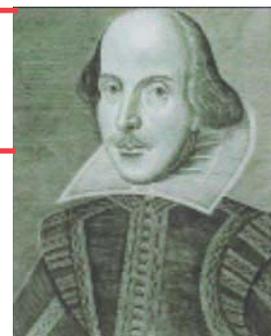
Ten Years of Change

On August 1, 1997, “The Spice Girls” topped the popular music charts, Lady Diana was beloved as a worldwide ambassador of goodwill, and home heating oil in Framingham cost \$.89 per gallon. Crude oil cost less than \$20 per barrel and Jamie Oil was sold to its current ownership. Our goal was to grow and run the best retail oil company in the Metrowest.

Almost every town in Massachusetts had their own local bank, pharmacy and oil company. In the late 1990’s, like banks and drug stores, oil companies began selling out.

Continued on Page 2

To Lock-In or Not to Lock In...



Every summer our customers wrestle with “locking in” to a fixed price program, a capped price program or paying our daily market rate for oil deliveries next season.

Below please find ten things you should know prior to making your decision.

1. It is your decision. Jamie Oil neither encourages nor requires any customer to lock in.

Continued on Page 3

Ten Years of Change

Continued from Page 1

Oil price volatility, rising insurance costs and skilled labor shortages caused several companies, some with great reputations dating back to the 1930's, to get out of the business.

As the century turned, oil prices were on the rise. Home heating oil increased by \$.50 per gallon from August to February in many years. Customers that found paying \$1.29 per gallon "outrageous" one year, paid \$1.90 the next, and \$2.35 the following year. Fixed price oil contracts increased in popularity. While many a customer saved as much as \$500 by signing a contract, locking in was not always a sure bet. We all learned that the market can go down as fast as it goes up.

At JOC we were fortunate to attract some of the most capable and experienced employees in our field, which enabled us to attract and service the best customer base in Metrowest. We continue to keep our eye on our goal of running the best retail oil company in Metrowest.

Ten years later, we are grateful to have survived and are thankful to have reached the goals we set forth in 1997. We thank our customers for allowing us to serve them. We look forward to the challenges we will face over the next ten years.

Test Your Knowledge Fun Facts on Jamie Oil and The Heating Oil Industry

1. Who was president when JOC General Manager Rick Auen worked on his first heating system?

- a) Herbert Hoover
- b) John F. Kennedy
- c) Richard Nixon
- d) Lyndon B. Johnson

2. In their careers, the combined number of heating oil gallons sold and delivered by JOC employees exceeds:

- a) 10 million
- b) 100 million
- c) 50 million
- d) 1 billion

3. The average years of heating oil experience of JOC's management team is:

- a) 17
- b) 25
- c) 20
- d) 27

4. In the past, JOC employees have supplied fuel to:

- a) General Electric
- b) Yale University
- c) Dow Chemical
- d) Liberty Mutual
- e) all of the above



Continued on Page 4

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To Lock-In or Not to Lock In...

Continued from Page 1

2. Your decision involves risk and much of the risk is yours.

3. Every year oil prices go up on some days and down on others.

4. Do not expect to “pick the bottom” of the market.

5. Jamie Oil employees have no idea what oil prices are going to do next year.

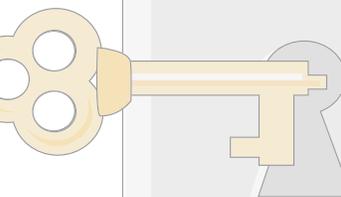
6. If you lock in and oil prices go up, you win. You save money.

7. If you lock in and prices fall, you lose. Locking in could cost you money.

8. Jamie Oil orders oil from our suppliers when you lock in, as is required by law.

9. Jamie Oil cannot “get out of” the contracts we sign with our suppliers, and we require our customers to fulfill their obligations to us.

10. If a customer chooses to lock in five years in a row, it is likely that the customer will lose money two out of the five years.



In This Issue

Continued from Page 1

As we look forward to the next ten years, we are pleased to have attracted the best customer base in Metrowest and the most experienced staff in our field. Next year will surely bring upon us many

new challenges, but we will be ready to meet them. Our customers can continue to expect the best of quality at fair prices.

Employee Profile..... Tom Bik



Tom Bik is truly one of a kind. It does not matter if Tom is chairing a Planning Board meeting in Blackstone, quoting Shakespeare or working on a heating system, Tom Bik has a manner that is all his own.

“He’s a very special person,” said Jamie Oil General Manager Rick Auen, who hired Bik ten years ago when they worked together for a Hopkinton based heating oil company. “Few service technicians take the time and do things as thoroughly as Tom does. Our customers benefit a great deal because of Tom’s attention to detail.”

“Tom Bik joined our staff years ago, and the quality of our service and our customer satisfaction increased dramatically shortly thereafter”, claims JOC President Tom Carey. “Our customers feel confident that when Tom arrives at their home things are going to be done right.”

Tom grew up in Blackstone and has been working on heating systems for 36 years. He owned his own business as a heating contractor and has gained quite a reputation as an even handed town official in Blackstone. Known for his fairness, modesty and sense of decency, Tom frequently draws on his Shakespeare, “Above all else, to thy own self be true.” Tom is married and has two daughters.