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With credit tight, Chris Keyser opts to sell fuel oil business

By [Bruce Edwards](#)

STAFF WRITER

If not for the financial crisis that hit the country two years ago, Keyser Energy might still be a family-owned business. But with credit still difficult to come by for small businesses, owner Chris Keyser last year began looking at other options.

In the end, Keyser decided to sell his 32-year-old fuel oil and propane business to Hop Energy, a \$300-million-a-year company with residential and commercial operations in seven Northeastern states.

"Basically, I sold the problems and they were all related to finance," Keyser said.

Given the size and nature of his business, he said he could not obtain continued financing to successfully run the business. Of the banks he approached, Keyser said the loan decisions were made out-of-state.

Hop Energy (www.hopenergy.com) was among several interested buyers and the company that met all of Keyser's criteria.

Keyser said the first requirement of any sale was that his 32 employees would be retained and kept at their current pay and benefits and that Keyser Energy would remain a standalone company with Keyser staying on as general manager.

He also said Hop had the financial resources to run the company.

Keyser said he's seen too many locally owned businesses sold with jobs lost as the new owner consolidates operations. He said he wanted to ensure that didn't happen with his company.

"That's wasn't what we were after," Keyser said. "We were after more value for our customers and provide security for our employees."

The financing brick wall that Keyser ran into isn't a new issue, said Matt Cota of the Vermont Fuel Dealers Association.

Two years ago at the height of the financial crisis, Cota and fuel oil representatives from the Northeast traveled to Washington, D.C., and met with an undersecretary of the Treasury to discuss access to capital.

Cota said the problem is exacerbated with an increase in crude oil prices.

"So whenever the price of the product goes up, as it did in 2008 and as it has been pretty steadily over the last three months, financing will always be an issue for these dealers," Cota said.

Keyser Energy is the first Hop Energy company with a propane operation. Keyser said it will afford him the opportunity to help Hop expand into the propane end of the business.

For customers, Keyser said it will mean additional products and services. He said customers will have more flexible options for buying fuel as well as online account services.

Besides the change in ownership, Keyser said it's business as usual.

"You're still dealing with the same people and I'm still around," he said.

Based in White Plains, N.Y., Hop Energy operates 44 branches in seven states and employs 850 people.

@Tagline:bruce.edwards

@rutlandherald.com
