



Northwest TIRE TALK

OFFICIAL NEWSLETTER FOR TIRE, WHEEL & AUTOMOTIVE SPECIALTY PROFESSIONALS
PUBLISHED BI-MONTHLY BY NORTHWEST TIRE DEALERS ASSOCIATION FOR IT'S MEMBERS

DICK NORDNESS - EXECUTIVE DIRECTOR - NORTHWEST TIRE DEALERS ASSOCIATION

Northwest Tire Talk • Kennewick, WA 99338 • Ph: (509) 948-2433 • Email: nwtiredealers@hotmail.com

March / April 2015



STUDED TIRE LEGISLATION

Opposition to studded winter tires is gaining traction in Washington state, according to an article in The Spokesman-Review.

Joe Tortorelli, vice chairman of the Washington State Transportation Commission, supports phasing out studs to save money on highway and street maintenance. "I think it's time," Tortorelli told The Spokesman-Review.

Some state lawmakers also are pushing to restrict studded tires. Bills in the state House and Senate would require drivers to purchase a permit each year to use studs, with the money helping repair roadway ruts. HB 1653 calls for a \$100 annual permit, with a violation carrying a \$500 fine. The Senate version (SB 5610) calls for a \$75 annual permit fee with a \$75 fine. In both of these bills a user would have to apply for the permit from a state or county agency, the permit would not be purchased through a tire dealer.

There is a second House bill (HB 1995) that calls for a fee of \$5 to be imposed on the retail sale of each new studded snow tire. In this case the tire retailer would collect the fee, keeping 10% for handling and forwarding \$4.50 on to the department of revenue to be deposited in the motor vehicle fund.

Washington legislators will also be looking at HB 1486, which will encourage the industry to utilize new tire technologies with improved side wall tire strength ratings that will reduce motor carrier costs allowing single tires to be utilized when historically four or more tires are required when an axle is carrying more than 10,000 lbs.

IN THIS ISSUE

Used Tire Legislation	page 3
Price Increases	page 3
Brown's Parkrose Tire Factory	page 4
TCI Dinner Event	page 6
TIA Promotes Registration.	page 8
ATD has New Co-Owner	page 10
Risk Management Training	page 10

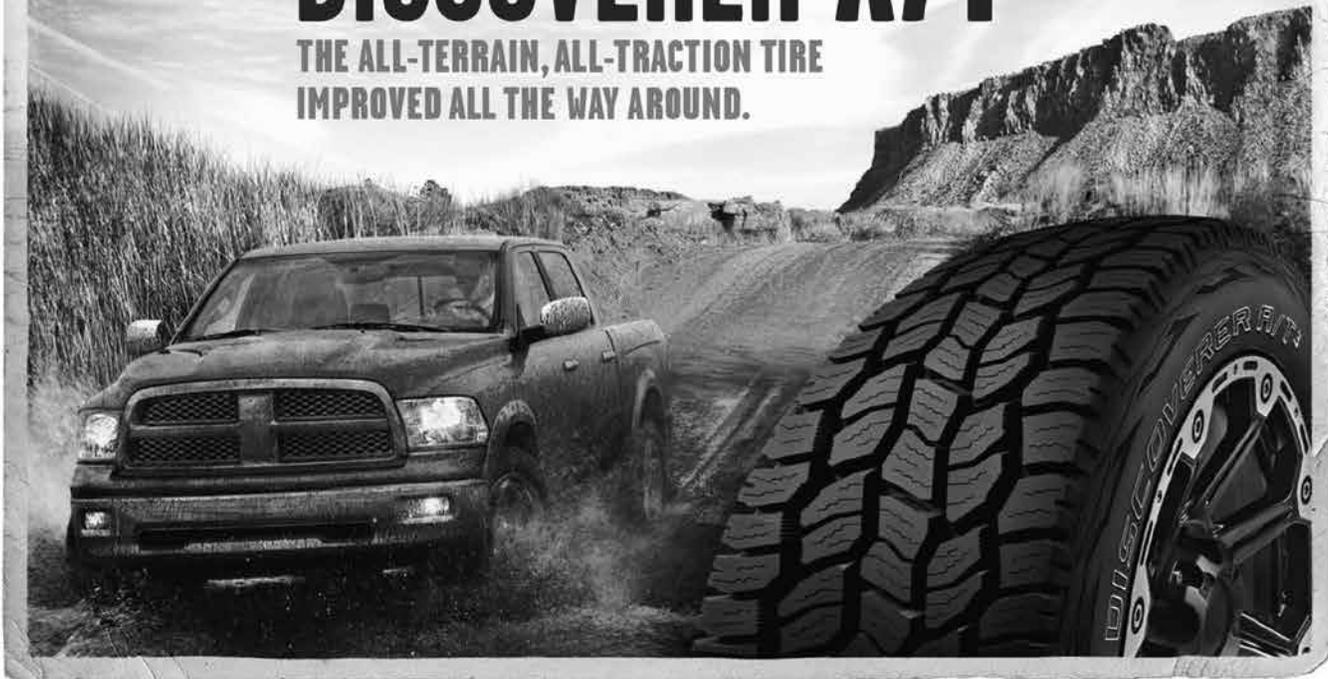
MINIMUM WAGE LEGISLATION

Washington State legislators are looking at new minimum wage legislation for 2016. House Bill 1355 raises the state minimum wage for employees 18 years or older to \$10 an hour in 2016, then raises it 50 cents per hours each year until the rate is \$12 an hour in 2019. The Bill is prime sponsored by Rep. Jessyn Farrell and 40 co-sponsors.

The Washington Retail Association is crafting a set of principles concerning the minimum wage and plans to present it to committee members. Washington State already has the highest minimum wage in the country at \$9.47. Our current minimum wage is automatically increased each year using the consumer price index.

COOPER **DISCOVERER A/T³**

THE ALL-TERRAIN, ALL-TRACTION TIRE
IMPROVED ALL THE WAY AROUND.



COOPERTIRE.COM

The **Cooper Discoverer A/T³**™ utilizes a balanced combination of technology, compounding and design to produce a tire that truly performs in all terrains. Through this unique blend of compounding and technology, the A/T³ delivers the premium on-road and off-road performance you expect from an all-terrain tire. The A/T³ is the latest addition to the strong Discoverer heritage of premium SUV and Light Truck products.

**Pacific
Tire**

DISTRIBUTORS

PASCO, WA

2525 N COMMERCIAL AVE
(509) 542-TIRE

PORTLAND, OR

2750 N HAYDEN ISLAND DR.
(503) 247-7115

MEDFORD, OR

4787 AIRWAY DRIVE
(541) 779-TIRE

FAMILY OWNED & OPERATED!

 **COOPERTIRES®**

WWW.PACIFICTIREDISTRIBUTORS.COM

USED TIRE LEGISLATION

The Rubber Manufacturers Association (RMA) has been pushing for used tire legislation and so far three states have introduced their versions of the used tire bans. State lawmakers in Oklahoma, South Carolina and Florida have proposed bills that would restrict the sale of used tires.

According to reports, Oklahoma state Senator Frank Simpson and others are pushing legislation that would ban the sales of used tires with tread less than 2/32nds-inch. South Carolina state Rep. Gary Simrill has also introduced a similar bill, according to the RMA. In Florida, according to reports, a similar push has started in the statehouse.

The RMA is expected to feed similar efforts in Indiana, Georgia, New Jersey and Texas. For the past several years, the RMA has encouraged the introduction and passage of model legislation it devised to keep unsafe used tires off the road. The RMA defines unsafe as worn out, damaged or exhibiting other unsafe conditions. "Safety is the highest priority of the tire industry," said Dan Zielinski, RMA senior vice president-public affairs, regarding used tire legislation. "Laws to stop the sale of worn-out, damaged used tires will help improve highway and motorist safety."

The RMA succeeded last year in Colorado in winning passage of a scrap tire bill that contained language addressing used tires.

The model RMA legislation takes aim at;

- Used tires that have 2/32nds inch or less of tread depth;
- Tires with damage exposing steel belts or other internal components;
- Tires with improper repairs; and or
- Tires with bulges indicating internal damage.

Officials of the RMA and its member companies have found numerous examples of used tires offered for sale that have one or more of these obvious danger signs. They did not say specifically at this time what support it would lend to state legislative efforts on used tires. It also did not say whether it would encourage states to look into regulating tire repair, something it has supported in the past.

GITI RAISES PRICES

Giti Tire (USA) Inc. raised prices by 9.5% on all passenger and light truck tires the company produces in China and sells in the U. S., effective January 1, 2015.

January has been a month that we see many tire price increases, but this year is different. This price increase is the result of the 11.74% adjusted countervailing duties imposed by the U. S. Department of Commerce on Giti Tire Fujian Co. Ltd. Giti was initially handed a 17.69% duty but appealed the accuracy of the calculations. The DOC reviewed its claims and announced in December that ministerial errors were made.

According to the tiremaker, the company held off on price increases from its distribution centers during the DOC appeal because its stock inventory was not subject to CVD action. That inventory is now depleted and the company must account for the impact of the duties on tires that cleared U. S. Customs effective Dec. 1 2014.

Giti announced its second increase this year on February 4. The company says it is imposing a 5.5% increase on those tires, effective immediately. ST tires are excluded from the price hikes.

The increases are in response to the U. S. Department of Commerce duties. The total anti-dumping duties assessed to Giti Tire are 30.91% (combining the 11.74% countervailing duties and the 19.17% anti-dumping duties.)

"We are very committed to the U. S. market, as evidenced by the fact that we will be holding a groundbreaking ceremony for the new Giti Tire plant in Chester County, South Carolina, on February 12, said Armand Allaire, executive vice president of sales and marketing for Giti.

Tire Service Trucks, Cranes & More!



Travis Glidden
Regional Sales Manager

tgidden@stellarindustries.com
800-321-3741 ext. 4254
Fax: 641-923-9026

www.stellarindustries.com

BROWN'S PARKROSE TIRE FACTORY



After a 52-year career in the tire and automotive service business, Bob Brown has retired leaving the business in the hands of sons Kelly and Brian. The brothers will operate as Brown's Parkrose Tire Factory, signifying their new affiliation with Eric Gill and the Nelson Tire Factory Group.

Bob is a second generation "tire guy", following in the foot steps of his father, Hank Brown, who ran a tire-retread business. Bob started selling tires out of his garage in June of 1978. After working for a local dealer in Portland he purchased the General Tire Store in Gateway, in the former San Rafael Shopping Center. In 1985 they built a new store with eight service bays in Parkrose. Bob Brown Tire Center has been a family-operated business for 36 years.



Bob and his wife, Mary, (in center of photo) developed the store's reputation for quality products and customer service. Kelly and Brian also have a long tenure as employees, as did their daughter Debbie Codino and Joel Foster, assistant manager for 25 years.

During their years in business, the Browns have operated three retail stores, a wholesale outlet and a tire retread plant, developing a customer base that brought ongoing success. They have employed hundreds of workers, providing valuable retail training.

Bob Brown has served a number of associations, he was on the board of directors of the Oregon Tire Dealers Association and moved up to the President's chair. During that time the Oregon association was part of the Northwest Tire Dealers Association. Bob was also selected to the Northwest Tire Dealers Hall of Fame.

Bob admits he will miss the business and says he's still winding down. "I miss it when I'm in the store and I don't miss it when I'm away." With his sons behind the steering wheel now, the younger generations of Browns continue to offer products in which they have confidence, with eyes set on a level of service reflecting the legacy Bob Brown now leaves to future generations.



And speaking of the future generation, Kelly's daughter Erika has previously worked in the store as a receptionist and also in sales.

When asked about his dad Kelly said, "He's the best. I learned a lot from him. One thing he taught me is the company is judged by the poorest performance of any one employee, and to think about what you are doing and saying." He added, "Its all about the customer, they pay our wages, so listen to them. Treat them with respect; never judge a book by its cover, so to speak, or by the vehicle they drive; have patience, and listen."

HAPPY RETIREMENT BOB !



1-800-697-8973 Your NEW TIRE & CUSTOM WHEEL Specialists



Now offering 5 day delivery to Seattle!



Check out our new website!
www.nwr4tires.com

Snow Wheels Available!



Telstar Mud Claw



Sumitomo A/S P01



EXTREME
1-800-258-7080 Tires & Custom Wheels

TIRES INC. CELEBRATES 60 YEARS

Bill Stultz of TCI Portland was the promotor for the 18th Annual TCI Customer Appreciation Dinner Banquet held at the beautiful Oregon coast in Lincoln City.



Bill is picture above with Ken Brown, Past President of the Tire Industry Association. Ken told the over 200 attendees of the work the Tire Industry Association has been doing this past year on behalf of the independent tires.



Bill is pictured above with Klyde and Mary Kay Thompson of Del's OK Tire Factory and Don and Anita Vorderstrasse of Canage Tire Factory.



Gilbert Woods and his wife from Richland Tire Factory came all the way from Eastern Washington to attend the event.



Rob Hurley, Portland TCI Branch Manager and Jason Mitchel, Assistant Branch Manager had one of the 14 vendor booths during the trade show.



Steve Brown and Ryan Hilley were on hand to talk about Michelin products.



Mike Case of Hankook was there to display his products.



Mighty Auto Parts was also one of the vendors on hand to talk about their product line.



All-Terrain T/A® KO2

20% Tougher Sidewalls: Featuring race-proven CoreGard™ Technology to take on the toughest road hazards with confidence.¹

¹ Based on internal sidewall splitting test vs BFGoodrich® All-Terrain T/A KO tire in size LT265/70R17. Sidewall splitting test results were derived from a simulated sidewall aggression testing machine (patent pending US20120245859A1). All claims based on pre-production tire testing.



5211 N.E. 158th Ave • Portland, OR 97230 • PHONE: (503) 252-1828

20013 87th Ave S. • Kent WA 98031 • PHONE: (253) 236-0713

3808 N Sullivan Road • Spokane, WA 99216 • PHONE: (509) 927-1028

TCi™ TIRE CENTERS

With 86 distribution centers and same day service to 95% of the continental US, our trained tire professionals can help you keep the right tires on your shelf.



Copyright © 2014 Tire Centers, LLC (TCi). All rights reserved. TCi, TCI and Centered on Service are registered trademarks or trademarks of Tire Centers, LLC.

THIS DATE IN HISTORY

Checking our NWTDA archives and the March 1989 issue of Tire Talk we see the following:

Bob Brown of Bob Brown Tire Center opened the 1989 Regional Trade Show that hosted just under a thousand participants at the general session and trade show.

Photos from the trade show of:

- Past Oregon Tire Dealers President Bill Prahl
- Art Lutz and Jim Svihla
- Eddie Sato of Sam's Tire & Ted Bateman
- Bill Rostad of Motor Wheel
- Candi Millar with the Uniroyal "Tiger"
- Penny Baker in the Metro 25 booth
- Jim Millar, Bob Redd and Marvin Monsrud
- Carl Russell and Big John Wynhoff

Mike Wurdeman, owner of Formula Tire in Marysville was elected the new V. P. for the Washington Tire Dealers and Glen Dodson was elected as a new board member of the Oregon Tire Dealers.

TIA PROMOTES REGISTRATION

The Tire Industry Association (TIA) has released its latest installment in its "Tire Safety Starts with..." consumer education videos: Tire Safety Starts with Tire Registration.

"With all of the additional attention that has been given to tire registration lately, we feel it is the perfect time to raise awareness on the subject," Roy Littlefield, TIA executive vice president. "Our goal is to remind retailers of their responsibility to provide the TIN for every new tire that they sell and educate motorists on why it's important to follow through with the registration process."

The video outlines the different ways in which a consumer can register their tire and explains data in the identification number. Additionally, the video includes links to the Rubber Manufacturers Association's tire registration page.

Tire Safety Starts with Tire Registration is available on TIA's You Tube channel, www.youtube.com/tiresafetystartshere, and www.tireindustry.org.

THIS TIRE IS ORANGE.

BETTER FUEL ECONOMY

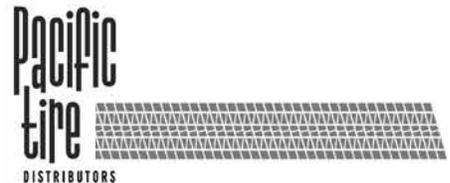
LONGER TREAD LIFE

BETTER GRIP

SMALLER CARBON FOOTPRINT

AVID Ascend

YOKOHAMA



PASCO, WA

2525 N COMMERCIAL AVE.
(509) 542-TIRE

PORTLAND, OR

2750 N HAYDEN ISLAND DR.
(503) 247-7115

MEDFORD, OR

4787 AIRWAY DR.
(541) 779-TIRE

WWW.PACIFICTIREDISTIBUTORS.COM

OUR BRAND IS A PROMISE



When you are looking for quality wheel balance solutions, look no further than Perfect Equipment. Our brand has stood for quality and value for the past 75 years and we aim to continue that success.

Make the perfect choice. Choose Perfect Equipment.
Learn more at www.perfectequipment.com

Perfect Equipment is a brand of  **WEGMANN**
automotive
© contents copyright. All rights reserved.

We are a proud supporter of the
**Northwest Tire Dealers
Association**



celebrating success.

ATD HAS NEW CO-OWNER

American Tire Distributors Inc. announced that it has a new equity owner. Ares Management L. P. is acquiring “a significant stake” in ATD, effectively becoming a 50/50 co-owners with previous 100% owner TPG Capital L. P.

“This transaction is another significant milestone in ATD’s growth story, and we are proud now to have two very notable investors as our primary shareholders,” said Bill Berry, ATD president and CEO. “The company appreciates the guidance TPG has offered for the past five years, and we look forward to the added experience and expertise of Ares as we continue to expand as the premier tire distributor in North America.”

“We are please to be able to partner with TPG to continue to grow ATD, a market leader with a demonstrated track record and significant expansion opportunities ahead,” said David Kaplan, co-founder, senior partner, and co-head of the Private Equity Group of Ares Management. “The company fits with Ares’ longstanding private equity strategy of acquiring strong franchises with proven management teams and helping them realize their full potential.”

ATD is the largest independent tire wholesaler in North America, operating more than 140 distribution centers, including 25 distribution centers in Canada. For its fiscal 2014 third quarter, ATD posted sales of \$1.32 billion, up 34.1% year-over-year.

Over the last decade, ATD has had numerous owners. In March 2005, an investment group consisting of Investcorp Bank BSC, Berkshire Partners and Greenbriar Equity Group paid some \$500 million for ATD, buying it from Boston-based Charlesbank Capital Partners. Five years later, the Investcorp group sold ATD to TPG for an estimated \$1.3 billion.

During that same 10-year period, ATD grew rapidly, buying up a number of independent tire wholesalers and opening its own new distribution centers. In early 2014 ATD spent some \$650 million to acquire both Hercules Tire & Rubber Co. and Terry’s Tire Town in separate deals.

FEDERATED INSURANCE OFFERS RISK MANAGEMENT TRAINING

Federated Insurance is excited to announce a partnership with leading transportation, safety and compliance professionals J. J. Keller & Associates Inc. to offer Federated clients another source of employee risk management training for any type of size of business.

As of January 1, 2015, Federated clients can access an extensive library of complimentary streaming videos and computer-based training. Clients simply log in to Federated’s Shield Network and enter required user information for instant access to nearly 500 *Training on Demand* videos and interactive learning courses.

J. J. Keller has been a respected name in regulatory and compliance management since 1953. Researched, developed and produced by J. J. Keller, their *Training on Demand* sets the standard for quality, compliance and training comprehension, and is used by thousands of companies worldwide. Launched in January 2007, *Training on Demand* quickly grew to encompass a wide variety of real-world topics. J. J. Keller is known for professional materials excellent customer service and providing user-friendly technical support.

Federated Insurance is a preferred provider for the Northwest Tire Dealers Association and has provided safety information it’s members for over 30 years.

For more information on this new program contact your local Federated Insurance Rep. or visit them at www.federatedinsurance.com .

*Driving Tomorrow*

Rick Mustion

Northwest Regional Sales Manager

NEXEN TIRE AMERICA INC. www.nexentireusa.com
NEXEN TIRE AMERICA 21073 Pathfinder Road Suite 100, Diamond Bar, CA 91765 USA
T 909-923-4011 C 503-545-5523 F 909-923-3991 E rickmustion@nexentireusa.com



Could Compliance Issues Derail Your Fortune?

Every employer, no matter what size, has to deal with human resource issues, regulations, and employment law changes. Contact your local marketing representative to learn how Federated Insurance can help you surround compliance issues related to state, federal, I-9, and other regulations.

Visit www.federatedinsurance.com to find a representative near you.



Federated Mutual Insurance Company • Federated Service Insurance Company* • Federated Life Insurance Company
Owatonna, Minnesota 55060 | Phone 507.455.5200 | www.federatedinsurance.com

*Not licensed in the states of NH, NJ, and VT. © 2015 Federated Mutual Insurance Company



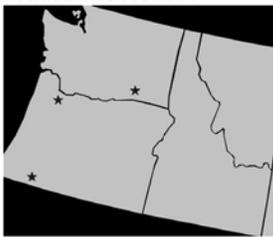
93705 E. Granada • Kennewick, WA • 99338

PRST STD
 US POSTAGE PAID
 PASCO, WA 99301
 PERMIT NO. 330



www.pacifictiredistributors.com

FAMILY OWNED!



**BEST DELIVERY
 IN THE NW!**

**VISIT US ONLINE
 WWW.PACICTIREDISTRIBUTORS.COM**

WE PROUDLY DISTRIBUTE

PASCO, WA 2525 N. COMMERCIAL AVE. (509) 542-TIRE	PORTLAND, OR 2750 N HAYDEN ISLAND DR. (503) 247-7115	MEDFORD, OR 4787 AIRWAY DR. (541) 779-TIRE
--	--	---

Northwest Tire Dealers Association 2015 Officers

- | | | |
|--------------------------------------|-----------------------------------|--------------------------------------|
| President.....Bob Thomas | TIA Board Member.....Ken Brown | Board MemberEd Tuck |
| Vice President Bob Beaver | Board MemberDoug Ray | Board MemberJohn Carver |
| Secretary/Treasurer....John Tompkins | Board Member Kelly Brown | Board Member Jim Hawkes |
| Past President.....Dan Kennedy | Board Member Klyde Thompson | Executive Director ... Dick Nordness |