

MTD

**MODERN TIRE DEALER
THE INDUSTRY'S LEADING PUBLICATION**

MARKET HANGOVER
FACTORS THAT WILL CONTINUE
TO IMPACT YOUR BUSINESS

**ARE YOUR BONUS
PROGRAMS INEFFECTIVE?**

**NEW SERVICE TOOLS
TAKE THE SPOTLIGHT**

BACK TO NORMAL?

U.S. TIRE MARKET IS 'RIGHT-SIZING' —
BUT CHALLENGES REMAIN

***MTD'S FACTS ISSUE BRINGS YOU
THE NUMBERS BEHIND THE STORY***





BACK TO NORMAL?

U.S. TIRE MARKET IS 'RIGHT-SIZING' – BUT CHALLENGES REMAIN

After a better-than-expected 2020 and what can only be described as a massive, across-the-board rebound in 2021, the United States tire market appears to be right-sizing.

But challenges — including several hangovers from last year — remain.

Following a solid finish in 2021, retail sellout levels remained elevated during the first quarter. However, demand began to fluctuate around the start of the second quarter, before taking a negative turn mid-year.

Blame it on 40-year-high inflation levels, elevated interest rates, tight household budgets, declining consumer confidence or all of the above — fewer customers bought passenger and light truck tires as the year wound down.

Consumers who remained in-market continued to gravitate toward less-expensive options, as the knock-on effect of tire manufacturer price increases, which continued throughout the year, were felt.

On the original equipment (OE) side, passenger and light truck tire shipments increased during 2022 as auto manufacturers ramped up production

The commercial medium truck tire market continued to show the greatest amount of growth — with replacement shipments eclipsing last year's totals by 20%-plus. (OE truck tire shipment gains were more modest, but still significant.)

Supply also recalibrated in 2022. Container ship pileups and freight rates are no longer the problem they were 12 months ago. The flipside is that tire dealers and distributors are now faced with high inventory levels.

WHAT'S NEXT?

Will consumer tire demand rebound in 2023? It depends on several macro-economic factors. Last month, the Federal Reserve announced that it seeks to achieve “inflation at the rate of 2%

over the longer run.” (The national inflation rate fell to 7.1% in November, the lowest level since December 2021.)

However, interest rates are expected to remain elevated throughout 2023.

An upswing in vehicle miles driven will work in the tire industry's favor. And fewer tire manufacturer-driven price increases are expected — a good thing not only for dealers and distributors, but also vehicle owners.

WORLD LEADERS IN NEW TIRE SALES

(Fiscal year 2022; in billions of U.S. dollars)

TIRE MANUFACTURER	2022	2021
Michelin Group	\$27.7	\$26.9
Bridgestone Corp.	\$22.8	\$21.9
Goodyear Tire & Rubber Co.	\$17.6	\$14.9
Continental AG	\$14.4	\$13.9
Sumitomo Rubber Industries Ltd.	\$7.1	\$7.2
Pirelli & Cie SpA	\$6.8	\$6.3
Hankook Tire & Technology Co. Ltd.	\$6.3	\$6.2
Yokohama Rubber Co. Ltd.	\$5.4	\$5.2
Zhongce Rubber Group Co. Ltd.	\$4.9	\$4.5
Toyo Tire & Rubber Co. Ltd.	\$3.4	\$3.2
Cheng Shin Rubber Ind. Co. Ltd. *	\$3.2	\$3.6
Giti Tire Pte. Ltd.	\$3.1	\$3.0

*CHENG SHIN DOES BUSINESS AS MAXXIS INTERNATIONAL – USA



OVERALL U.S. REPLACEMENT TIRE SALES

Total value of 2022 replacement tire market: \$61.4 billion

SEGMENT	2022	2021
Passenger	\$38.0	\$33.4
Light truck	\$9.0	\$8.1
Commercial truck	\$11.7	\$9.5
OTR	\$2.0	\$1.9
Ag	\$.721	\$.714

A LOOK AT MARGINS

Average sales margins fluctuated from 2021 baselines. Passenger tire retail and light truck tire retail margins declined slightly — pushed downward by price hikes and other factors.

Meanwhile, wholesale passenger tire and new medium truck tire margins increased. Commercial medium truck tire retread margins saw the biggest gain.

U.S. AVERAGE TIRE SALES MARGINS

SEGMENT	2022	2021
Passenger (retail)	28.2%	29.0%
Passenger (wholesale)	12.0%	11.6%
Light truck (retail)	25.0%	26.2%
Medium truck	16.5%	16.0%
Retread (medium truck)	19.0%	17.5%

DOMESTIC SHIPMENT REPORT

Reflecting the general drop in consumer demand that began around the middle of the year, overall U.S. replacement passenger and light truck tire shipments fell in 2022.

Passenger tire shipments at the replacement level declined by slightly less than 2.6%. Replacement light truck tire shipments dropped slightly less than 2.9% year-over-year.

However, OE passenger and light truck tire shipments climbed as automobile production gradually increased.

OE passenger tire shipments rose by 10%. OE light truck tire shipments also grew by around 10%.

Medium truck tire shipments — both replacement and original equipment — reflected the continued strength of the commercial truck tire market.

Replacement truck tire shipments grew by more than 20% versus 2021 levels, while OE truck tire shipments increased by around 9% year-over-year.

U.S. PASSENGER TIRE SHIPMENTS

(in millions of units, rounded to nearest one-hundred-thousandth)

YEAR	REPLACEMENT	OE
2022	216.1	41.5
2021	222.0	37.5
2020	202.6	36.2
2019	222.7	45.1
2018	217.0	47.0
2017	209.3	46.0
2016	207.7	49.0
2015	205.9	49.0
2014	206.6	46.3
2013	201.6	44.0
2012	192.0	40.5

U.S. LIGHT TRUCK TIRE SHIPMENTS

(in millions of units, rounded to nearest one-hundred-thousandth)

YEAR	REPLACEMENT	OE
2022	37.0	6.2
2021	38.1	5.6
2020	30.4	5.0
2019	32.0	5.9
2018	31.1	5.6
2017	30.8	5.4
2016	31.4	4.9
2015	29.0	4.6
2014	28.8	4.4
2013	28.3	4.2
2012	28.3	4.1

U.S. MEDIUM TRUCK TIRE SHIPMENTS

(in millions of units, rounded to nearest one-hundred-thousandth)

YEAR	REPLACEMENT	OE
2022	28.0	6.5
2021	22.7	5.9
2020	18.5	4.5
2019	18.9	6.5
2018	21.0	6.2
2017	19.2	5.7
2016	18.4	5.3
2015	18.0	6.3
2014	17.3	5.8
2013	15.7	5.0
2012	16.0	5.3

OVERALL IMPORTS INCREASED IN 2022

THAILAND REMAINS BIGGEST EXPORTER TO U.S.

Thailand remains the biggest exporter of tires to the U.S. market in three key categories — passenger, light truck and medium truck tires. And even though Thailand's passenger and consumer tire exports to the domestic market actually slowed slightly in 2022, there's no sign of the nation giving up its top spot in the near future.

Thailand has a 10-million-unit cushion in passenger tire shipments and a more than 14 million-unit lead when combining passenger and light truck tire units.

Full-year estimates show more than 164 million passenger tires were imported into the U.S. in 2022, up from 151 million in 2021. (That's an 8% increase.)

A year ago, a country made the top 10 list if it shipped more than 3.9 million passenger tire units to the U.S. In 2022, that threshold was 4.2 million units, which meant Brazil, with 3.1 million imports, and Portugal, with three million, were both short of the top rankings. China imported 2.7 million passenger tires into the U.S. in 2022.

Outside factors influence all of these numbers and the war in Ukraine prompted some tire manufacturers to adjust — or sell off — their business operations in Russia. And while neither country is historically a large provider of tires to the U.S., the downturn still was noticeable. In 2021, 900,000 passenger tires were imported into the U.S. from Russia, compared to less than 650,000 in 2022. The difference was even more stark in Ukraine, with 447,000 passenger tires shipped to the U.S. in 2021, compared to about 153,000 shipped in 2022.

2022 U.S. PASSENGER TIRE IMPORTS

(in millions of units, rounded to nearest one-hundred-thousandth)

COUNTRY	2022	2021	% CHANGE
Thailand	32.0	33.3	-3.7%
Mexico	21.9	21.1	+3.9%
Indonesia	17.3	14.9	+16.4%
South Korea	14.8	12.6	+17.0%
Vietnam	10.6	9.9	+7.3%
Japan	10.2	8.1	+25.6%
Canada	9.7	10.0	-2.9%
Chile	6.0	5.5	+10.1%
Malaysia	4.2	3.5	+19.6%
Philippines	4.2	2.9	+41.9%

Demand for commercial truck tires in 2022 drove an incredible increase in imported units of nearly seven million tires. An estimated 24 million medium truck tire units were imported into the U.S. in 2022, up from 17.2 million tires in 2021. Eight of the 10 largest exporting countries posted giant double-digit year-over-year increases. Thailand holds a comfortable lead over the others in this category. The next-biggest exporter, Vietnam, increased shipments by more than 70% in 2022. That's after a 56.8% increase from 2020 to 2021.

2022 U.S. CONSUMER TIRE IMPORTS

(in millions of units, rounded to nearest one-hundred-thousandth)

COUNTRY	2022	2021	% CHANGE
Thailand	39.1	40.6	-3.8%
Mexico	24.9	24.3	+2.4%
Indonesia	19.8	17.1	+15.4%
South Korea	16.9	14.6	+15.8%
Vietnam	16.2	14.0	+16.2%
Canada	14.2	14.6	-2.5%
Japan	12.8	10.3	+24.3%
Chile	6.6	6.3	+4.4%
Philippines	6.3	4.3	+44.3%
Malaysia	4.4	3.5	+23.4%

2022 U.S. MEDIUM TRUCK TIRE IMPORTS

(in millions of units, rounded to nearest one-hundred-thousandth)

COUNTRY	2022	2021	% CHANGE
Thailand	10.4	6.9	+49.1%
Vietnam	3.2	1.8	+69.8%
Japan	2.4	1.7	+39.3%
China	1.7	1.0	+64.1%
Canada	1.4	1.5	-3.8%
South Korea	1.1	0.9	+21.1%
India	0.7	0.5	+33.7%
Spain	0.5	0.3	+32.7%
Brazil	0.4	0.3	+46.1%
Germany	0.3	0.3	-14.5%

LEADERS OF THE PACK

INDEPENDENT TIRE DEALERS MAINTAINED DOMINANCE IN 2022

At the retail level, nobody moves more tires than independent tire dealers — and that has only become more pronounced with time. In 2017, independent tire dealerships sold 61.5% of all retail tires in the U.S. Since then, that percentage has increased to 66%.

It was a good year for auto dealership service sales as customers continued to hold onto their vehicles, while new cars remained in short supply.

A source close to Walmart told MTD that the company’s Auto Care Centers, many of which were shuttered during the first year of the COVID-19 pandemic, had a solid year in tire sales.

U.S. CONSUMER TIRE RETAIL MARKET SHARE BY CHANNEL

CHANNEL	2022	2021	2020
Independent tire dealers	66.0%	66.0%	65.5%
Auto dealerships	9.5%	9.0%	9.5%
Mass merchandisers	9.0%	9.0%	8.0%
Warehouse clubs	8.0%	8.0%	8.0%
Tire company-owned stores	6.0%	6.0%	6.0%
Miscellaneous outlets	1.5%	2.0%	3.0%

DISTRIBUTION KINGS

Despite a notable increase in consolidation, independents remained the dominant channel when it comes to wholesaling tires.

TireHub, the joint venture between Bridgestone Americas Inc. and Goodyear Tire & Rubber Co., continued to grow its footprint, opening seven locations during the fourth quarter of 2022 alone. (By the end of the year, it had 79 locations throughout 34 states.)

National Tire Warehouse, the joint venture between Michelin North America Inc. and Sumitomo Corporation of America, says it operates more than 100 locations.

U.S. CONSUMER TIRE WHOLESALE MARKET SHARE BY CHANNEL

CHANNEL	2022	2021	2020
Independent wholesale-distributors	80.0%	80.0%	80.0%
Tire company-owned	10.0%	8.0%	8.0%
Miscellaneous outlets	10.0%	12.0%	12.0%

IN THE CLUB

Warehouse clubs moved 8% of consumer tires at the retail level during 2022, according to MTD estimates.

The store count for Sam’s Club, the largest warehouse club operation in the U.S., was flat 2022 versus 2021. Costco Wholesale Corp. added 21 locations to its domestic footprint. BJ’s Wholesale Club grew its store count to 233 this past year.

NUMBER OF WAREHOUSE CLUBS IN THE U.S.

WAREHOUSE CLUB	2022	2021	2020
Sam’s Club	600	600	557
Costco Wholesale Corp.	579	558	554
BJ’s Wholesale Club Inc.	233	229	219

LARGEST DEALERSHIPS ADDED STORES

Looking at other large tire retailers and the number of stores they operate, Walmart Auto Care Centers and Bridgestone Retail Operations maintained the same number of locations 2022 versus 2021.

Mavis Tire Express Services Corp., Discount Tire, Monro Inc., Goodyear Tire & Rubber Co. and Les Schwab Tire Centers Inc. all added locations during 2022. (Mavis was listed as the largest independent tire dealership in the U.S. on the 2022 MTD 100, published this past July.)

TBC Corp. and Ford Quick Lane Tire & Auto Centers winnowed their store counts during the last 12 months.

OTHER TOP TIRE RETAILERS IN THE U.S.

RETAILER	2022 LOCATIONS
Walmart Auto Care Centers	2,580
Bridgestone Retail Operations ¹	2,200
Mavis Tire Express Services Corp. ²	1,146
Discount Tire	1,122
Pep Boys — Manny, Moe & Jack	919
Monro Inc.	865
Ford Quick Lane Tire & Auto Centers	790
TBC Corp. ³	613
Goodyear Tire & Rubber Co. ⁴	565
Les Schwab Tire Centers Inc. ⁵	460

¹INCLUDES BRIDGESTONE COMPLETE AUTO CARE, TIRES PLUS, HIBDON TIRES PLUS AND WHEEL WORKS LOCATIONS; ²MAVIS WAS LISTED AS THE LARGEST TIRE DEALERSHIP, IN NUMBER OF LOCATIONS, IN THE 2022 MTD 100; ³INCLUDES TIRE KINGDOM AND NTB TIRE & SERVICE LOCATIONS; ⁴INCLUDES GOODYEAR AUTO SERVICE AND JUST TIRES LOCATIONS; ⁵LES SCHWAB ONLY INCLUDES COMPANY-OWNED STORES

'FLIGHT TO VALUE' CONTINUES

ECONOMIC UNCERTAINTY INFLUENCED CONSUMER BRAND PREFERENCE

The consumer “flight to value” continued in 2022. Impacted by interest rate increases, the higher price of goods and general economic uncertainty, many tire buyers opted for less-expensive brands.

Consumers also are holding onto their vehicles longer and some are putting off needed service, including tire replacement. (According to S&P Global Mobility, the average age of a personal vehicle in the United States is now 12.2 years. By contrast, some 20 years ago, the average vehicle age was 9.6 years.)

And dealers are reporting that many consumers who have been out of the market for the last several years are now experiencing sticker shock due to the tire price hikes of 2021 and 2022.



2022 REPLACEMENT PASSENGER TIRE BRAND MARKET SHARE

(based on an estimated 216.1 million units)

BRAND	2022 SHARE
Goodyear	10.5%
Michelin	9.5%
Bridgestone	7.0%
Firestone	7.0%
Continental	5.0%
Falken	5.0%
BFGoodrich	4.0%
Cooper	3.5%
Hankook	3.5%
Yokohama	3.5%
General	3.0%
Kumho	3.0%
Nexen	2.5%
Toyo	2.5%
GT Radial	2.0%
Hercules	2.0%
Multi-Mile	2.0%
Pirelli	2.0%
Kenda	1.5%
Nitto	1.5%
Sailun	1.5%
Sentury	1.5%
Sumitomo	1.5%
Uniroyal	1.5%
Big O	1.0%
Mastercraft	1.0%
Maxxis	1.0%
Primewell	1.0%
Others	9.5%

2022 REPLACEMENT LIGHT TRUCK TIRE BRAND MARKET SHARE

(based on an estimated 37 million units)

BRAND	2022 SHARE
Goodyear	9.0%
BFGoodrich	7.5%
Bridgestone	6.5%
Firestone	6.5%
Michelin	6.5%
General	6.0%
Cooper	5.5%
Toyo	5.5%
Yokohama	5.0%
Hankook	4.0%
Falken	3.5%
Hercules	3.0%
Kumho	2.5%
Continental	2.0%
Multi-Mile	2.0%
Nexen	2.0%
Pirelli	2.0%
GT Radial	1.5%
Kenda	1.5%
Maxxis	1.5%
Sailun	1.5%
Big O	1.0%
Kelly	1.0%
Mastercraft	1.0%
Nitto	1.0%
Sumitomo	1.0%
Others	10.0%

HAVE CAR SALES TURNED THE CORNER?

RECENT NUMBERS SHOW PROMISE

Despite prohibitive interest rates and lean dealer inventories, there are indications that new light vehicle sales are heading in the right direction.

In August, light vehicle sales in the U.S. registered positive for the first time in more than a year, according to LMC Automotive, an automotive industry intelligence provider. September's sales showed "incremental improvement," yet "fell short of expectations" after full-month results had been tallied.

Sales rebounded in October, growing by 11.4% on a year-over-year basis to 1.17 million units, according to LMC research.

Here's a breakdown of consumer tire brand market share on North American vehicles.

2022 NORTH AMERICAN OE CONSUMER TIRE MARKET SHARE TOTALS

(based on 47.7 million consumer tire units)

BRAND	2022 SHARE	2021 SHARE
Goodyear	22.3%	22.6%
Michelin	18.7%	18.7%
Continental	14.5%	14.5%
Bridgestone	13.3%	13.3%
Hankook	7.6%	7.5%
Pirelli	3.9%	3.8%
Firestone	3.7%	3.7%
Falken	3.5%	3.4%
General	2.4%	2.4%
Kumho	2.4%	2.3%
Yokohama	2.0%	2.0%
BFGoodrich	1.8%	1.8%
Nexen	1.6%	1.5%
Toyo	1.2%	1.2%
Dunlop	1.0%	1.0%
Others	0.1%	0.3%

2022 NORTH AMERICAN OE CONSUMER TIRE MARKET SHARE

BMW

Pirelli.....	34%
Continental.....	26%
Bridgestone.....	25%
Dunlop.....	6%
Michelin.....	5%
Hankook.....	3%
Yokohama.....	1%

FORD

Goodyear.....	24%
Michelin.....	24%
Continental.....	20%
Hankook.....	10%
Pirelli.....	9%
General.....	7%
BFGoodrich.....	3%
Bridgestone.....	2%
Toyo.....	1%

GENERAL MOTORS

Goodyear.....	36%
Michelin.....	22%
Bridgestone.....	14%
Firestone.....	12%
Continental.....	6%
Hankook.....	6%
General.....	2%
Pirelli.....	2%

HONDA

Michelin.....	25%
Goodyear.....	25%
Bridgestone.....	17%
Continental.....	16%
Hankook.....	9%
Yokohama.....	4%
Firestone.....	3%
Pirelli.....	1%

HYUNDAI/KIA

Hankook.....	40%
Kumho.....	30%
Nexen.....	21%
Continental.....	9%

MERCEDES-BENZ

Continental.....	32%
Pirelli.....	25%
Bridgestone.....	14%
Michelin.....	11%
Goodyear.....	7%
Cooper.....	5%
Dunlop.....	4%
Yokohama.....	2%

NISSAN

Continental.....	28%
Michelin.....	27%
Goodyear.....	15%
Falken.....	8%
Bridgestone.....	6%
Kumho.....	5%
Toyo.....	5%
BFGoodrich.....	2%
Hankook.....	2%
Dunlop.....	1%
General.....	1%

STELLANTIS

Goodyear.....	33%
Michelin.....	14%
Bridgestone.....	13%
Firestone.....	7%
Continental.....	6%
Yokohama.....	6%
Falken.....	4%
Nexen.....	4%
BFGoodrich.....	3%
General.....	3%
Pirelli.....	3%
Hankook.....	2%
Kumho.....	2%

SUBARU

Bridgestone.....	56%
Continental.....	27%
Falken.....	7%
Goodyear.....	7%
Yokohama.....	3%

TESLA

Continental.....	40%
Michelin.....	25%
Goodyear.....	20%
Pirelli.....	10%
Hankook.....	5%

TOYOTA

Bridgestone.....	25%
Michelin.....	25%
Goodyear.....	12%
Continental.....	6%
Hankook.....	6%
BFGoodrich.....	5%
Dunlop.....	5%
Toyo.....	5%
Yokohama.....	4%
Firestone.....	3%
Falken.....	3%
General.....	1%

VOLKSWAGEN

Continental.....	46%
Kumho.....	14%
Goodyear.....	13%
Hankook.....	11%
Falken.....	9%
Bridgestone.....	5%
Nexen.....	2%

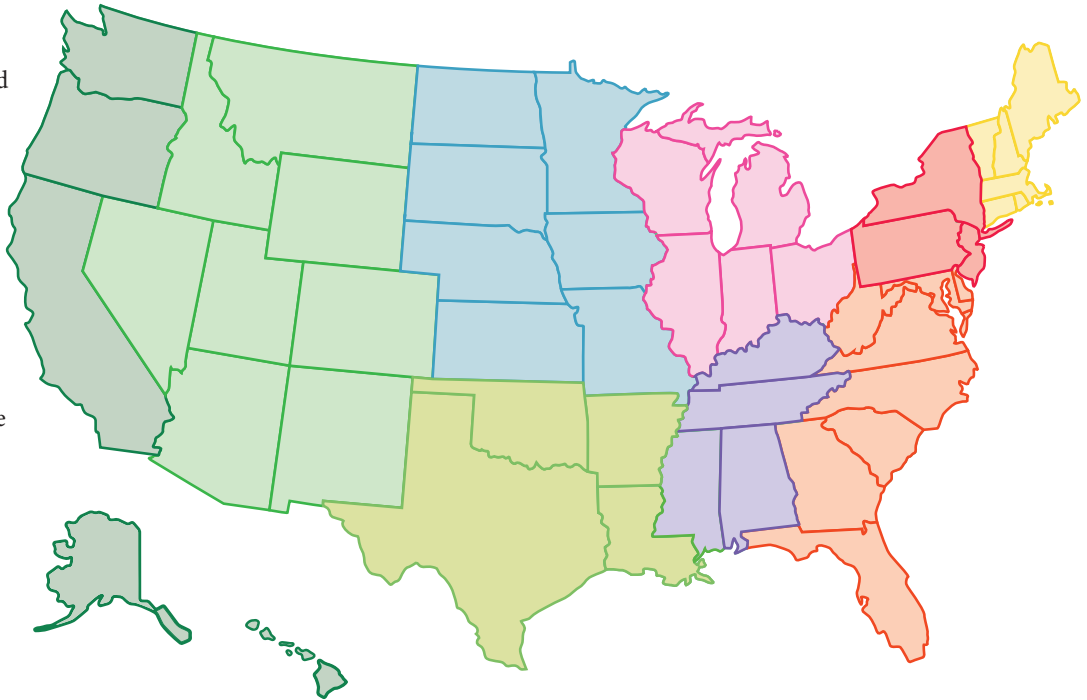
VOLVO

Pirelli.....	50%
Continental.....	30%
Michelin.....	20%

LOCATION, LOCATION, LOCATION

WHERE TIRE DEALERSHIPS ARE CONCENTRATED

Where are the United States' roughly 29,000 independent tire dealerships located? The South Atlantic region has the biggest concentration of independent dealerships. The New England region has the smallest number as a percentage of the total. The below charts drill down into the details by region and state.



INDEPENDENT TIRE DEALER LOCATIONS BY REGION AND STATE

(Based on 29,000 total)

NEW ENGLAND	5%
Massachusetts.....	37%
Connecticut.....	23%
New Hampshire.....	16%
Maine.....	14%
Vermont.....	5%
Rhode Island.....	5%
MIDDLE ATLANTIC	8%
Pennsylvania.....	50%
New York.....	27%
New Jersey.....	23%
EAST NORTH CENTRAL	15%
Ohio.....	31%
Illinois.....	23%
Michigan.....	19%
Indiana.....	15%
Wisconsin.....	12%

WEST NORTH CENTRAL	10%
Missouri.....	31%
Minnesota.....	18%
Iowa.....	16%
Kansas.....	15%
Nebraska.....	10%
North Dakota.....	5%
South Dakota.....	5%
SOUTH ATLANTIC	22%
Florida.....	29%
North Carolina.....	19%
Georgia.....	18%
Virginia.....	13%
South Carolina.....	9%
Maryland.....	7%
West Virginia.....	3%
Delaware.....	1%
Washington, D.C.....	1%
EAST SOUTH CENTRAL	7%
Tennessee.....	36%
Alabama.....	32%
Kentucky.....	23%
Mississippi.....	9%

WEST SOUTH CENTRAL	13%
Texas.....	63%
Louisiana.....	14%
Oklahoma.....	13%
Arkansas.....	10%
MOUNTAIN	8%
Colorado.....	23%
Arizona.....	22%
Utah.....	15%
Idaho.....	11%
Nevada.....	9%
New Mexico.....	9%
Montana.....	7%
Wyoming.....	4%
PACIFIC	12%
California.....	75%
Washington.....	13%
Oregon.....	10%
Alaska.....	1%
Hawaii.....	1%

NUMBERS ARE BASED ON TIRE DEALERSHIPS' SELF-DISCLOSURES AND ADDITIONAL MTD RESEARCH.

WHAT BRANDS DO DEALERS SELL?

PLENTY OF NEW PRODUCTS HIT THE MARKET IN 2022

Each July, MTD publishes the MTD 100 — a ranking of the largest independent tire dealerships in the U.S., based on number of stores. The MTD 100 also lists how many outlets each dealership has and the tire brands those dealerships sell. Here are the most frequently mentioned brands on the 2022 MTD 100 and how many stores carry them.

BRANDS LISTED IN THE MTD 100

2022 RANKING	BRAND	DEALERSHIPS/ LOCATIONS	2021 RANKING
1	Michelin	100/7,679	1
2	BFGoodrich	90/6,686	3
3	Bridgestone	77/6,280	2
4	Continental	74/5,660	4
5	Firestone	72/5,664	5
5	Goodyear	72/6,206	6
7	Uniroyal	66/4,453	8
8	Yokohama	65/5,577	9
9	General	64/6,156	7
10	Cooper	59/6,418	10
11	Hankook	57/6,407	10
12	Falken	41/3,894	14
12	Toyo	41/3,898	12
14	Dunlop	40/5,270	13
15	Kelly	39/5,059	16
15	Pirelli	39/5,059	14
17	Kumho	33/3,901	17
18	Nexen	28/3,130	19
19	Sumitomo	25/1,833	Not listed
20	Nitto	22/2,364	18

NEW PRODUCTS IN 2022

Independent tire dealers and distributors had new products to sell in 2022. More than 45 new consumer tires were unveiled to the media by tire manufacturers and marketers during the year.

A number of products were introduced during the 2022 Specialty Equipment Market Association Show, which was held in November.

TIREMAKER/ MARKETER	PRODUCT	TARGET CATEGORIES	WHEN ANNOUNCED
Pirelli Tire North America Inc.	P Zero Corsa	Passenger, CUV	January
Nokian Tyres plc	Outpost AT and Outpost APT	LT, CUV, SUV	January
Nokian Tyres plc	Hakkapeliitta RS	Passenger	January
Nokian Tyres plc	Hakkapeliitta RS SUV	SUV	January
Kumho Tire USA Inc.	Road Venture AT52	LT, SUV	February
Nitto Tire U.S.A. Inc.	Nomad Grappler	CUV, SUV	March
Omni United	Renegade A/T Pro	LT, SUV	March
Pirelli Tire North America Inc.	P Zero All Season Plus	Passenger	March
Hankook Tire North America	Ventus S1 AS	Passenger	March
Hankook Tire North America	Hankook Ion	Passenger	March
Toyo Tire U.S.A. Corp.	Celsius Sport	Passenger, CUV, SUV	March
American Tire Distributors Inc.	Ironman All Country HT	LT, CUV, SUV	April
Bridgestone Americas Inc.	Bridgestone Potenza RE-71R5	Passenger, CUV	April
Sailun Tire Americas	ERANGE EV	Passenger	April
Bridgestone Americas Inc.	Bridgestone DriveGuard Plus	Passenger, CUV	April
TBC Brands LLC	Mud Claw Comp MTX	LT, CUV, SUV	May
TBC Brands LLC	Sumitomo Encounter HT2	LT, CUV, SUV	May
Nexen Tire America Inc.	Roadian ATX	LT, SUV	June
Continental Tire the Americas LLC	General AltiMAX RT®	Passenger	June
Horizon Tire Inc.	Crossmax PLT	Passenger	June
Yokohama Tire Corp.	Advan Neova AD09	Passenger	July
Performance Plus Tire	Kontio WhitePaw Classic	Passenger	August
TBC Brands LLC	Multi-Mile XTX AT4S	LT, CUV, SUV	August
Goodyear Tire & Rubber Co.	Goodyear Electric Drive GT	Passenger	September
Sumitomo Rubber North America Inc.	Falken Azenis FK460	Passenger	September
Hankook Tire North America	Laufenn X FIT HP	SUV	September
Bridgestone Americas Inc.	Firestone Firehawk AS V2	Passenger	September
Michelin North America Inc.	Michelin Defender 2	Passenger, CUV	September
Pirelli Tire North America Inc.	Scorpion Weather Active	LT, SUV	September
Pirelli Tire North America Inc.	Cinturato Weather Active	Passenger	September
Yokohama Tire Corp.	Advan Sport V107	Passenger	September
American Tire Distributors Inc.	Hercules Roadtour Connect PCV	Passenger	October
Toyo Tire U.S.A. Corp.	Open Country R/T Trail	LT, SUV	October
Sumitomo Rubber North America Inc.	Falken WildPeak R/T	LT, SUV	October
TBC Brands LLC	Elodrado Sport Fury 4T4S	LT, CUV, SUV	November
Sentury Tire USA	Delinte Bandit Crossover DX-20	CUV, SUV	November
Sentury Tire USA	Landsail Stormblazer CLX-20	CUV, SUV	November
American Omni Trading	Thunderer Mach 1 Plus	Passenger	November
American Omni Trading	Thunderer Ranger 007	Passenger	November
American Tire Distributors Inc.	Hercules T1S TT1	LT	November
American Kenda Industrial Co. Ltd.	Vezda Touring 4S KR211	Passenger	November
Goodyear Tire & Rubber Co.	Wrangler Workhorse HT	LT, SUV	November
Continental Tire the Americas LLC	Continental ExtremeContact Sport ⁶²	Passenger	November
Apollo Tyres Ltd.	Vredestein Pinza HT	LT, CUV, SUV	November
Tireco	Milestar Patagonia A/T Pro	LT, SUV	November
Trimax Tire	Farroad All-Weather	Passenger	November
Trimax Tire	Kapsen	Passenger	November

THAT'S ABOUT THE SIZE OF IT

HIGH-DIAMETER TIRES CONTINUE TO DOMINATE

Whether replacement or original equipment, passenger and light truck tires are getting bigger and are becoming more plentiful. Looking at available passenger car tire sizes, based on rim diameter, two new 17-inch sizes, four new 18-inch sizes, five new 20-inch sizes, three new 21-inch sizes and three new 22-inch sizes joined the P-metric segment during 2022. The total number of P-metric sizes now available equals 390, up 17 from 2021.

AVAILABLE PASSENGER CAR SIZES BY RIM DIAMETER

12-inch: 1	13-inch: 14	14-inch: 26	15-inch: 55
16-inch: 61	17-inch: 64	18-inch: 70	19-inch: 30
20-inch: 39	21-inch: 7	22-inch: 13	23-inch: 2
24-inch: 7	26-inch: 1	*SOURCE: TIRE & RIM ASSOCIATION	

Compared to the passenger tire segment, fewer sizes were added to the LT metric population last year. Additions include one 19-inch size and one 22-inch size. There are 187 LT metric sizes available. That's two more than the total in 2021 and 11 more than the total in 2020.

AVAILABLE LT METRIC SIZES BY RIM DIAMETER

14-inch: 6	15-inch: 19	16-inch: 38	17-inch: 31
18-inch: 35	19-inch: 2	20-inch: 23	22-inch: 20
24-inch: 10	26-inch: 3	*SOURCE: TIRE & RIM ASSOCIATION	

In the LT high flotation category, one 16-inch size, two 17-inch sizes, three 18-inch sizes and one 20-inch size were added during 2022. The total number of LT high flotation sizes equals 113, seven more than in 2021.

AVAILABLE LT HIGH FLOTATION SIZES BY RIM DIAMETER

14-inch: 2	15-inch: 22	16-inch: 2	17-inch: 22
18-inch: 18	20-inch: 23	22-inch: 9	24-inch: 10
26-inch: 3	28-inch: 2	*SOURCE: TIRE & RIM ASSOCIATION	



SWEET 17

Seventeen-inch sizes continue to dominate replacement passenger tire sizing, with five 17-inch sizes — including 225/65R17 — appearing in the replacement passenger tire top 10.

MOST POPULAR REPLACEMENT PASSENGER TIRE SIZES

*SOURCE: USTMA

RANK	SIZE	% OF TOTAL
1	225/65R17	5.5%
2	205/55R16	4.2%
3	215/55R17	3.6%
4	215/60R16	2.7%
5	195/65R15	2.5%
6	235/60R18	2.0%
7	275/55R20	1.9%
8	225/50R17	1.8%
8	265/70R17	1.8%
10	225/60R17	1.7%

MOST POPULAR REPLACEMENT LT TIRE SIZES

*SOURCE: USTMA

RANK	SIZE	% OF TOTAL
1	LT265/70R17	9.1%
2	LT245/75R16	8.1%
3	LT275/70R18	7.0%
4	LT225/75R16	6.8%
5	LT245/75R17	5.7%
6	LT265/75R16	5.2%
7	LT285/75R16	4.1%
8	LT235/80R17	3.6%
9	35X12.5R20LT	3.5%
10	LT275/65R18	3.4%

20-INCH TOPS THE LIST

Original equipment replacement tire sizing continues to inch upward. Four 20-inch sizes appear in the current top 10, as do four 18-inch sizes. A 17-inch size (225/65R17) and a 19-inch size (235/40R19) round out the list. The below sizes make up 35.5% of the OE passenger tire market.

MOST POPULAR OE PASSENGER TIRE SIZES

*SOURCE: USTMA

RANK	SIZE	% OF TOTAL
1	275/60R20	6.7%
2	235/60R18	4.4%
3	235/45R18	4.2%
4	235/40R19	3.3%
5	225/65R17	3.2%
6	235/65R18	3.1%
7	275/55R20	3.0%
8	225/60R18	2.6%
9	235/55R20	2.5%
9	245/50R20	2.5%

MOST POPULAR OE LIGHT TRUCK TIRE SIZES

*SOURCE: USTMA

RANK	SIZE	% OF TOTAL
1	LT275/70R18	15.8%
2	LT275/65R20	13.1%
3	LT245/75R17	10.7%
4	LT285/70R17	9.0%
5	LT275/65R18	7.9%
6	LT235/65R16	7.7%
7	LT225/75R16	6.2%
8	LT265/70R17	6.1%
9	LT235/80R17	3.7%
10	LT315/70R17	3.3%

An 18-inch size (LT275/70R18) tops the most popular OE light truck size list. Five out of the current top 10 light truck OE tire sizes are in the 17-inch category.

WILL TIRE PRICES STABILIZE?

DATA SUGGESTS ‘LEVELING OUT’ COULD BE UNDERWAY

After the large number of rapid-fire passenger and light truck tire price hikes that were enacted in 2021, fewer tire manufacturers took pricing actions during 2022. However, the impact of price increases is still being felt by tire dealers.

In the August 2022 issue of MTD, retail tire pricing expert JP Brooks, director of business development for Duluth, Minn.-based Fitment Group, which analyzes millions of consumer tire data points, indicated that the market was still absorbing increases announced earlier in the year.

“If a company announced that a price increase will go into effect on Aug. 1, those prices aren’t instantly reflected in the market on Aug. 2,” he said at the time. “We could start feeling those in October or even November.”

Moderating inflation levels could work in the favor of tire dealers moving forward, says Brooks.

At press time, the national inflation rate was 7.1% — down from 7.7% the previous month. This corresponds with tire pricing trends that Fitment Group observed at the end of 2022.

The consumer price index in November “was the smallest 12-month increase since December 2021,” which “is good news for consumers,” says Brooks.

During most of 2022, advertised retail pricing on major brand tires increased by more than 9%, he reports.

But during the first week of October, “we saw our first small decline in advertised pricing, which continued through October and November. Does this mean tire prices are stabilizing? The data would seem to suggest that.”

But that doesn’t mean market dynamics and other factors that have driven price hikes are going away soon. “We still have a war in eastern Europe, COVID-19 issues in China and underlying inflation pressures remain.”

2022 AVERAGE ADVERTISED PASSENGER TIRE PRICES

SIZE	MAJOR BRAND	LOW-COST
225/65R17	\$186.06	\$113.48
205/55R16	\$152.23	\$87.22
215/55R17	\$181.05	\$99.62
215/60R16	\$143.50	\$89.31
195/65R15	\$129.76	\$75.05

*SOURCE: FITMENT GROUP (WWW.FITMENTGROUP.COM)

2022 AVERAGE ADVERTISED LIGHT TRUCK TIRE PRICES

SIZE	MAJOR BRAND	LOW-COST
LT265/70R17	\$269.46	\$191.00
LT245/75R16	\$237.02	\$149.83
LT275/70R18	\$296.88	\$214.43
LT225/75R16	\$225.65	\$141.63
LT245/75R17	\$265.23	\$176.54

*SOURCE: FITMENT GROUP (WWW.FITMENTGROUP.COM)

2022 PRICING BY REGION (LT265/70R17)

REGION	OPENING	VALUE	BETTER	BEST	WINTER
East North Central	\$199.50	\$243.91	\$268.60	\$285.67	\$238.20
East South Central	\$203.23	\$242.69	\$267.36	\$282.62	\$237.12
Middle Atlantic	\$170.97	\$242.17	\$265.60	\$284.36	\$225.92
Mountain	\$205.41	\$263.44	\$273.69	\$283.42	\$241.82
New England	\$173.55	\$248.97	\$277.95	\$309.31	\$247.68
Pacific	\$202.18	\$254.31	\$268.64	\$279.97	\$241.62
South Atlantic	\$191.96	\$240.04	\$268.47	\$283.28	\$236.43
West North Central	\$202.33	\$239.46	\$266.12	\$280.62	\$237.91
West South Central	\$200.98	\$242.74	\$265.05	\$279.51	\$239.34

* SOURCE: FITMENT GROUP (WWW.FITMENTGROUP.COM)

Tire pricing



ONLINE TIRE PRICING

More companies continue to move units via online tire ordering portals. Here's a look at two tires and at what prices they were advertised through various portals at press time.

2022 ONLINE TIRE PRICING

MICHELIN LATITUDE TOUR HP (225/65R17)	
WEBSITE	PRICE
amazon.com	\$168.97
belletire.com	\$190.00
bigbrandtire.com	\$180.99
bigchieftire.com	\$217.99
bigotires.com	\$240.99
bjs.com	\$216.99
discounttiredirect.com	\$185.25
dunntire.com	\$189.98
gotodobbs.com	\$202.95
integratire.com	\$289.00
mavistire.com	\$213.00
midas.com	\$280.72
ntb.com	\$207.99
quicklane.com	\$241.95
simpletire.com	\$214.96
tirediscounters.com	\$235.00
tireengineers.com	\$182.99
tirerack.com	\$214.37
tires.com	\$202.00
vipauto.com	\$222.67
walmart.com	\$201.23

* SOURCE: FITMENT GROUP (WWW.FITMENTGROUP.COM)

MILESTAR PATAGONIA MT (LT265/70R17)	
WEBSITE	PRICE
bigchieftire.com	\$270.99
blackstire.com	\$269.98
discounttiredirect.com	\$218.96
moderntirect.com	\$221.37
onlinetires.com	\$226.30
prioritytire.com	\$238.95
simpletire.com	\$202.96
tireagent.com	\$261.13
tirediscounters.com	\$263.00
tireoutlet.com	\$238.95
tires.com	\$239.00
tireseasy.com	\$196.68

* SOURCE: FITMENT GROUP (WWW.FITMENTGROUP.COM)





PEDAL TO THE METAL

TRUCK TIRE DEMAND ACCELERATED IN 2022

One year ago, when discussing the replacement medium truck tire market, a commercial truck tire sales veteran told MTD, “I’ve never seen growth like this!”

That momentum continued through 2022.

Full-year 2022 U.S. replacement medium truck tire shipments are expected to total 18 million units — a 20%-plus increase from last year’s levels. This follows a year-over-year increase of around 19% from 2020 to 2021.

Demand for medium truck tires was strong during the first nine months of 2022. And several manufacturers report that this positive momentum carried over into the fourth quarter.

“October and November were our biggest months,” a representative from one manufacturer told MTD. “Our November was off the charts.”

Continued growth could be offset by several factors. There’s been “a slowing in the personal consumption of goods,” says Bob Costello, chief economist at the American Trucking Associations, which could cause a drop in freight movement. (In October, for-hire tonnage experienced the largest single monthly decline since the start of the COVID-19 pandemic.)

Factors working in the favor of truck tire suppliers and dealers include the continuing release of pent-up demand and fleets holding onto older trucks and trailers.

“The age of equipment continues to increase,” a representative from a large commercial tire dealership told MTD. “This will force fleets to spend more on maintenance, including tires.”

2022 U.S. REPLACEMENT MEDIUM TRUCK TIRE BRAND

(based on 28 million units)

BRAND	2022 SHARE
Michelin	13.5%
Bridgestone	13.0%
Goodyear	9.0%
Yokohama	8.5%
Continental	8.0%
Firestone	7.5%
Double Coin	5.5%
Hankook	3.5%
Toyo	3.5%
Falken	3.0%
Sailun	2.5%
General	2.0%
Roadmaster	2.0%
Sumitomo	1.5%
Westlake	1.5%
Zenna	1.5%
BFGoodrich	1.0%
Gladiator	1.0%
Others	12.0%

2022 U.S. RETREADED TRUCK TIRE MARKET SHARE

(based on 15.5 million units)

BRAND	2022 SHARE
Bridgestone/Bandag	44.0%
Michelin/Oliver	24.0%
Goodyear	22.0%
Vipal/Marangoni	5.5%
Continental	3.0%
Others	1.5%

AG TIRE DEMAND GREW

Demand across all six ag tire segments that MTD tracks was up in 2022.

According to MTD estimates, more than 3.1 million ag tires were shipped in the U.S. last year — at both replacement and OE — a slight increase over 2021 totals.

“Worldwide and in the United States, demand for ag tires in replacement was very strong in 2022,” says Arvind Poddar, chairman and managing director, Balkrishna Industries Ltd.

Here’s a snapshot of ag tire shipments, broken out by segment.

2022 AG TIRE MARKET SHIPMENTS BY SEGMENT

SEGMENT	REPLACEMENT	OE
Radial Rear	331,855	232,560
Bias Rear	443,290	391,680
Small	1.38 million	355,980

Plant capacities

NORTH AMERICAN TIRE PLANT CAPACITIES

AS OF JANUARY 1, 2023 (IN THOUSANDS OF UNITS)

Company/Plant Location/Year Constructed	Non-Union	ISO Certified	Passenger per day	Light truck per day	Truck per day	Others per day	Total
Bridgestone Americas Inc.							
Aiken, S.C., 2013	x		0.0	0.0	0.0	0.04	0.04
La Vergne, Tenn., 1972		x	0.0	0.0	5.8	0.0	5.8
Warren County, Tenn., 1990		x	0.0	0.0	9.4	0.0	9.4
Bloomington, Ill., 1965		x	0.0	0.0	0.0	0.30	0.30
Des Moines, Iowa, 1945		x	0.0	0.0	0.0	3.36	3.36
Wilson City, N.C., 1974	x	x	24.0	0.0	0.0	0.0	24.0
Aiken County, S.C., 1999	x	x	32.0	5.0	0.0	0.0	37.0
Joliette, Quebec, Canada, 1966		x	9.2	9.1	0.0	0.0	18.3
Monterrey, Mexico, 2007	x		6.8	0.0	0.0	0.0	6.8
Cuernavaca, Mexico, 1980		x	13.5	7.6	0.0	0.0	21.1
Total:			85.5	21.7	15.2	3.70	126.10
Carlstar Group LLC							
Jackson, Tenn., 2009	x	x	0.0	0.0	0.0	26.0	26.0
Clinton, Tenn. (Dico), 1974	x	x	0.0	0.0	0.0	15.0	15.0
Total:			0.0	0.0	0.0	41.0	41.0
Continental Tire the Americas LLC							
Sumter, S.C., 2013	x		12.5	1.0	0.0	0.0	13.5
Mount Vernon, Ill., 1973, 1988	x	x	30.0	4.0	10.3	0.0	44.3
Clinton, Miss., 2020			0.0	0.0	2.8	0.0	2.8
Total:			42.5	5.0	13.1	0.0	60.6
Giti Tire (USA) Ltd.							
Richburg, S.C., 2017	x	x	15.0	0.0	0.0	0.0	15.0
Total:			15.0	0.0	0.0	0.0	15.0
Goodyear Tire & Rubber Co.							
Danville, Va., 1966		x	0.0	0.0	11.0	2.0	13.0
Fayetteville, N.C., 1969		x	31.0	10.5	0.0	0.0	41.5
Findlay, Ohio, 1917*		x	7.0	16.0	0.0	0.0	23.0
Lawton, Okla., 1978	x	x	64.5	0.0	0.0	0.0	64.5
Texarkana, Ark., 1964*		x	24.0	8.0	0.0	0.0	32.0
Topeka, Kan., 1945		x	0.0	0.5	5.5	0.1	6.1
Tupelo, Miss, 1984/1960*	x	x	42.0	0.0	0.0	0.0	42.0
Medicine Hat, Alberta, Canada, 1960		x	0.0	0.0	0.0	13.0	13.0
Napanee, Ontario, Canada, 1990	x	x	19.0	0.0	0.0	0.0	19.0
San Luis Potosi, Mexico 2017	x		16.4	0.0	0.0	0.0	16.4
Total:			203.9	35.0	16.5	15.1	270.5
Hankook Tire North America							
Clarksville, Tenn., 2016	x	x	12.6	1.3	0.0	0.0	13.9
Total:			12.6	1.3	0.0	0.0	13.9
Kumho Tire Co. Inc.							
Macon, Ga., 2015		x	11.0	0.0	0.0	0.0	11.00
Total:			11.0	0.0	0.0	0.0	11.00
Michelin North America Inc.							
Ardmore, Okla., 1969	x	x	37.5	3.4	0.0	0.0	40.9
Dothan, Ala., 1979	x		0.0	9.5	0.0	0.0	9.5
Fort Wayne, Ind., 1961			25.5	10.7	0.0	0.0	36.2
Greenville, S.C., 1975	x		36.7	0.0	0.0	0.0	36.7
Greenville, S.C. (C3M), 1996	x	x	8.7	0.0	0.0	0.0	8.7
Piedmont, S.C. (Tweel), 2014	x		0.0	0.0	0.0	0.07	0.07
Lexington, S.C., 1981	x		26.5	0.0	0.0	0.0	26.5
Lexington, S.C., 1998	x	x	0.0	0.0	0.0	0.1	0.1

Company/Plant Location/Year Constructed	Non-Union	ISO Certified	Passenger per day	Light truck per day	Truck per day	Others per day	Total
Spartanburg, S.C., 1978	x		0.0	0.0	6.4	0.0	6.4
Starr, S.C., 2013	x		0.0	0.0	0.0	0.01	0.01
Tuscaloosa, Ala., 1945			19.7	5.5	0.0	0.0	25.2
Bridgewater, Nova Scotia, Canada, 1971	x		14.1	4.0	0.0	0.0	18.1
Granton, Nova Scotia, Canada, 1971	x		2.7	0.0	0.0	0.0	2.7
Waterville, Nova Scotia, Canada, 1982	x		0.0	0.0	7.0	0.5	7.5
Queretaro, Mexico, 2002	x		6.0	0.0	0.0	0.0	6.0
Leon, Mexico, 2018			4.0	0.4	0.0	0.0	4.4
Total:			181.4	33.5	13.4	0.68	228.98
Nokian Tyres plc							
Dayton, Tenn, 2019	x	x	1.7	1.1	0.0	0.0	2.8
Total:			1.7	1.1	0.0	0.0	2.8
Pirelli Tire North America Inc.							
Rome, Ga., (MIRS), 2002	x	x	1.2	0.0	0.0	0.0	1.2
Guanajuato, Mexico 2011, 2018	x	x	22.0	0.0	0.0	0.0	22.0
Total:			23.2	0.0	0.0	0.0	23.2
Specialty Tires of America Inc.							
Indiana, Pa., 1915	x	x	0.92	0.18	0.05	2.35	3.5
Unicoi, Tenn., 1997	x	x	0.3	0.5	0.05	0.25	1.1
Total:			1.22	0.68	0.1	2.6	4.6
Sumitomo Rubber USA LLC (Sumitomo Rubber North America Inc.)							
Tonawanda, N.Y., 1923			7.3	2.7	2.3	5.0	17.3
Total:			7.3	2.7	2.3	5.0	17.3
Titan Tire Corp.							
Bryan, Ohio, 1967		x	0.0	0.0	0.0	0.33	0.33
Des Moines, Iowa, 1943		x	0.0	0.0	0.0	11.25	11.25
Freeport, Ill., 1964		x	0.0	0.0	0.0	8.1	8.1
Total:			0.0	0.0	0.0	19.68	19.68
Toyo Tire North America Manufacturing Inc.							
White, Ga., 2005	x	x	40.0	6.5	0.0	0.0	46.5
Total:			40.0	6.5	0.0	0.0	46.5
Trelleborg Wheel Systems							
Spartanburg, S.C., 2015	x		0.0	0.0	0.0	0.07	0.07
Charles City, Iowa, 2012			0.0	0.0	0.0	0.5	0.5
Total:			0.0	0.0	0.0	0.57	0.57
Yokohama Tire Corp.							
West Point, Miss., 2015	x	x	0.0	0.0	3.0	0.0	3.0
Salem, Va., 1968			25.7	1.1	0.0	0.0	26.8
Total:			25.7	1.1	3.0	0.0	29.8
Grupo Carso/Euzkadi (Continental AG)							
San Luis Potosi, Mexico	x		0.0	14.2	3.8	0.0	18.0
Total:			0.0	14.2	3.8	0.0	18.0
JK Tyre & Industries (formerly CIA Hulera Tornel)							
Mexico City, Mexico			0.0	1.0	1.0	0.14	2.14
Tultitlan, Mexico			7.0	1.5	0.5	0.0	9.0
Tacuba, Mexico			8.0	2.5	0.0	0.0	10.5
Total:			15.0	5.0	1.5	0.14	21.64
Corporacion de Occidente SA de CV (Cooper Tire)							
Guadalajara, Mexico, 2005	x	x	10.0	7.2	2.8	0.0	20.0
Total:			10.0	7.2	2.8	0.0	20.0
U.S. Totals							
			537.32	87.48	56.60	74.83	756.23
Canadian Totals							
			45.00	13.10	7.00	13.50	78.60
Mexican Totals							
			93.70	34.40	8.10	0.14	136.34
TOTAL:			676.02	134.98	71.70	88.47	968.17

*NOTES FORMER COOPER TIRE & RUBBER CO. FACTORY

ON THE MENU

THE MOST COMMON AUTOMOTIVE SERVICES, PLUS AVERAGE TICKETS

Respondents to MTD’s 2022 Tire Dealer Automotive Service Study report that auto service remains a big driver of overall sales. Overall, dealers who responded to the study expected that an average of 42% of their total sales would come from auto service during 2022.

PERCENT OF SALES FROM AUTO SERVICE

PERCENT OF DEALERS	PERCENT OF AUTO SERVICE SALES
1-10%	26%
11-20%	8%
21-30%	7%
31-40%	10%
41-50%	15%
51-60%	12%
61-70%	11%
71-80%	4%
81-90%	6%
91-99%	1%

TIRE SERVICE STILL RULES

It’s no surprise that tire pressure monitoring system service is the most common automotive service that tire dealers offer at 92%. Slightly fewer respondents to MTD’s latest study report that they offer tire mounting and balancing, while 79% said they provide shock and strut replacement.

At the other end of the spectrum, 41% of dealers said they offer exhaust system service and 46% offer chemicals, injector cleaners and similar items.

Only 18% of respondents said they service advanced automotive assistance systems (ADAS), proving that there is still plenty of opportunity associated with this rapidly evolving technology that has become the norm on new vehicles.

BIG-TICKET ITEMS

When asked to cite their highest-ticket auto services, respondents cited air conditioning (\$706.43) and engine repair, diagnostics and tune-ups (\$682.14) as their number one and number two items, respectively.

Shocks/struts (\$591.67) and chassis/

suspension work (\$575) came in at number three and number four, respectively.

Bearings and seals (\$435.71) rounded out the “top five.”

Mounting and balancing a tire (\$31.59) was cited as the smallest-ticket item. The average ticket for ADAS service was not available.

AUTO SERVICE OFFERINGS

AUTOMOTIVE SERVICE	PERCENT WHO OFFER SERVICE
ADAS	18%
Air conditioning	62%
Alignment	77%
Battery/electrical	74%
Bearings/seals	74%
Brakes	74%
Chassis/suspension	74%
Chemicals (injector cleaners etc.)	46%
Cooling systems	64%
Electronic diagnosis	62%
Engine repair/diagnostics/tune-ups	67%
Exhaust systems	41%
Ignition and spark plug	64%
Mounting/balancing	90%
Oil/lubrication	72%
Shocks/struts	79%
Tire pressure monitoring systems	92%
Visibility (wipers)	72%

AVERAGE TICKET PER JOB

AUTOMOTIVE SERVICE	AVERAGE TICKET (IN DOLLARS)
ADAS	N/A
Air Conditioning	\$706.43
Alignment	\$165.11
Battery/electrical	\$195.00
Bearings/seals	\$435.71
Brakes	\$376.66
Chassis/suspension	\$575.00
Chemicals (injector cleaners, etc.)	\$141.43
Cooling systems	\$166.43
Electronic diagnostics	\$194.00
Engine repair/diagnostics/tune-ups	\$682.14
Exhaust systems	\$338.14
Ignition and spark plug	\$350.00
Mounting/balancing (one tire)	\$31.59
Oil/lubrication	\$73.26
Shocks/struts	\$591.67
Tire pressure monitoring systems	\$98.13
Visibility (wipers)	\$35.58

THE NEXT FRONTIER

ACQUISITIONS TOOK A COMMERCIAL, WHOLESALE TURN

Inflation and interest rates climbed during 2022 and the possibility of a recession hasn't been ruled out. In theory, mergers and acquisitions should be slowing. But the opposite happened. More tire dealership acquisitions (65) were announced during 2022 than were announced the previous year (43).

While most companies listed below did not reveal financials, the biggest retail deal — from a store count perspective — was Mavis Tire Express Services Corp.'s acquisition of Moosic, Pa.-based Jack Williams Tire Co., which was announced in April. The transaction included 39 retail stores, plus Jack Williams Tire's wholesale division.

Tire Discounters Inc. was the most prolific acquirer based on total number of separate deals completed. The Cincinnati, Ohio-based company acquired more than 15 other tire dealerships.

Acquisitions picked up on the commercial tire front. No fewer than five primarily commercial tire dealerships — East Bay Tire

Co., McCarthy Tire Service Co. Inc., Pomp's Tire Service Inc., Purcell Tire & Rubber Co. and Southern Tire Mart LLC — acquired other commercial tire dealerships.

Bridgestone Americas Inc.'s divestment of key GCR Tires & Service locations continued as Southern Tire Mart and Pomp's Tire Service picked up 26 and 23 GCR locations, respectively.

On the wholesale side, U.S. AutoForce LLC acquired Max Finkelstein Inc. during the first quarter of the year.

During the second quarter, Monro Inc. sold its Tires Now wholesale division to American Tire Distributors Inc. (ATD). Shortly thereafter, ATD sold its Canada-based National Tire Distributors wholesale business to Groupe Touchette Inc., which is based in Quebec.

Kingswood Capital Management LP acquired controlling interest in Turbo Wholesale Tire during the fourth quarter. ■

2022 NORTH AMERICA TIRE DEALERSHIP MERGERS AND ACQUISITIONS

BUYER	QUARTER	ACQUIRED	# OF OUTLETS	LOCATION(S)
Big Brand Tire & Service Inc./Percheron Capital	1Q	C&R Tire	5	Arizona
Big Brand Tire & Service Inc./Percheron Capital	1Q	Community Tire Pros	6	Arizona
Big Brand Tire & Service Inc./Percheron Capital	1Q	S&S Tire Auto Service Center	2	Arizona
Coast Tire & Auto Service	1Q	49% stake held by Goodyear Tire & Rubber Co.	26	New Brunswick, Nova Scotia and Prince Edward Island
East Bay Tire Co.	1Q	Brandon Tire Supply	9	California
Leeds West Groups	1Q	Big O Tire	1	Oklahoma City, Okla.
McCarthy Tire Service Co. Inc.	1Q	Piedmont Truck Tires Inc.	10 service locations, 2 retread plants	North Carolina, South Carolina and Tennessee
Mavis Tire Express Services Corp.	1Q	Action Gator Tire	23	Central Florida
Mufflerman Inc.	1Q	Superior Tire & Auto Inc.	10	Ontario
Purcell Tire & Rubber Co.	1Q	Callender Tire Inc.	1	Commerce City, Colo.
Rice Tire Co.	1Q	American Fleet Services	1	Virginia
U.S. AutoForce LLC	1Q	Max Finkelstein Inc.	15	Maryland, New York, Pennsylvania and Virginia
Distribution Stox	1Q	Service de Pneus Lavoie Outaouais Inc.	4 distribution centers	Ontario, Quebec
American Tire Distributors Inc.	2Q	Monro Inc.'s Tires Now division	7 distribution centers	Kentucky, North Carolina, New York and Tennessee
Big Brand Tire & Service Inc./Percheron Capital	2Q	MPG Tire & Auto Service	11	Tucson, Ariz.
K&M Tire Inc.	2Q	Midtown Tire	1	Rochester, N.Y.
Mavis Tire Express Services Corp.	2Q	Jack Williams Tire Co.	39 retail stores, 11 warehouses	Delaware, Maryland, New Jersey, New York and Pennsylvania
McCarthy Tire Service Co. Inc.	2Q	Classic Tire Service Inc.	1	Barclay, Md.
McCarthy Tire Service Co. Inc.	2Q	LS Truck Tire Repair	5	New Jersey and Pennsylvania
McMahon's Best-One Tire & Auto Service	2Q	Isaac Tire Inc.	1 retread plant	Indiana
Nebraskaland Tire, Kansasland Tire and Coloradoland Tire	2Q	McWhorter's Auto & Tire Service	8	Texas
Pomp's Tire Service Inc.	2Q	Dale's Tire & Retreading Inc.	3 commercial locations, 1 retread plant	South Dakota

*GB Auto Service Inc. rebranded itself as Sun Auto Tire & Service Inc. in June 2022.

Mergers and acquisitions

BUYER	QUARTER	ACQUIRED	# OF OUTLETS	LOCATION(S)
Pomp's Tire Service Inc.	2Q	Whalen Tire	9 stores, 2 retread plants	Montana and Washington
Purcell Tire & Rubber Co.	2Q	Lowe Industrial Tire Service LLC	1	Grain Valley, Mo.
Purcell Tire & Rubber Co.	2Q	Tri-State Tire	1	American Fork, Utah
Leeds West Group	2Q	Canady's Tire Corp.	1	Broomfield, Colo.
Leeds West Group	2Q	Big O stores owned by Willis Automotive	3	Iowa
Leeds West Group	2Q	Big O store owned by Craig Brown	1	Oklahoma
Sullivan Tire Co. Inc.	2Q	C&R Tire	2	Massachusetts
Sun Auto Tire & Service Inc.	2Q	Good Neighbor Tire & Auto Service	2	Oregon and Washington
Sun Auto Tire & Service Inc.	2Q	Superior Tire Inc.	4	Arizona
Tire Discounters Inc.	2Q	Butler Tires and Wheels	4	Georgia
Tire Discounters Inc.	2Q	Bobby's Tire & Automotive	1 retail store, 1 commercial location	Virginia
Tire Discounters Inc.	2Q	Freeman Tire	1	Cookeville, Tenn.
Tire Discounters Inc.	2Q	Hometown Tire	1	Monroe, Ga.
Tire Discounters Inc.	2Q	Huddle Tire	3	Ohio
Tire Discounters Inc.	2Q	K&G Tire	1	Buckner, Ky.
Tire Discounters Inc.	2Q	Kedron Tire & Automotive	1	Peachtree, Ga.
Tire Discounters Inc.	2Q	Taylor's Tire	1	Greensboro, N.C.
Tire Discounters Inc.	2Q	Thompson Tire	7	Virginia
Big Brand Tire Service Inc./Percheron Capitol	2Q	AAA Auto Care	5	Nevada
Big Brand Tire Service Inc./Percheron Capitol	2Q	Christensen Automotive	12	Nevada
Group Touchette Inc.	3Q	National Tire Distributors Inc. (ATD)	26	Canada
Mavis Tire Express Services Corp.	3Q	Melvin's Tire Pros & Auto Service Centers	5	North Kingston, R.I.
McMahon's Best-One Tire	3Q	Best-One of Auburn	1	Auburn, Ind.
Pit Stop Auto Repair	3Q	Micky Franklin's Tire & Auto	1	North Fort Myers, Fla.
Pomp's Tire Service Inc.	3Q	Tredroc Tire Services Inc.	17 tire locations, 4 retread plants, 2 distribution centers	Illinois
Pomp's Tire Service Inc.	3Q	23 GCR Tires & Service locations	23 stores, 5 retread plants	Colorado, Montana, Oregon and Washington
Burt Brothers Tire & Service Inc.	3Q	Brereton Automotive & Tire	1	Provo, Utah
Southern Tire Mart LLC	3Q	26 GCR Tires & Service locations	26	California, Colorado, Nevada and Utah
Southern Tire Mart LLC	3Q	Redburn Tire Co.	13	Arizona, Colorado, New Mexico and Texas
Sun Auto Tire & Service Inc.	3Q	Coopers Auto Repair Specialists	2	Washington
Tire Discounters Inc.	3Q	Shadden Tire	3	Crossville, Tenn.
Tire Discounters Inc.	3Q	Dyke Tire Pros	1	Richmond, Va.
Tire Discounters Inc.	3Q	Koehler Tire	1	Madison, Ind.
Big Brand Tire & Service/ Percheron Capital	4Q	AA Auto and Christenson Auto	15	Nevada
Chapel Hill Tire	4Q	Bull Tire and Service	1	Cary, N.C.
Commercial Tire Inc.	4Q	1 GCR Tires & Service outlet, 1 retread plant	1 store, 1 retread plant	Spokane, Wash.
Kingswood Capital Management LP	4Q	Turbo Wholesale Tire	1 distribution center	California
Sullivan Tire Co. Inc.	4Q	Central Tire	2	Maine
Sun Auto Tire & Service Inc.	4Q	TGK Automotive Specialists	24	Arizona and Minnesota
Sun Auto Tire & Service Inc.	4Q	Toscalito Tire & Automotive	5	California
Tire Discounters Inc.	4Q	Dellinger's Tire	1	Chesapeake, Va.
Tire Discounters Inc.	4Q	Fred's Tire	1	Columbus, Ga.
Tire Discounters Inc.	4Q	Arne's Tire	1	Blairsville, Ga.
Tire Discounters Inc.	4Q	Leete Tire & Auto	8	Virginia