

# thrill ride

By Tracie Grimes

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—Ron Lallo



**B**akersfield-based **Gazelle Transportation** has had a real ride over the past 20 years as they’ve blended new processes with a focus on safety to become one of the 2012 Fortune 5000’s fastest growing businesses in America.

Established in January of 1993, Gazelle Transportation has a growing fleet and is able to maintain multiple terminals located among most oil and gas producing regions throughout the nation. From the Pacific Ocean to the Gulf of Mexico and all the way up to the Rocky Mountains, Gazelle has become a leader in the logistics industry by providing transportation needs for leading oil and gas companies.

“It’s our strong commitment to safe, reliable, competitively-priced services that’s helping us turn in to a real power house in logistics,” says President Ron Lallo, as he proudly reflects on the company’s 113 percent growth rate over the past two years. “We think we have something pretty special here and want to lead the industry by proving that we are a world-class operation when it comes to the delivery of oil and gas.”

It’s been a long haul to get to where they are now, Lallo said as he looks back on the past 20 years. A diesel mechanic by trade, Lallo remembers the day he came up from underneath a truck, traded his coveralls for pants and a button-down shirt, and started spending his days behind a desk.

“I checked out on Friday, took off my coveralls, went to the mall and bought two pairs of Dockers and a button down shirt, and then

came to work on Monday to start in my new role as owner. It was a scary time; I had taken a huge risk by putting literally everything I had—meaning I sold everything, my house, my car—to come up with the money to buy the company. But I’d always had an entrepreneurial spirit and when the opportunity to buy the company came up in 2004, I decided it was time to take the risk.”

Although it was a big financial risk, taking over wasn’t exactly a road Lallo had never traveled. The mechanic-turned-entrepreneur had a chance to get his feet wet as general manager. “I had a good understanding of the ins and outs of how to manage employees and develop strong relationships with clients.”

Though he had to bootstrap his way into buying the company, Lallo’s risk paid off; Gazelle Transportation began its steady growth. It wasn’t long before the company that had only 30 employees grew to the 400 staff members Lallo projects Gazelle will have by the end of the year.

“The way I look at it, running a business is kind of like a marriage,” he smiled. “You have an obligation to make it work. And it can be very stressful at times. I remember one stressful time in particular. Shortly after I took over, our largest customer’s refinery exploded. That was a terrible time.”

Developing a successful, growing business depends on teamwork, Lallo says, adding that one of the biggest lessons he’s learned is to let go and delegate. “Sometimes I wake up in the middle of the night all stressed-out because I want to do it all. I’ve learned to realize that what we’re building here requires teamwork. >>

## Risktakers

We are a process-driven company which means we can't afford to rely on just one person."

Hiring talented people who are willing to extend themselves beyond just the knowledge they need to do the job they were hired to do is what is necessary to make Gazelle successful. Gazelle's talented employees are what fuel the company's fast-paced growth, Lallo said, attributing the company's accomplishments to the fact that everybody's values and determination are in sync and in the right place.

"It's so easy for people to develop knowledge of the job that's right in front of them, but what we need is talented people who can think for themselves and work together to make our company the best it can be."

**"Aiming for perfection" is a common catchphrase around the water cooler at Gazelle, with management and employees working together to put their best foot forward.**

"We strive for perfection in everything from how our trucks look to what kind of environment we create. A world-class operation should look like one and act like one because that's what our customers have come to expect," Lallo added, ticking off a few names from Gazelle's client list like Shell, Chevron, and Plains All American.

But it's not just about clean trucks and a great working environment, he stressed. "Our clients expect the best quality and we deliver by making our commitment to safety paramount. We don't just talk about it—we practice it. Our drivers are highly trained and experts in the field. You name a logistics safety product and we have it. What we are handling is very volatile and we see safety as a huge responsibility to the public. Every decision we make is based on safety, and we always ask the question, 'is this going to protect human life?'"

Gazelle is at the forefront when it comes to equipping its fleet with the latest in safety technology, and the company is even working on their own in-house, proprietary logistics systems. And, as a former mechanic, Lallo is acutely aware of the importance of keeping the company's rigs road-worthy and technologically up to date.

"We were the first tanker company to use fully electronic and automated logs. By keeping an electronic log, we cut down on the number one safety hazard in our business: driver fatigue. And since our drivers are traveling over unpredictable terrain in



unpredictable weather conditions like snow storms, sub-zero weather, and extreme heat (especially through the Rocky Mountain and South Texas areas) we've outfitted our rigs with stability enhancement systems. This is the kind of technology that truly makes us a more disciplined and safety-focused company."

Giving drivers the tools they need to deliver their payloads safely and efficiently goes a long way in building solid relationships with Gazelle's clients. "It's our goal to be the transportation arm for our clients and

encourage people to go into the field."

Though Lallo believes the driver shortage will reach a point where it will affect Gazelle, he is confident they'll be able to ride through it. He's positioning his company for growth and success by investing in public relations (to draw more people into the industry work force), technology, and their physical plant. Not only has the company purchased terminals in northern Colorado and Caspar, Wyoming, Gazelle recently moved their Bakersfield-based headquarters to a new 20,000 square foot

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our drivers are the backbone of our company. Good business starts with good relationships with customers and employees alike."

Safety may be the driving force of Gazelle's business model, but Lallo is also sensitive to the other needs of his employees. **"We take care of our employees. We make sure our employees have healthcare, competitive pay, and that drivers are home at night.** The company also offers many opportunities for people to grow as the company grows. I'm very proud of the fact that we have a low turn-over rate."

But there's one risk that Lallo says is coming down the pike in the not too distant future: a national professional driver shortage. As the economy continues to rebound, the nation will feel the shortage more acutely, he predicts.

"You know, these drivers and mechanics are the people who literally deliver our lives to us. Our food, the items we have in our home, the gas and oil we put in our car—every one of those things spends some time behind a rig. This is an honorable profession and part of our responsibility as a business in the logistics industry is to educate and

building. "The office space alone is bigger than our old plant," Lallo chuckled.

"The year 2012 was a successful year," he stated in a company newsletter. "Our company experienced the fastest growth rate ever. The amazing part is that we managed to accomplish this while maintaining an industry-best safety record. We actually reduced our incident rate per million miles traveled!"

As successful as 2012 was, Lallo foretells of an even brighter future for 2013. "It is going to be more of the same, only bigger, brighter, cleaner, and better!"

Ready to rev up their entire fleet of little (diesel) engines that can, Gazelle has big plans indeed. A major presence in all oil-producing regions in the country, 100 more trucks, and the addition of 250-plus drivers to the staff roster are all on the company's "wish-list" for 2013. "It will be a year of developing the industry's finest leaders, dialing in the most effective processes, and learning the discipline of execution. And we can do it. **Our team is made up of some of the most talented people in the industry, so I know we can do it.**" ❖