## THETRACKER

THE PUBLICATION FOR TIRE PROFESSIONALS FROM WESTERN CANADA TIRE DEALERS



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• Tim's Travels • Federated: Pandemic Protection • Peggy Fisher's View





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## THETRACKER

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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)...

WCTD - The Tracker

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MY BUSINESS IS MADE UP PRIMARILY OF THE SALE OF TIRES AND TIRE RELATED SERVICES			YES (CIRCLE ONE)	NO		
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### **UNPRECEDENTED TIMES**



## undoubtedly, if you are reading this, your life has somehow been affected by the COVID-19 pandemic.

In all my years of business experience there was absolutely no way I even fathomed something like this would ever happen. Let alone somehow manage to prepare for it. I never for one-minute thought that the world would just stop moving and driving. Yet that is exactly what has happened. Almost no business or industry has escaped the devastating blow that COVID-19 has delivered to our economies and our way of life. There was no way to plan for something as widely detrimental as this virus, yet in a way, there kind of was.

### Our ability to be there to help one another has never been more valuable in my lifetime than it is now.

There are many things that this pandemic has taught me, both in business terms and in my own personal terms. One thing that has been shown to be paramount is the value of strong, open communication. When the virus first emerged in Canada it was quite evident that we were going to be in this for the long haul.

I have developed great, long-term relationships with my banker, insurance agent, accountant, business suppliers, staff, customers and business peers, just to list a few. As the situation progressed and the dominoes continued to fall, we began to see that our economy was slowing more and more every day. The value of having good, open communication with those who could be vital to keeping our businesses alive was really brought into focus. I was able to reach out and talk to all of these incredibly important people to quickly examine options and establish game plans.

My banker quickly outlined options available and our staff willingly stepped up and took time off as required to ensure the ongoing viability of the business. We shared our social distancing efforts online with our customers to communicate that not only were we open, but we were taking their health and safety very seriously. The ability to reach out and talk to others in the automotive industry was incredibly valuable as well. Ongoing phone calls and emails with our amazingly hard working representatives for the WCTD revealed many best practices and helped provide information on government programs available to businesses and staff. The ability to share information and experiences was, and continues to be, immeasurably valuable.





Without good communication and trust on both sides, some of the many valuable relationships that allow my business to operate may have broken down. Any one of those failures could have seriously jeopardized the survival of the business as a whole. The value of having established, open communication at all times can not be over emphasized. I encourage you all to reach out to us, your representatives at the WCTD, if you have any questions at all that we may be able to help with. We also encourage you to suggest and share your experiences and best practices. Anything that can help us stay safe and healthy as a whole is greatly appreciated.



We are all in this together. Our ability to be there to help one another has never been more valuable in my lifetime than it is now. We must utilize and grow our channels of communication sharing to ensure not only the survival of our businesses but also the economy as a whole.

It appears as though this journey has only just begun and the path is going to be incredibly difficult and challenging for quite some time to come. Let's navigate it together and come out stronger as a whole. Remember, we at the WCTD are here for you. Reach out to us if you have questions. Share your stories with us. Tell us what you are finding challenging and where we might be able to help. Together, we will succeed and ultimately prosper.

Stay healthy and stay safe.



# Tire and Wheel Service Solutions



### SPRING HAS SPRUNG, THE GRASS IS RIZ...!





The best part of all? The really good news is that tire dealers are starting to see an uptick in business. I am quite sure that once the provinces start to open up we will see an increase in local travel. As no one will be flying and Canadian tourists will be staying within Canada, it should all add up to more rubber on the road.

Unquestionably, the COVID-19 crisis has been difficult for our members. As an essential service the majority of dealers has remained open throughout. It's more than likely that slowdown in business has come at a cost. If you qualify, please make it a priority to apply for those government assistance programs available to you. Nationally, these include the Canada Emergency Wage Subsidy / Canada Emergency Response Benefits. In addition, however, several provincially administered programs are readily available in different areas. Be sure also not to overlook these opportunities as a way to help you get back up to speed.

### **Training is tops**

As always, training remains an important part of the WCTD program. Unfortunately, in person training with TIA's Matt White for the Commercial Truck Tire Service (Level 400) and the Advance Earthmover Tire Service installer program has had to be postponed until further notice. We will notify everyone well in advance when training will resume. Stay tuned, and maybe even now identify which of your staff you plan to enroll. In the meantime I do have all of the all of the level 200 training kits on hand. Let me know if you require any of these kits, workbooks or exams.

Basic Automotive Tire Service (Level 200)

Basic Commercial Tire Service (Level 200)

Basic Farm Tire Service (Level 200)

Basic Earthmover Tire Service (Level 200)

Advanced Tire Pressure Monitory Systems

Basic Industrial Tire Service (Level 200)

Other useful items include: 2020 Lug Nut Torque Charts—now in stock (please contact me if you require any) and the new, printable Suggested Tire Service Rates Guide—now posted on our website at at wctd.ca. Please send your response to Ray Geleta at rayg@wctd.ca

#### **2019 LUG NUT TORQUE CHARTS**

Still have some on hand. Email: rayg@wctd.ca

Ray Geleta Executive Director, WCTD



### Just a Thought



It's too bad that drive in movie cinemas are no longer around. You wouldn't have concessions open but people and families would remain in their car or truck to watch a movie together—and vehicles would be spaced apart. In this day and age with the Corona virus around it would be an outing the whole family could enjoy.

### Thank you—and have a safe spring!

### NOTICE OF ANNUAL GENERAL MEETING WESTERN CANADA TIRE DEALERS

Due to COVID-19 the WCTD Annual General Meeting originally planned for March was cancelled. We will now be holding this meeting via conference call on Thursday May 28th at 10:00 am Mountain Standard Tire (Alberta Time). The agenda and minutes from the last meeting will be e-mailed to you upon request.

Conference call phone in number: 1-833-353-8610

Participants' access code: 1854867#

### **B&H RIDING THE PANDEMIC WAVE**

- TIM PAWSEY

Owner of B & H Tirecraft, in Chemainus, BC, Tim Hollett says the Coronavirus pandemic has thrown him "a few curve balls", including missing the grand kids during his own quarantine. "But—looking on the positive side—business is open: We're an essential service, and moving ahead."

While the experience—as for most businesses—has at times proved immensely difficult, it's also allowed the company to find new strengths in facing up to the challenge.

"Our numbers are down, of course; and we're looking at every subsidy we can," says the BC director. He adds that, while he appreciates the Government of Canada wage subsidy initiative, "it really puts the cart before the horse because it's up to the business to keep staff working and pay the full wages. Only later can you apply for the 75 percent subsidy: you won't know if you qualify until the actual decline in your business becomes apparent", he says. "You could be down 25 to 28 percent percent," (and not quite be eligible) "so it's frustrating. We will just have to see how the numbers play out."

"Our staff is working hard. We're organized. Initially we closed the office but as soon as the subsidies came out we brought everyone back. We've put notices on the front door that people can read before coming in and we have ropes around our point of sale area. All the bays are roped off and everyone is keeping their required social distance," says Hollett, whose quarantine required him to stay away for a crucial 14 days.

"However, our managers and owners were determined and able to implement all the systems needed to keep staff and customers safe and healthy through these uncertain times. They've done an amazing job"

Other changes involved spacing the waiting area chairs out more than six feet apart; limiting the number of customers at any given time; and regular cleaning of the debit terminal before and after use. "It's just a question of making sure you do everything right," says Hollett, who adds he's not encountered any real negativity.



B&H Tirecraft working hard to make sure they do everything right

"Some people might be a little impatient but most people are very positive, if you run it properly—even more so with value added options such as pick up and delivery. At the end of the day it's about the customer being comfortable and satisfied, of being aware of what's going on but still being able to get service."

Hollett says "It's really about turning a negative into a positive. If we give customers what they need, expect and deserve, we will be better and stronger because of it. If we have to do it differently it's not the end of the world."

Management's efforts on social media have also paid off. "One customer phoned up and said he'd found us on local Facebook media. "This fellow who had never done business with us before came to us saying 'I've seen nothing but positive comments on your page.' And that's all generated by customers without any pressure from us," says Hollett. "At the end of the day we are doing our part. Ultimately, it's about managing your business and making people happy."

His advice? "If we all do it professionally, keep a positive outlook, and put our customers' needs first, we will more than succeed."



All the bays are roped off and everyone is keeping their required social distance

### SCHOLARSHIP DEADLINE FAST APPROACHING





It's time to submit your application for the WCTD 2020/21 Scholarship program.

If you're a member of the association in good standing, don't delay to apply on behalf of your eligible family member!

### TSBC Don Blythe Scholarship

In addition, Tire Stewardship BC (TSBC) has generously added another scholarship to our existing four scholarships. This scholarship is for \$2000.00 and is in the memory of Don Blythe, for his contribution to Tire Stewardship BC and to the tire industry in general.

This is a separate application process, with different eligibility requirements. Check **wctd.ca** for complete details.

### **WCTD Academic Scholarship Eligibility**

The applicant is the immediate family member (son, daughter or spouse) or legal ward of a person who is a full time permanent employee, for at least one year, by a company that is a current voting member of the WCTD. And has been a member in good standing for the previous three (3) years.

The applicant must have been accepted to attend an accredited Canadian post-secondary institution and have registered for classes for the upcoming semester.

### **Application**

- The deadline for applications is August 15th, 2020.
- All applications submitted must include the applicant's Social Insurance Number.
- The applicant must submit a resumé, 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 which 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 15th. 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.

### **Awarding of Scholarship**

Commencing in September of the year the scholarship is awarded, WCTD will pay the lesser of the total amount of the successful applicant's tuition for two consecutive semesters or the full value of the scholarship, if applicable.

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

#### **Application Deadline**

The deadline for applications is August 15th, 2020. Applications must be at the Scholarship Committee 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 or email applications to: WCTD Academic Scholarship Committee 65 Woodbine Rd., Sherwood Park, AB, T8A 4A7 email: rayg@wctd.ca

# FEDER/ATED INSURANCE Protecting Tire Dealers and supporting communities during the pandemic



by Reza Kamrana Account Representative, Associations, Federated Insurance Federated insures
over 300 WCTD
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western Canada.
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from small rural
independents to
national brands and
buying groups.

t Federated Insurance, we're focused on helping you during the COVID-19 pandemic. That's why we've developed resources to help keep tire dealers safe and are taking steps to help our customers and communities across Canada. Each of these following topics are detailed and explained in depth on the COVID-19 page on the Federated website.



### Cyber risk during the pandemic

Opportunistic hackers may see the pandemic as a chance to attack while organizations are distracted and dealing with other challenges. That's why it's vital to know what the risks are and what you can do to combat cybercrime.

(See p.23 for more details.)

#### **Crisis communications best practices**

We know that businesses of all sizes are facing new communication challenges related to the pandemic. To help you manage internal and external messaging during challenging times, view our overview of crisis communications best practices.

#### Parking vehicles for extended periods

Businesses may be parking vehicles or significant parts of their fleets for an extended period. With this comes potential equipment risk such as

fire, theft and vandalism. We've created a guide on long-term parking to help you. Although the guide refers to truck tractor trailers, the principles covered are applicable to all commercial vehicles.

### **Protecting suspended construction sites**

Many businesses have had to temporarily suspend activity on construction sites, creating potential safety concerns for unoccupied locations. To help keep these sites safe and secure until activity resumes, we've created High Rise Residential/Commercial Building and Residential Frame Construction checklists.

### Temporary donation or renting of RV units for health care worker use

- If you're supporting relief efforts by temporarily donating RV units insured by Federated, whether they're licensed or unlicensed, coverage under your policy will continue to apply. No change is required if this donation is temporary and only for the duration of the pandemic.
- If you're temporarily renting unlicensed units insured by Federated for compensation during the pandemic, coverage under your policy will apply.
- If you're renting licensed units for compensation, whether during or after the pandemic, you should contact your Federated Commercial Insurance Specialist to ensure you have the proper automobile coverage for your province. An additional premium may apply.
- If you're insured with a different company, we encourage you to contact your insurance provider for guidance related to this topic.

### Changes to your business operations

We know that many businesses are making temporary modifications to their operations, such as using their facilities to produce medical equipment or other supplies to help in the fight against the pandemic. We applaud and appreciate these innovative actions.



We're also committed to working with Federated Insurance policy holders to understand any changes to their business and to ensure that they have adequate coverage and risk prevention measures in place during this period. They should contact their Federated Commercial Insurance Specialist to discuss any change to their business.

If you have a policy with a different company, we encourage you to contact your insurance provider for advice related to coverage of temporary operational changes.

### **Helping our communities**

Recognizing the unprecedented and widespread impact COVID-19 has had on our customers and communities, Fairfax Financial Holdings Limited, our parent company, has donated over \$1 million to Canadian food banks and humanitarian organizations providing relief services to those severely disadvantaged by the pandemic. In addition, Northbridge Financial Corporation has donated \$100,000 to Food Banks Canada, and will match employee donations to this and other charities.

In addition to these donations, Federated announced earlier this year that we will match charitable donations made by your association. We know that the WCTD shares our passion for social support

available, we'll be adding them to our COVID-19 page on the Federated website.

As new pandemic

resources become

Helping our ommunities

and making a difference. We've always believed in working together and we're proud to be able to leverage our partnership to make a real difference in our communities, especially during these difficult times.

As new pandemic resources become available, we'll be adding them to our COVID-19 page on the Federated website. This page has also been updated to include additional FAQs addressing both insurance and general business topics. Please feel free to distribute this information and share it on your website. Should you have any questions, please feel free to contact me. We're all in this together.

Sincerely, Reza



Knowing your business

#### A few words about us

We're Federated Insurance, a 100% Canadian-owned direct writing commercial insurance specialist that has been serving Canadian businesses of all sizes for over 90 years. That's nearly a century of building relationships based on trust and integrity. Visit us at www.federated.ca to learn more.

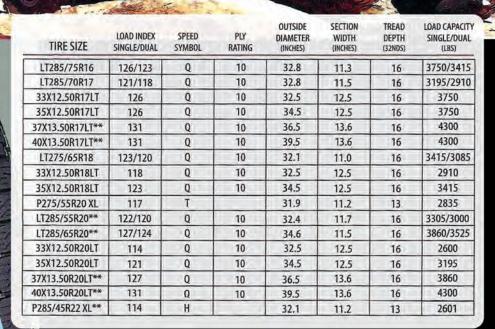
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- This new cutting edge tire design has all the advantages of the X Comp M/T and ATR, with some very subtle changes.
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- •The tread area is an aggressive design, yet suitable for everyday driving conditions.
- The AT is all season and snow flake rated.
- •The tire shoulder area incorporates X Comp's proven aggressive and functional design, giving drivers protection and traction when needed.
- In summary, this new tire is very quiet with a smooth controlled ride for all driving conditions on and off road.

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As we continue to 'Flatten the Curve', we're seeing a gradual increase in customers returning to tire stores. Truly - and hopefully - the New Coronavirus Pandemic is a once in a century event. However, we can see similarities to other economic downturns and subsequent recoveries.

Considering the pandemic's more severe impact on Ontario and Quebec, it appears the initial recovery will start in western Canada, as well as on the east coast. But the changes are profound. In 2001, the tragedy of 9/11 left its mark abruptly and profoundly. It proved immediately disruptive to air travel both domestic and internationally and heavily influenced people to change their vacation plans. Although it didn't compare to the financial devastation wrought upon the airline industry by COVID-19, now becoming apparent.

As the pandemic continues with the ever present risk of local outbreaks, none of us (including government) really knows how things will eventually play out. Yet we can say with certainty that it will be some time before travel returns to anywhere near normal. International travel has been greatly reduced, if not completely halted in many instances. All of which suggests that as restrictions continue to be eased in the weeks and months ahead there could be a semblance of a summer domestic travel season. While Canadians will want to catch up with their families or seek out warm weather pastimes. One thing's for sure: at the outset, they'll be driving not flying.

Over the coming weeks Canadians will begin to get a better idea of what our summer will look like. Parks Canada, for instance, has closed all facilities until at least May 31st. Of major concern, it also seems probable that the Canada-U.S. border will remain closed to non-essential traffic for some time. The Prime Minister has warned that

the border with the U.S. (closed to recreational travel and tourism on March 18th) is likely to stay closed for the foreseeable future. He has since suggested that, even while some parts of the economy reopen, the closures and or restrictions will be in place for a while yet.

"There's a recognition that as we move forward there will be special thought given to this relationship. But at the same time, we know that there is a significant amount of time, still, before we can talk about loosening such restrictions," the prime minister said." (Newsweek)

As providing an essential service, our members have had time to fine tune their properly distanced operations and contactless sales procedures. Several have switched to doing business almost entirely by appointment while others have expanded their service to provide comprehensive, door to door vehicle pickup and delivery, with surface cleaning and steering wheel covers included as a regular service item.

The contactless process can include other options such as video service analyses and remote key handovers. Recent surveys have shown also that customers feel more confident when all employees wear masks and gloves. Other measures range from taping markers on floors to ensure everyone is practicing social distancing and constantly wiping touch points.

The challenge will be to maintain and improve upon these new practices, as they become increasingly common and mandated in all industries for the foreseeable future.

This was all unimaginable even just a couple of months ago. But today we have no option other than make the most of it and look beyond, to the next stage of our "new normal."



### PANDEMIC PROCEDURES, E-COMMERCE ENHANCEMENTS

TIRE STEWARDSHIP BC

uring these strange times we find ourselves in, TSBC along with Western Rubber and the haulers, have strived to minimize minimal disruption to tire collection.

In order to keep both the haulers, staff and your staff safe, TSBC is allowing tire collections to occur without the need for a signature on the tire collection manifest. Please see a link to our COIVD update here <a href="https://www.tsbc.ca/pdf/COVID-19\_Update\_Mar\_17\_2020.pdf">https://www.tsbc.ca/pdf/COVID-19\_Update\_Mar\_17\_2020.pdf</a>.

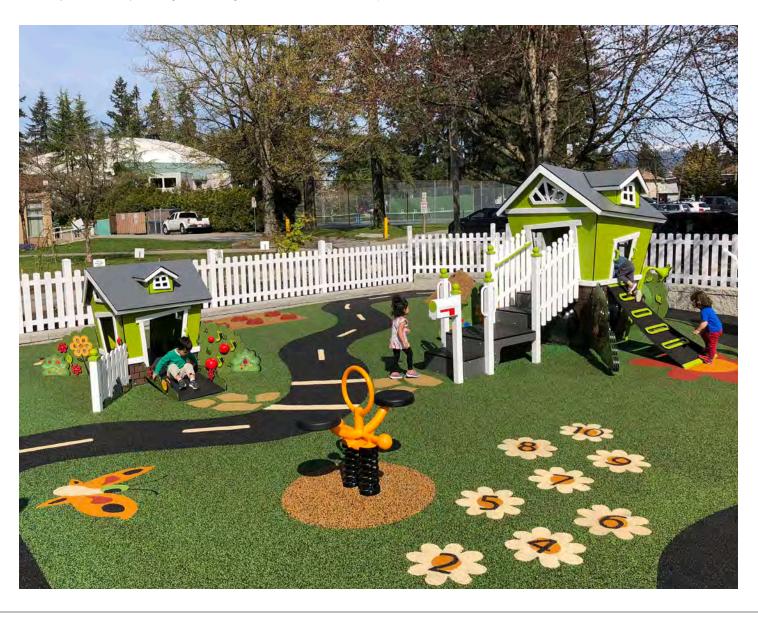
We wish to thank the retailers for their patience and ongoing support of the TSBC program during these very difficult times.

As retailers aim to provide service to their customers TSBC understands that many stores are experiencing staff shortages and / or reduced hours

and closures. TSBC hopes that its new ecommerce platform will help reduce the workload for filing and paying the monthly returns as the process is now all online. If your business is closed please remember to complete a Nil Return online or let us know. If you have questions or need help with the new system we are here to help. Please email **ecommercequestions@tsbc.ca** or visit our web site for more information **https://www.tsbc.ca/ecommerce.php** 

**TSBC's 2020 grant program** was an overwhelming success with 53 applications received. Unfortunately due to limited funding available TSBC was only able to award grants to 14 of the applicants. We look forward to seeing these projects come to fruition over the next 18 months. Here is an example of just how creative and fun a playground can look using BC recycled rubber!

Rosemary Sutton, Executive Director TSBC



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### CONTINENTAL RELEASES NEW 19.5-IN. COMMERCIAL TIRES

— TIRE REVIEW STAFF

Continental says the tires deliver significant performance improvements in mileage and cut-and-chip performance, without sacrificing scrub resistance.

Continental has introduced two new 19.5-in. tires for Class 4 trucks: Conti HSR+ heavy steer regional tire and Conti HDR+ heavy drive regional tire.

Continental says the tires deliver significant performance improvements in mileage and cut-and-chip performance, without sacrificing scrub resistance.

Continental says its regional 19.5-in. tires are ideal for on/off-road regional applications, such as utility, where traction is necessary in combination with excellent on-road mileage. The company says the tires deliver high performance on highway at speeds up to 87 mph under full load, traveling up to 300 miles daily, and then under off-road conditions once they reach their destination. The casings are warrantied for retreading.

Using a new cap/base tread compound, Continental says the tires deliver a 15% improvement in cut-and-chip performance and 12% expected increase in mileage versus the Conti HSR and Conti HDR predecessor products. The Conti HSR+ is also available with a matching retread, the ContiTread HSR 16/32" all-position retread.

In addition to the new 19.5-in. products, Continental is also making several drive tires, the HDL2 DL and HDL2 DL Eco Plus, available in a new size:

295/75R22.5. Continental says this allows fleets to spec the same size tire on both the steer and drive axle, simplifying casing management.



### SCHRADER TPMS SOLUTIONS INTRODUCES EZ-SENSOR GO

— TIRE REVIEW STAFF

he EZ-Sensor Go is a TPMS sensor that takes one to three seconds to program a majority of domestic vehicles.

Schrader TPMS Solutions has introduced the EZ-Sensor Go, a programmable TPMS sensor that takes one to three seconds to program a majority of domestic vehicles, Schrader says.

The sensor, which made its debut at the 2019 SEMA Show, includes much of the benefits and functionality of the EZ-sensor in one SKU. It is compatible with most TPMS tools on the market and features three stem options:

- A rubber snap-in stem, which includes a plastic sealing cap, screw,
- brass valve core and rubber snap-in stem;
- Aluminum clamp-in stem, which includes a plastic sealing cap, nickel-plated valve core, aluminum clamp-in stem, hex nut, screw and rubber grommet;
- And a black anodized clamp-in stem, which includes a plastic sealing cap, nickel-plated valve core, black aluminum clamp-in stem, black hex nut, screw and rubber grommet.

The Schrader EZ-Sensor Go will be available in the second quarter of 2020.



### AFTERMARKET MUST PROMOTE INDUSTRY TO NEXT GENERATION

— TIRE BUSINESS



he hosts of the reality television series "MythBusters" were challenged to debunk commonly held beliefs usually ingrained by the movies or urban legends.

The automotive aftermarket is dealing with a similar challenge - debunking the myth that tire and vehicle repair jobs are dead-end careers for high school drop-outs.

Those who have bought a new car or SUV in the last few years with their array of onboard computers and driver-assist technology hardly would allow stereotypical "grease monkeys" within 10 feet of their vehicles, considering how much they paid for the cars and how much repairs cost. Tire dealerships and repair shops wouldn't survive long if they did.

Repair businesses need educated, skilled men and women who can deftly operate all the computerized equipment, diagnostic scanners and on-board technologies, as well as have trouble-shooting abilities.

But to lure these skilled workers into the automotive aftermarket requires debunking the myth and promoting the modern reality of the job and all the education and skills needed.

Students training for automotive careers need STEM education - science, technology, engineering and math - just as much as those pursuing careers in IT and healthcare. Think about the science and mathematics involved in steering-angle inclination, camber adjustments, tire load ranges and air pressure PSI.

Automotive careers are the best-kept secret, and it should be exposed. There is a plethora of ideas on how to fix the tech shortage. But it all comes down to impressions.

Automotive technicians can make good money (and they will usually

stay at a shop that pays well and offers good benefits.)

If a shop offers training and a road map for advancement, technicians can move up to store management or even open their own businesses.

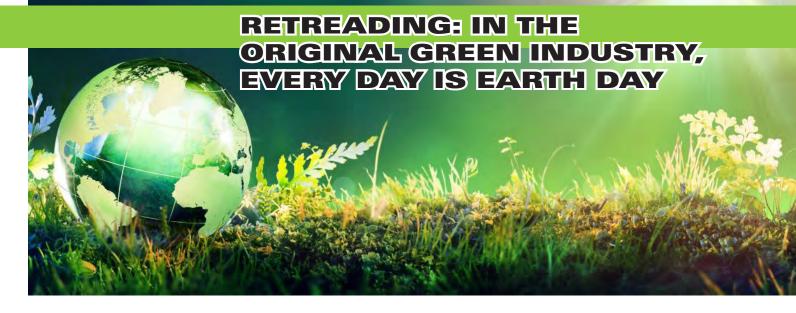
Today's incoming generation of workers is concerned about having a planned career path, so it's up to business owners to develop such a road map and set goals with each employee. Abandoning a new hire on the lube rack for a few years is no longer an option.

Not only can this help attract new technicians, it also can help keep the good technicians who have been working for a business for years. There are dealerships that have low turnover and companies that have been rated "best places to work" by employees, so they must be doing something right to build a positive workplace culture.

It's up to the automotive aftermarket to dispel the antiquated image of the "grease monkey" and create a positive impression on the next generation of employees.

Visit high schools, offer career day tours of the shop, provide mentoring or apprenticeships, invest in training employees, offer competitive pay, establish a positive culture in the workplace, develop career road maps with employees and help them achieve those goals.

These are just some of the suggestions offered by industry experts to make "automotive/tire technician" a more attractive job — and encourage the good ones to stay with your company.



April 22nd is Earth Day, but in the retread industry we don't wait for a single day to think about the impact we're having on the environment. Every day in every way our members' retread plants are delivering massive environmental savings and benefits.

For example, retreading conserves oil. The synthetic rubber components in a new medium truck tire require approximately 22 gallons of oil, but it takes only seven gallons to retread the same tire.

It is also estimated that nearly 300 million tires from cars and trucks are thrown away by Americans each year, but the use of retreads saves hundreds of millions of gallons of oil, and millions of tires continue a useful life rather than being consigned to a tire pile or landfill.

In addition, retreading truck tires in the U.S. reduces carbon emissions by 396,000 tons, or 70% annually.

Finally, nearly 40 pounds (18 kg) of raw material including rubber, steel and carbon black is saved for every retreaded tire manufactured.

To learn more about the massive environmental benefits of retreading, please visit TRIB's video page at **https://www.retread.org/videos** to view our "Environmental Benefits of Retreading" Video.

### Vipal VT110 Tread Outperforms New Tires in Europe Test

--- Adapted from TRIB reports

Vipal says tests are constantly carried out to solidify distinctive features and product performance, especially of treads intended for the most varied transport segments. Since 2018, the company has obtained positive results with the VT110 tread, which has proved excellent for medium and long haul transportation.

Recent assessments were developed in partnership with Spanish carriers. An Iveco 500 truck belonging to the Tráficos Manuel Ferrer fleet was equipped with four traction tires retreaded with the VT110 tread, running regularly on Spanish roads. Results of 321,917 kilometres yielded much better performance compared to the new tires previously used, which had an average of 240,000 kilometres.

The result was widely approved by the carrier. "From now on, Tráficos

Manuel Ferrer places its trust in the quality and good performance of Vipal, making exclusive use of the company's services to retread all the tires on its vehicles," says Vicente Navarro, the carrier's Fleet Director.

Meanwhile in the city of Zaragoza tests proved equally impressive, with VT110 on Scania R440 traction axles, yielding 289,673 kilometres compared to 180,000 kilometres, based on previous records of a competitor retread brand.

Its design is intended to optimize traction capacity and reduce rolling resistance, enabling lower fuel consumption.

Vipal says its VT110 tread is suitable for radial tires placed in traction axles. Its design is intended to optimize traction capacity and reduce rolling resistance, enabling lower fuel consumption. The grooves were developed with protrusions on the bottom to avoid the retention of stones and objects, providing greater protection to the tire structure against damages. The width of the central blocks has a larger contact area with the ground in order to maximize performance. Furthermore, the reinforced shoulders provide greater resistance to the extreme torque forces resulted from side dragging.



### TRAC SURVEY FINDS GROWING ACCEPTANCE FOR WINTER TIRES

inter Tires Prevent Hazardous Road Situations and Canadians are Embracing the Safety Advantages of Winter Tires

### **Key Findings**

TRAC's 2019 Canadian Consumer Winter Tire Study shows that 80 per cent of winter tire owners believe driving a vehicle equipped with winter tires has saved them from being involved in a potentially hazardous driving situation such as loss of control or a collision. The Study also found that 75 per cent of Canadian motorists now use winter tires.

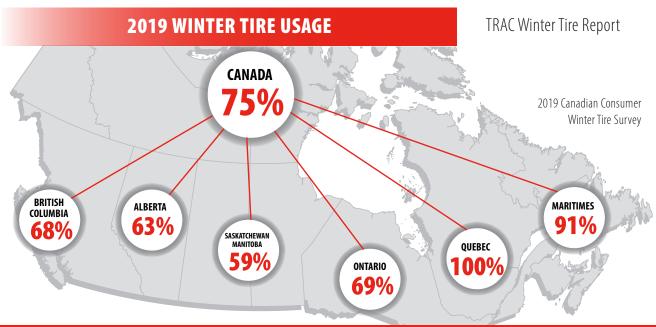
Furthermore, the winter tire category has grown at an annualized rate of five per cent over the past three years, and making winter tires the fastest growing tire category in the Canadian market (based on statistical analysis of winter tire shipments across Canada within TRAC membership). These statistics only confirm that Canadians embrace the effectiveness, improved handling and safety advantages provided by winter tires.

A past study also demonstrates that winter tire laws, public education, and financial incentives such as lower auto insurance premiums and low interest loans on winter tire purchases represent some of the main drivers when it comes to utilization of winter tires and making Canadian wintertime roadways safer.

"We see a steady improvement in consumer awareness and understanding of advantages of winter tires, and the millions of Canadian drivers who recognize them as the superior option for safe winter driving are helping prevent countless collisions and keep our roads safer. All Canadian drivers should consider winter tires, their enhanced grip, and shorter stopping distances as an important part of their road safety equation."

#### — Glenn Maidment President, TRAC

Winter tires are seeing remarkable success in Canada and TRAC continues to collaborate with government, industry, road safety organizations and other stakeholders on providing safe winter driving recommendations that include use of winter tires and educating consumers about the safety benefits of winter tires.



Winter Tire Usage: Year / Province	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2014 (%)
National	<b>7</b> 5	76	66	68	58
Atlantic Canada	91	94	83	81	73
Quebec*	100	100	100	100	100
Ontario	69	69	59	65	56
Manitoba/Saskatchewan	59	60	48	50	39
Alberta	63	70	57	55	45
British Columbia	68	64	60	49	38

<sup>\*</sup> Mandatory winter tire usage since 2008

### **Driver Perception of Winter Tires**

Eighty per cent of Canadian drivers who drive a car equipped with winter tires say that their winter tires have saved them from being involved in a potentially hazardous driving situation. Quebecers are more likely to believe that winter tires on their vehicle have saved them from being involved in a collision, and 11 per cent of Canadians "Don't Know".

### Winter Tire Usage in Canada

TRAC 2019 Canadian Consumer Winter Tire Study

Only 35 per cent of Canadian drivers used winter tires in 1998. That figure has more than doubled in 2019. TRAC's 2019 Canadian Consumer Winter Tire Study shows that winter tire usage had grown to 75 per cent in comparison to 2017 at 66 per cent, and 2014 at 58 per cent. Excluding Quebec, where the winter tires are mandatory, 70 per cent of the Canadian drivers will use winter tires in the 2019/2020 winter season.

Winter tire laws, public education, and financial incentives such as lower auto insurance premiums and low interest loans on winter tire purchases play significant part in motivating drivers to use winter tires and make Canadian wintertime roadways safer. Advice from family and friends also represents a major driver, and the increases in winter tire use link directly with drivers sharing their positive experience with winter tires:

- Winter tire laws (34%),
- Advice from friends and family (17%),
- Lower auto insurance premiums (11%),
- Media coverage (7%).

(TRAC: 2018 Canadian Consumer Winter Tire Study)

Canadians are on board when it comes to choosing winter tires as the logical choice for driving in Canada's harsh Nordic climate. We continue to work with the stakeholders and seek new ways to reach the public and educate Canadian drivers about the advantages of winter tires and how to drive confidently on winter roads."

— Andy Robinson Region General Manager Bridgestone Canada Inc.

While we are seeing strong trend in utilization of winter tires, three-inten motorists outside Quebec still resist winter tires. Top reasons for not owning winter tires are:

### **National Tire Shipments**

The Tire and Rubber Association of Canada tracks all tire shipments into the Canadian market from its members, representing more than 80 per cent of the market.

Based on the statistical analysis of TRAC members' winter tire shipments across Canada, the winter tire category has grown at an annualized rate of five per cent over the past three years, and this trend has been making winter tires the fastest growing category in the Canadian tire market.\*

"The winter tire market in Canada continues to grow at a steady pace and our statistics continue to point to a continuous improvement in consumer understanding of winter tires as an important part of the vehicle safety equipment and a product that delivers superior performance in the harsh Canadian winter."

— Matt Livigni, Managing Director Continental Tire Canada

### **Road Safety—The Case for Winter Tires**

The following findings are supported by a report from the Traffic Injury Research Foundation (TIRF; www.tirf.ca) citing a range of studies that show conclusively that winter tires provide superior traction, braking and cornering in all cold-weather driving conditions, whether the road surface is dry, wet, icy or snow-covered.

Winter tires play a measurable role in increasing road safety and protecting drivers and traffic participants. The use of winter tires contributes to:

- preventing collisions, injuries and fatalities,
- reducing health and hospital emergency costs,
- reducing the number of police and ambulance emergency responses during winter,
- lowering the frequency and size of insurance payouts,
- reducing traffic congestion.

Download the full report from: http://www.rubberassociation.ca

Top reasons for NOT owning Winter Tires:	Total *	Atlantic	Ontario	Manitoba Sask.	АВ	BC
All-season tires are good enough	51%	43%	47%	59%	55%	57%
I don't drive much in winter	18%	32%	17%	10%	21%	21%
Too expensive	17%	7%	22%	11%	10%	18%
I have no place to store off-season tires	4%	19%	4%	8%	3%	-
Other	9%	-	10%	12%	12%	3%
Don't know / prefer not to answer	1%	-	1%	-	-	-

<sup>\*</sup> Excluding Quebec

### MICHELIN MAKES PPE, POISED TO GRADUALLY RESUME TIRE PRODUCTION



Michelin is poised to gradually ramp up tire production.

roup Michelin is ready to begin serving the automotive, agricultural and aerospace sectors again.

After halting production in mid-March at most of its European tire plants to help curb the spread of COVID-19 and transitioning operations to help make masks that protect health care workers, first responders and its own employees, the French tire maker said it is poised to resume tire manufacturing gradually and responsibly.

"Today, the group believes the time has come to gradually resume activity, while implementing reinforced health measures adapted to each site," Michelin said April 21.

Michelin is prioritizing the reopening of its Pneumatiques Kleber agricultural tire plant in Troyes, France, where activities contribute to the farming industry on a daily basis. Plants that manufacture tires for public service vehicles such as ambulances, fire trucks, police cars and army and transport fleets also will take top priority.

But Michelin hasn't lost sight of its commitment to serve its original equipment customers, Michelin CEO Florent Menegaux said in a statement.

Mr. Menegaux said that Michelin is a good place to resume operations. Not only does it have a plan in place to ensure the safety of its workers, it can draw on the experience of relaunching production in China.

"The successful relaunch of our activities in China, combined with Michelin's extremely strong culture of work safety, form a solid foundation for this to happen," Mr. Menegaux said.

Michelin will, at all of its sites, institute safety measures to protect workers upon their return. These include:

- 1 supplying every employee with masks;
- 2 providing hand sanitizer and soap;
- 3 making medical thermometers available for temperature checks; and
- 4 regularly disinfecting the premises and work spaces.

While the tire maker halted its everyday operations, some workers did return to European plants to help make personal protective equipment and other specialty products for the health care sector. This included making several types of masks, medical device components and patient-positioning cushions as well as hand sanitizer.

For these efforts, Michelin said it leaned on the strengths and expertise of its employees.

Michelin noted that it ramped up its ability to make category 1 surgical masks, making 400,000 each week either on its own premises or by working with partners and subcontractors. In an April 14 statement, Mr. Menegaux said Michelin had the raw material to make 16 million masks.



Michelin CEO Florent Menegaux (left) wears protective equipment while speaking with a Michelin employee.

At the request of French hospitals, Michelin also made polycarbonate sterilization visors for health workers.

"We are mobilizing our metal and plastic 3D printing production tools and know-how not only to manufacture certain types of masks, but also to offset the shortage of essential equipment and design components that will facilitate treatment of the disease," Mr. Menegaux said.

The tire maker also tapped its design and prototyping resources for an effort with health care collaborative Atomic Energy Commission that led to the design, production and distribution of a reusable OCOV mask for health care workers and others battling COVID-19 on the front lines.

Michelin helped to create a workable prototype of an FMP1 / FMP2 mask that features a flexible facepiece covering the nose, mouth and chin, as well as replaceable and reusable filters. The masks themselves are being produced by Ouvry, a Lyon, France-based company that specializes in biological and chemical personal protective equipment, Michelin said.

### orking Remotely? Follow these five tips to avoid a phising scam

As more employees are working remotely in the wake of the COVID-19 pandemic, businesses are being targeted by an increasing number of phishing campaigns.

Follow these five tips to keep your e-mail and your business protected from cyber threats:

### Don't send sensitive information via email

E-mail is convenient and universal, but it's not an especially secure way to send information. Avoid sending sensitive information like tax forms, credit card numbers, bank account information, or passwords via email.

### Call to confirm requests

Any time money or information is requested via e-mail from a colleague or employer, take an extra minute to call them on the phone to confirm the request. It could very well be a business e-mail compromise (BEC) scam, which has cost businesses worldwide, including Canadian businesses, more than \$5 billion dollars.\*

#### Take your time

Phishing scams targeting businesses are often marked urgent or time-sensitive and rely on the target responding too quickly to notice anything suspicious. Take the time to double- and triple- check any e-mail that's trying to get you to urgently click on a link or open an attachment.

### **Enable two-factor authentication**

Two-factor authentication prompts a user to verify their identity by sending a code via text message or e-mail. This adds an extra level of security to e-mail and other sensitive accounts. It's not perfect, but it can prevent an account takeover, especially if a user has a weak password, or one that has been used on other accounts.

### Update your security software

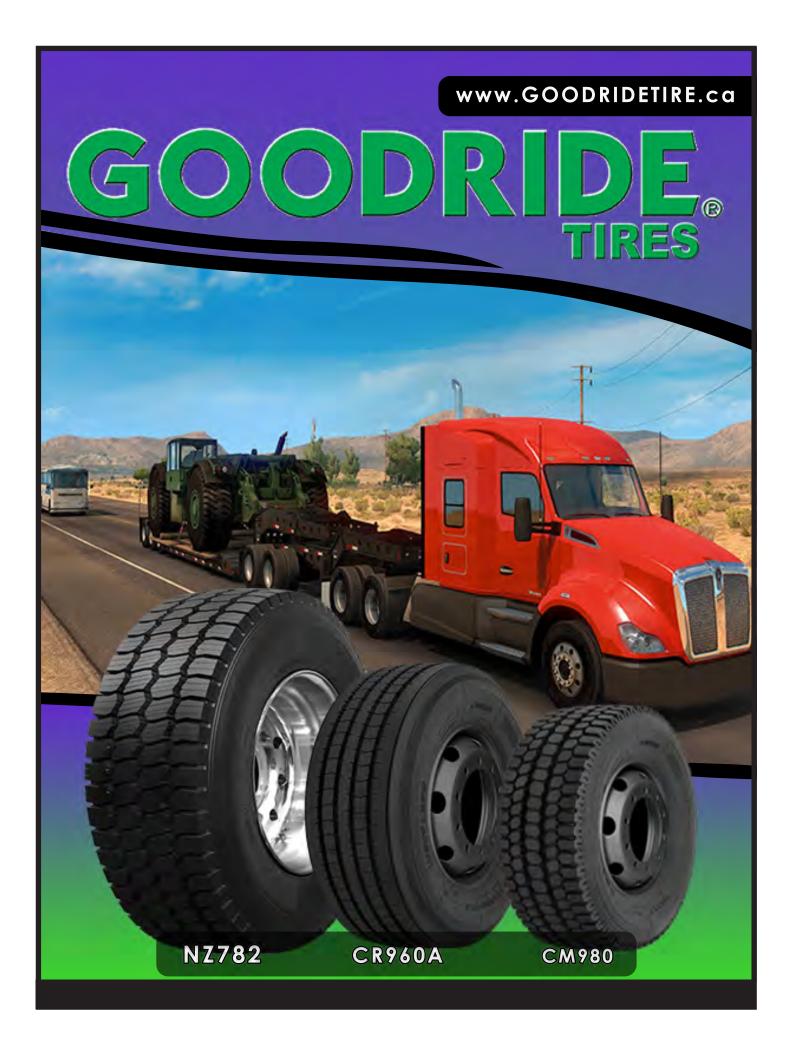
While many employees are staying quarantined at home, some don't have reliable or fast Internet access and need to rely on either public or shared Wi-Fi. A well-secured VPN connection means that employee data is encrypted and harder to intercept when being transmitted through a shared or suspect Internet connection.

For more information on making your business safer, contact our Risk Services team at 1.833.692.4112 or visit **www.federated.ca**.



#### A few words about us

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### ew-generation X-Ice tire provides improved snow and ice performance, winter after winter

Michelin introduced the MICHELIN® X-Ice® SNOW tire - the new generation of its superior winter tire

designed for maximum mobility and safety, winter after winter - in a special demonstration last week.

The new X-lce SNOW winter tire for passenger cars and SUVs has been developed, tested and proven in Michelin's Nordic test centers under the most rigorous constant extreme-winter driving conditions. Notably, 85% of Michelin's North American volume for the X-lce SNOW tire will be produced in Nova Scotia, Canada.

Testing reveals that the new MICHELIN X-Ice SNOW tire features improved snow performance and braking as compared to its predecessor, stops nearly 3 meters (10 feet) shorter on ice than a leading competitor, and lasts up to one additional winter season than the average of leading competitor tires.

"The new MICHELIN X-Ice SNOW tire is designed to give drivers peace of mind when driving in extreme winter conditions," says Sylvaine Cuniberti, Michelin's marketing director. "We have an exceptional winter tire with a new tread design and innovative technologies, resulting in improved snow performance and leadership in ice braking. The MICHELIN X-Ice SNOW provides drivers and passengers with long-lasting

winter performance and continues to perform as an industry leader as it wears while being covered by a segment-exclusive limited treadwear warranty."

The new MICHELIN X-Ice SNOW tire provides the necessary traction to overcome extreme winter conditions by relying on innovations that support the key characteristics of a winter tire:

- Next-generation V-shaped tread design: providing 100% use
  of the contact patch for optimal grip performance on snow and
  ice and for exceptional slush performance. Maintains its
  shape even when worn to continue providing grip in winter
  conditions.
- FLEX-ICE 2.0™ tread compound: a unique rubber mix for use in a wide range of winter temperatures with a full silica-based compound to maintain flexibility in severe cold climate conditions.
- MICHELIN EverGrip<sup>™</sup> technologies: an innovative tread compound with rigid polymer for improved grip on both snow and ice for the duration of the wear life.
- Two types of full-depth, interlocking 3-D sipes: for an increased claw effect on snow and ice, and for long-lasting biting edges.

The MICHELIN X-Ice SNOW tire replaces Michelin's X-Ice® Xi3<sup>TM</sup> and Latitude X-Ice® Xi2<sup>TM</sup> tire lines and will be available Fall 2020 in 82 sizes with speed ratings T and H for passenger vehicles, CUVs and SUVs using 14 to 22-inch rim diameters. An additional 41 sizes will be introduced starting Fall 2021.

### 



by Peggy J. Fisher Tire Business

Problem: According to a Department of Labor report, demand for diesel service technicians and mechanics is expected to grow 12% from 2014 to 2024, a pace that is faster than the average for all other occupations.

Sixty-seven thousand diesel technicians will be needed to replace retired workers, and 75,000 new technicians must be added to meet additional demand by 2022, the data show.

This severe shortage of diesel technicians has been predicted by industry experts since baby boomers, who make up 40% to 50% of heavy-duty truck technicians active today, will retire between now and 2030.

According to the American Trucking Associations (ATA), the industry will need about 200,000 technicians over the next 10 years just to keep up with current truck maintenance demands. U.S. schools, however, are producing only about 3,500 diesel technicians a year.

The shortage of diesel technicians has become a source of increased downtime, inefficiency, dissatisfaction among drivers and customer service problems and costs the trucking industry more than \$2.5 billion a year.

Some fleets have had to invest in extra trucks so they have a few spares when trucks break down and need to be serviced. A single technician opening can cost a truck service company up to \$1,200 a day in lost revenue.

According to the U.S. Bureau of Labor Statistics (BLS), diesel technicians are in high demand across America, with approximately 242,200 technicians employed in the mechanic industry.

A major cause of this problem is that the trucking industry simply can't get enough new technicians to replace those who are retiring. The trucking industry has been led by one generation for decades, and these individuals are now aging out of the workforce and there aren't enough younger people stepping up to fill their shoes.

Today's economy is built on same-day, two-day and overnight shipping. Downtime has shifted from an unfortunate but accepted reality in trucking to a deal-breaking, customerlosing, intolerable cessation of business.

Not only is the retirement of baby boomers creating this problem, but freight tonnage has grown progressively since the Great Recession ended in 2009. Medium- and heavy-duty truck populations are growing and freight levels are at record highs. In addition, customer expectations have changed.

Today's economy is built on same-day, two-day and overnight shipping. Downtime has shifted from an unfortunate but accepted reality in trucking to a deal-breaking, customer-losing, intolerable cessation of business.

Perhaps the biggest reason why young people are not interested in becoming technicians is the profession is poorly perceived by people outside it.

The degrading term "grease monkey" still plagues the automotive service channel and is twice as bad in trucking, where the equipment is larger, heavier, often dirtier and perhaps scarier. It's not a sexy job, but it's a good job.

With technology changing in commercial trucks over the past 20 to 25 years, diesel mechanics have been transformed into diesel technicians. Today's heavy-duty truck technicians use electronic systems to work on trucks and use laptops to diagnose problems and adjust engine functions.

Today's typical trucks have up to 21 computer processors on them that generate over 38,000 fault codes and communicate not only with the driver but with each other. Often it takes a "total vehicle scan" to identify the root cause of a problem.

Technicians also have to have an in-depth knowledge of brakes, electrical systems, air-conditioning systems, hydraulics, transmissions, preventive maintenance and Compliance Safety Accountability (CSA) inspections.

A report by TechForce Foundation, a non-profit focused on "Driving Tomorrow's Workforce of Technicians," states that the heavy-duty diesel business is expected to require nearly 30,000 truck technicians this year, as 25,000-plus positions are expected to become available due to retirements, employment changes and other factors and another 4,300 due to increased growth in truck-service technician demand.

Technicians are critical to the trucking industry. This shortage threatens trucking's ability to move freight and basically the whole infrastructure of our economy.

#### What's being done

Since around 2006 when the technician shortage was first recognized, service businesses throughout the industry have responded by raising technician wages and investing in equipment and training to improve productivity.

According to a 2018 survey of technicians in four industries (heavy truck, agriculture, construction and automotive) nearly 40% of heavy-duty truck technicians claimed to be earning at least \$60,000 per year and nearly half of those same responders claimed to be earning more than \$70,000 annually.

In addition 92% of the survey respondents stated they receive health insurance and 83% said they get paid holiday leave and have 401(k) and/or IRA opportunities through their employers. Truck technicians' pay will vary by region, but a new graduate from a diesel technician program at a technical college can earn over \$40,000 annually.



Partnerships continue to be formed with OEMs, component and equipment suppliers, educational institutions and fleet operations in a joint effort to meet growing demands.

One such partnership resulted in a \$9 million, state-of-the-art trades facility being built in Fresno, Calif., for high schoolers to gain workplace experience before graduation.

This facility helps students get certified to work on diesel trucks upon graduation and arms them with skills needed to work on diesel engines, suspensions and steering, brake systems, electrical and electronic systems, drivetrains, HVAC systems, and auxiliary equipment installation and repair.

There are other schools doing similar things, like the Monroe Career and Technical Institute (MCTI) in Bartonsville, Pa. However, this school is now targeting middle-school students as well as high schoolers.

It sees great advantages in reaching students earlier. It also has benefited greatly from companies like Penske Corp., which has donated equipment to the school and hires it graduates.

OEMs and truck component and equipment suppliers are partnering with vo-tech schools, too. Navistar Inc., for example, has a national technical education program that provides equipment, tools and scholarships to students.

Trucking companies also have scrutinized their own service operations and evaluated their technician compensation, benefits and training programs.

One carrier established two pay scales, one for tractors and one for trailers, and developed training programs to help technicians master new skills and increase their pay.

Each pay scale has different tiers based on skills and proficiency and each tier has a salary range to provide managers flexibility in rewarding and incentivizing technicians.

Technicians can earn increases in pay by adding to their skills and increasing their proficiency. The salary ranges within each tier also enable shop managers to reward technicians for other achievements such as high productivity, good attendance and excellent customer service.

Another company developed a certified technician program that allows technicians to continue training in order to move up from an entry-level skill set to the top level skill set.

This program gets new technicians up to speed quickly using internal materials and OEM-led training. In addition, it provides ample opportunities for professional growth and increases job satisfaction by providing a career path and skills development.

The company also supplies its technicians with computer tablets to use during service. They use these tablets to perform system diagnostics and can also pull up how-to videos, available on demand, for complex repairs. The videos are three to five minutes long and are housed in a searchable database for techs to use.

On average, it costs more than \$8,000 to find and hire a tech on the shop floor. Having a person dedicated to bringing new employees on board and integrating them into the company's culture is critical.

Many fleets have initiated entry-level programs called mechanic helpers, apprenticeship or internship programs that are designed to pique interest in the trucking industry among high school students and young adults. Often these traditional career training and preparation courses are built by service centers in conjunction with a technical education partner such as a vocational-technical school.

Programs like these bring in people who may not have the tools or the skill sets to start working on trucks right away, but serve as a stepping stone to tech-level positions. They provide students with invaluable insight on the day-to-day experience of working in a diesel service shop, including common repairs, management styles, employee expectations and overall corporate culture.

In these programs, young people grab parts for technicians, clean up the work area and the shop, do parts runs, and more. They can figure out if the work is for them, are also learning the lingo of the trade, and enables the company to grow its own technicians.

Another fleet has an ambassadors program that ensures every new hire has a positive first day, first week, first month and first year. It pairs seasoned employees (ambassadors) with new hires to take them through their first day and check in at regular intervals throughout the rest of the year.

Programs like these have reduced maintenance cost per mile, improved repair turnover time, decreased the technician turnover rate and increased young people's interest in becoming technicians.

Decreasing turnover is certainly a main goal of these programs. In the technician survey conducted in 2018, 56% of the 800-plus technicians surveyed claimed they are on at least job number 2 in the last five years, and 20% said they've had three or more jobs in that time.

Technicians say they leave employers because they feel underpaid and underappreciated. They also admit that when they find an employer that treats them well, they will stick around.

Another issue is that many people don't see a career path in the truck service industry. However, the trucking industry is filled with white collar professionals who started their careers in the shop. These jobs are becoming

available as baby boomers retire, so trucking's employment shortage is not limited to just the service bays. However, only 29% of heavy-truck technicians surveyed answered that they have a clear career path at their current employer. So more work needs to be done here.

### What can you do?

Today a large number of commercial tire dealers has expanded into truck/ trailer service that goes way beyond just tires. Many have built state-of-the-art service centers that aggressively go after commercial fleet maintenance business. Some have taken over many fleets' entire maintenance operations. If you are one of these dealers and are having trouble attracting and retaining truck service technicians, what should you do?

First, get involved with your local vocational-technical schools. Introduce yourself to local educators and express your desire to create a mutually beneficial partnership. It's important that you spend time explaining to the trade schools what you need.

Too many post-secondary programs are developed and marketed around advanced diesel diagnostics and repair, which draws interest from prospective students but has little practical value since entry-level technicians don't overhaul engines but they do perform preventive maintenance and CSA inspections, which is really what they need to learn.

In our business it's also important that truck technicians learn how to inspect tires and wheels and perhaps even change them.

At a minimum, you should have your local school include the Tire Industry Association (TIA) Basic Commercial Tire Service program in its curriculum. I don't believe many schools offer this.

I do know that some of the worst scores in the Technology and Maintenance Council's (TMC) SuperTech competition are generated in the tire and wheel station, where technicians are asked to identify common out-of-service tire and wheel conditions and are required to perform basic tire/wheel installation procedures. That's because this knowledge is not provided in trade schools.

If a local school doesn't have a diesel tech program, get involved in the auto program or even the agriculture program. The deeper you can embed your operation in a local technical program, the more likely that school will produce the skill set you need and the more likely you'll be able to keep technicians long-term.

You can do this by offering assistance through donations to a school's budget or scholarship fund, donations of equipment or pledges of your time to assist the school in some way. Most educators are looking for help any way they can get it and will accept any assistance they can find. Recruit in the beginning of the school year, not the end. Don't wait for a career fair where you're one of 47 others.

Good educators also want advice and to eliminate the disconnect between industry and education. Most schools want industry to tell them what they need to do. By bringing industry into their schools, educators generate support for their programs, a way to attract students and also show their superiors that their programs are important. A lot of these instructors work in fear that if they can't find more students, their programs will be shut down.

Evaluate your company's compensation program for technicians. The best way to retain technicians overwhelmingly continues to be a strong pay structure. Consider conducting bi-annual performance reviews of your technicians to give them the potential to earn multiple raises each year.

These reviews, coupled with a bonus program that rewards employees for completing elective training courses, can increase technician morale and retention. It also will create a work environment and culture in which technicians know they will be rewarded for working hard.

Don't overlook the value of providing debt relief and reimbursement for technicians, particularly young professionals still burdened by student loans and tool expenses. Consider providing a tuition reimbursement program for interns and part-time associates that pays 100% of a technician's educational expenses if they maintain a B average and stay with your

Developing your company's commitment to offering a top-rate service experience also helps keep technicians engaged.

company for two years after graduation. And think about helping employees cover tool expenses, a situation that is considered a barrier to entry for a lot of young technicians today. Any method that shows technicians how much they are appreciated has value.

Millennials want to be part of something good and part of a family. The importance of corporate culture cannot be underestimated and definitely impacts how long an employee stays. Developing your company's commitment to offering a top-rate service experience also helps keep technicians engaged.

Who wants to hate to go to work every day? No one, so ensure your supervisors develop a team environment in which everyone treats each other with respect and maintains a positive attitude.

One way to create this atmosphere is with a company employee-stock-ownership program (ESOP). Employees usually gain access to the ESOP during their first year and reap the benefits of the program as long as they remain employed with the company.

The work environment that millennials and Generation Z'ers expect from their employers is different from the baby boomer-developed corporate culture found in most truck service businesses. Millennials are eager to climb the corporate ladder. Many become disillusioned by long periods in a single role, and some will abandon a steady job with one employer for the potential of career advancement elsewhere.

Managing these expectations can be difficult in service operations where promotion opportunities are minimal. That is why presenting clear expectations required to earn pay increases, bonuses or access to a preferred schedule is vital.

Millennial and Generation Z technicians aren't always looking for 9-to-5 jobs. Many are willing to work longer days, nights and weekends to provide flexibility for their personal lives.

A lot of young technicians need continuing education and validation. They want to know when they are doing a job well as well as when they've done something wrong so they can learn to be better. This is where an apprenticeship program can really pay dividends.

Young people today want to know that their career has meaning and purpose. They want their jobs not only to support their families but have an impact on society and make a difference in the overall scheme of things.

Being a heavy-truck technician is a great way to not only bring home the bacon, but is vital to the health of the trucking industry upon which our whole economy is dependent.

### PLAN FOR THE UNEXPECTED



 THE FOLLOWING ARTICLE IS AN MTD EXCLUSIVE, WRITTEN BY JEFF MORGAN, EXECUTIVE DIRECTOR OF DEALER STRATEGIC PLANNING, THE DSP GROUP.

There is a popular Disney movie called "Aladdin", which contains a song titled "A Whole New World." This song is about seeing and experiencing wondrous new places and adventures that were not even imaginable before.

While this song was exciting and positive, the recent COVID-19 pandemic has created a very different "whole new world," one in which we have experienced disruptions to our lives and businesses that were previously difficult to imagine.

Yet, here we are living in the pages of future history books.



Many tire dealers reacted quickly to the COVID-19 crisis and intensified their sanitation programs.

While we are still measuring the short and long-term impacts of this crisis, it does remind us how important it is as business owners and leaders to have contingency plans in place for nearly anything that could impact our business, including those that might seem extremely unlikely.

Granted, the speed and fluidity of change during the COVID-19 crisis has left even the most careful planners having to be more reactive and adjusting on the fly, as opposed to implementing carefully crafted action plans.

However, even those experiences can be used to develop plans for other situations that could arise in the future. Additionally, some of these actions you have taken may be part of the "new normal" moving forward.

Let's look at some examples. When the crisis first started, the biggest focus was on reducing health risks through improved hygiene and disinfecting protocols.

Many dealers already had programs in place for things like disinfecting surfaces regularly, using gloves and using protective items like steering wheel covers and seat covers. They also had firm policies in place requiring employees not to come in if they felt sick.

As the pandemic began to grow, it was just a matter of increasing the accountability to the plans they already had in place. For others, this was a very new process that had to get started and implemented. I would suggest that moving forward, these policies should probably remain in effect for all.

Also, as things progressed, the concept of social distancing came into the discussion. Again, many dealers were thinking ahead. Before local or state orders were implemented, they had planned out how to address this if it became something their business would need to address.

The pandemic has forced tire dealers to take actions at their stores that were unthinkable even several months ago.

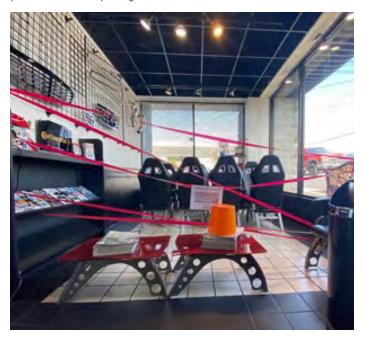
They also recognized how social distancing might change the interaction that their counter personnel have with customers. They developed a couple of potential plans.

One was to create barriers at their counters that kept customers and employees a safe distance apart. They considered giving customers gloves to wear when using pens to sign documents, having disinfecting protocols for all writing instruments or even adopting a no-physical-signatures program.

The second was to consider closing their showrooms altogether, creating work orders and tendering payments electronically or over the phone. They

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had signs prepared for their doors informing customer to call from their cell phones while in the parking lot.



When the orders were issued, it was just a matter of implementing the plan. Many already saw a possible shift in customer habits before the crisis and had launched — or were preparing to launch —vehicle pick-up and drop-off programs where the customer never had to leave their homes to get their cars serviced. They had this service ready to go and got the word out to their customers.

As the crisis intensified, a reduction of business was inevitable. The shelter-in-place orders that subsequently followed were likely not foreseen by many, reducing business to near a standstill, in some cases.

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In many cases, they eliminated overtime for employees to control payroll. The next step if needed —which, in some cases it inevitably was — was to reduce employees' hours even further.

Then they looked at their traditional and current traffic flow trends to see where there was an opportunity to reduce business hours.

After they put this plan in place, the next plan involved further reductions if business dropped off more. They determined that closing Saturdays would be needed. Again, when the time came, they implemented the plan.

Recognizing the need to control expenses yet get the word out that they were open, many dealers leveraged inexpensive digital channels. Many went to social media early and often to let their customers know that they were there for them and their vehicles, plus the added steps the business was taking to keep them safe.

Many also introduced or reinforced their vehicle pick-up and drop-off service.

All the while, as these plans were being implemented, dealers were keeping an eye on what the government was planning from a small business support standpoint. That was certainly not easy with the quickness of change and confusion around new programs.

However, they stayed on top of what was happening and developed plans around what to do if and when those programs launched. For example, they closely watched and sought to understand the Paycheck Protection Program loans within the CARES Act.

As more information came out as to how much they could qualify, they laid out plans of what to do when the money became available.

### Are you ready?

No one could have predicted the COVID-19 crisis and the impact that it had on business. You need to ask yourself if you are ready for other issues that may arise in the future.

Have you developed pans for other things that may impact your business?

What if a natural disaster damages your location?

These are just a few of the questions you should be asking yourself while making sure that you have some plans in place to work from should something happen.

Additionally, what are your plans for your business when we move out of the COVID-19 crisis?

You need to be planning how to deal with the next several months, as well as what your business will look like even further into the future.

While there might be some pent-up demand, it will not likely hit at once as many consumers are still struggling economically. Have plans for a both a slow increase, as well as a more rapid one. Also, be planning for how you may leverage some of the business changes you made today, moving forward. How will you continue to market and expand services for customers such as vehicle pick-up and drop- off or virtual payment options, like through smartphones?

There is an old saying: "No one ever plans to fail. They simply fail to plan."

Thinking through numerous scenarios and having plans in place to implement if sudden crisis situations occur will help put you ahead of the curve. Don't be caught off guard.

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