

Gas Station Owners Rebel

BY WALLACE WOOD
Sentinel Staff Writer

Gasoline service station operators in the Santa Cruz area are considering several moves against federal Phase 4 price controls, including partial closings, shorter hours, and even open defiance of the price guidelines.

A meeting has been called for 7:30 tonight at the Native Sons Hall, 239 High St., by service station operators.

It is one of many meetings aimed at creating a nationwide protest against the government controls. Representatives of 3,000 service station operators are meeting tonight in Oakland as well.

One possible outcome could be cutbacks of service station hours so they would be open only from 8:30 a.m. to 4:30 p.m. — forcing work - bound or home - bound commuters to gas up during working hours.

"We've got to get the public to realize what's going on," said Jim Brodie, owner of a Watsonville Standard station and a member of the National Service Station Dealers Assn., which is calling tonight's session.

(Continued on Page 2)

White House On Agnew

WASHINGTON (AP) — The White House declared today that nobody is pressuring Vice President Spiro T. Agnew to resign with President Nixon's knowledge or authority.

The statement by Deputy White House Press Secretary Gerald L. Warren, in response to a question, appeared to reinforce further an effort by the White House and Agnew's staff to dispel reports of a growing breach between Nixon and the vice president.

It followed an earlier denial by Warren that Nixon himself was applying pressure on Agnew to quit because of his involvement in a political corruption investigation in Maryland.

In Baltimore, meanwhile, the federal grand jury studying evidence in the case reconvened.

The first inquiry at today's briefing was whether Agnew wanted Agnew of the scandal responded by saying he no White House matter until L. Richardson work.

But Warren said an "absolute" Washington Post Republican party been told by House official departure would opportunity to tone for the ad.

Asked if he official made Warren said made by any authority or kn

Santa Cruz Sentinel

118th Year NO. 221 THURSDAY AFTERNOON, SEPTEMBER 20, 1973

Gas Station Owners Resist Phase 4

(Continued from Page 1)

Another possibility is open defiance. While service station operators throughout the nation have been forced to roll back their prices to those charged as of Jan. 10 this year (with allowance for tax changes), Bob DiCiano of Bob's Chevron Service, Ocean and Water Streets, says he won't.

"I've made my stand as an American citizen, and no son-of-a-gun is going to tell me what I can charge," he said. DiCiano added that many stations have not completely rolled back their prices to the Jan. 10 level, "but I'm the only guy so far who will openly admit it, so they'll probably come after me."

A \$2,500 maximum fine has been threatened for violating the

Phase 4 gas price guideline.

Service station operators have been caught in a progressive profit squeeze during the various federal price control programs. While their prices have been rolled back, the gasoline suppliers are free to raise the prices they charge to service station operators under Phase 4.

Three major firms — ARCO, Texaco, and Shell — reportedly have raised the wholesale gasoline price about one cent per gallon at the same time the Phase 4 guideline is forcing a drop in the price at the pump.

Oil companies already are enforcing a gas rationing system for service stations. "Not only can we not charge enough to make a decent profit, we can't make it up on volume,

either," said Fred Norvell of Camp Evers Chevron in Scotts Valley. "A lot of guys already are staying closed on Sundays, and closing early at night."

"I'm losing \$350 to \$375 per month out of gross profit," added Brodie.

"In 1963, I made four more cents profit per gallon of gas than I'm making today," declared DiCiano. "The station operators have actually raised their prices only twice in the last five years; all the other price hikes have been because of taxes. But we don't cry on everybody's shoulders; we compete. We work longer hours, give better service, so the public will pay the price we ask. We don't need the government telling us what we can charge."

A news release prepared by the Service Station Dealers Assn. pleaded for public support.

"Historically, our industry has been one of the most competitive segments of the economy," it said, "without government interference and regulation, as a group, we have served the American motoring public well in the past."

While other industries have been allowed to maintain profit levels under Phase 4, the retail gasoline service industry "has been singled out as the whipping boy of the (Nixon) Administration, and as a

scapegoat of government economic policy," the release said.

"Unless a just and equitable solution is found, there will most probably result a dramatic inconvenience to the public generally," it warned.

"We want our patrons to know any inconvenience will be caused by the direct intervention of the government into our private businesses, which thwarts the competitive spirit of our members, defeats reasonable goals, and threatens our financial stability, immobilizes our right to freely contract, and generally tears at the very fabric of the federal

Constitution. Join hands with us so we can continue to grease the wheels of the economy. Write to your senator, congressman, and the President. Your freedom may be impaired in the next phase," it concluded.

Some oil companies have threatened to cancel service station leases if the stations close down or shorten hours extensively.

But DiCiano said a secondary aim of the service station association is to give station owners a strong voice in leasing and contracts with the major oil firms. "Up to now, it's been too much of a one-way street," said DiCiano.

Speculation Hits U.S. Dollar

PARIS (AP) — The U.S. dollar and the French franc tumbled on European currency markets today in a new wave of speculation.

The franc was at its floor level against the West German mark, the Belgian franc and the Danish kroner. The French and German central banks were buying heavily to keep the franc from

mors of a possible devaluation. The rumors also talked of a revaluation of the Belgian franc.

The dollar opened strong this morning then plummeted in later trading, apparently because of the nervousness over the franc.

The opening dollar quotation in Frankfurt was 2.4150 marks, but later slipped to 2.3790, the

Kennolyn Riding School Enroll now for first quarter starting Fri., Sept. 21

Covered, lighted ring.
2 Outdoor rings,
miles of trails.
Hunters course.

**Lessons for Children and Adults.
Days & Evenings**

School or other groups encouraged.
—Special Rates— Boarding

CALL 475-1676 or 476-6939