

Caywood Propane Gas, Inc.

SUCCESS STORY: TANK MONITORS TO OPTIMIZE AND INCREASE AVERAGE AUTO DELIVERY

Caywood Propane Gas, Inc. is a third-generation propane marketer serving most of the lower-half of Michigan's lower peninsula and parts of northern Ohio. Currently lead by Chris Caywood, who formerly ran large divisions of two publicly traded companies. Chris brought his business experience to the propane industry by evolving his family's 79-year-old business into a 21st century fully integrated propane company. From online offerings to a customer app, Caywood Propane prides itself on its ability to provide their customers with reliable, transparent and value-priced service.



THE CHALLENGE

With most of their service area being rural, Chris needed to seek out solutions to not only get from point A to point B in the most efficient way, but also to make large drops at those stops. Chris and his brother Michael, who is a Co-Owner of Caywood Propane, fully embraced technology and understood the impact it could have on their operations. In 2016 they started investing in new technologies such as a modern back office system, routing software, customer-facing web-portal, a barcode scanning system for meter reads – “We’ve essentially automated as much as possible” Chris says. Tank monitors were the additional tool that Chris needed to deliver the transparency, efficiency and differentiation he was looking for.

SOLUTION

Chris started with a strategy, determining that he wanted to average between 290 and 300 gallons per stop into his 500-gallon LP tanks, while also maintaining reliable and value-priced service. “For our customers that are sensitive to cost, we needed to streamline our operations to keep our price in range and still achieve

an appropriate rate of return” Chris says. After researching almost 2 dozen tank monitoring vendors and seeking advice from his colleagues on the NPGA Benchmarking Council, Chris partnered with GREMLIN tank monitors based upon our long-standing in the market and technology options. “Angus brought a lot to the table” Chris states “They have their own proven technology...and they do it at what I’ll call a ‘disruptive price’, a price that allows a guy like me to deploy them broadly.” With that, Chris made the deliberate decision to “rip the band aid off” and deploy 700+ monitors immediately.

RESULTS

GREMLIN propane tank monitors proved to be an effective and reliable monitor to deliver the transparency, reliability and efficiency Caywood was looking for. After rolling out 630 monitors in 3 months over the summer and prioritizing the deployment to target Auto-Fill customers first, Chris was able to identify any problems before winter and get the benefits as soon as possible. Within the first year of deploying tank monitors Chris has already:

- **Increased their average delivery by 87 gallons**
- **Increased Auto-Fill deliveries by 110 gallons**

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Tank monitors are an active part of Caywood's strategy as Chris continues to develop ways to utilize tank monitors to increase his drops and stand above his competition.