

Exxon Mobil Sued For Manipulating Fuel Marketplace

FORT LEE, N.J. (Business Wire) - United Dealers New Jersey, whose members own and operate more than 100 local Exxon stations throughout New Jersey, announced that its members filed a Complaint in Federal Court last night against ExxonMobil Corporation. This unprecedented legal action is an effort to sustain the operation of their stations and protect themselves from unfair practices that they say have been levied upon them by ExxonMobil. Through the lawsuit, the station owners seek to have the Court declare certain practices of ExxonMobil unlawful and reduce gasoline prices in New Jersey and ultimately, throughout the country.

The lawsuit, funded entirely by the station owners, accuses ExxonMobil of taking advantage of its New Jersey franchises through a number of unlawful practices. The lawsuit claims that ExxonMobil has been charging different prices to different Exxon stations for the same quality and grade of motor fuel. Thus, consumers in the same geographic region have been forced to pay different prices for the same gasoline. The lawsuit also alleges that ExxonMobils conduct has resulted in the plaintiffs and consuming public having an insufficient supply of available gasoline as prices rise. The lawsuit seeks to prohibit ExxonMobil from engaging in such conduct.

"ExxonMobils actions have resulted in an increased financial burden on the families that own and operate more than 100 Exxon stations in New Jersey," said attorney Marc J. Gross, a partner with Greenbaum, Rowe, Smith & Davis LLP, Roseland, New Jersey, who represents the plaintiff station owners. "ExxonMobil has threatened the continued viability of these small businesses with the imposition of unreasonable standards."

For most of these plaintiffs, "their investment in their franchise represents their life savings," Gross adds.

Scott Brownfeld, owner of an Exxon station in Lincroft, New Jersey, for nearly a decade, complains that, "ExxonMobil has made things very difficult. It has threatened to sell its New Jersey franchises to jobbers. If that happens, we are afraid our costs will increase. The price we pay is already high enough."

As the worldwide leader in the sale of motor fuels, ExxonMobil sets the pace by which all other oil companies follow. "These business owners have taken an extraordinary risk and placed an enormous burden upon themselves in suing ExxonMobil," says Gross. "They are attempting to bring order and accountability to the motor fuel marketplace."

Gross believes this lawsuit will have "far-reaching consequences in reducing the price everyone pays for gasoline, if the station owners are successful."

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"We need customer support now more than ever," said Ebbie Ashabi, who has owned Exxon stations in Ramsey and Newfoundland, New Jersey, for more than nine years. "ExxonMobil will undoubtedly assemble significant opposition to our efforts and we will not be able to afford this fight unless our customers stand behinds us."

Ed Rapke, who has owned Exxon stations in Livingston, New Jersey, for more than nine years, is concerned. "We are paying for this out of our pockets, while at the same time doing everything we can to keep the price of gasoline as low as possible. A portion of the purchases made at our stations goes towards our fight against ExxonMobil so we are all treated fairly."

Ashabi states his groups goal plainly. "We want to make the New Jersey gasoline marketplace more consumer friendly by reducing the price everyone pays. We need our customers to be our partners to help us be successful."

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