



FRESH START

New Year Sees Upticks in Tire Unit, Service Sales

The TIRE REVIEW Dealer Panel reports passenger tire units rebounded in January 2008 vs. same month last year. Final December numbers for tire sales show a decrease of about 1% in retail demand vs. December 2006.

After leveling off in November and December, tire unit sales increased during the first month of the new year. Preliminary numbers for January show an increase in consumer purchases of 1% from January 2007. In the individual tire segments, broadline and HP tire unit sales are running about 1% ahead of January 2007. Light truck/SUV tire sales remain up almost 2% vs. last year.

Service Dollars

On the service side, after slipping below previous year levels in December 2007, service dollar sales got off to a great start in January, up nearly 2% over the same month last year. Both undercar and underhood sales rebounded in January after two very sluggish months. Undercar service in January was up 2.1% vs. January 2007, while underhood service sales inched up 2.5% vs. the same period last year.

Dealer Comments

Dealer Panel comments provide helpful insights to issues facing tire dealers today...

- Tiremaker price increases are driv-

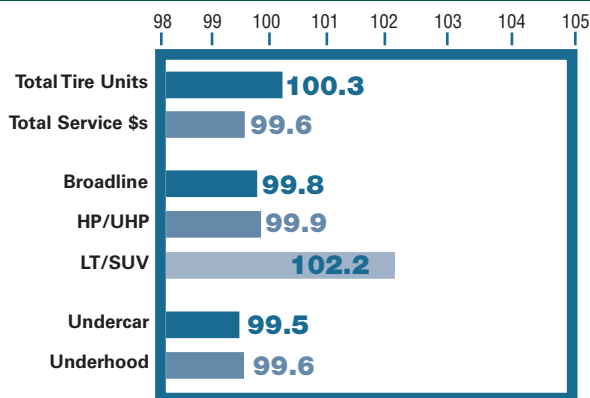
ing consumers to lower tiered products or delaying that purchase completely.

- Cost of doing business – fuel, rent, utilities – is skyrocketing.
- I would like to see an increase in business, but we probably won't see anything until the summer months.
- Stop making new sizes!!!
- So many tire dealers are pricing where there isn't much profit on tires, so we're doing more service.

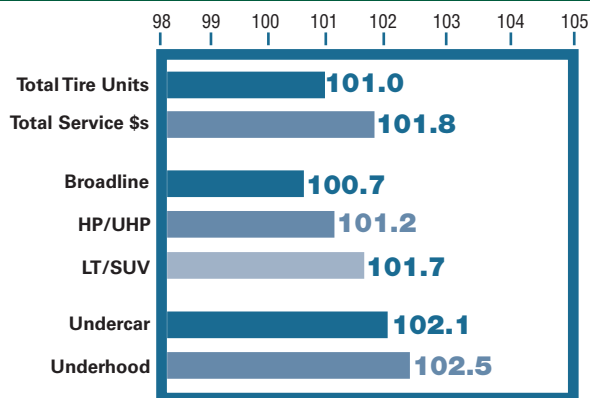
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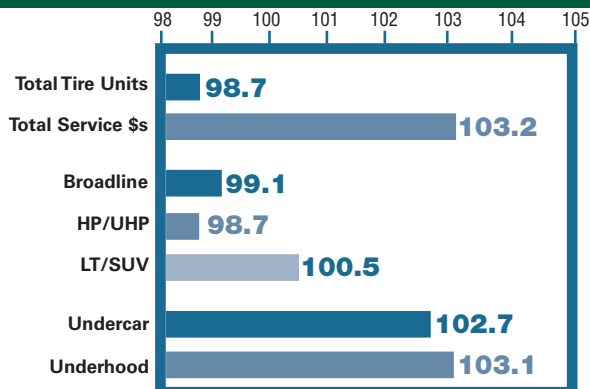
Retail Sales – Dec. '07 vs. Dec '06 (Final)



Retail Sales – Jan. '08 vs. Jan. '07 (Prelim.)



Retail Sales – Jan. '08 vs. Dec. '07



Retail Sales – Year to Date

