



Interview with Zeppini: "Brazil can only work with double wall steel tanks"

Marcelo Caio, Marketing Supervisor of Zeppini, speaks to PetrolPlaza about the fuel storage market in Brazil and Latin America. Zeppini Ecoflex is a Brazilian company dedicated to the development, production and commercialization of equipment for petrol stations.

Zeppini is an international company that began in 1984 in Brazil. Can you give us an insight into how your operations have expanded across the South American region throughout these years and which of these countries are the most important to your business?

Our company was founded in 1984 and our export project started around 1992, since then we have grown steadily and today, our products are present in more than 80 countries around the world.

In Latin America we started with exports to Uruguay and Chile, and we evolved with sales to all countries in the region, currently registering a leading position in the continent. Apart from Brazil, we are the leaders in Paraguay, Chile and Uruguay.

Can you explain the Ecological Station 2.0 concept?

With over 70 explanatory videos, the Zeppini Ecoflex Youtube channel highlights technologies that prioritize the environmental protection and guarantees high savings potential for service stations. The key focus is how to run a petrol station that is environmentally friendly.

Not all countries use these technologies to protect the environment. As Brazil has one of the highest standards in Latin America, similar to those of Europe and USA, we can share some our practices and experiences to support all markets.

Why does Brazil have such high standards when it comes to the fuel industry and the environment?

It started some time ago, probably 20 or 30 years, when a few international oil companies like Shell arrived in Brazil and brought their installation standards. They had a positive impact, and since then the culture about environmental protection grew. Today we have governmental agencies and other institutions involved trying to implement high standards and improve the market with the best technology available.

How important is water conservation in Brazil?

In Brazil there is a huge concern for water conservation. We have many regulations to protect it and to consume it properly. At petrol stations it's necessary to treat the oily effluent, and you can see the same initiatives in other industries such as transportation, car washes, supermarkets, and many others.

We can see that other countries in Latin America are starting to have the same kind of concern with this resource.

In Latin America, where do you see the most potential for the fuel storage segment?

Latin American markets are very similar among themselves, so it is difficult to highlight the potential of just one country. Opportunities are largely linked to the political and economical situation that each country is experiencing.

What about new market opportunities through changes in regulations?

Most countries in this region already have good standards in place, so I don't see a lot of potential because of changes in regulation. Despite new oil companies coming in I think that the regulations are pretty good and it's hard to imagine big changes in the culture like years ago.

Some opportunities may appear when some countries make minor adaptations to what they are currently using. In this case the main difference will be the speed at which some countries will update their standards.

What are Zeppini's plans for the near future in this region?

The plans for the coming years are to maintain the leading position introducing new products such as vapor recovery system - keeper and storage tanks, as well as having a worldwide growth.

What type of tanks are now predominant in Brazil? Single or double wall? Fiberglass or steel?

As standard, service stations in Brazil can only work with double wall steel tanks, and the appropriate monitoring is carried out between them. It's a possibility that in the next few years the market will start to work also with fiberglass tanks.

What do you see as the biggest trends in the forecourt fuel storage market?

In Latin America, the storage of AdBlue standards are being placed, with solutions to store this product in a more professional way. In the last couple of years, we have distributed AdBlue in modules and non-regulated recipients. The tendency is to adapt to underground and aboveground storage tanks, and dispensers.

In the U.S. and Europe, retailers are having many issues due to the increased presence of ethanol in fuels and the effect that it has in fuel tanks and engines. Brazil has an

important ethanol industry. How has the industry adapted to these new conditions?

We have been working with Ethanol E100 since the 80s, so we have a good experience with this type of fuel.

Today, the entire Brazilian fuel distribution chain is well aligned, so when we have new types of fuel such as AdBlue or Biodiesel S10, which recently arrived in Brazil, all the players – oil companies, transport companies, retailers and equipment manufacturers – adapt quickly.

This adapting process normally happens through governmental agencies that links all the information through the chain.