Marathon Petroleum Corp
Form 10-K
February 29, 2012
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2011

Commission file number 001-35054

Marathon Petroleum Corporation

(Exact name of registrant as specified in its charter)

Delaware	**27-1284632**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

539 South Main Street, Findlay, OH 45840-3229

(Address of principal executive offices)

(419) 422-2121

(Registrant s telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, par value $.01	New York Stock Exchange

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes þ No ¨

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ¨ No þ

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes þ No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes þ No ¨

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ¨

Indicate by check mark whether the registrant is a large accelerated filer, accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer þ Accelerated filer ¨ Non-accelerated filer ¨ Smaller reporting company ¨

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ¨ No þ

The aggregate market value of Common Stock held by non-affiliates as of June 30, 2011 was approximately $14.7 billion. This amount is based on the closing price of the registrant s Common Stock on the New York Stock Exchange When Issued market on June 30, 2011 and the number of shares of registrant s Common Stock issued pursuant to its spinoff from Marathon Oil Corporation on June 30, 2011. The registrant s Common Stock began trading on the New York Stock Exchange Regular Way market on July 1, 2011. Shares of Common Stock held by executive officers and directors of the registrant are not included in the computation. The registrant, solely for the purpose of this required presentation, has deemed its directors and executive officers to be affiliates.

There were 347,614,133 shares of Marathon Petroleum Corporation Common Stock outstanding as of February 15, 2012.

Documents Incorporated By Reference

Portions of the registrant s proxy statement relating to its 2012 Annual Meeting of Shareholders, to be filed with the Securities and Exchange Commission pursuant to Regulation 14A under the Securities Exchange Act of 1934, are incorporated by reference to the extent set forth in Part III, Items 10-14 of this report.

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MARATHON PETROLEUM CORPORATION

Unless otherwise stated or the context otherwise indicates, all references in this Annual Report on Form 10-K to MPC, us, our, we or Company mean Marathon Petroleum Corporation and its consolidated subsidiaries, and for periods prior to its spinoff from Marathon Oil Corporation, the Refining, Marketing & Transportation Business of Marathon Oil Corporation.

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Disclosures Regarding Forward-Looking Statements

This Annual Report on Form 10-K, particularly Item 1A. Risk Factors, Item 3. Legal Proceedings, Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations and Item 7A. Quantitative and Qualitative Disclosures about Market Risk, includes forward-looking statements. You can identify our forward-looking statements by words such as anticipate, believe, estimate, expect, forec goal, intend, plan, predict, project, seek, target, could, may, should or would or other similar expressions that convey th events or outcomes. In accordance with safe harbor provisions of the Private Securities Litigation Reform Act of 1995, these statements are accompanied by cautionary language identifying important factors, though not necessarily all such factors, that could cause future outcomes to differ materially from those set forth in the forward-looking statements.

Forward-looking statements include, but are not limited to, statements that relate to, or statements that are subject to risks, contingencies or uncertainties that relate to:

- future levels of revenues, refining and marketing gross margins, retail gasoline and distillate gross margins, merchandise margins, income from operations, net income or earnings per share;
- anticipated volumes of feedstock, throughput, sales or shipments of refined products;
- anticipated levels of regional, national and worldwide prices of crude oil and refined products;
- anticipated levels of crude oil and refined product inventories;
- future levels of capital, environmental or maintenance expenditures, general and administrative and other expenses;
- the success or timing of completion of ongoing or anticipated capital or maintenance projects;
- expectations regarding the acquisition or divestiture of assets;
- the effect of restructuring or reorganization of business components;
- the potential effects of judicial or other proceedings on our business, financial condition, results of operations and cash flows; and
- the anticipated effects of actions of third parties such as competitors, or federal, foreign, state or local regulatory authorities, or plaintiffs in litigation.

We have based our forward-looking statements on our current expectations, estimates and projections about our industry and our company. We caution that these statements are not guarantees of future performance and you should not rely unduly on them, as they involve risks, uncertainties, and assumptions that we cannot predict. In addition, we have based many of these forward-looking statements on assumptions about future events that may prove to be inaccurate. While our management considers these assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. Accordingly, our actual results may differ materially from the future performance that we have expressed or forecast in our forward-looking statements. Differences between actual results and any future performance suggested in our forward-looking statements could result from a variety of factors, including the following:

changes in general economic, market or business conditions;

domestic and foreign supplies of crude oil and other feedstocks;

the ability of the members of the Organization of Petroleum Exporting Countries (OPEC) to agree on and to influence crude oil price and production controls;

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- domestic and foreign supplies of refined products such as gasoline, diesel fuel, jet fuel, home heating oil and petrochemicals;
- foreign imports of refined products;
- refining industry overcapacity or undercapacity;
- changes in the cost or availability of third-party vessels, pipelines and other means of transportation for crude oil, feedstocks and refined products;
- the price, availability and acceptance of alternative fuels and alternative-fuel vehicles and laws mandating such fuels or vehicles;
- fluctuations in consumer demand for refined products, including seasonal fluctuations;
- political and economic conditions in nations that consume refined products, including the United States, and in crude oil producing regions, including the Middle East, Africa and South America;
- actions taken by our competitors, including pricing adjustments, expansion of retail activities, and the expansion and retirement of refining capacity in response to market conditions;
- changes in fuel and utility costs for our facilities;
- delay of, cancellation of or failure to implement planned capital projects and realize the benefits projected for such projects, or cost overruns associated with such projects;
- accidents or other unscheduled shutdowns affecting our refineries, machinery, pipelines or equipment, or those of our suppliers or customers;
- unusual weather conditions and natural disasters, which can unforeseeably affect the price or availability of crude oil and other feedstocks and refined products;
- acts of war, terrorism or civil unrest that could impair our ability to produce or transport refined products or receive feedstocks;
- legislative or regulatory action, which may adversely affect our business or operations;
- rulings, judgments or settlements in litigation or other legal, tax or regulatory matters, including unexpected environmental remediation costs, in excess of any reserves or insurance coverage;

- labor and material shortages;
- the maintenance of satisfactory relationships with labor unions and joint venture partners;
- the ability and willingness of parties with whom we have material relationships to perform their obligations to us;
- changes in the credit ratings assigned to our debt securities and trade credit, changes in the availability of unsecured credit and changes affecting the credit markets generally; and
- the other factors described Item 1A. Risk Factors.

We undertake no obligation to update any forward-looking statements except to the extent required by applicable law.

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PART I

Item 1. Business

Overview

Marathon Petroleum Corporation (MPC) was incorporated in Delaware on November 9, 2009 in connection with an internal restructuring of Marathon Oil Corporation (Marathon Oil). On May 25, 2011, the Marathon Oil board of directors approved the spinoff of its Refining, Marketing & Transportation Business (RM&T Business) into an independent, publicly traded company, MPC, through the distribution of MPC common stock to the stockholders of Marathon Oil common stock. In accordance with a separation and distribution agreement between Marathon Oil and MPC, the distribution of MPC common stock was made on June 30, 2011, with Marathon Oil stockholders receiving one share of MPC common stock for every two shares of Marathon Oil common stock held (the Spinoff). Marathon Oil received a private letter ruling from the Internal Revenue Service to the effect that, among other things, the distribution of shares of MPC common stock in the Spinoff qualifies as tax-free to Marathon Oil, MPC and Marathon Oil stockholders for U.S. federal income tax purposes under Sections 355 and 368(a) and related provisions of the Internal Revenue Code of 1986. Following the Spinoff, Marathon Oil retained no ownership interest in MPC, and each company had separate public ownership, boards of directors and management. A registration statement on Form 10, as amended through the time of its effectiveness, describing the Spinoff was filed by MPC with the Securities and Exchange Commission and was declared effective on June 6, 2011. All subsidiaries and equity method investments not contributed by Marathon Oil to MPC remained with Marathon Oil. On July 1, 2011, our common stock began trading regular-way on the New York Stock Exchange (NYSE) under the ticker symbol MPC .

We are one of the largest petroleum product refiners, marketers and transporters in the United States. Our operations consist of three business segments:

- Refining & Marketing refines crude oil and other feedstocks at our six refineries in the Gulf Coast and Midwest regions of the United States, purchases ethanol and refined products for resale and distributes refined products through various means, including barges, terminals and trucks that we own or operate. We sell refined products to wholesale marketing customers domestically and internationally, to buyers on the spot market, to our Speedway business segment and to dealers and jobbers who operate Marathon® retail outlets;

- Speedway sells transportation fuels and convenience products in the retail market in the Midwest, primarily through Speedway® convenience stores; and

- Pipeline Transportation transports crude oil and other feedstocks to our refineries and other locations, delivers refined products to wholesale and retail market areas and includes, among other transportation-related assets, a majority interest in LOOP LLC, which is the owner and operator of the only U.S. deepwater oil port.

See Item 8. Financial Statements and Supplementary Data Note 8 for operating segment and geographic financial information, which is incorporated herein by reference.

On December 1, 2010, we completed the sale of most of our Minnesota Assets. These assets included the 74,000 barrel-per-day St. Paul Park refinery and associated terminals, 166 convenience stores primarily branded SuperAmerica® (including six stores in Wisconsin) along with the SuperMom's® bakery (a baked goods and sandwich supply operation) and certain associated trademarks, SuperAmerica Franchising LLC, interests in pipeline assets in Minnesota and associated inventories. We refer to these assets as the Minnesota Assets. The operating statistics included in this section reflect the exclusion of these assets, except as otherwise indicated. See Item 8. Financial Statements and Supplementary Data Note 5 for additional information on the disposition of these assets.

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Our Competitive Strengths

High Quality Asset Base

We believe we are the largest crude oil refiner in the Midwest and the fifth largest in the United States based on crude oil refining capacity. We currently own a six-plant refinery network with approximately 1.2 million barrels per calendar day (mmbpcd) of crude oil throughput capacity. Our refineries process a wide range of crude oils, including heavy and sour crude oils, which can generally be purchased at a discount to sweet crude, and produce transportation fuels such as gasoline and distillates, as well as other refined products.

Strategic Location

The geographic locations of our refineries and our extensive midstream distribution system provide us with strategic advantages. Located in Petroleum Administration for Defense District (PADD) II and PADD III, which consist of states in the Midwest and the Gulf Coast regions of the United States, our refineries have the ability to procure crude oil from a variety of supply sources, including domestic, Canadian and other foreign sources, which provides us with flexibility to optimize supply costs. For example, geographic proximity to Canadian crude oil supply sources allows our refineries to incur lower transportation costs than competitors transporting Canadian crude oil to the Gulf Coast for refining. Our refinery locations and midstream distribution system also allow us to access export markets and to serve a broad range of key end-user markets across the United States quickly and cost-effectively.

Attractive Growth Opportunities Through Internal Projects

We believe that we have attractive growth opportunities through internal capital projects. In 2009, we completed a major expansion project at our Garyville, Louisiana refinery, which initially expanded the crude oil refining capacity of this refinery by 180 thousand barrels per calendar day (mbpcd) to 436 mbpcd. We have continued

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to debottleneck the expanded refinery and have increased the crude oil refining capacity to 490 mbpcd as of December 31, 2011. The Garyville major expansion project has enhanced our scale efficiency, our feedstock flexibility and access to global markets. We are also continuing work on a $2.2 billion (excluding capitalized interest) heavy oil upgrading and expansion project at our Detroit, Michigan refinery. We expect construction will be completed in the third quarter of 2012 with full integration into the refinery by year-end 2012. The project will enable the refinery to process additional heavy, sour crude oils, including Canadian bitumen blends, which have traded at a steep discount to light sweet crude oil, and is expected to increase the refinery s crude oil refining capacity by approximately 15 thousand barrels per day (mbpd).

Extensive Midstream Distribution Networks

We believe the relative scale of our transportation and distribution assets and operations distinguishes us from other refining and marketing companies. We currently own, lease or have ownership interests in approximately 8,300 miles of crude oil and refined product pipelines. We are one of the largest petroleum pipeline companies in the United States on the basis of total volume delivered. We also own one of the largest private domestic fleets of inland petroleum product barges and one of the largest terminal operations in the United States, as well as trucking and rail assets. We operate this system in coordination with our refining and marketing network, which enables us to optimize feedstock and raw material supplies and refined product distribution. This in turn results in economy-of-scale advantages that contribute to profitability.

Competitively Positioned Marketing Operations

We are one of the largest wholesale suppliers of gasoline and distillates to resellers within our market area. We have two strong retail brands: Speedway® and Marathon®. We believe our 1,371 Speedway® convenience stores, which we operate through a wholly owned subsidiary, Speedway LLC, comprise the fourth largest chain of company-owned and operated retail gasoline and convenience stores in the United States. The Marathon brand is an established motor fuel brand in the Midwest and Southeast regions of the United States, and is available through more than 5,000 retail outlets operated by jobbers and dealers in 18 states. We believe our distribution system allows us to maximize the sales value of our products and minimize cost.

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Established Track Record of Profitability and Diversified Income Stream

We have demonstrated an ability to achieve positive financial results throughout all stages of the recent business cycle. Our historical net income in 2011, 2010 and 2009 was $2.39 billion, $623 million and $449 million, respectively. We believe our business mix and strategies position us well to continue to achieve competitive financial results.

As shown in the following chart, income from operations attributable to the Speedway and Pipeline Transportation segments is less sensitive to business cycles while income from operations for the Refining & Marketing segment fluctuates to a greater degree.

Our Business Strategies

Maintain Investment Grade Credit Profile

As of December 31, 2011, we had $3.08 billion in cash and cash equivalents and $3.0 billion in unused committed credit facilities. We also had $3.31 billion of debt at year-end, which represented only 26 percent of our total capitalization. This strong balance sheet and liquidity position helped support our investment-grade credit profile that we have had since the Spinoff and continues to be a strategic objective as we go forward.

Balance Investments in the Business with Return of Capital to Stockholders

A significant decision we make is how to use the cash that we generate to maximize stockholder value. In October 2011, the board of directors authorized a 25 percent increase in the quarterly dividend and in February 2012, the repurchase of up to $2.0 billion of our common stock over the next two years. We also seek to increase stockholder value by investing in acquisitions, capital additions and other commercial opportunities.

Pursue Growth by Expanding and Upgrading Existing Asset Base

We continually evaluate opportunities to expand our existing asset base and consider capital projects that enhance our core competitiveness in the refining, marketing and transportation businesses. Examples include our Garyville refinery major expansion project completed in 2009 and our on-going heavy oil upgrading and expansion project at our Detroit, Michigan refinery. We will continue to pursue other organic growth opportunities that provide an attractive return on capital.

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Increase Profitability Through Margin Improvement

We intend to increase the profitability of our existing assets by pursuing a number of margin improvement opportunities, including increasing our feedstock flexibility and our production of high-value end products.

Selectively Pursue Acquisitions

We will continue to evaluate potential acquisitions, with the aim of increasing earnings while maintaining financial discipline. For example, our Speedway segment completed the acquisition of 23 convenience stores in the Chicago market in 2011 and we announced on February 9, 2012 that Speedway signed an agreement to acquire an additional 88 convenience stores throughout Indiana and Ohio from GasAmerica Services, Inc. We intend to continue growing the Speedway segment, in part, by acquisition.

Evaluate Strategic Alternatives for Midstream Assets

On February 1, 2012, we announced that we are evaluating strategic alternatives with respect to certain of our midstream assets, including, but not limited to, the possible formation and initial public offering of a master limited partnership (MLP). Midstream assets are generally considered those involved in transportation, storage and logistics operations. If we determine to further pursue an initial public offering of an MLP, we would not expect to file a registration statement before the end of the second quarter of 2012.

The above discussion contains forward-looking statements with respect to our business strategies, including our midstream asset evaluation. There can be no assurance that we will be successful, in whole or in part, in pursuing our business strategies, including whether our evaluation of our midstream assets will lead to an initial public offering of an MLP or any other transaction, or that if any transaction is further pursued, that it will be consummated. Some of the factors that could affect the midstream asset evaluation and the outcome of such evaluation include risks relating to securities markets generally, the impact of adverse market conditions affecting our midstream business, adverse changes in laws including with respect to tax and regulatory matters and other risks.

Refining & Marketing

We currently own and operate six refineries in the Gulf Coast and Midwest regions of the United States with an aggregate crude oil refining capacity of approximately 1.2 mmbpcd as of December 31, 2011. During 2011, our refineries processed 1,177 mbpd of crude oil and 181 mbpd of other charge and blend stocks. During 2010 (including the St. Paul Park refinery until December 1), our refineries processed 1,173 mbpd of crude oil and 162 mbpd of other charge and blend stocks. The table below sets forth the location and crude oil refining capacity of each of our refineries.

Refinery	December 31, 2011 Crude Oil Refining Capacity (mbpcd) [a]
Garyville, Louisiana	490
Catlettsburg, Kentucky	233
Robinson, Illinois	206
Detroit, Michigan	106
Texas City, Texas	80
Canton, Ohio	78
Total	1,193

(a) Refining throughput can exceed crude oil capacity due to the processing of other feedstocks in addition to crude oil and the timing of planned turnaround and major maintenance activity.

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Our refineries include crude oil atmospheric and vacuum distillation, fluid catalytic cracking, catalytic reforming, desulfurization and sulfur recovery units. The refineries process a wide variety of crude oils and produce numerous refined products, ranging from transportation fuels, such as reformulated gasolines, blend-grade gasolines intended for blending with fuel ethanol and ultra-low-sulfur diesel fuel, to heavy fuel oil and asphalt. Additionally, we manufacture aromatics, propane, propylene, cumene and sulfur. Our refineries are integrated with each other via pipelines, terminals and barges to maximize operating efficiency. The transportation links that connect our refineries allow the movement of intermediate products between refineries to optimize operations, produce higher margin products and utilize our processing capacity efficiently. For example, naphtha may be moved from Texas City to Robinson where excess reforming capacity is available. Also, by shipping intermediate products between facilities during partial refinery shutdowns, we are able to utilize processing capacity that is not directly affected by the shutdown work.

Garyville, Louisiana Refinery. Our Garyville, Louisiana refinery is located along the Mississippi River in southeastern Louisiana between New Orleans and Baton Rouge. The Garyville refinery is configured to process heavy sour crude oil into products such as gasoline, distillates, asphalt, polymer grade propylene, propane, isobutane, sulfur and fuel-grade coke. An expansion project was completed in the fourth quarter of 2009 that increased Garyville s crude oil refining capacity, making it one of the largest refineries in the U.S. Our Garyville refinery has earned designation as a U.S. Occupational Safety and Health Administration (OSHA) Voluntary Protection Program (VPP) Star site.

Catlettsburg, Kentucky Refinery. Our Catlettsburg, Kentucky refinery is located in northeastern Kentucky on the western bank of the Big Sandy River, near the confluence with the Ohio River. The Catlettsburg refinery processes sweet and sour crude oils into products such as gasoline, distillates, asphalt, cumene, petrochemicals, propane and propylene.

Robinson, Illinois Refinery. Our Robinson, Illinois refinery is located in southeastern Illinois. The Robinson refinery processes sweet and sour crude oils into products such as multiple grades of gasoline, distillates, anode-grade coke, propane, butane and propylene. The Robinson refinery has earned designation as an OSHA VPP Star site.

Detroit, Michigan Refinery. Our Detroit, Michigan refinery is located near Interstate 75 in southwest Detroit. It is the only petroleum refinery currently operating in Michigan. The Detroit refinery processes light sweet and heavy sour crude oils, including Canadian crude oils, into products such as gasoline, distillates, asphalt, slurry, propane, and propylene. Our Detroit refinery earned designation as a Michigan VPP Star site in 2010. In 2007, we approved a heavy oil upgrading and expansion project at this refinery, with a current projected cost of $2.2 billion (excluding capitalized interest). This project will enable the refinery to process an additional 80 mbpd of heavy sour crude oils, including Canadian bitumen blends, and will increase its total crude oil refining capacity by approximately 15 mbpd. Construction began in the first half of 2008 and overall progress reached 85 percent completion at December 31, 2011. The project is expected to complete construction in the third quarter of 2012 with full integration into the refinery by year-end 2012.

Canton, Ohio Refinery. Our Canton, Ohio refinery is located approximately 60 miles southeast of Cleveland, Ohio. The Canton refinery processes sweet and sour crude oils into products such as gasoline, distillates, asphalt, propane, slurry and roofing flux.

Texas City, Texas Refinery. Our Texas City, Texas refinery is located on the Texas Gulf Coast approximately 30 miles south of Houston, Texas. The refinery processes sweet crude oil into products such as gasoline, chemical grade propylene, propane, slurry and aromatics.

Planned maintenance activities, or turnarounds, requiring temporary shutdown of certain refinery operating units, are periodically performed at each refinery. See Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations for additional detail.

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The above discussion includes forward-looking statements concerning the Detroit refinery heavy oil upgrading and expansion project. Some factors that could affect this project include transportation logistics, availability of materials and labor, unforeseen hazards such as weather conditions, delays in obtaining or conditions imposed by necessary government and third-party approvals and other risks customarily associated with construction projects.

Refined Product Yields

The following table sets forth our refinery production (including the St. Paul Park refinery until December 1, 2010) by product group for each of the last three years.

Refined Product Yields (mbpd)	2011	2010	2009
Gasoline	739	726	669
Distillates	433	409	326
Propane	25	24	23
Feedstocks and special products	109	97	62
Heavy fuel oil	21	24	24
Asphalt	56	76	66
Total	1,383	1,356	1,170

Crude Oil Supply

We obtain most of the crude oil we refine through negotiated contracts and purchases or exchanges on the spot market. Our crude oil supply contracts are generally term contracts with market-related pricing provisions. The following table provides information on our sources of crude oil for each of the last three years (including the St. Paul Park refinery until December 1, 2010). The crude oil sourced outside of North America was acquired from various foreign national oil companies, production companies and trading companies.

Sources of Crude Oil Refined (mbpd)	2011	2010	2009
United States	668	720	613
Canada	177	115	136
Middle East and Africa	286	250	154
Other international	46	88	54
Total	1,177	1,173	957
Average cost of crude oil throughtput (dollars per barrel)	$ 102.83	$ 78.57	$ 62.10

Our refineries receive crude oil and other feedstocks and distribute our refined products through a variety of channels, including pipelines, trucks, railcars, ships and barges.

Refined Product Marketing and Distribution

We believe we are one of the largest wholesale suppliers of gasoline and distillates to resellers and consumers within our 17-state market area in the Midwest, Gulf Coast and Southeast regions of the United States. Independent retailers, wholesale customers, Marathon-branded jobbers, our Speedway® convenience stores, airlines, transportation companies and utilities comprise the core of our customer base. In addition, we sell distillates and asphalt for export to international customers, primarily out of the Garyville refinery. Sales destined for export comprised approximately 16 percent of our distillate sales and 11 percent of our asphalt sales in 2011.

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The following table sets forth, as a percentage of total refined product sales, sales of refined products to our different customer types for the past three years (including the Minnesota Assets until December 1, 2010).

Refined Product Sales by Customer Type	2011	2010	2009
Private-brand marketers, commercial and industrial customers, including spot market	72%	70%	68%
Marathon branded dealers and jobbers	17%	17%	18%
Speedway® convenience stores	11%	13%	14%

The following table sets forth the approximate number of retail outlets (by state) where dealers and jobbers maintain Marathon-branded retail outlets, as of December 31, 2011:

State	**Approximate Number of Marathon® Retail Outlets**&n