

MTD

MODERN TIRE DEALER
THE INDUSTRY'S LEADING PUBLICATION

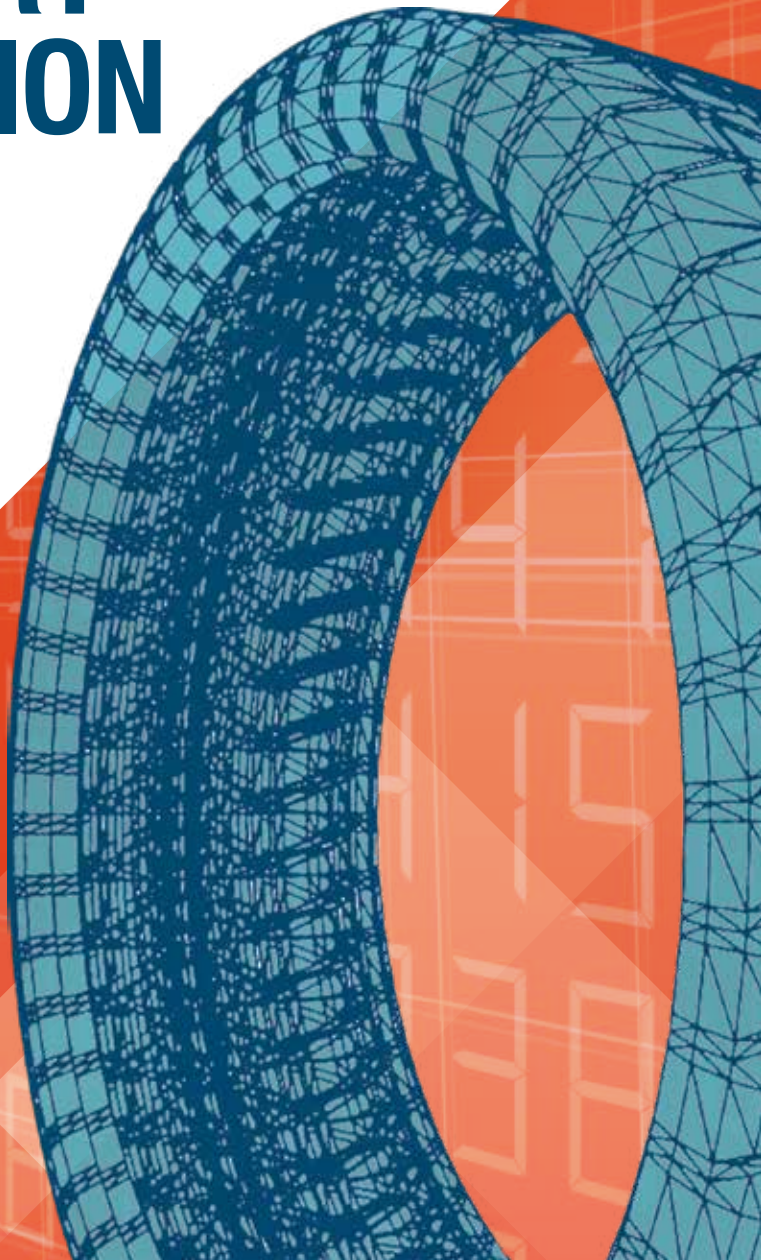
**FORCES IMPACTING
THE MARKET—
AND WHAT YOU
WILL SEE IN 2024**
PRICING, SUPPLY, SELLOUT,
TARIFFS AND MORE

**MORE FROM THE
2023 SEMA SHOW**
WHAT'S NEW IN EQUIPMENT,
SOFTWARE AND TOOLS

**HOW TO FINE-TUNE YOUR
STORE MANAGERS**

AN INDUSTRY IN TRANSITION

MTD'S FACTS ISSUE
EXAMINES THE
TIRE MARKET



AN INDUSTRY IN TRANSITION

MTD'S FACTS ISSUE EXAMINES THE TIRE MARKET

Following several extremely robust years, including a hardy 2022, the tire market in 2023 was marked by what many industry experts have characterized as a return to normality.

Several issues that caused headaches for tire dealers and distributors abated — most notably inventory levels, which were sitting in a somewhat uncomfortable position as 2023 began.

Dealers and distributors also experienced much-needed relief on pricing as manufacturers pulled back on price increases following several years of rapid-fire hikes.

The rate of tire dealership consolidation slowed in the face of high interest rates and other factors.

Consumer tire sellout levels fluctuated throughout 2023 and dipped near the end of the year, while cash-strapped and credit-maxed consumers continued to gravitate toward less expensive brands.

And replacement commercial medium truck tire shipments modulated downward after a formidable 2022, which followed on the heels of a strong 2021.

In the original equipment (OE) channel, the month-and-a-half-long strike at the “Detroit Big Three” seemed to have negligible impact on tire manufacturers’ shipments, though OE units declined a bit in the passenger tire segment.

LOOKING AHEAD

Several trends that favor tire dealers and distributors are gaining momentum.

With the average age of used automobiles at an all-time high, many vehicle owners who have deferred consumer tire replacement over the last several years are expected to return to the market.

And ongoing moderation in inflation is expected to positively impact this trend.

The uptick in miles driven seen last year also is expected to continue. (Cumulative miles driven increased by 5.6% in 2023, according to the U.S. Department of Transportation.)

Ocean freight rates have stayed at more reasonable levels, at least as of press time, which benefits importers and others who sell off-shore-manufactured products.

On the manufacturing side, raw material prices have been a bonus for tiremakers. And big expansions at several U.S. plants are expected to continue without interruptions, with new projects and phases having been announced.

One unknown remains the possible application of tariffs on commercial medium truck tires made in Thailand. Other wild cards include ongoing wars in eastern Europe and the Middle East and the knock-on impact they could have on shipping and freight costs.

WORLD LEADERS IN NEW TIRE SALES

(Fiscal year 2023; in billions of U.S. dollars)

TIRE MANUFACTURER	2023	2022
Michelin Group	\$28.9	\$28.5
Bridgestone Corp.	\$22.4	\$23.1
Goodyear Tire & Rubber Co.	\$17.1	\$17.8
Continental AG	\$14.9	\$14.7
Pirelli & Cie SpA	\$7.4	\$6.9
Sumitomo Rubber Industries Ltd.	\$7.1	\$7.1
Hankook Tire & Technology Co. Ltd.	\$6.8	\$6.4
Yokohama Rubber Co. Ltd.	\$5.8	\$5.7
Zhongce Rubber Group Co. Ltd.	\$4.2	\$4.1
Toyo Tire Corp.	\$3.5	\$3.4
Giti Tire Pte. Ltd.	\$3.2	\$3.1
Cheng Shin Rubber Ind. Co. Ltd.*	\$3.0	\$3.3

*Cheng Shin does business as Maxxis International — USA

OVERALL U.S. REPLACEMENT TIRE SALES

In billions; total value of 2023 U.S. replacement tire market: \$57 billion

SEGMENT	2023	2022
Passenger	\$37.6	\$38.0
Light truck	\$8.5	\$9.0
Commercial truck	\$8.4	\$11.7
OTR	\$1.8	\$2.0
Ag	\$735	\$721

MARGINS FLUCTUATED

Following a slight dip — from 29% in 2021 to 28.2% in 2022 — retail passenger tire sales margins appear to be on a modest upswing, showing a small gain in 2023. Retail light truck tire and medium truck tire margins also increased slightly last year. Wholesale passenger tire and medium truck retread sales margins were flat versus 2022 levels.

U.S. AVERAGE TIRE SALES MARGINS

SEGMENT	2023	2022
Passenger (retail)	28.5%	28.2%
Passenger (wholesale)	12.0%	12.0%
Light truck (retail)	26.0%	25.0%
Medium truck	16.7%	16.5%
Retread (medium truck)	19.0%	19.0%

SHIPMENTS MODERATED

After several elevated years, U.S. replacement passenger, light truck and medium truck tire shipments have, for the most part, returned to more moderate levels.

Replacement passenger tire shipments totaled 215 million units in 2023, a drop from MTD's 2022 estimates. Meanwhile, replacement light truck tire shipments decreased by nearly 8.5%, year-over-year. On the commercial side, replacement medium truck tire shipments experienced the steepest decline from last year's levels.

Original equipment (OE) light truck tire shipments totaled 5.8 million units in 2023, a slight decline from 2022. OE medium truck tire shipments in 2023 were flat compared to 2022. And more passenger tires were shipped through the OE channel last year than during 2022.

U.S. PASSENGER TIRE SHIPMENTS

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

YEAR	REPLACEMENT	OE
2023	215.0	46.6
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	46.3
2014	206.6	44.0
2013	201.6	40.5

U.S. LIGHT TRUCK TIRE SHIPMENTS

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

YEAR	REPLACEMENT	OE
2023	34.0	5.8
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

U.S. MEDIUM TRUCK TIRE SHIPMENTS

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

YEAR	REPLACEMENT	OE
2023	20.2	6.5
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

IMPORTS FLEX WITH THE MARKET

CAMBODIA MAKES A BIG SPLASH

There's a new world player in the making of tires for the U.S. passenger tire segment and overall consumer tire segment — Cambodia. The nation, sandwiched between Vietnam and Thailand, went from relative obscurity to the top 10 charts in 2023.

Trade data shows Cambodia shipped almost as many light truck tires to the U.S. by May of 2023 than it had in all of 2022. By year's end, Cambodia had sent more than 4.8 million passenger tires to the U.S., in addition to around 1.7 million light truck tires. (Cambodia ranked 20th among the world's leading commercial truck and bus tire importers in 2023. In 2022, Cambodia didn't export a single TBR tire to the U.S.)

Globally, full-year estimates show passenger tire imports were mostly flat in 2023 compared to a year ago, up 0.2% to 159.8 million tires. The larger consumer tire market, which combines passenger and light truck tires, showed a slight decline in imports — 2.4%, with about 189.7 million tires, down from 194.4 million units in 2022.

After the COVID-19 pandemic delivered record-breaking business in the medium truck tire market, the hills and valleys are transitioning to smoother ground. So even though every region on the largest exporters list shipped fewer tires to the U.S. in 2023 than the previous year, it's important to put these numbers in perspective.

With 16.9 million medium truck tires exported to the U.S., 2023 was the third largest year for TBR imports, according to government data that dates back to 2000. The 2023 units exceeded 2019's levels by more than 2.4 million tires.

One more thing to note about TBR tires. MTD readers might look across the charts on this page and make an assumption about the largest player, Thailand. That nation

remains atop the passenger, consumer and medium truck tire charts, but its activity in the passenger and consumer tire markets showed gains, while its medium truck tire shipments fell by 33.6%. That decline is not a result of the tariff investigation instituted last year by the United Steelworkers. Had that case been filed earlier in the year it might have made a difference in these numbers, but it was only filed in mid-October. There simply wasn't time in the calendar for the numbers to reflect a market reaction.

2023 U.S. CONSUMER TIRE IMPORTS

(in millions of units, rounded)

COUNTRY	2023	2022	% CHANGE
Thailand	41.0	36.8	11.6
Mexico	24.4	24.2	0.8
Vietnam	16.7	15.2	10.2
Indonesia	15.4	18.8	-18.0
Canada	14.3	14.2	0.9
South Korea	13.9	16.9	-17.7
Japan	11.3	12.2	-7.5
Cambodia	6.6	2.0	218.1
Chile	5.9	6.4	-8.4
Philippines	5.0	6.0	-15.3

2023 U.S. PASSENGER TIRE IMPORTS

(in millions of units, rounded)

COUNTRY	2023	2022	% CHANGE
Thailand	35.3	30.3	16.4
Mexico	22.6	21.3	6.0
Indonesia	13.7	16.5	-17.0
Vietnam	12.8	10.1	26.9
South Korea	12.2	14.7	-16.9
Canada	10.0	9.7	3.7
Japan	9.0	9.6	-5.6
Chile	5.2	5.9	-11.3
Cambodia	4.8	1.5	224.7
Malaysia	4.0	4.1	-2.0

2023 U.S. MEDIUM TRUCK TIRE IMPORTS

(in millions of units, rounded)

COUNTRY	2023	2022	% CHANGE
Thailand	6.6	10.0	-33.6
Japan	2.2	2.5	-12.9
Vietnam	2.0	3.0	-31.9
Canada	1.4	1.4	-4.3
China	1.0	1.6	-40.6
South Korea	0.7	1.1	-36.1
Spain	0.4	0.5	-15.2
India	0.4	0.7	-42.3
Brazil	0.3	0.4	-24.9
Germany	0.2	0.3	-24.0

INDEPENDENTS MOVE THE MOST TIRES

PLUS, A LOOK AT PRIVATE EQUITY'S INFLUENCE

At the retail level, nobody moved more units in 2023 than independent tire dealerships, which together enjoy 66% share of the consumer tire retail channel. Warehouse clubs gained some share last year, with Costco Wholesale Corp. adding a dozen locations and BJ's Wholesale Club adding nearly 20 outlets.

U.S. CONSUMER TIRE RETAIL MARKET SHARE

CHANNEL	2023	2022	2021
Independent tire dealerships	66.0%	66.0%	66.0%
Auto dealerships	9.5%	9.5%	9.0%
Mass merchandisers	9.0%	9.0%	9.0%
Warehouse clubs	8.5%	8.0%	8.0%
Tire company-owned stores	6.0%	6.0%	6.0%
Miscellaneous outlets	1.0%	1.5%	2.0%

WHOLESALE BREAKDOWN

Independents remain the dominant tire wholesale distribution channel in the U.S. Meanwhile, tire manufacturer-owned wholesalers continue to invest in their operations.

In the last 18 months, TireHub LLC, which now has nearly 80 distribution centers, has added or relocated 13 of its warehouses and plans to open additional facilities in the Boston, Mass., and St. Louis, Mo., markets.

National Tire Warehouse, the joint venture between Michelin North America Inc. and Sumitomo Corporation of America, has more than 100 distribution centers.

U.S. CONSUMER TIRE WHOLESALE SHARE

CHANNEL	2023	2022	2021
Independent wholesale-distributors	80.0%	80.0%	80.0%
Tire company-owned	10.5%	10.0%	8.0%
Miscellaneous outlets	9.5%	10.0%	12.0%

DEALERS BY OUTLETS

MTD defines independent tire dealerships as tire dealerships that are not owned by tire manufacturers. Sixty-two percent of independent tire dealerships have one location, while 30% have 11 or more locations. (Tire dealerships must have had at least 11 locations to appear on the 2023 MTD 100 list.)

INDEPENDENT TIRE DEALERS (# OF OUTLETS)

NUMBER OF OUTLETS	PERCENTAGE
Single location	62.0%
2-10 locations	8.0%
11+ (MTD 100 dealers)	30.0%

PRIVATE EQUITY INVESTMENT

While private equity firms continue to acquire and/or invest in independent tire dealerships, only a handful of the tire dealerships listed on the 2023 MTD 100 are owned or controlled by private equity organizations.

Here are the publicly known private equity-owned or controlled MTD 100 dealerships. They represent 3,118 tire stores or 34.8% of the total number of outlets (8,955) listed on the 2023 MTD 100.

PRIVATE EQUITY-OWNED TIRE DEALERSHIPS

DEALERSHIP	OWNER
Mavis Tire Express Services Corp.	BayPine LP/TSG Consumer Partners LP/David and Stephen Sorbaro
Les Schwab Tire Centers Inc.	Meritage Group LP
Sun Auto Tire & Service Inc.	Leonard Green & Partners
Big Brand Tire & Service	Percheron Capital

CLUB HOPPING

Warehouse clubs — which include Sam's Club, Costco Wholesale Corp. and BJ's Wholesale Club Inc. — currently have 8.5% share of the consumer tire retail channel.

NUMBER OF WAREHOUSE CLUBS IN THE U.S.

WAREHOUSE CLUB	2023	2022	2021
Sam's Club	600	600	600
Costco Wholesale Corp.	591	579	558
BJ's Wholesale Club Inc.	252	233	219

OTHER TIRE RETAILERS

Walmart Auto Care Centers grew its footprint in 2023, adding around 20 locations, according to MTD research, while Pep Boys — Manny, Moe & Jack reduced its store count.

OTHER TOP TIRE RETAILERS IN THE U.S.

RETAILER	2023 LOCATIONS	2022 LOCATIONS
Walmart Auto Care Centers	2,600	2,580
Bridgestone Retail Operations	2,226	2,200
Pep Boys — Manny, Moe & Jack	850+	919
Ford Quick Lane & Auto Centers	800+	790
Goodyear Tire & Rubber Co.	554	565

Replacement PLT brand market share

TRADING DOWN

MANY TIRE BUYERS OPTED FOR LESS EXPENSIVE BRANDS

Most passenger and light truck tire brands maintained flat market share levels in the U.S. replacement channel during 2023 — with a few exceptions among some less expensive tire brands that gained ground.

This comes as little surprise, given the economic challenges that many tire buyers continue to face. “Consumers are getting squeezed and credit card debt is high,” a top executive from a self-described “tier-three” tire manufacturer told MTD.

According to the Federal Reserve Bank of New York’s recently published Quarterly Report on Household Debt and Credit, total U.S. household debt climbed to \$17.2 trillion during the third quarter of 2023.

2023 REPLACEMENT PASSENGER TIRE BRAND MARKET SHARE

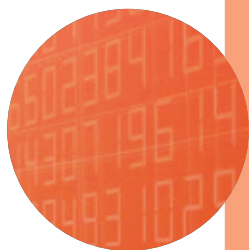
(based on an estimated 215 million units)

BRAND	2023 SHARE
Goodyear	10.0%
Michelin	10.0%
Bridgestone	7.0%
Firestone	7.0%
Falken	5.5%
Continental	5.0%
BFGoodrich	4.0%
Hankook	4.0%
Yokohama	3.5%
Cooper	3.0%
General	3.0%
Kumho	3.0%
Nexen	2.5%
Toyo	2.5%
GT Radial	2.0%
Hercules	2.0%
Pirelli	2.0%
Sailun	2.0%
Kenda	1.5%
Multi-Mile	1.5%
Nitto	1.5%
Sentury	1.5%
Sumitomo	1.5%
Big O	1.0%
Mastercraft	1.0%
Maxxis	1.0%
Uniroyal	1.0%
Others	10.5%

2023 REPLACEMENT LIGHT TRUCK TIRE BRAND MARKET SHARE

(based on an estimated 34 million units)

BRAND	2023 SHARE
Goodyear	8.5%
BFGoodrich	7.5%
Bridgestone	6.5%
Firestone	6.5%
Michelin	6.5%
General	6.0%
Toyo	5.5%
Cooper	5.0%
Yokohama	5.0%
Falken	4.0%
Hankook	4.0%
Hercules	3.0%
Kumho	3.0%
Continental	2.0%
Kenda	2.0%
Nexen	2.0%
Nitto	2.0%
Pirelli	2.0%
GT Radial	1.5%
Maxxis	1.5%
Multi-Mile	1.5%
Sailun	1.5%
Big O	1.0%
Kelly	1.0%
Sumitomo	1.0%
Others	10.0%





STILL FEELING THE SQUEEZE

VEHICLE MARKET REMAINS CHALLENGING

Despite the impact of a six-week long strike by the United Auto Workers, elevated retail prices and other factors, United States light vehicle sales volumes in 2023 were projected to hit 15.5 million units, an increase from 2022, according to a report by Cox Automotive that was published last month.

That said, “just when the auto industry is looking to return to a sense of normalcy from the supply side of the equation, U.S. consumers in the market for a new vehicle in 2024 will continue to face affordability issues by way of high interest rates, tight credit conditions and slow-to-recede new vehicle prices,” says Chris Hopson, manager, North American light vehicle sales forecasting, S&P Global Mobility, in a December 2023 report.

2023 NORTH AMERICAN OE CONSUMER TIRE MARKET SHARE TOTALS

BRAND	2023 SHARE	2022 SHARE
Goodyear	21.9%	22.3%
Michelin	18.7%	18.7%
Continental	14.5%	14.5%
Bridgestone	13.3%	13.3%
Hankook	7.7%	7.6%
Pirelli	3.9%	3.9%
Firestone	3.7%	3.7%
Falken	3.6%	3.5%
Kumho	2.5%	2.4%
General	2.4%	2.4%
Yokohama	2.1%	2.0%
BFGoodrich	1.8%	1.8%
Nexen	1.7%	1.6%
Toyo	1.2%	1.2%
Others	1.0%	1.1%

2023 NA OE CONSUMER TIRE MARKET SHARE

BMW

BRAND	2023	2022
Pirelli	34%	34%
Continental	26%	26%
Bridgestone	25%	25%
Dunlop	6%	6%
Michelin	5%	5%
Hankook	3%	3%
Yokohama	1%	1%

MERCEDES-BENZ

BRAND	2023	2022
Continental	32%	32%
Pirelli	25%	25%
Bridgestone	14%	14%
Michelin	11%	11%
Goodyear	7%	7%
Cooper	5%	5%
Dunlop	4%	4%
Yokohama	2%	2%

SUBARU

BRAND	2023	2022
Bridgestone	56%	56%
Continental	27%	27%
Falken	7%	7%
Goodyear	6%	7%
Yokohama	4%	3%

FORD

BRAND	2023	2022
Goodyear	24%	24%
Michelin	24%	24%
Continental	20%	20%
Hankook	10%	10%
Pirelli	9%	9%
General	7%	7%
BFGoodrich	3%	3%
Bridgestone	2%	2%
Toyo	1%	1%

NISSAN

BRAND	2023	2022
Continental	28%	28%
Michelin	27%	27%
Goodyear	14%	15%
Falken	8%	8%
Bridgestone	6%	6%
Kumho	5%	5%
Toyo	5%	5%
Hankook	3%	2%
BFGoodrich	2%	2%
Dunlop	1%	1%
General	1%	1%

TESLA

BRAND	2023	2022
Continental	40%	40%
Michelin	25%	25%
Goodyear	20%	20%
Pirelli	10%	10%
Hankook	5%	5%

TOYOTA

BRAND	2023	2022
Bridgestone	25%	25%
Michelin	25%	25%
Goodyear	11%	12%
Continental	6%	6%
Hankook	6%	6%
BFGoodrich	5%	5%
Dunlop	5%	5%
Toyo	5%	5%
Falken	4%	3%
Yokohama	4%	4%
Firestone	3%	3%
General	1%	1%

GM

BRAND	2023	2022
Goodyear	36%	36%
Michelin	22%	22%
Bridgestone	14%	14%
Firestone	12%	12%
Continental	6%	6%
Hankook	6%	6%
General	2%	2%
Pirelli	2%	2%

STELLANTIS

BRAND	2023	2022
Goodyear	32%	33%
Michelin	14%	14%
Bridgestone	13%	13%
Firestone	7%	7%
Continental	6%	6%
Yokohama	6%	6%
Falken	5%	4%
Nexen	4%	4%
BFGoodrich	3%	3%
General	3%	3%
Pirelli	3%	3%
Hankook	2%	2%
Kumho	2%	2%

HONDA

BRAND	2023	2022
Michelin	25%	25%
Goodyear	25%	25%
Bridgestone	17%	17%
Continental	16%	16%
Hankook	9%	9%
Yokohama	4%	4%
Firestone	3%	3%
Pirelli	1%	1%

VOLKSWAGEN

BRAND	2023	2022
Continental	46%	46%
Kumho	14%	14%
Goodyear	12%	13%
Hankook	11%	11%
Falken	9%	9%
Bridgestone	5%	5%
Nexen	3%	2%

HYUNDAI/KIA

BRAND	2023	2022
Hankook	40%	40%
Kumho	30%	30%
Nexen	21%	21%
Continental	9%	9%

VOLVO

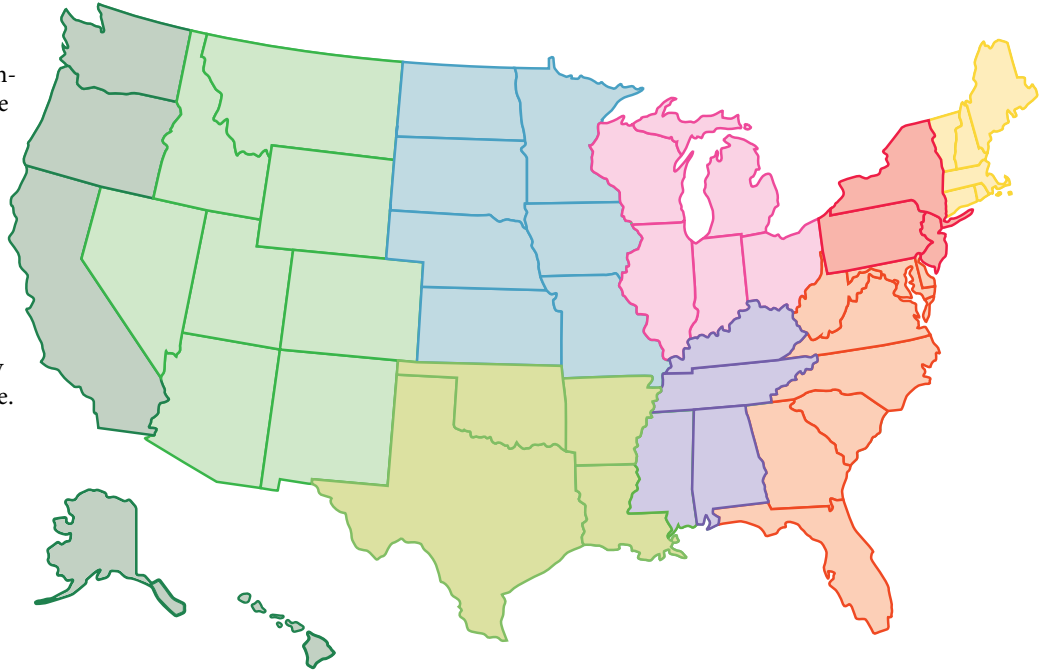
BRAND	2023	2022
Pirelli	50%	50%
Continental	30%	30%
Michelin	20%	20%

Dealer distribution

ON LOCATION

REGIONS WITH THE MOST – AND LEAST – TIRE DEALERSHIP LOCATIONS

Despite ongoing consolidation, there are about 29,000 independent tire dealership locations in the United States. The biggest concentration (22%) is in the South Atlantic region. Here's a breakdown of tire dealership outlet distribution by region and individual state.



INDEPENDENT TIRE DEALER LOCATIONS BY REGION AND STATE

(Based on 29,000 total)

<ul style="list-style-type: none"> ● NEW ENGLAND 5% Massachusetts 36% Connecticut 21% New Hampshire 17% Maine 14% Vermont 6% Rhode Island 6% 	<ul style="list-style-type: none"> ● WEST NORTH CENTRAL 10% Missouri 30% Minnesota 20% Iowa 17% Kansas 13% Nebraska 10% North Dakota 5% South Dakota 5% 	<ul style="list-style-type: none"> ● WEST SOUTH CENTRAL 13% Texas 64% Louisiana 14% Oklahoma 12% Arkansas 10%
<ul style="list-style-type: none"> ● MIDDLE ATLANTIC 9% Pennsylvania 44% New York 34% New Jersey 22% 	<ul style="list-style-type: none"> ● SOUTH ATLANTIC 22% Florida 29% North Carolina 19% Georgia 19% Virginia 13% South Carolina 8% Maryland 7% West Virginia 3% Delaware 1% Washington, D.C. 1% 	<ul style="list-style-type: none"> ● MOUNTAIN 8% Arizona 24% Colorado 23% Utah 14% Idaho 10% Nevada 9% New Mexico 9% Montana 7% Wyoming 4%
<ul style="list-style-type: none"> ● EAST NORTH CENTRAL 14% Ohio 30% Illinois 24% Michigan 19% Indiana 15% Wisconsin 12% 	<ul style="list-style-type: none"> ● EAST SOUTH CENTRAL 7% Tennessee 34% Alabama 30% Kentucky 23% Mississippi 13% 	<ul style="list-style-type: none"> ● PACIFIC 12% California 75% Washington 13% Oregon 10% Alaska 1% Hawaii 1%

Brand distribution

BRAND DISTRIBUTION BY THE NUMBERS

BREAKING DOWN TWO MTD LISTS

Each July, MTD publishes the MTD 100 — a ranking of the largest independent tire dealerships in the United States, according to store count.

The MTD 100 also lists the tire brands that each dealership on the list carries. Here are the most frequently mentioned brands on the 2023 MTD 100, how many dealerships sell them and the number of locations that sell each brand.

BRANDS LISTED ON THE MTD 100

2023 RANKING	BRAND	DEALERSHIPS/LOCATIONS	2022 RANKING
1	Michelin	90/8,414	1
2	BFGoodrich	77/7,572	2
3	Bridgestone	72/6,679	3
3	Continental	72/6,809	4
5	Uniroyal	68/6,081	7
6	Goodyear	67/8,292	5
7	Firestone	65/6,022	5
8	General	63/7,125	9
9	Yokohama	59/7,016	8
10	Cooper	57/7,413	10
11	Hankook	57/7,428	11
12	Toyo	44/3,575	12
13	Dunlop	39/6,202	14
13	Falken	39/4,509	12
13	Pirelli	39/5,616	15
16	Kumho	36/4,044	17
17	Kelly	34/2,782	15
18	Nexen	31/5,232	18
19	Sumitomo	25/2,501	19
20	Nitto	21/2,033	20
20	Nokian	21/3,496	Not listed



COMMERCIALLY SPEAKING

Similar to the MTD 100 chart, here's a look at the most frequently mentioned brands on MTD's 2023 Top 25 Commercial Tire Dealers list, which was published last October. Number of locations include both commercial-only and hybrid commercial/retail stores, as provided by commercial tire dealers who responded to MTD's request for information.

COMMERCIAL TIRE BRAND DISTRIBUTION

RANKING	BRAND	DEALERSHIPS/LOCATIONS
1	Continental	18/1,555
2	General	16/1,005
2	Michelin	16/1,232
4	Yokohama	15/850
5	BFGoodrich	13/543
5	Bridgestone	13/1,299
5	Firestone	13/1,319
8	Goodyear	12/675
9	Hankook	11/559
10	Uniroyal	8/328
11	Double Coin	7/1,070
12	Falken	5/593
12	Kelly	5/350
14	Cooper	4/151
14	Toyo	4/883

SIZE SLOWDOWN?

FEWER PASSENGER TIRE SIZES HIT THE MARKET IN 2023

Last year saw fewer new passenger tire sizes introduced to the market, based on the latest Tire & Rim Association data. One new 17-inch size, one new 20-inch size and one new 22-inch size were introduced in 2023 — significantly fewer than the 17 new P-metric sizes that were added the previous year. The total number of P-metric sizes now available equals 393, up from 390 in 2022.

AVAILABLE PASSENGER TIRE SIZES BY RIM DIAMETER

12-inch: 1	13-inch: 14	14-inch: 26	15-inch: 55
16-inch: 61	17-inch: 65	18-inch: 70	19-inch: 30
20-inch: 40	21-inch: 7	22-inch: 14	23-inch: 2
24-inch: 7	26-inch: 1	Source: Tire & Rim Association	

Compared to the passenger tire segment, more LT metric sizes were added last year. Additions include one 14-inch size, one 15-inch size, two 17-inch sizes, one 19-inch size, three 20-inch sizes, two 22-inch sizes and one 24-inch size. All told, there are now 198 LT-metric sizes available, 11 more than the previous year.

AVAILABLE LT METRIC TIRE SIZES BY RIM DIAMETER

14-inch: 7	15-inch: 20	16-inch: 38	17-inch: 33
18-inch: 35	19-inch: 3	20-inch: 26	22-inch: 22
24-inch: 11	26-inch: 3	Source: Tire & Rim Association	

The LT high-flotation segment only gained one new size — a 24-inch size — in 2023. The total number of LT high-flotation sizes available now equals 114.

AVAILABLE LT HIGH-FLOTATION TIRE SIZES BY RIM DIAMETER

14-inch: 2	15-inch: 22	16-inch: 2	17-inch: 22
18-inch: 18	20-inch: 24	22-inch: 9	24-inch: 10
26-inch: 3	28-inch: 2	Source: Tire & Rim Association	

TURNING 18

When it comes to the most common replacement passenger tire sizes, 18-inch has caught up with 17-inch. There are three 17-inch replacement passenger tire sizes in the top 10, as well as an equal number of 18-inch sizes, thanks to 235/45R18 and 245/60R18 moving into the top 10. Size 225/65R17 still has the biggest share and an 18-inch size (235/60R18) is now part of the top five. Combined, the top 10 sizes make up 27.9% of the replacement passenger tire market.

MOST POPULAR REPLACEMENT PASSENGER TIRE SIZES

RANK	SIZE	% OF TOTAL
1	225/65R17	5.8%
2	205/55R16	3.9%
3	215/55R17	3.6%
4	195/65R15	2.4%
4	235/60R18	2.4%
6	215/60R16	2.3%
7	275/55R20	2.0%
8	235/45R18	1.9%
9	225/60R17	1.8%
9	245/60R18	1.8%

Source: USTMA

MOST POPULAR REPLACEMENT LT TIRE SIZES

Four of the 10 top LT-metric sizes fall in the 16-inch category, while an additional four fall in the 17-inch category. Two sizes — 235/65R16C and LT285/70R17 — join this year's top 10, while another size — 35X12.5R20LT — has dropped out of the top 10 LT size rankings. The 10 sizes listed below comprise 55.6% of the total U.S. replacement light truck tire market.

RANK	SIZE	% OF TOTAL
1	LT265/70R17	8.4%
2	LT245/75R16	8.2%
3	LT275/70R18	7.4%
4	LT225/75R16	6.6%
5	LT245/75R17	6.0%
6	LT235/80R17	4.1%
6	LT265/75R16	4.1%
8	235/65R16C	3.7%
8	LT285/70R17	3.7%
10	LT275/65R18	3.4%

Source: USTMA

A LOOK AT OE SIZES

MOST POPULAR OE PASSENGER TIRE SIZES

There are four 18-inch sizes in the original equipment (OE) passenger tire size top 10, followed closely by two 19-inch sizes and two 20-inch sizes. Only one 17-inch size — 225/65R17 — remains in the top 10. The below sizes make up 35.6% of the OE passenger tire market.

RANK	SIZE	% OF TOTAL
1	275/60R20	6.5%
2	235/60R18	4.2%
3	225/65R17	4.0%
4	235/45R18	3.8%
5	235/40R19	3.6%
6	235/65R18	3.0%
7	225/60R18	2.8%
7	275/55R20	2.8%
9	235/55R19	2.6%
10	275/50R22	2.3%

Source: USTMA

MOST POPULAR OE LIGHT TRUCK TIRE SIZES

An 18-inch size — LT275/70R18 — is the most common OE light truck tire size.

RANK	SIZE	% OF TOTAL
1	LT275/70R18	13.5%
2	LT245/75R17	10.7%
3	LT275/65R20	10.5%
4	LT285/70R17	8.2%
5	LT315/70R17	7.7%
6	LT225/75R16	6.8%
7	LT265/70R17	6.4%
8	235/65R16C	5.8%
9	LT245/75R16	5.4%
10	LT275/65R18	5.0%

Source: USTMA



FEWER PRICE HIKES TOOK PLACE IN 2023

INCREASES TRACKED WITH RATE OF INFLATION

At the start of 2023, tire dealers told MTD they expected to see fewer price hikes during the year. This proved to be an accurate prediction.

After a final round of price increases during the fourth quarter of 2022, many tiremakers pulled back on raising prices — or at least publicly announcing that they were implementing additional price increases. (Exceptions included Bridgestone Americas Inc., Michelin North America Inc., Pirelli Tire North America Inc. and Sumitomo Rubber North America Inc., all of whom went public with price hikes.)

The fewer number of increases seen in 2023 correlates with the gradual moderation in overall inflation levels, according to JP Brooks, chief revenue officer for Duluth, Minn.-based Fitment Group, which analyzes millions of consumer tire data points pulled from independent tire dealerships, big box stores and other retailers.

By the end of November 2023, the U.S. inflation rate had settled at 3.1% versus 7.1% one year before. And while the consumer price index (CPI) grew by 3.2% in October 2023, this “was down from 3.7% in September and slightly better than most economists were expecting,” noted Brooks. “At its peak, the CPI was at 9.1%.

“Looking ahead, we see a normalization of price increases in raw materials and subsequently, a normalization of retail tire prices for the time being,” he added.

2023 AVERAGE ADVERTISED TIRE PRICES IN THE U.S.

SIZE	MAJOR BRAND	LOW-COST BRAND	OVERALL
195/65R15	\$144.17	\$75.54	\$117.40
205/55R16	\$164.07	\$86.74	\$142.89
215/60R16	\$153.12	\$90.82	\$132.90
215/55R17	\$195.06	\$103.83	\$162.32
225/60R17	\$197.78	\$114.26	\$171.95
225/65R17	\$198.87	\$115.97	\$176.89
235/60R18	\$227.63	\$137.86	\$202.46
245/60R18	\$240.94	\$148.37	\$212.47
275/55R20	\$257.00	\$172.59	\$248.12
LT225/75R16	\$233.04	\$144.12	\$200.45
LT245/75R16	\$248.46	\$157.86	\$224.02
LT265/75R16	\$265.82	\$179.45	\$244.14
LT235/80R17	\$275.74	\$176.80	\$249.38
LT245/75R17	\$275.24	\$177.90	\$245.77
LT265/70R17	\$286.41	\$187.72	\$261.86
LT285/70R17	\$318.09	\$221.90	\$303.07
LT275/65R18	\$308.88	\$218.96	\$292.73
LT275/70R18	\$307.91	\$212.99	\$296.73

Source: Fitment Group

2023 PRICING BY REGION (LT265/70R17)

REGION	OPENING	VALUE	BETTER	BEST	WINTER
East North Central	\$199.06	\$236.49	\$274.81	\$294.43	\$248.18
East South Central	\$208.31	\$232.78	\$273.58	\$292.81	\$250.86
Middle Atlantic	\$183.67	\$235.10	\$273.21	\$296.15	\$248.20
Mountain	\$191.67	\$246.92	\$277.39	\$291.94	\$262.34
New England	\$185.71	\$245.26	\$282.41	\$305.03	\$270.24
Pacific	\$197.69	\$241.30	\$274.83	\$290.52	\$258.23
South Atlantic	\$186.81	\$236.41	\$272.28	\$291.43	\$250.22
West North Central	\$193.27	\$237.76	\$275.40	\$294.82	\$248.27
West South Central	\$193.15	\$235.77	\$270.44	\$289.95	\$252.15

Source: Fitment Group

Tire pricing

ONLINE PRESENCE

Online tire retailing isn't just for giants like Tire Rack, Discount Tire and tire manufacturers anymore. Independent tire dealerships are investing in their own online tire sales portals, as well. Here's a look at two tires and what prices they were advertised on various websites shortly before press time.

2023 ONLINE TIRE PRICING

YOKOHAMA AVID TOURING-S (225/65R17)	
WEBSITE	PRICE
amazon.com	\$142.65
americantiredepot.com	\$140.99
bigbrandtire.com	\$140.99
bigchieftire.com	\$176.99
cjtire.com	\$162.99
discounttiredirect.com	\$155.00
grismertire.com	\$146.99
hogantire.com	\$160.00
jackfurriers.com	\$180.00
mavistire.com	\$154.00
monro.com	\$197.99
prioritytire.com	\$143.61
quicklane.com	\$176.95
simpletire.com	\$124.97
sullivantire.com	\$184.00
telletire.com	\$146.10
tireagent.com	\$171.61
tirebuyer.com	\$189.00
tirerack.com	\$158.31
tires.com	\$155.00
tireseasy.com	\$152.46
townfair.com	\$160.00

Source: Fitment Group

GENERAL GRABBER A/TX (LT265/70R17)	
WEBSITE	PRICE
amazon.com	\$219.29
bigchieftire.com	\$268.99
cjtire.com	\$251.99
discounttiredirect.com	\$269.99
grismertire.com	\$277.99
hogantire.com	\$277.00
jackfurriers.com	\$297.99
mavistire.com	\$272.99
monro.com	\$293.99
prioritytire.com	\$272.99
quicklane.com	\$293.95
samsclub.com	\$250.88
simpletire.com	\$272.99
telletire.com	\$210.11
tirebuyer.com	\$272.99
tirerack.com	\$269.99
tires.com	\$273.00
tireseasy.com	\$272.99
townfair.com	\$275.00
vipauto.com	\$269.99

Source: Fitment Group



Commercial tire market

TRUCK TIRE SHIPMENTS TOOK LEFT TURN

BUT NUMBERS STILL ECLIPSED 2020, 2019 LEVELS

Of all product segments tracked by MTD, the U.S. replacement commercial medium truck tire segment experienced the largest decrease in 2023, ending the year at an estimated 20.2 million units.

However, shipments were higher than in 2020, when MTD estimated that 18.5 million units were shipped, and in 2019, when MTD estimated that 18.9 million units had been shipped.

In the original equipment channel, total 2023 commercial medium truck tire shipments were expected to equal last year's shipment total of 6.5 million domestic units, a number tallied by the U.S. Tire Manufacturers Association. Prior to 2022, the last time that many medium truck tires were shipped at the OE level was in 2019.

Medium truck tire retread production was slightly up in 2023, according to MTD estimates, totaling around 15.8 million units versus 15.5 million units during 2022. A return to stability in raw material, tread rubber and casing supply helped bolster retread output.



2023 U.S. REPLACEMENT MEDIUM TRUCK TIRE BRAND SHARE

(based on 20.2 million units)

BRAND	2023 SHARE
Bridgestone	13.5%
Michelin	13.5%
Goodyear	8.5%
Yokohama	8.5%
Continental	8.0%
Firestone	7.5%
Double Coin	5.5%
Hankook	3.5%
Toyo	3.5%
Falken	3.0%
Sailun	2.0%
Roadmaster	1.5%
Sumitomo	1.5%
Zenna	1.5%
BFGoodrich	1.0%
Fortune	1.0%
General	1.0%
Gladiator	1.0%
Westlake	1.0%
Others	13.5%

2023 U.S. AG TIRE MARKET SHARE – RADIAL REAR REPLACEMENT

(based on 298,680 units)*

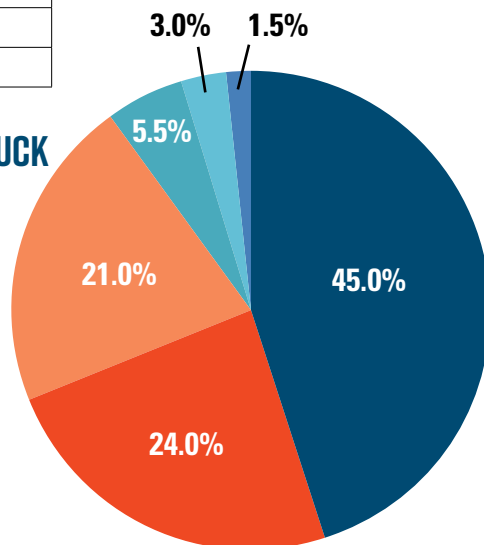
BRAND	2023 SHARE
BKT	27.0%
Firestone	25.5%
Michelin	14.0%
Goodyear	11.5%
Alliance	9.0%
Titan	4.5%
Ascenso	4.0%
CEAT	3.0%
Trelleborg	1.0%
Others	0.5%

*Ag tire estimates as of Nov. 10, 2023

2023 U.S. RETREADED TRUCK TIRE MARKET SHARE

(based on 15.8 million units)

- Bridgestone/Bandag (45%)
- Michelin/Oliver (24%)
- Goodyear (21%)
- Vipal/Marangoni (5.5%)
- Continental (3%)
- Others (1.5%)



Plant capacities

ONGOING INVESTMENT

TIREMAKERS MOVED FORWARD WITH BIG PROJECTS

Several tire manufacturers announced major investments in their North American tire production facilities and capabilities during 2023, while others are moving ahead with planned expenditures.

Last month, Sailun Tire Americas announced plans to enter a joint venture with Sailun Singapore to invest in the construction of a new tire manufacturing plant in Mexico. (Sailun Singapore is a wholly owned subsidiary of Sailun Tire and TD International Holding, S.A.P.I. de C.V. in Mexico.)

The new facility will have an annual production capacity of six million semi-steel radial tires, with a total project investment of \$240 million.

This past summer, Nokian Tyres told MTD that it plans to double the annual production capacity at its Dayton, Tenn., plant by 2024 as part of its ongoing investment in the facility, which opened in 2019.

Nokian is now manufacturing light truck tires at the plant, which runs 24/7, and says that by 2027, the factory will make up 25% of Nokian's annual global production. (Nokian's plant in Finland will generate 35% and its recently announced plant in Romania, which is slated to begin production in 2025, will manufacture the rest of what's projected to be a total global, annual output of around 15 million units.)

Nokian will have the capability to produce up to eight million units per year and then up to 12 million units annually at the Dayton facility, if the company chooses to add onto the factory's existing footprint.

Also last summer, Giti Tire (USA) Ltd. told MTD that its plant in Richburg, S.C., was preparing to enter phase two of its evolution, which will include capacity increases and the production of key sizes in several popular lines, as well as sizes the company has been producing overseas.

In May 2023, Nexen Tire Corp., parent

NORTH AMERICAN TIRE PLANT CAPACITIES

AS OF JAN. 1, 2024 (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	0.04	0.04
La Vergne, Tenn., 1972		x	0	0	5.8	0	5.8
Warren County, Tenn., 1990		x	0	0	9.4	0	9.4
Bloomington, Ill., 1965		x	0	0	0	0.3	0.3
Des Moines, Iowa, 1945		x	0	0	0	1.9	1.9
Wilson City, N.C., 1974	x	x	22.5	0	0	0	22.5
Aiken County, S.C., 1999	x	x	29	6	0	0	35
Joliette, Quebec, Canada, 1966		x	9.2	9.1	0	0	18.3
Monterrey, Mexico, 2007		x	6.8	0	0	0	6.8
Cuernavaca, Mexico, 1980		x	15.5	5.6	0	0	21.1
Total:			83	20.7	15.2	2.24	121.14
Carlstar Group LLC							
Jackson, Tenn., 2009	x	x	0	0	0	26	26
Clinton, Tenn. (Dico), 1974	x	x	0	0	0	15	15
Total:			0	0	0	41	41
Continental Tire the Americas LLC							
Sumter, S.C., 2013	x		12.5	1	0	0	13.5
Mount Vernon, Ill., 1973, 1988	x	x	30	4	10.3	0	44.3
Clinton, Miss., 2020			0	0	2.8	0	2.8
Total:			42.5	5	13.1	0	60.6
Giti Tire (USA) Ltd.							
Richburg, S.C., 2017	x	x	15	0	0	0	15
Total:			15	0	0	0	15
Goodyear Tire & Rubber Co.							
Danville, Va., 1966		x	0	0	11	2	13
Fayetteville, N.C., 1969		x	31	10.5	0	0	41.5
Findlay, Ohio, 1917		x	7	16	0	0	23
Lawton, Okla., 1978	x	x	64.5	0	0	0	64.5
Texarkana, Ark., 1964		x	24	8	0	0	32
Topeka, Kan., 1945		x	0	0.5	5.5	0.1	6.1
Tupelo, Miss, 1984/1960	x	x	42	0	0	0	42
Medicine Hat, Alberta, Canada, 1960		x	0	0	0	13	13
Napanee, Ontario, Canada, 1990	x	x	19	0	0	0	19
San Luis Potosi, Mexico 2017	x		16.4	0	0	0	16.4
Total:			203.9	35	16.5	15.1	270.5
Hankook Tire America Corp.							
Clarksville, Tenn., 2016	x	x	12.9	1	0	0	13.9
Total:			12.9	1	0	0	13.9
Kumho Tire Co. Inc.							
Macon, Ga., 2015		x	11	0	0	0	11
Total:			11	0	0	0	11
Michelin North America Inc.							
Ardmore, Okla., 1969	x	x	37.5	3.4	0	0	40.9
Dothan, Ala., 1979	x		0	9.5	0	0	9.5
Fort Wayne, Ind., 1961			25.5	10.7	0	0	36.2
Greenville, S.C., 1975	x		36.7	0	0	0	36.7
Greenville, S.C. (C3M), 1996	x	x	8.7	0	0	0	8.7
Piedmont, S.C. (Tweel), 2014	x		0	0	0	0.07	0.07

Company / Plant Location / Year Constructed	Non-Union	ISO Certified	Passenger per day:	Light truck per day:	Truck per day:	Others per day:	Total
Lexington, S.C., 1981	x		26.5	0	0	0	26.5
Lexington, S.C., 1998	x	x	0	0	0	0.1	0.1
Spartanburg, S.C., 1978	x		0	0	6.4	0	6.4
Starr, S.C., 2013	x		0	0	0	0.01	0.01
Tuscaloosa, Ala., 1945			19.7	5.5	0	0	25.2
Bridgewater, Nova Scotia, Canada, 1971	x		14.1	4	0	0	18.1
Granton, Nova Scotia, Canada, 1971	x		2.7	0	0	0	2.7
Waterville, Nova Scotia, Canada, 1982	x		0	0	7	0.5	7.5
Queretaro, Mexico, 2002	x		6	0	0	0	6
Leon, Mexico, 2018			4	0.4	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	2.8
Total:			1.7	1.1	0	0	2.8
Pirelli Tire North America Inc.							
Rome, Ga., (MIRS), 2002	x	x	1.2	0	0	0	1.2
Guanajuato, Mexico 2011, 2018	x	x	22	0	0	0	22
Total:			23.2	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	17.3
Total:			7.3	2.7	2.3	5	17.3
Titan Tire Corp.							
Bryan, Ohio, 1967		x	0	0	0	0.33	0.33
Des Moines, Iowa, 1943		x	0	0	0	11.25	11.25
Freeport, Ill., 1964		x	0	0	0	8.1	8.1
Total:			0	0	0	19.68	19.68
Toyo Tire North America Manufacturing Inc.							
White, Ga., 2005	x	x	40	6.5	0	0	46.5
Total:			40	6.5	0	0	46.5
Yokohama Tire Corp.							
West Point, Miss., 2015	x	x	0	0	3	0	3
Salem, Va., 1968			25.7	1.1	0	0	26.8
Spartanburg, S.C., 2015*	x		0	0	0	0.07	0.07
Charles City, Iowa, 2012*			0	0	0	0.5	0.5
Total:			25.7	1.1	3	0.57	30.37
Grupo Carso/Euzkadi (Continental AG)							
San Luis Potosi, Mexico	x		0	14.2	3.8	0	18
Total:			0	14.2	3.8	0	18
JK Tyre & Industries (formerly CIA Hulera Ternel)							
Mexico City, Mexico			0	1	1	0.14	2.14
Tultitlan, Mexico			7	1.5	0.5	0	9
Tacuba, Mexico			8	2.5	0	0	10.5
Total:			15	5	1.5	0.14	21.64
Corporacion de Occidente SA de CV							
Guadalajara, Mexico, 2005	x	x	10	7.2	2.8	0	20
Total:			10	7.2	2.8	0	20
U.S. Totals							
			533.12	88.18	56.6	73.37	751.27
Canadian Totals							
			45	13.1	7	13.5	78.6
Mexican Totals							
			95.7	32.4	8.1	0.14	136.34
TOTAL:			673.82	133.68	71.7	87.01	966.21

*Notes former Trelleborg Wheel Systems factory

company of Nexen Tire America Inc., revealed plans to build a manufacturing plant in the southeastern United States that will start producing tires by 2029.

The plant will represent an investment of \$1.3 billion. When up and running, it will have a daily production capacity of 30,000 units, according to Nexen officials.

The plant will be South Korea-based Nexen's first tire factory in the U.S. and its first establishment of an overseas tire plant in nearly 10 years.

Nexen also plans to boost its current global production capacity, which stands at around 45 million units a year, to 52 million units by 2025.

At the outset of 2023, Michelin North America Inc. disclosed plans to invest around \$220 million in equipment and technology at its three manufacturing plants in Nova Scotia to meet demand for electric vehicle tires, larger passenger and light truck tire fitments and fuel-efficient commercial truck tires.

Michelin says the investments will follow a multi-year plan.

EVOLVING PROJECTS

Investment at select Bridgestone Americas Inc. plants, as well as Hankook Tire America Corp.'s plant in the U.S., also continued in 2023.

During the second quarter of 2023, Hankook told MTD that it was still on-track to break ground on phase two of the expansion of its Clarksville, Tenn., plant. The investment will double the plant's passenger and light truck tire production to 11 million units and give Hankook the ability to build commercial truck and bus tires at the facility, which opened in October 2017.

In summer 2022, Bridgestone broke ground on a \$550 million investment at its Warren County, Tenn., plant that will expand the facility by 850,000 square feet and enable TBR tires made there to be equipped with radio frequency identification tags.

As 2024 starts, Bridgestone's building expansion plans at the plant are underway. Volume increases are planned and are dependent on market demand.

During 2023, Bridgestone broke ground on the \$60 million expansion of its tread rubber manufacturing plant in Abilene, Texas. (Tread rubber production facilities are not represented on MTD's North American tire plant capacity chart.)

RUNNING A SUCCESSFUL SHOP

A LOOK AT TECH CERTIFICATION, EQUIPMENT INVESTMENT AND MORE

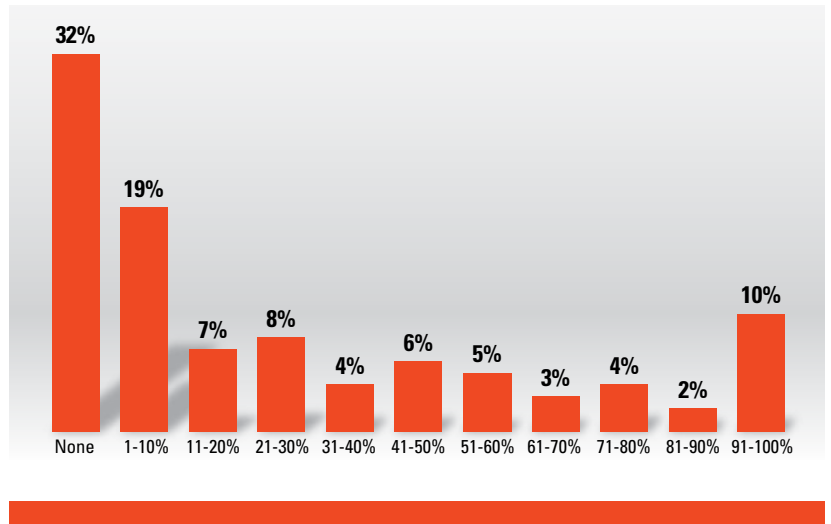
Auto service remains a significant component of many independent tire dealerships' revenue, with respondents to MTD's latest Tire Dealer Automotive Service Study stating they expect to derive more than 40% of their total sales from it.

More than half — 55%, to be exact — of study respondents report they have more than one location, with 12% operating two stores. Eleven percent of respondents revealed they have more than 10 locations.

TECH CERTIFICATION

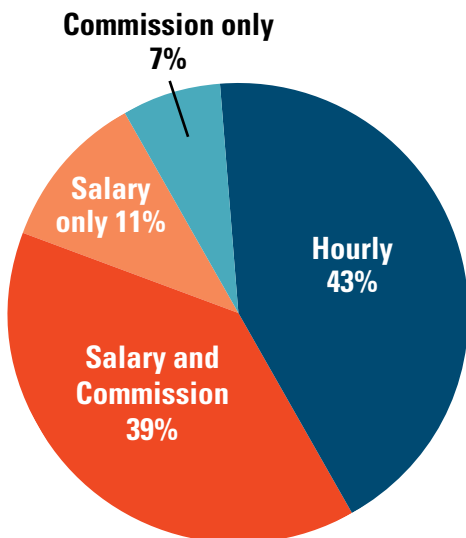
Twenty-four percent of respondents told MTD that at least 50% of their technicians have earned Automotive Service Excellence (ASE) certification. Ten percent said that 91% to 100% of their technicians are ASE-certified.

PERCENT OF ASE-CERTIFIED TECHNICIANS



TECH COMPENSATION

When asked about how their technicians are compensated, 43% of respondents revealed they pay by the hour, while 39% use a salary/commission system.



EQUIPMENT INVESTMENT

Capital investment — and when needed, reinvestment — is important to many Tire Dealer Automotive Service Study respondents. Here's a breakdown of the different types of shop equipment that dealers own and the percentage of dealers who plan to buy them.

SERVICE EQUIPMENT

EQUIPMENT	% OF DEALERS CURRENTLY USING	% OF DEALERS WHO PLAN TO BUY
Air compressor	100%	8%
A/C refrigerant recycler	62%	3%
Alignment rack	74%	8%
Battery tester/charger	87%	--
Brake lathe (off-car)	54%	--
Brake lathe (on-car)	26%	--
Engine diagnostic analyzer	62%	5%
Lift (all types)	85%	8%
Nitrogen equipment	31%	3%
Tire changer	100%	15%
Wheel balancer	100%	8%

Mergers and acquisitions

TIRE DEALERSHIP BUYOUTS SLOWED IN 2023

BUT THE BIG GOT EVEN BIGGER

There were fewer publicly announced tire dealership mergers and acquisitions in the United States than last year and the previous year.

“Debt service cost is creating more challenges for the models to work, in terms of paying the multiples people were receiving,” Tony Puckett, CEO of Sun Auto Tire & Service Inc., told MTD last summer. High interest rates also played a role.

However, many dealerships — including some of the country’s largest — continued to purchase other dealerships.

Based on store count, the biggest deal of the year was Mavis Tire Express Corp.’s acquisition of nearly 600 NTB Tire and Service Centers and Tire Kingdom Service Centers from TBC Corp., which happened in June.

The second biggest, based on number of locations involved, was Discount Tire’s purchase of Dunn Tire Corp.’s 25 retail stores in October, which expanded Discount Tire’s presence in Pennsylvania and facilitated the company’s entry into the New York market.

Rounding out the five biggest acquisitions of the 2023 were Green Bay, Wis.-based Pump’s Tire Service Inc.’s acquisition of Royal Tire Inc., a 20-outlet company with locations in Minnesota and North Dakota (April); Allen Park, Mich.-based Belle Tire Distributors Inc.’s pick-up of 18 Tireman Auto Service Centers in Ohio and Michigan (February); and Sun Auto Tire’s purchase of Tire Outlet, a 14-store retail chain in Jacksonville, Fla. (January).

Best-One Tire Group acquired undisclosed stakes in both Cullman, Ala.-based McGriff Tire and Callaghan Tire, based in Bradenton, Fla. Audax Private Equity acquired an ownership stake in Dobbs Tire & Auto Centers. (Because these deals were not complete acquisitions, they are not listed here.)

2023 U.S. TIRE DEALERSHIP MERGERS AND ACQUISITIONS

BUYER		ACQUIRED	# OF OUTLETS	LOCATION (S)
Belle Tire Distributors Inc.	1Q	Tireman Auto Service Centers	18	Ohio and Michigan
Gills Point S Tire & Auto	1Q	Hogan Tire Co.	5	Northern Maine
Greatwater 360 Auto Care	1Q	Tire Tracks USA	14	Illinois
Leeds West Groups	1Q	Midas franchise store	1	Denver, Colo.
McCarthy Tire Service Co. Inc.	1Q	Truck Fleet Repair	1	Norfolk, Va.
MFA Petroleum Co.	1Q	Big O Tires retail stores	13	Kansas City, Mo.
Monro Inc.	1Q	Muscatine Tire & Auto Center	1	Muscatine, Iowa
Monro Inc.	1Q	QC Auto Service	4	Iowa and Illinois
Southern Tire Mart LLC	1Q	Heintschel Tire	1	Texarkana, Texas
Sun Auto Tire & Service Inc.	1Q	Tire Outlet	14	Jacksonville, Fla.
Telle Tire & Auto Service Inc.	1Q	Jerry’s Tire Sales	1	Edwardsville, Ill.
Tire Discounters Inc.	1Q	Skip Cottrell’s Tire	1	West Somerset, Ky.
Tire Discounters Inc.	1Q	University Tire	1	Loganville, Ga.
Chapel Hill Tire	2Q	Durham Tire	1	Durham, N.C.
Dawson Tire & Wheel	2Q	F&F Tire & Service	1	Wisner, Neb.
Greatwater 360 Auto Care	2Q	Herod Family Auto & Tire	2	Medina, Ohio
Greatwater 360 Auto Care	2Q	Springdale Automotive	4	Louisville, Ky.
K&M Tire Inc.	2Q	Midtown Tire	1	Rochester, N.Y.
Mavis Tire Express Services Corp.	2Q	TBC Corp.’s retail-owned stores (NTB Tire and Service Centers and Tire Kingdom Service Centers)	595 (392 NTB locations and 203 Tire Kingdom locations)	Florida, Texas and across the mid-Atlantic, Midwest and South
McCarthy Tire Service Co. Inc.	2Q	Roli Retreads Inc.	1	Farmingdale, N.Y.
Pump’s Tire Service Inc.	2Q	Royal Tire Inc.	20	Minnesota and North Dakota
Southern Tire Mart LLC	2Q	Country Tire & Wheel	4	Bakersfield, Calif., Fresno, Calif. and Taft, Calif.
Southern Tire Mart LLC	2Q	Friend Tire Co. (from Yokohama Tire Corp.)	9	New Mexico, Tennessee, Texas, Florida, Missouri, Louisiana, Oklahoma and Utah
Southern Tire Mart LLC	2Q	Tulare Firestone dba TF Tire & Service	9	Tulare, Calif.
Telle Tire & Auto Service Inc.	2Q	Auto Clinic	2	Lee’s Summit, Mo.
Tire Discounters Inc.	2Q	Tire Barn	1	Gainesville, Ga.
Turbo Wholesale Tires LLC	2Q	Tire Wholesalers Inc.	5	Chicago, Michigan and Utah
VIP Tires & Service	2Q	Marshfield Tire & Auto Service Center	1	Marshfield, Mass.
Eastern Tire & Auto Service Inc.	3Q	Herricks Garage	1	Rockport, Maine
Flynn’s Tire Group	3Q	Manordale Tires & Service	1	Delmont, Pa.
Left Lane Auto LLC	3Q	Modica Bros. Tires & Wheel Center	9	Southeast Texas
McCarthy Tire Service Co. Inc.	3Q	Dice’s Tire Service	1	Carlisle, Pa.
McMahon’s Best-One Tire	3Q	Berger Auto Parts & Service Inc.	2	Fort Wayne, Ind.
Steve Shannon Tire Co.	3Q	Krises Tire	1	Troy, Pa.
Telle Tire & Auto Service Inc.	3Q	Car-Doc Automotive & Tire	1	Maryland Heights, Mo.
U.S. AutoForce LLC	3Q	Pacific Tire Distributors	4	Oregon and Washington
Bob Sumerel Tire Co.	4Q	Flynn’s Tire Group’s commercial division	3 outlets, one retread plant	Ohio and Pennsylvania
Discount Tire	4Q	Dunn Tire LLC’s retail stores	25 retail stores	Western and central New York and Pennsylvania
K&M Tire Inc.	4Q	Point S USA distribution center	1 distribution center	Denver, Colo.
Left Lane Auto LLC	4Q	Logan Tire Service	1	Logansport, Ind.
Service Tire Truck Centers Inc.	4Q	Giant Tire Service	8	New Jersey
Steve Shannon Tire Co.	4Q	Cheney Tire	2	Watertown, N.Y.
Straightaway Tire & Auto	4Q	Wayne’s Automotive	1	Grand Rapids, Mich.
Straightaway Tire & Auto	4Q	Accurate Auto & Tire Service	1	Maple Grove, Minn.
Telle Tire & Auto Service Inc.	4Q	Rasch Automotive Service Center	1	Kirkwood, Mo.

Biggest dealers

BIG AND BOLD

RANKING THE LARGEST TIRE DEALERSHIPS AND RETREADERS

As mentioned earlier, MTD defines independent tire dealerships as tire dealerships that are not owned by tire manufacturers. Here are the 10 largest independent tire dealerships in the U.S., as listed on the 2023 MTD 100. Rankings on the MTD 100 are based solely on the number of outlets that each dealership has.

10 LARGEST INDEPENDENT TIRE DEALERSHIPS

RANK	DEALERSHIP	HEADQUARTERS	TOP OFFICER(S)	# OF LOCATIONS
1	Mavis Tire Express Services Corp.	Millwood, N.Y.	Stephen and David Sorbaro, co-CEOs	2,029
2	Monro Inc.	Rochester, N.Y.	Michael Broderick, CEO and president	1,299
3	Discount Tire/America's Tire/Tire Rack	Scottsdale, Ariz.	Dean Muglia, CEO	1,137
4	Les Schwab Tire Centers Inc.	Bend, Ore.	Mike Broberg, CEO	463
5	Sun Auto Tire & Service Inc.	Tucson, Ariz.	Tony Puckett, CEO	424
6	Tire Discounters Inc.	Cincinnati, Ohio	Chip Wood, chairman	204
7	Big Brand Tire & Service	Moorpark, Calif.	Joe Buscaglia, CEO	202
8	Southern Tire Mart LLC	Columbia, Miss.	Thomas and James Duff, owners	178
9	Belle Tire Distributors Inc.	Allen Park, Mich.	Jack Lawless, CEO	177
10	Pomp's Tire Service Inc.	Green Bay, Wis.	Jim Wochinske, CEO	141

As of July 2023 publication of the 2023 MTD 100

To be ranked on the MTD Top 25 Commercial Tire Dealers in the U.S. list, the latest edition of which was published in October 2023, a dealership must sell medium truck tires, have at least one retread plant and provide 24/7 emergency roadside service. Dealers are ranked based on MTD's estimate of their commercial sales.

10 LARGEST COMMERCIAL TIRE DEALERSHIPS

RANK	DEALERSHIP	HEADQUARTERS	TOP OFFICER(S)
1	Southern Tire Mart LLC	Columbia, Miss.	Thomas and James Duff, owners
2	Best-One Tire Group	Monroe, Ind.	Mark and Larry Zurcher, co-CEOs
3	Pomp's Tire Service Inc.	Green Bay, Wis.	Jim Wochinske, CEO
4	Snider Tire Inc.	Newton, N.C.	Marty Herndon, chairman/CEO
5	McCarthy Tire Service Co. Inc.	Wilkes-Barre, Pa.	John McCarthy Jr., president
6	Les Schwab Tire Centers Inc.	Bend, Ore.	Mike Broberg, CEO
7	Service Tire Truck Centers Inc.	Bethlehem, Pa.	Walt Dealtrey Jr., CEO and president
8	Purcell Tire & Rubber Co.	Potosi, Mo.	Roger Lucas, CEO
9	Boulevard Tire Center	Deland, Fla.	Earl Colvard, president
10	Parkhouse Tire Inc.	Bell Gardens, Calif.	Jim Parkhouse, CEO

As of October 2023 publication of MTD's Top 25 Commercial Tire Dealers List

In April 2023, MTD ranked the 50 top retreaders in the U.S. based on average amount of tread rubber used, not number of plants, which are listed on the below chart.

10 LARGEST RETREADERS IN THE U.S.

RANK	DEALERSHIP	HEADQUARTERS	TOP OFFICER(S)	# OF PLANTS
1	Southern Tire Mart LLC	Columbia, Miss.	Thomas and James Duff, owners	32
2	Goodyear Tire & Rubber Co.	Akron, Ohio	Rich Kramer, CEO, chairman, president	34
3	Pomp's Tire Service Inc.	Green Bay, Wis.	Jim Wochinske, CEO	27
4	McCarthy Tire Service Co. Inc.	Wilkes-Barre, Pa.	John McCarthy Jr., president	12
5	Snider Tire Inc.	Newton, N.C.	Marty Herndon, CEO/chairman	9
6	Purcell Tire & Rubber Co.	Potosi, Mo.	Roger Lucas, CEO	8
7	Best-One Tire Group	Monroe, Ind.	Mark and Larry Zurcher, co-CEOs	17
8	Love's Travel Stops & Country Stores Inc.	Oklahoma City, Okla.	Greg and Frank Love, co-CEOs	6
9	Service Tire Truck Centers Inc.	Bethlehem, Pa.	Walt Dealtrey Jr., CEO and president	5
10	Parkhouse Tire Inc.	Bell Gardens, Calif.	Jim Parkhouse, CEO	3

As of April 2023 publication of MTD's 2023 Top Retreaders in the U.S. list. (Since then, Best-One Tire Group has added several retread plants to its network.)