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Nokian Canola Canadian Connection





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THETRACKER

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Calendar

Tire Dealers Association of Canada

TDAC NATIONAL TRADE SHOW & CONFERENCE 2018

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WCTD MEMBERSHIP APPLICATION

COMPANY NAME						
ADDRESS						
CITY						
PROV		POSTAL CODE				
PHONE		FAX				
EMAIL						
CATEGORY OF MEMBERSHIP (SEE BELOW)						
VOTING MEMBER	ASSOCIATE MEMBER, NON-VOTING					
a. Independent Tire Dealer	Jobber or Distributor Manufacture					
b. Retreader	Manufacturer Exporter or Mfg. Rep.					
	4. Dealer Support Services					
MY BUSINESS IS MADE UP PRIMARILY OF THE YES NO						
SALE OF TIRES AND TIRE RELATED SEI		RVICES	(CIRCLE	ONE)		
AUTHORIZED BY						
(PLEASE PRINT)						

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Email: rayg@wctd.ca



We hope you find this issue of The Tracker informative, educational and entertaining. We welcome your feedback and invite you to submit any ideas you have for upcoming issues. Feel free to drop us a line (or two)...

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I like what I do for a living...

Paul McAlduff President, WCTD



GREAT

AHEAD

Customers bring me their tire problems and I help them choose which products might best satisfy them. Their questions remain consistent. Tread life, ride quality, wet and dry traction, and, of course, price are the most common questions. It's the answers that have become more difficult. The quality of replacement tires improve every year and the number of choices and sizes continue to multiply. It can be overwhelming to the consumer.

t can also be difficult for a Tire Professional to stay on top of which Manufacturers' products will fill their customer's needs. Fortunately, WCTD maintains membership with the Tire Dealers Association of Canada (TDAC), Automobile Industries Association (AIA), and Tire Industry Association (TIA). Through these affiliations I follow new product releases, industry trends and read about the techniques other tire professionals offer to maintain customer satisfaction. It all helps to keep my store profitable. I think it would be a good idea for WCTD members to offer success or failure stories for us all to share. The WCTD website would be a good venue for that.



By the way, if you haven't yet 'liked' us on Facebook at westcantire, please do so. And while you're at it, please say 'hello' and tell us what you're up to.

The WCTD Scholarship deadline is fast approaching. Please remind employees and partners of this important and useful program—as we would like to be overwhelmed with applications. The Scholarship Committee follows the listed requirements when they review the applications, so please make sure to read them carefully prior to sending.

Have a great summer, Paul

NOW... AN EXCITING PROMOTION FOR SASKATCHEWAN AND BRITISH **COLUMBIA TIRE DEALERS!**

Two dealers, one each from British Columbia and Saskatchewan are being offered a trip to Winnipeg, September 12 & 13, 2017.

OPPORTUNITY Successful applicants will have their flights, hotel accommodations and meals paid for by WCTD during their stay. However, they will also be required to attend and participate in the WCTD Board of Directors Meeting.

The successful applicants will also qualify for a bonus trip in March 2018 to participate in the WCTD Annual General Meeting.

Location will be determined at the Winnipeg Board of Directors Meeting. To apply, send your name, store name, and a brief background about yourself to pmcalduff@telus.net or rayg@wctd.ca.

Hurry. Deadline is August 15, 2017. Dealers must be in good standing with Western Canada Tire Dealers.

LIVES LIVED - MARSHALL SHYMKO





Marshall Shymko was born November 5, 1936 and passed away on May 3, 2017.

arshal spent many years in the tire industry, getting his start on the manufacturing side in the 1960's with Firestone. Subsequently, he worked for Firestone in Edmonton and Dawson Creek, both in the wholesale and retail divisions. Later on Marshall entered the retail tire business as an independent tire dealer, opening up Tire Village in 1976.



Over time, he grew the operation to three retail stores in the Edmonton area. Eventually he settled into two retail locations and joined forces with Al Ambrosie of Trail Tire to strengthen their retail presence. Marshall loved the tire business and continued to work until just recently, past his 80th birthday.

Marshall was always willing to go the extra mile to help out employees or customers. He will be greatly missed by all who knew him.

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A limited number of existing Big O Tires & Auto Service locations are available for purchase. Please contact Michael A. Kelly, General Manager, Big O Tires (1978) Ltd. Phone 604-250-6469 OR Email: mkelly@bigocanada.com for more information.



The Power of Association

Ray Geleta Executive Director, WCTD

his summer, Canada celebrates a significant milestone: 150 years since Confederation.

It all sounds so simple. But nation building is never that way. Canada has come about as a result of common interests, shared values, a mutual desire for prosperity, an understanding of what constitutes basic human rights—and so much more.

My career in the tire industry has spanned more than a few decades, during which I've been lucky enough to travel across this nation—yes, from sea to sea to sea. It has been—and continues to be—a wholly rewarding experience to meet the incredible diversity of dealers. Or, more importantly, to meet the people who make it all happen.

From passenger tire outlets in urban cores to farming across sweeping plains, or digging into giant mining operations, I'm constantly in awe of the immense scope of this country—and of what makes our industry tick. Not to mention its ongoing challenges and complexities. Tires and wheels are a vital part of our day to day lives—perhaps even more so in this vast country we call Canada than elsewhere. Almost everything we touch has to be transported—sometimes across the continent. And, as a resource based economy, we are immeasurably dependent on mining, forestry and other prime industries that rely on giant equipment—rolling on equally massive tires and wheels.

Western Canada Tire Dealers may not have been around quite so long as Confederation. But, in 1962, our association's founding members had a clear vision that something good would come of sharing ideas, collaborating on matters of mutual interest, speaking to governments with one voice, and so much more.

Much like the fathers of confederation, they understood the power of working together, the potency of unity as opposed to dis-unity.

The more things change, the more they stay the same.

The ideas that they envisioned as being the basis for (at the time) the Western Canadian Tire Dealers and Retreaders Association have essentially remained unchanged.

The group of independent tire dealer professionals and other key players who saw value in coming together did so "to continuously improve the tire industry through enhanced safety, education, training, strong ethics and effective lobbying." (That's from our mission statement, in case you haven't read it.)

Much like the era in which Confederation came about, it's important to understand the climate at the time of WCTD's founding. The tendency is to think that things in years gone by were a whole lot simpler. But, in reality, life probably seemed a whole lot scarier. Cue the Cold War, the Nuclear threat and Cuban Missile Crisis, for starters.

Business was cut-throat—sure, it always was and always will be. But in those days the last person you talked to was your competitor.

Never mind, there were big challenges to be addressed, from bringing in safety



Sound familiar?

Everything we undertake at WCTD on your behalf is done in the same spirit of cooperation. By following that path we've been able to help build one of the most effective tire recycling models in the world. Co-operation between key players—and keen competitors—has enabled us to form one of the most successful safety committees in any industry, to quickly identify issues and potentially dangerous workplace situations.

We've also established a scholarship program to help educate our membership's youth. Through this publication we endeavour to share with you our association and industry news—what's going on: the trends that will shape your business over the next few years. There are, of course, many more benefits ...

Like those founding fathers, who took it upon themselves to be true leaders, willing to share their ideas and values, our work is never done.

To that end, I'm asking you to help me celebrate Canada's 150th in the best way possible.

Give back.
Get involved.
Share your vision.
Communicate your ideas.

Right now we're looking for people with something to contribute. Chances are, if you're reading this, you're one of them.

Call me now at 780-554-9259, or write me at rayg@wctd.ca



Courtesy of Neal Shymko, TireVillage

The following email is making the rounds. Please report this and any other suspicious emails to your local authorities:

Subject: Tyre Replacement For My Truck

"I have just moved down to Alberta from British Columbia and i need my 2013 super duty F-150 ford pick up truck tyres replaced and i need a good expert to work on the truck. Kindly get back to me ASAP if you can fix this and also if you accept credit card payments so i can give you more details for the work."











*Up to 80 km at up to 80 km/h. Repairable in limited circumstances. Contact a Bridgestone retailer for details.

**100,000 kilometre limited treadwear warranty for H & V speed rated tires; 80,000 kilometre limited treadwear warranty for W speed rated tires. Subject to limitations and restrictions. See warranty manual for details.



Turning Adversity into Advantage

Tim Pawsey Editor The Tracker

t was somewhere around the third bridge that it hit me. Even though my suitcase is small and has wheels, dragging my belongings around Venice was probably not a good idea.

But that's the funny thing about the City of Light, for the first few hundred yards it seems just about everyone's dragging a suitcase, wheeling a cart, or pushing or pulling something on wheels. It's just the normal thing to do. People-power rules. That is, of course, unless you're on the water. In which case you're probably taking the Vaporetto. Or maybe you've splurged on your own gondola in the name of romance.

My trip to Venice, earlier this year, was brief, and (the next day) sans suitcase. But I did manage to walk around most of its narrow calles and other secret haunts, as well as the obvious spots. (Helpful travel hint: if you plan your visit to coincide with the Lunar New Year, be aware that most of Beijing seems to have the same idea...).

Along the way I was struck by the fact that everything—from groceries to souvenirs and construction materials—has to arrive or leave the old city either by handcart or on the water. At one point, standing on yet another bridge, I witnessed a water ambulance in full flight, two tone siren on the go; then turned around to see an aquatic hearse bearing an unmistakably small casket, the cycle of life and death, all afloat.

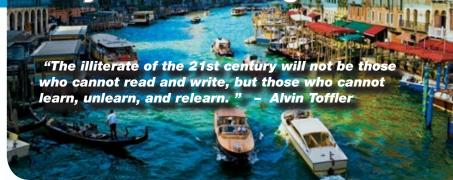
The story of Venice is that the ancient Venetians turned adversity into advantage; and still utilize their most abundant resource—water—to the max.

For some reason, in recent weeks I've found myself transported back six months to that time in Venice. Because the lasting impression is what the human race does best is to adapt, no matter what the circumstances, in order to survive.

Originally, this issue of *The Tracker* was going to revolve around the usual themes of safety, training, scrap tire recycling, scholarship deadlines and other important matters that make up the business of this association.

But then—the week before we went to press—came the game-changer, that Volvo will discontinue its use of the internal combustion engine for all of its passenger autos, starting in 2019. (No news yet on whether industrial vehicles will





also switch. But... stay tuned.)

The announcement—coming in the same week that Tesla was finally getting around to turning out its highly anticipated Model 3s—did plenty to reinforce the notion (at Tesla's expense) that timing is everything.

Then, a few days later...

Coincidentally, I had just been discussing the onset of the Electric Vehicle with one of our members. Sure, he said, he'd had a trickle of cars in his shop, although it hadn't amounted to much so far. And would likely be a while before it did. It wasn't of any real concern or interest.

I, too, had been content to figure that it would be quite some time before EVs really take hold—even out here in the heart of the latte-land that is Vancouver. But time has that annoying quality of being not only elusive but also is ridiculously hard to quantify.

Should The Tracker devote time and energy to a story that still seems in its infancy? And one that, at least on the surface, for now, bears minimal relevance to everyday life in a tire dealership.

I had thought we'd leave it a while. That is until Volvo dropped the bombshell. (Is it really a bombshell? Oh yes, don't kid yourself otherwise. It certainly is. Even if Volvo accounts for just a couple of percentage points of the overall market, its share of the luxury sector is far more, and growing.

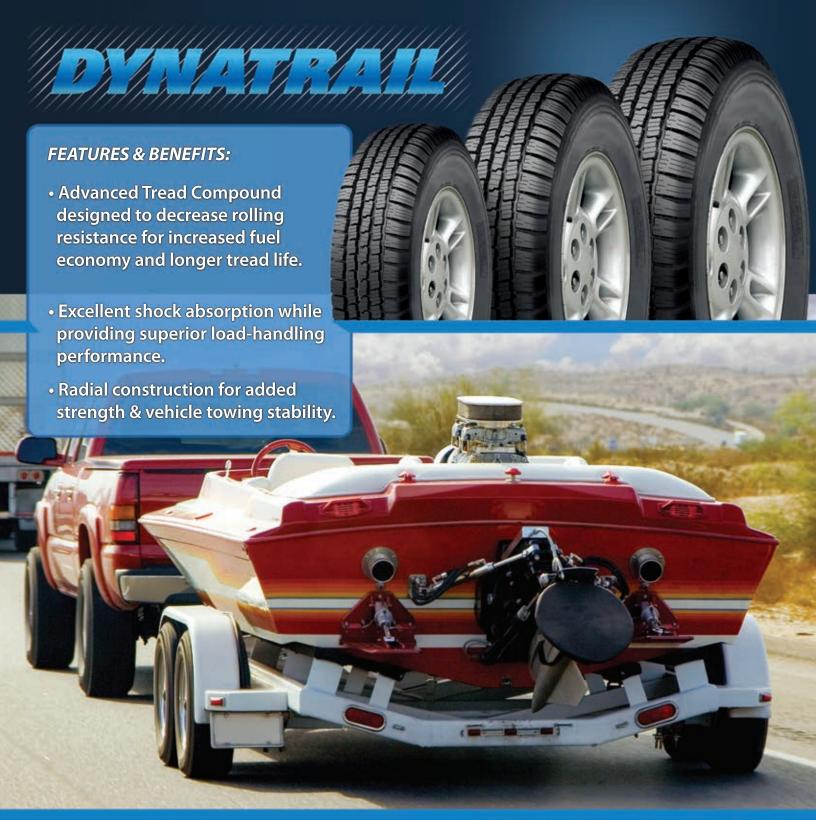
The more information I found, the more convinced I became that the onset of the EV over the next couple of decades amounts to one of the biggest stories of our time, inside the tire industry or out.

The coming shift to EV can present a real opportunity for those who make it a priority—as a service driven aspect of their business. Or as the saying goes: the early adopter gets the worm. Or something like that...

Meanwhile, speaking of early adopters, despite all odds, those Venetians (who sank the first foundations in the 5th Century) are still here, even if now under severe threat from increased flooding and climate change. My hunch is, given their ingenuity (including a plan to build 79 mobile floodgates to thwart the rising waters) they'll be here for quite some time to come.







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Turning the Page – Serap Tire Recycling Program In Sasketchewan

ased on recent changes to the Saskatchewan scrap tire recycling program, WCTD is pleased to provide an overview of what is happening with this important program in the weeks and months ahead.

A Foundation of Positive Progress - Background on Saskatchewan's Scrap Tire Management Program

Since 1998, the management of scrap tires in Saskatchewan has been managed under the Extended Producer Responsibility (EPR) model as mandated in regulations by the Government of Saskatchewan. This model recognizes the important role and obligation of retailers to ensure a responsible scrap tire collection and recycling program within the province. From the beginning, the Saskatchewan Scrap Tire Corporation (SSTC) has been the only approved operator for the program on behalf of retailers within the province. The WCTD was part of the journey from the very beginning and is proud of the accomplishments of the SSTC, together with retailers, collectors and processors, in recovering, collecting and diverting over 27 million scrap tires from the Saskatchewan environment.

A Call for Change - Recent Program Review

In January 2017, the Minister of Environment established an Advisory Committee to conduct an independent review of Saskatchewan's scrap tire recycling program. The process included input and feedback from over 30 diverse stakeholders and program participants, reviewing practices in other jurisdictions, and assessing the existing regulations and legislation. Following the 60-day review process, the committee developed a series of recommendations on specific improvements that could be made to the program to address issues and concerns raised by stakeholders. A major focus of the recommendations was to keep the industry-led EPR model; to modernize the regulations and guidance to improve accountability, transparency, and efficiency within the tire stewardship "system" in Saskatchewan; and to encourage more innovation and collaboration.

The Path Forward – Transitioning the Program in Alignment with New Regulations

In alignment with the recommendations, The Scrap Tire Management Regulations, 2017 were passed in early June. The program will continue to operate with improvements based on recommendations from the review. However, after August 31, 2017, the SSTC will no longer be the program operator. Based on the new regulations, a new program operator will be established to oversee tire recycling activities in Saskatchewan and be fully operational by January 1, 2018. In between now and then:

Retailers will continue to remit all fees collected until August 31 to the SSTC.

Discussions are underway with key tire retailer industry representatives to set up, and announce a new program operator within the next few weeks.

Retailers will be expected to continue collecting tire recycling fees after September 1, 2017 and remit these fees to the new program operator.



The new program operator will ensure retailers have continued collection services.

WCTD will provide advice and work in partnership with other industry leaders to ensure retailers have continued service and to build out a fully operational program.

WCTD is working hard to ensure minimal business disruption for retailers during this transition period. The Ministry and the new program operator will keep retailers and collectors informed through the transition process to ensure continuity of services and to address questions or concerns that may arise during this period. A website and toll free number will be provided by the new program operator shortly.

A Champion for Tire Stewardship in Saskatchewan – The WCTD's Role Moving Forward

The WCTD is at the table regarding our continued involvement and leadership role as a founding member of the new program operator. We believe we have been and can continue to be a key contributor, based on our long history with the program in Saskatchewan and our interest in having the best tire recycling program in Canada.

- -Ray Geleta, WCTD Executive Director
- · Retailers will continue to remit all fees collected until August 31 to the SSTC.
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- The new program operator will ensure retailers have continued collection services.

WCTD will provide advice and work in partnership with other industry leaders to ensure retailers have continued service and to build out a fully operational program.



Are You Ready for the EV SURGE?

rends come and go in the automotive industry. But rarely before has one occurred on the scale —or with the velocity—of the shift towards the Electric Vehicle.

A number of very recent developments suggest that shift may be coming a whole lot faster than we think. As to how much and how soon you think your business will be affected is your call. But the reality is that, in due course, sooner or later it will be.

It's your choice as to how you react, and recognize the real potential that exists in becoming the "EV Tire Expert" in your market.



A Little EV History

lectric Vehicles have been around longer than you might imagine. By the end of the 19th century, electric taxis were a common sight in Paris and London, and the London Underground was running on electric power (having started under steam). The London Electric Cab Company used the Bersey Cab, which ran on a 40 cell battery and 3 horsepower electric motor, and could be driven an impressive 50 miles between charges. Ferdinand Porsche also put into production his Lohner-Porsche Electromobile, which evolved into the world's first hybrid vehicle, built by the 23 year-old engineer in 1898 for Luton (UK) coach builder E.W. Hart.

However, the same challenges that face today's EV producers were readily apparent.

From Wikipedia...

"The enormous Lohner required 1.8 tonnes of batteries consisting of a 44-cell 80-volt lead-acid battery, all housed in a spring-suspended battery container to protect the fragile cells. The four electric motors weighed a total of 1280 pounds, contributing to a total vehicle weight of over 4 tonnes on its Continental pneumatic tires. With a battery capacity around 270 amp-hours and four forward speeds, the 56-horsepower coach ran in several expositions and competitions. It cost 15,000 Austrian crowns."

Even in those days there were tire challenges; the winner of an Automobile Club of Great Britain and Ireland 1901 electric vehicle endurance trial was the lighter weight Louis-Krieger car, which ran on larger diameter







wheels, while the Porsche entry suffered numerous tire failures. In 1906 Porsche embarked on his highly successful career with Daimler Motors, which, 20 years later, merged with Mercedes Benz. (His early EV design endured, being part of the inspiration for the Lunar Rover, used in the 1971 Moon landing.)

EV's gained popularity in the U.S. from 1895 onwards and at one point accounted for 40 percent of all cars. But, facing similar challenges of weight and range, production peaked by 1910 as Henry Ford's more practical and much less expensive gasoline powered engine accorded.

However, the EV never really went away as it was suitable for large fleets operating in denser populated areas requiring only short ranges. A prime example (and the largest fleet on record), the British milk delivery system's early morning (and very quiet) electric floats operated across the U.K. for most of the 20th century. All you would hear would be the gentle clinking of milk bottles!

GM EV1

In the early 1990s, the California Air Resources Board (CARB) began its push for zero emissions vehicles, which in turn sparked renewed interest in EVs. However, although all developed small EV programs, the 'Big Three' auto



makers engaged in lip service and generally made owning an EV as challenging as possible.

General Motors produced (and only leased) the EV1 two seater coupe from 1996 to 1999, the first mass-produced, purpose-designed EV of the modern era from a major

automaker. It was the first GM car designed to be an electric vehicle from the outset, and the first and only passenger car to be marketed under the corporate General Motors (GM) name instead of being branded under one of its divisions. The second generation NiMH cars could travel between 100 and 140 miles between charges... However (following numerous legal challenges and issues surrounding battery supply), "The EV1 program was subsequently discontinued in 2002, and all cars on the road were repossessed."

The EV1's discontinuation remains controversial, with electric car enthusiasts, environmental interest groups and former EV1 lessees accusing GM of self-sabotaging its electric car program to avoid potential losses in spare parts sales (sales forced by government regulations), while also blaming the oil industry for conspiring to keep electric cars off the road. Source: Wikipedia

Toyota Prius

Twenty years ago this year, in 1997, the first generation Toyota Prius went on sale in Japan.

Two years later the Honda Insight became the first hybrid to be sold in North America since the little-known Woods hybrid of 1917. Subsequently, after the Prius 1 U.S. introduction in 2000, the Prius II won 2004 Car of the Year awards from Motor Trend Magazine and the North American Auto Show and sparked unexpected demand across the continent, including from numerous taxi fleets.

The Tesla Charge

Toyota's success may finally have prodded the Big Three into EV and Hybrid action. However Tesla, which started production in 2008, enjoys a considerable EV lead as a dedicated producer, second only to Renault-Nissan, the world's largest global pure electric car manufacturer.

However, as the BBC reports: "Now that Tesla has succeeded in disrupting the market, its business model is already being disrupted. BMW competes at the high end with its i8 sports car. GM's inexpensive all-electric Bolt challenges the Tesla with a range of nearly 400 kilometres. Everybody's doing it."

From ICE to PHEV to EV

The shift away from the Internal Combustion Engine (ICE) won't happen overnight. But it may well happen a whole lot more quickly than we originally thought. A number of factors are playing into this time line. But the most notable is a staggering array of advances in battery technology. Even given the amount of devices on which we now depend, the investment in seeking out new battery solutions is unprecedented. And the results are beginning to look impressive.

Lithium-air breathing batteries (which use oxygen as the oxidiser) are expected to be a fifth of the price of standard lithium-ion, and a mere 20 percent of the weight. Expected possible production date: in about 10 years.

The most impressive advance appears to be the Graphene car battery, which can be charged to full in just a few minutes. Using this technology, the Grabat (made by Spain's Graphenano) is rumoured to soon be able to offer electric cars a driving range of up to 500 miles on a charge. The company claims the capacity is almost six times that of lithium ion. It might well be on the market sometime this year. Graphenano, the company behind the development, says the batteries can be charged to full in just a few minutes. Equally appealing, its ability to charge and discharge 33 times faster than lithium ion is highly appealing for performance vehicles.

The much celebrated, immense Tesla "Gigafactory" in Nevada promises to be the largest lithium-ion battery-cell factory in the world, dedicated very much to making the Tesla 3 as affordable as promised.

However, Bloomberg and others now suggest that Chinese factories are ramping up so quickly that capacity is expected to reach120 gigawatt-hours of batteries a year by 2021, or more than three times what Tesla anticipates. Industry observers say that adds up to being able to power 1.5 million Tesla Model S EVs, or about ten times as many Prius Hybrids. Not to be deterred, Tesla's Elon Musk has promised more Gigafactories to meet the anticipated increase in production, and is studying the feasibility of building a Chinese assembly plant, in addition to a Gigafactory.

Overall, some 23 manufacturers globally are producing or planning to produce auto and industrial scale lithium ion batteries, with more anticipated, including a Volkswagen 13BN Mega Factory.

The EV battery issue may be a challenge but such escalating Wild West activity suggests that smaller, much less expensive, far more responsive—and above all, range delivering—batteries are no longer just an engineer's dream.

So, what about EV Tires?

The tendency is to dismiss the specific tire needs of the EV as being not



that different from any other vehicle—and maybe that's not surprising. After all, at first glance, the contact area may appear similar, loads almost identical, driving conditions variable as usual, and so on. However, as Tesla states: "...rest assured that the company will continue to work with its tire development partners on producing low resistance, non range robbing, high performance, and quiet tires in the years to come."

In the last few years, the race to develop the ideal EV tire has become extremely competitive, as manufacturers also have realized just how quickly the market segment is growing.

What are the main considerations?

When in motion, EV's are almost silent, which means the awareness of any noise in the passenger compartment is heightened, compared to that of a standard gas engine. That makes it even more crucial that EV tires not deliver any excess noise of vibration and be, if anything, far quieter than normal.

Weight and torque are key. As a rule, even economy EV's deliver significantly higher torque to the drive train, while luxury models such as Tesla S, place considerably more demands on the tires than a conventional gas vehicle. As a result, designers are taking a close look at every possible ingredient; from sidewall designs; rubber compounds; belt arrangement; treads; grooving and plenty more. Ultimately, the overall simplified goals are: excellent performance (including tire-life) with the lowest rolling resistance attainable. The latter is arguably one of the most crucial features, given that ranges between charges are still relatively short. Again, however, that's changing fast.

While some EV drivers are shocked at how quickly they'll burn through a set of tires, smart owners learn to make adjustments. Aggressive acceleration (well, that torque is pretty impressive) can quickly take its toll. Even turning in wider arcs can reduce the amount of wear; using regenerative braking will help considerably, while also saving brake wear.

With fewer moving parts and the lack of need for traditional gas engine servicing, tire replacement becomes the major maintenance item for most EV owners. All the more reason to understand the requirement for the specific and correct replacement tire, which either matches or directly conforms to the OEM fitment. Larger diameter wheels and often significantly narrower tires (which provide the least rolling resistance) are becoming commonplace, as on the BMW 3i.

Most EV users understand the necessity to maintain the optimum available for quiet operation and lowest rolling resistance, and as a result

CHARGING TIME OF TESLA MODEL S





37h domestic socket 2.3 kW



23h charging station 3.7 kW



charging station 11 kW



charging station 22 kW should steer away from buying cheaper, low end replacements that may not only compromise their vehicle but not provide the expected tread life. Higher rolling resistance in particular can impact the range expectations and lead to customer dissatisfaction—that will reflect equally on the dealer as on the lesser product itself.

Also, due to battery size and space constraints, increasingly EV's are moving away from spare tires, such as the Bolt EV— the first electric car to use Michelin self-sealing tire technology, conveniently which eliminates not only the spare tire but also the now quite common inflator flat repair kit.

For the Tire Specialist the EV owner represents an ideal client, one who is likely more attentive than most to regular maintenance, including alignments, as well as regular pressure checks—all vital to obtaining the maximum performance, range and, ultimately, economy from their sizeable investment.



Any dealer serious about maximizing their share of the looming EV market might also consider this. Most new homes are being spec'd with EV chargers, which are also coming down in price significantly. Offering complimentary charging to customers wishing to leave their vehicles might just be a potent lure—if not, in time, expected.

Looking for in-depth infor

A comprehensive Bloomberg Report offers the following key data in a summary of of its Long Term Electric Vehicle Outlook 2017

Of particular note, says Bloomberg:

 By 2040, 54% of new car sales and 33% of the global car fleet will be electric.

The report analyses five underlying factors that Bloomberg expects will drive increased EV adoption over the coming years:

- Short-term regulatory support in key markets like the U.S., Europe and China
- · Falling lithium-ion battery prices
- Increased EV commitments from automakers
- Growing consumer acceptance, driven by competitively priced EVs across all vehicle classes
- The growing role of car sharing, ride hailing and autonomous driving (termed 'intelligent mobility' here).
- If you're still not convinced ...

To read more about Bloomberg New Energy Finance and to order the the full report, go to: https://about.bnef.com/

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That's good.

Volvo steers toward electrified future

- Tire Business

STOCKHOLM, Sweden - Swedish car maker Volvo Car Corp. will offer only electrified powertrains in models that it launches starting in 2019, a move that signals its intention to phase out the internal combustion engine from its lineup.

"This announcement marks the end of the solely combustion engine-powered car," Volvo CEO Hakan Samuelsson said. "Volvo Cars has stated that it plans to have sold a total of 1 million electrified cars by 2025. When we said it we meant it. This is how we are going to do it."

In 2014, Volvo said that all its future models would be offered with a plug-in hybrid alternative that would be sold alongside versions with traditional gasoline and diesel engines.

"Our ambition is to be the leader in the transformation into electrified models," Mr. Samuelsson told Automotive News in an interview July 5. "With this move we are strengthening our brand, making it stand out from our competitors."



Today's announcement shows how quickly the market is shifting as Volvo prepares to replace gasoline- and diesel-only models with a mix of full-electric, plug-in hybrid and 48-volt mild hybrid variants starting in two years.

"This is about the customer," Mr. Samuelsson said. "People increasingly demand electrified cars and we want to respond to our customers' current and future needs. You can now pick and choose whichever electrified Volvo you wish."

Volvo R&D boss Henrik Green said during a press conference July 5 that it would take until between 2023 to 2025 for the auto maker to phase out all models that are powered solely by a combustion engine.

Volvo added that its full-electric lineup will grow from nothing now to five cars that will arrive between 2019 and 2021. Three of those cars will be Volvos and two will come from the auto maker's Polestar unit, which is being transformed into a global stand-alone brand for high-performance electrified models.

Quick mover

Volvo beat its bigger German premium rivals to market in Europe with plug-in hybrids, starting in 2012 with the launch of the V60 variant. Since then it has added plug-in hybrid versions of its XC90, S90, V90 and XC60. It has also promised that its forthcoming XC40 compact SUV will include a plug-in hybrid powertrain option.

In the future, all models underpinned by Volvo's scalable product architecture (SPA) and its compact modular architecture (CMA) will be able to accommodate a full-electric, plug-in hybrid or 48-volt mild hybrid powertrain.

The electrified models will be made at Volvo's plants in Europe and China as well as its new U.S. factory, which will start producing vehicles next year. The costs to make the switch will be met from within Volvo's



"This is about the customer,"... "People increasingly demand electrified cars and we want to respond to our customers' current and future needs. You can now pick and choose whichever electrified Volvo you wish."



existing budget, Mr. Samuelsson told Reuters.

"This also means we won't be doing other things. We of course will not be developing completely new generations of combustion engines," he told Reuters about future investment needs.

Key technology

Unlike Audi A.G. and Mercedes-Benz A.G., Volvo has not said when its first model with a 48-volt mild hybrid system will arrive, although Mr. Samuelsson told *Automotive News* on July 5 that the technology would be mated to both gasoline and diesel engines.

Analysts and suppliers predict that uptake of the technology will rise into the multimillions by 2020.

The move is well under way in Europe. France's Renault S.A. is offering a version of its popular Scenic compact minivan with the affordable, fuel-saving system in Europe this year and Volkswagen Group plans to use 48-volt hybrid drivetrains in an upcoming Golf-sized model.

The switch is taking place because costly after-treatment systems will be needed to make diesels comply with tougher emissions regulations. In addition, a number of European cities are considering banning diesels from city centers. During the first quarter, more than 80 percent of Volvo's sales were models powered by a diesel, according to data from JATO Dynamics.

Automotive News reporter Douglas A. Bolduc can be reached at dbolduc@crain.com



Tire and Wheel Service Solutions



Calgary Training Sessions Pay Off

Providing access to regular and up-to-date training is a key part of the Association's mandate. In collaboration with TIA, WCTD staged Advanced Commercial Tire Service Training (CTS) in Calgary May 8 to 10, as well as a Basic Earthmover Tire Service Training, May 11 & 12.

oth sessions were well attended and the member dealers went away very happy that they participated, with time well spent.

Executive Director Ray Geleta hailed TIA Director of Service Matt White:

"Matt came through with flying colours. He does a great job in presenting. I don't think you can find a more knowledgeable person to do that type of training. Hats off to him for a fantastic job."

Ray also extends sincere thanks to Darren Lyons from the Ward Tirecraft locations for allowing his stores to be part of the practical training.

The hands on portion of this training is also a vital component, hence we extend a special 'thank you' to managers Terry Carver and Dwayne Ewasiuk for allowing us to use their facilities and equipment for the practical hands on segment of this training. They were very accommodating and great hosts.

Ray adds:

"This type of training is great and very important for dealers to be able to be more professional. It also goes a long way towards being workplace safe. It should be part of everyone's health and safety program."





We have firmed up dates and locations for some TIA training next spring (see below). Please make a note of these and be sure to book early, so that your staff may benefit accordingly.





BOOK NOW FOR 2018 TIA / WCTD TRAINING

Members who TIA -rain their employees are eligible for a Federated Insurance (the Association's recommended insurer) discount on liability premiums. Members will also likely qualify for lower Worker Compensation premiums.

For more information on training contact the WCTD Office:

Ray Geleta, Executive Director, Western Canada Tire Dealers

65 Woodbine Road, Sherwood Park, Alberta T8A 4A7

Email rayg@wctd.ca Phone 780-554-9259

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Loss Prevention



Knowing your business matters.

TIPS ON HOW YOUR BUSINESS CAN **PLAN FOR CYBER RISKS IN 2017**



by Alex Callahan Director, Client Strategy & Business Development alexander.callahan@federated.ca

2016 was yet another year where cyber risks, data breaches and cybercrime made international headlines. From the October cyberattack on Dyn that resulted in disrupted internet service across North America and Europe, to the Yahoo data breach in December that saw 1 billion accounts compromised, to the hacking of the Democratic National Committee that resulted in thousands of leaked emails (as well as countless other incidents throughout the year), we never stopped hearing about cyber

Cyber risk will no doubt be a big focus again in 2017. Whether you're a consumer or a business owner, you need to plan ahead and assume that your private information will always be exposed to risks. In addition to taking preventative measures that can help you avoid becoming a target, you also need to ask yourself "how can I recover from a hack or data breach when I'm targeted?". Unfortunately, most online users don't even take the time to ensure they have adequate password security, so there's a lot of cyber risk planning we could all benefit from in the New Year.

PLANNING FOR CYBER RISKS IN 2017

Always keep in mind that you could be an easy target:

When a big corporation or government experiences a data breach, it makes headlines. But increasingly, small and mediumsized businesses are the silent victims of cybercrime that you don't hear about. Every day, Canadian small businesses suffer smaller-scale cyber attacks that may go unreported.

According to a survey conducted by Public Safety Canada last August, nearly 70% of Canadian businesses have been victims of cyber-attacks with an average cost of \$15,000. Depending on the size and state of your business, the cost of an attack can be more than an inconvenience.

It's safe to assume that in 2017, cyber risk will still be prevalent as cyber criminals become more sophisticated and mid-sized and smaller businesses play catch-up.

Educate and train your employees:

While most people understand that cybercrime is a real threat, they might not understand specifically how they are targeted and what precautions they need to take. Understanding what risks you and your employees are exposed to and making sure that they follow company policy to ensure their safety is an important first step. Cyber security and risk management aren't just for the IT department to worry about - they should be central to your employee education, policies and procedures.

It's especially important for employees to understand that they may be specific targets of highly sophisticated phishing attacks. These e-mails are designed to appear as if they're coming from other employees, executives or even suppliers. Many

breaches occur due to human error or social engineering. If an employee isn't trained to look for the right clues or speak with someone from IT before opening the e-mail or clicking on a link, your data could be stolen or held hostage by ransomware.

A cyber risk management plan:

Many small businesses might have firewalls, data backup, virus scanners and the like, but those are only specifics tools that play a role in a larger plan. Managing cyber risk is just like managing any other types of risks. You need to have a formal plan in place to ensure you know what cyber risks your business is facing, how to identify those risks and how to prevent them. If you're a Federated Insurance customer you can take advantage of our RiskWise program and speak to an expert that will help you craft a risk management strategy.

Mitigating cyber risk isn't just about playing defense; it's also about having a plan of action for when a data breach happens. With the proper plan in place, your business will be aware of cyber risks and your employees will know how to identify a potential incident when it occurs. Reacting quickly may also help your business contain the damage so that it's minimized. Finally, having adequate insurance that includes cyber coverage is an essential part of a cyber risk management plan.

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In new-gen Nokian tires

- Kelly Taylor, Rubber & Plastics News

The Hakkapeliitta 9 replaces the Hakkapeliitta 8, and is designed to improve grip during acceleration and braking on ice, while reducing noise and wear to road surfaces.

NOKIA, Finland — A Canadian agricultural invention widely considered a global Cinderella success story is a key ingredient in a new winter tire from Nokian Tyres, helping to give it better grip in snow and on glare ice.

The rubber in Nokian's latest-generation Hakkapeliitta range of tires is designed to be softer at colder temperatures, aided in large part by using canola oil in the construction.

The oil being used isn't from canola in Canada, where it has become a major Western crop, but canola wouldn't exist without the work of two researchers at the University of Manitoba-Baldur Stefansson and Keith Downey—who bred the heart-healthy edible canola oilseed from inedible rapeseed.

Nokian Tyres might not be the world's biggest tire maker, but it claims to be the most profitable.

Pontus Stenberg, vice-president of sales, said his company's \$2.17 billion in revenue lags well behind competitors who approach or exceed \$28.9 billion in sales, but he said by focusing on its niche-performance in demanding conditions—the small Finnish company maintains margins that would make other companies blush.

"We continue to be the world's most profitable tire company, 22 percent at minimum," Stenberg told an assembled group of 30 Canadian tire dealers at Nokian's headquarters in its namesake town.



"As a small tire company, we have to make choices. We can't be best in everything," Stenberg said. "We have a difficult fight to compete in all matches with (larger companies), so we have to choose carefully where we want to fight."

In a country such as Finland, Nokian has built business by fulfilling the need for winter tires, as well as tires for the forestry industry in which it has between 80 and 90 percent market share.

Nokian operates plants in Nokia and St. Petersburg, Russia, and recently opened a warehouse in Montreal.

This fall, Nokian launches the latest in a line of winter tires dating back 81

The Hakkapeliitta 9 replaces the Hakkapeliitta 8, and in addition to canola in the rubber composition there's new stud technology to improve grip during acceleration and braking on ice, while reducing noise and wear to road surfaces.



- Kyle Brown, Rubber & Plastics News

DETROIT—General Motors Co. is collaborating with rubber and tire suppliers to establish a plan to source more rubber through environmentally sound and sustainable natural rubber production.

Additionally, the auto maker also intends to move the industry toward net-zero deforestation and uphold human and labor rights.

Steve Kiefer, GM's senior vice president of global purchasing and supply chain, said in a press conference May 15 that GM is establishing commitments with suppliers such as Bridgestone Americas Inc., Continental Tire the Americas, Goodyear and Michelin to determine a plan for the future.



"Our supplier partners are an extension of our company," Kiefer said. "We want to encourage affordable, safer and cleaner options for our customers that drive value to both our organization and the communities in which we work."

Working with those suppliers is the first step in the plan, as the auto maker looks for ways to develop transparency into natural rubber usage and ensure its traceability throughout the supply chain.

After that, GM will convene stakeholders to establish criteria for the program.

In June, GM will host a workshop at Michelin's Movin' On Conference, kicking off a series of multi-stakeholder dialogues and exchanges to discuss the company's commitment.

Then, GM will work with other auto makers to advance the movement. It expects to develop an industry road map of how to reach the goal of a sustainable, net-zero deforestation program.

GM will be working with tire suppliers, governments, rubber industry associations and environmental non-governmental organizations to drive alignment and reduce supply chain complexity.



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Michelin unveils regional drive tire



-Tire Business

MICHELIN X MULTI D tire engineered with innovative tread-regeneration technology. (PRNewsfoto/Michelin)

GREENVILLE, S.C. — Michelin North America Inc. has introduced the Michelin X Multi D, a regional drive-position tire for delivery applications.

ichelin said the tire is designed for some of the fastestgrowing segments in the transportation industry pick-up and delivery, food and beverage deliveries, energy and light construction.

The tire, a successor to the Michelin XDE M/S, features:

- advanced regenerating tread for water evacuation and traction;
- full-depth Matrix siping for a biting grip as the tread wears:
- co-extruded scrub-resistant rubber for longer mileage;
- cooler running rubber to help minimize heat build-up for increased casing life; and
- TW6 OzoneShield technology for increased protection against weathering.

"This next-generation regional drive tire offers first-class performance and is designed to excel in high torque applications and delivers all the key performance benefits needed in a regional tire — traction, high removal mileage and scrub resistance — with no trade-offs," said Adam Murphy, vice president of marketing for Michelin Americas Truck Tires.

for additional tread depth

"With an aggressive open-shoulder design that contributes to outstanding water evacuation for an optimized contact patch in all-weather conditions, the new Michelin X Multi D delivers the maximum tread life, traction and casing durability fleets demand."

The X Multi D provides all-weather traction, the company said, with a pass-through open shoulder design that allows evacuation of water, mud and slush from beneath the tread surface area and biting tread edges that allow the tire to grip onto surfaces right away, even in snowy conditions. Michelin said the tire improves start-up traction 80 percent faster than a leading competitor tire.

The X Multi D tire also provides 65 percent better mileage than the Michelin XDE M/S tire, the tire maker said, and is retreadable.

The X Multi D is backed by a Michelin's "confidence guarantee," reimbursing the cost difference for a competitive drive tire if a customer is not satisfied with the mileage, traction and performance.

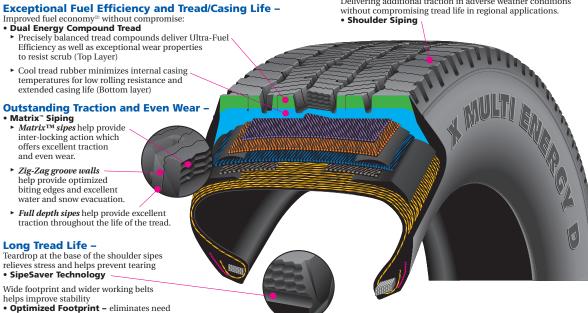
Michelin is offering the tire in 4x2 and 6x2 configurations. The tire is available in the U.S., Canada and Mexico in size 11R22.5 with load ranges G and H, and size11R24.5 in load range H, with additional sizes to come.

Michelin said a retread version of the X Multi D is in development.



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LT wheels get bigger, in size and popularity

— Tire Business (June 19, 2017)

The demand for larger-sized aftermarket wheels has grown significantly as the popularity of SUVs and CUVs surges.

AKRON—Light trucks, SUVs and CUVs are continuing to grow in popularity in the U.S., prompting a surge in larger-sized aftermarket wheel demand.

he current trend for light truck wheels is "bigger and bigger and bigger," said Nick Chin, director for American Force Wheels.

"Everybody's going bigger. Everybody's going wider."

The popularity of large wheel sizes coincides with demand for increased load requirements, according to Joe Podlovits, director of brand management, The Wheel Group.

"First and foremost, we are seeing increased loads on wheels, which is continuing just from payload for 3/4- and 1-ton trucks. So we're constantly working to stay ahead of that curve," Mr. Podlovits told *Tire Business*.

He surmised that the LT wheel demand is due to the popularity of light trucks in the U.S. Unlike the Canadian market, where light trucks primarily are used as work vehicles, the U.S. market has embraced light trucks as family vehicles.

"I think first and foremost, trucks have become not necessarily a work vehicle any longer. They've become very plush. The interiors are much nicer, they are smoother riding vehicles, they're more family-friendly than they've ever been. So I think that's a piece of it," he said.

"The second side that we see, just across the country, is that there is a lot more people that are outdoors, meaning they are now pulling campers, they're pulling trailers, they've got toy haulers. We're also seeing the overland segment driving significant numbers. So all these things typically require a pickup truck base, and then you're bolting accessories onto that. So it's really become a family vehicle much more now than it's ever been."

Meeting demand

Miami-based American Force and Ontario, Calif.-based The Wheel Group have been increasing LT wheel production to meet the growing demand.

"We've maintained a steady and constant growth for the last four years. Even though there are new competitors on the scene, we haven't seen any hiccups on our end as far as our growth. The whole industry is growing," Mr. Chin said. He attributed the growth in demand to consumers wanting bigger wheels and more lip in their wheels.

"It's been going in this direction for the last three years, I would say," according to Mr. Chin. "But right now, it's been really exploding, especially since there are so many people from the manufacturers' standpoint that have been going after the market... even the stock vehicles are coming with larger wheels."

American Force's main business is truck wheels, but nearly 50 percent of its sales comes from LT wheels, he said.

"That (LT wheel) category has been growing in the U.S. exponentially. I would say we've seen a healthy increase on that probably in the last eight to 10 years," said The Wheel Group's Mr. Podlovits.

"We got four different brands that cater to Jeep and light truck. So we've increased the number of designs significantly, along with fitments as well. "So we've opened up our fitment base to accommodate everything from a stock vehicle to a leveled vehicle all the way up to a lifted truck or what we would



consider an extreme-lift, which is where you get to these over-sized wheels of 12- to 14-inches wide and up to 26-inch in diameter," he said.

The Wheel Group builds an array of wheels, from trailer to heavy truck sizes. Light truck wheel business is about 65 percent of overall sales, Mr. Podlovits said, with a "tremendous increase" in LT wheel sales over the past few years.

"We're noticing more people are willing to run wider widths on stock or leveled trucks than they ever have in the past. So that's created a need for us to build wheels with different profiles, different offsets or back spacing to accommodate the request from the customers."

And that means more size proliferation, he admitted.

"Unfortunately, we build way more SKUs than we'd like to but again, we want to make sure we've got a very, very broad base coverage, " he said.

Both companies have seen an increase in competition in the light truck wheel market.

"I think everybody sees the opportunity for truck. The companies that have traditionally sold passenger car (wheels) have moved into the light truck market just because the opportunity is there," Mr. Podlovits said.

Continued demand

The demand for bigger wheels is expected to continue for the next few years, Mr. Chin predicted.

"Actually, it will probably even grow further because of the new vehicles that are coming onto the market (such as the Ford Ranger truck).... So with the new vehicles coming in, I think that is going to revitalize the whole scene. There are so many new options." Mr. Podlovits agreed the growth trend will continue.

"Interest continues to get strong. Vehicle manufacturers are watching the number of units that they are producing each year, and that continues to increase. We're seeing more people moving into not only light truck but even into the SUV/crossover segment. So that's a good indication that typically the light truck is always in lock-step with that by percentage."

The regions of the country driving the aftermarket LT wheels popularity is the Sunbelt region, from California to Florida, and the so-called Bible Belt of southeastern states, according to Mr. Chin.

Advice to dealers

Mr. Chin noted the proliferation of larger-sized wheels require installers to

cont. on page 27

When they buy tires,

Millennials' needs

Customers' online experience

can be eritical to dealer success

— Tire Business (May 22, 2017) Miles Moore, Senior Washington Reporter

The opening speakers at the 33rd Clemson University Global Tire Industry Conference began their presentation in a novel way — with an argument.

hile John Evankovich, director of Sam's Club Tire & Battery Centers, tried to begin his speech, David Martin, director of sales for American Tire Distributors, yelled at him to keep it down because he was trying to reach the Internet on his cell phone.

Of course, this was all theater. What Messrs. Evankovich and Martin were demonstrating in their April 19 presentation was the need for tire dealers to have good apps and up-to-date websites to attract and hold the attention of Millennial customers.

Millennials — those born after 1989 — are growing exponentially as a percentage of the tire-buying market, according to Messrs. Martin and Evankovich. In six years, there will be 140 million Millennial tire buyers in the market, they said.

Furthermore, the Millennials are changing dealers' relationships with their customers, and changing them fast, they said.

"Your use of technology will determine your future success," Mr. Evankovich said.

Unlike previous generations of tire buyers, Millennials don't have much brand loyalty and don't generally have strong relationships with brick-and-mortar dealers, Messrs. Evankovich and Martin said.

For them, tires are usually an "uh-oh" purchase, and the day they buy tires is not a happy day for them, they said. When they buy tires, Millennials' needs are simple, they said — they want it all, they want it cheap, and they want it now.

Although Millennials don't usually know much about tires, the speakers said, they can find out a great deal about them online, within seconds.

This is why tire dealers have to be up to date technologically and able to give Millennials all the information they need exactly when they need it, they said.

are simple, they said

— they want it all,
they want it cheap,
and they want it
now.

Mr. Martin quoted Buckminster Fuller's theory about "The Age of Acceleration." According to that theory, he said, the sum of human knowledge doubled approximately every 100 years.

But by World War II, the pace had doubled to every 25 years, and it has been expanding exponentially ever since, according to Mr. Martin.

"Knowledge will soon be doubling every 12 months, and soon after that every 12 hours," he said.

"It took 18 years for 50 million people to have radios, and 13 years for 50 million people to have televisions," Mr. Martin said. "Pokémon Go had 310 million followers a week after it was introduced."

Tire dealers have a big advantage compared with other businesses when it comes to online customers, according to Mr. Evankovich.

"Consumers still have to come into the dealership for service," he said. It is then that dealers can form a bond of trust with young consumers, he said.

"The relationship between dealer and customer will still matter, but your app will determine whether you get that next click," he said.

As little as seven seconds can determine whether you get that new customer, according to Mr. Martin.

"You've got to understand the heart of the new information flow," he said. "It's the customer. They still need help installing tires, and this works to the installer's advantage if he takes the time to understand what's going on."

be properly trained on fitments.

"Work with the manufacturers and be educated properly on not just design and trend but also fitment," Mr. Chin advised dealers.

"You want to make sure that when someone is doing custom wheels that they get exactly what they are looking for. Not just the look, but also that they are not going to have any technical issues, like fitment and turning and rubbing and stuff like that."

"Many, many other wheels that we notice in the market that are especially less-expensive wheels, they are not made to fit correctly," noted Mr. Podlovits.

"They look nice, but they don't fit correctly, or the other problem is they fit correctly but they have no aesthetic value to it.

"So we're trying to find that perfect recipe on what we believe is aesthetically pleasing to the customer, for ultimately it's a fashion piece, so the customer is really the judge of what they feel is the best looking product out there for them."

Mr. Podlovits said his company focuses on safety as well as fitment with the larger wheels.

"The payload is increasing literally every single year on some of these (vehicles). We really try to stay above the curve on that. One of the key factors that we always look at is the load rating on the wheel.

"Traditionally a load rating has always been tested by using an OEM tire, which is what the specification calls for. We test on a 37-inch tire, which will achieve a higher load rating beyond what most vehicles will actually use."

He encouraged dealers to research the wheels they sell.

"So really just vetting out the quality of the wheel, vetting out the company that is building the wheel and vetting out the distribution channels of these wheels. If it's very hard to find distribution of a wheel, there's typically a reason why," he said.

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Eligibility

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The applicant has been accepted to attend an accredited Canadian postsecondary institution and has registered for classes for the upcoming semester.

Application

All applications submitted must include the applicant's Social Insurance Number.

The applicant must submit a résumé, not to exceed three typewritten pages, outlining their education to date, any involvement in extra curricular activities, any academic honours or any community or volunteer work that they may have done. The applicant must also submit reference letters that confirm their involvement or achievements. Reference letters cannot be from family members and must speak to the achievements of the applicant.

The applicant must submit a letter from a WCTD member confirming the current employment of an immediate family member.

The applicant must have a complete transcript of all courses and grades sent to the Scholarship Committee no later than August 1 of the year the application is submitted. Transcripts must be submitted directly by the educational institution.

The applicant must submit a confirmation of registration along with a tentative course schedule from an accredited post-secondary institution.

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The Scholarship Committee will pay the lesser of the total amount of the successful applicant's tuition for two consecutive semesters commencing in September of the year the scholarship is won or the value of the scholarship that is won.

The scholarship will be paid directly to the post-secondary institution that the successful applicant has enrolled in.

Application Deadline

The deadline for applications is July 31 of the year the application is submitted. Applications must be at the Scholarship Committee's office on or before this date. No applications will be accepted after that date. Incomplete or illegible applications will not be considered.

Freedom of Information and Privacy

The information collected in this application is to be used for the sole purpose of assessment and evaluation of the WCTD scholarship and will not be used for any other purposes.

MAIL, FAX OR EMAIL APPLICATIONS TO:

WCTD Academic Scholarship Committee

65 Woodbine Road, Sherwood Park, AB T8A 4A7

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