

Sales hot for ice vendors

Adolfo Pesquera EXPRESS -NEWS BUSINESS WRITER

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Last August, Joe Fuentez Jr. stood in front of an **ice**-dispensing machine in Aransas Pass, putting money into it like a compulsive gambler welded to a Las Vegas one-armed bandit.

He couldn't believe his good luck. He was buying **ice** at less than half the going rate from an unmanned dockside "**Ice House**." On his way to do some bay fishing, he'd filled the boat's **ice** compartments and he still wanted more.

"I knew as a contractor this would be a tremendous savings **for** my company," Fuentez said. "I spent \$6 a day on **ice** and figured any other contractor would be spending about the same or more."

Fuentez shared his enthusiasm with a fishing buddy, photocopier technician David Martinez. The duo contacted the Florida-based manufacturer, **Ice House America**, and formed their own company, Amigos' **Ice** -- "Twice the **Ice**."

They parked their first **ice**-vending machine near Crossroads Mall. An out-of-state distributor already had plans to enter San Antonio, so the two joined forces. In addition to buying their own machines, Fuentez and Martinez look after machines owned by Alamo **Ice**.

Six locations are in operation now, and the entrepreneurs plan to have 12 sites by the end of the year and 20 in 2008.

"We're going to change the way people buy **ice**," Martinez said.

The **ice** machine takes city water and puts it through a three-step process. It is dechlorinated, softened and then filtered **for** sediment. A stainless steel **ice**-making and conveyor machine dispenses 16-pound bags **for** \$1.50, or 20 pounds in bulk straight to a cooler **for** the same price.

Most customers are either contractors filling coolers in the morning to keep laborers refreshed or weekend party groups. Some customers have more creative uses.

"We had two ladies out here one Saturday filling up their pickup truck bed," Martinez said. "I asked why they wanted so much **ice**. They wanted to cool their swimming pool down because it was so **hot**."

The Alamo **Ice** group sees unlimited potential and is looking **for** investors. They'd like to have 100 vending machines in the San Antonio area over the

next seven years, Fuentez said.

The fishing buddies got a U.S. Small Business Administration loan to get started. Each location is about a \$125,000 investment, Fuentez said. The company pro forma estimate of average annual revenue is \$60,000 per machine through the first three years.

"This is literally the coolest thing I've ever seen," Fuentez said, adding that customers quickly recognize the bargain value and the convenience.

They also develop a genuine affection **for** those trailer-sized generators of cool.

"We're going to come here now that we know there's an igloo here," customer James Silvas said.

Martinez said the machines have almost become members of the community.

"We get calls from customers saying they're looking after it ... It's in good condition," he said. "It's like they've adopted it. It's become a community **ice** machine."

apesquera@express -news.net