

DICK NORDNESS - EXECUTIVE DIRECTOR - NORTHWEST TIRE DEALERS ASSOCIATION

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



November / December 2014



MINIMUM WAGE JUMPS

The Washington State Department of Labor and Industries has announced the increase of our state minimum wage to \$9.47 an hour starting on January 1, 2015 - the highest in the nation. The increase is 15 cents from the current \$9.32 an hour. The increase is calculated using the Consumer Price Index (CPI) by law.

Interestingly, even if the CPI is negative, as was the case during the Great Recession, the minimum wage cannot go backward - it simply stays at the current rate.

President Obama is calling for a national increase in the federal minimum wage to \$10.10 an hour from the current \$7.25 an hour. Governor Inslee is asking for an increase to around \$12 to \$13 an hour. Legislatively, 31 members of the House have introduced legislation to increase the state minimum wage to \$12 an hour. Seattle recently adopted a \$15 minimum wage phased in over several years. SeaTac adopted a \$15 minimum wage for specific industries including hotels and rental car companies. Where does it go next?

The fear is with the race to see who can have the highest minimum wage the fastest we are losing sight of what the minimum wage was originally intended for: an entry or starting wage. Workers are brought on at a minimum wage to give them a chance to learn valuable work skills. Once they have mastered some of the most basic skills they are moved up the pay scale.

Businesses that have their labor costs automatically increase each year regardless of if they see their business increase are forced to increase prices, cut hours of existing employees and/ or hire fewer employees.

IN THIS ISSUE

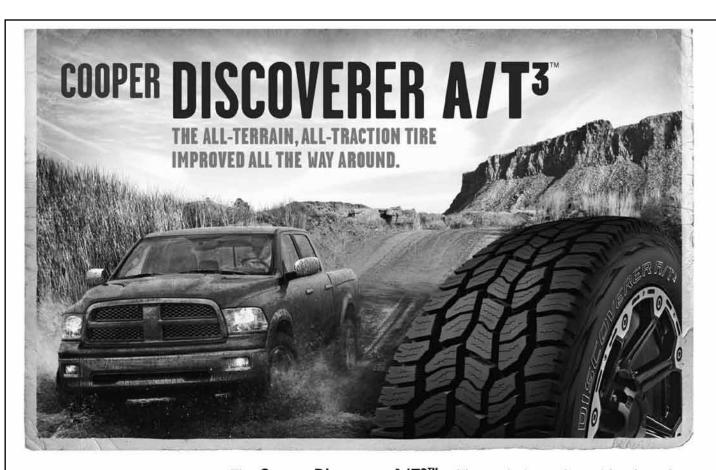
2014 TIA Hall of Famepage 3
TIA Election Resultspage 4
TIA Leadership Awards page 4
NWTDA 2014 Golf Eventpage 6
L&I Rate Changespage 9
Chinese Tire Dumping page 10
Les Schwab North Bendpage 10

TPMS LEGISLATION VETOED

California Governor Ed Brown Jr. has vetoed AB1665, a bill that would require "an automotive repair dealer that repairs tires or changes tires shall be capable of diagnosing and servicing a tire pressure monitoring system (TPMS) in accordance with industry standard if the vehicle is manufactured with the device."

The California Tire Dealers Association were cosponsors of AB 1665, according to the associations's newsletter.

This bill would have generated \$560,000 in revenue for the state from licensing fees, and estimated 2,800 tire shops would be licensed as automotive repair dealers with an annual license fee of \$200.



COOPERTIRE.COM

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



PASCO, WA

(509) 542-TIRE

PORTLAND, OR

2525 N COMMERCIAL AVE 2750 N HAYDEN ISLAND DR. (503) 247-7115

MEDFORD, OR

4787 AIRWAY DRIVE (541) 779-TIRE

FAMILY OWNED & OPERATED!



WWW.PACIFICTIREDISTRIBUTORS.COM

2014 HALL OF FAME RECIPIENTS

The Tire Industry Association (TIA) has announced the names of the 2014 Hall of Fame recipients. This year's honorees are Harold Coker, founder of Coker Tire Company, Charles Cornell, the late founder of Tech International and Juanita Purcell, Executive Vice President of Purcell Tire & Rubber Company.

TIA is also honoring Jim Smith, Editor of Tire Review, Mary Sikora, publisher/editor of Scrap Tire News, and Tom Wright, Sr., Owner of Wright Tire Service, with the distinguished Ed Wagner Leadership Award, named in honor of the late Ed Wagner who was a strong voice in the tire industry for the entirety of his career.

The Hall of Fame inductions and presentation of the Ed Wagner Leadership Awards will take place at the Tire Industry Honors Awards Ceremony on Monday, November 3, 2014, 6:00pm – 7:30pm at Caesars Palace Las Vegas. The event, sponsored by Michelin North America, is open to all and complimentary tickets may be reserved at www.tireindustry.org/global-tire-expo.

Hall of Fame Award Winners:

Harold Coker graduated from Tennessee Tech in 1951 with a degree in chemistry. He began his career in the tire industry with B.F. Goodrich and then started Coker Tire Company in 1958 in Athens, TN and moved to Chattanooga in 1961. The company is now the largest supplier for collector car tires in the world. Harold retired from active participation in Coker Tire in 2004 but still serves as Chairman of the Board Emeritus.

In 1985, he served as President of the National Tire Dealers and Retreaders Association (NTDRA) where he spearheaded the effort to get NTDRA into the government affairs arena and lobbied for bills like voluntary tire registration. He was instrumental in starting and raising money for the association's political action committee (PAC) and spoke about the importance of government affairs to state associations nationwide.

Charles Cornell was working in the rubber industry when he recognized the need for better tire and tube repairs. In 1939, he began his own business in Johnstown, OH: Technical Rubber Company. Cornell developed a

self-vulcanizing process that repaired tire and tubes in hot or cold applications, revolutionizing the tire repair industry. Cornell's innovation led to a complete line of tire and tube repair products and set the stage for product breakthroughs at Tech International that included self-vulcanizing inserts, centering radial repairs and Uni-Seal repair units.

The vision Cornell had not only launched a business, but created a legacy of generations to come. Now, 75 years after Cornell began creating tire repairs, Tech International is directed by the fourth-generation of family leaders. Still headquartered in Johnstown, OH, Tech has grown to become an international manufacturer and distributor of more than 10,000 tire repair, wheel service and industrial rubber products with 14 international offices and customers in 95 countries.

Juanita Purcell serves as Executive Vice President of Purcell Tire. Purcell Tire was founded by Juanita's father-in-law Robert M. Purcell in 1935. In 1964, he invited his son Bob and his wife, Juanita, to help him run the three locations of Purcell Tire. In 1970, after the death of Robert Purcell, Sr., Bob and Juanita took over the whole company, which consisted of a retread plant in DeSoto, MO and three stores. Today, the company consists of three corporate office locations, four retread plants, two wholesale centers, 21 commercial centers, 25 retail and nine mine locations. Juanita continues to lead the operations. She is a mentor and leader to the female workforce in the tire industry.



Driving Tomorrow

Rick Mustion

Northwest Regional Sales Manager

NEXEN TIRE AMERICA INC. www.nexentireusa.com

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

TIA'S LEADERSHIP AWARDS

The Tire Industry Association will honor three with the Ed Wagner Leadership Award; Jim Smith, editor of Tire Review; Mary Sikora, publisher/editor of Scrap Tire News; and Tom Wright, Sr., owner of Wright Tire Service.

Jim Smith is the current editor of Tire Review and has more than 30 years in the tire and automotive industries.

Since he became editor of Tire Review in October of 1999, Jim has maintained a sharp focus on helping independent tire dealers grow and prosper. During his career, he has served on TIA committees, is currently a board member for the Center for Tire & Service Excellence, and has instituted a number of programs for Tire Review, including the Top Shop Awards, the Top Shop Total Business Group and more.

Mary Sikora has been involved in the scrap tire recycling industry of 30 years. she is the founder and publisher of Scrap Tire News, a monthly publication covering the news and development in the scrap tire recycling industry, as well as the founder and director of the Scrap Tire & Rubber Users Directory, and internationally acclaimed business reference book for the scrap tire recycling industry.

Tom Wright Sr. has spent more than 50 years in the tire industry. After graduating from Penn State University with a degree in business administration, he moved to Minnesota and began his career at Firestone. Wright moved up the coporate ladder to become store manager and then sales manager for about 400 stores.

In 1975, Tom opened Wright tire Service in Anoka, Minn., a company that he still owns and operates today.

Tom has 38 years of continued services as a board member for NTDRA, TANA and now TIA. As an executive officer of TANA, Tom was instrumental in the merger of TANA an ITRA to form TIA. Tom has also worked for many years with the North Central Tire Dealers Assoc.

Presentation of the Ed Wagner Awards will take place in Las Vegas at Caesars Palace on Nov. 3, during the Global Tire Expo.

TIA ELECTION RESULTS

The Tire Industry Association has announced the results of the 2014-2015 Board of Directors election. The following took over six seats on the board, each with a three year term.

- Steve Burhenn, Becker Tire & Retreading Inc., Great Bend, KS.
- Daniel Childers, TCI Tire Centers, Duncan, SC
- John Evankovich, Sam's Club, Bentonville, AR
- Robert Hendry, 31 Inc., Newcomerstown, OH (returning)
- Chris Monroe, Monroe Tire & Services, Shelby, NC
- Jason Williams, Jack Williams Tire Company, Scranton, PA

"We continue to be fortunate that so many qualified candidates have a desire to serve TIA and the industry," said Roy Littlefield, TIA executive vice president.

Additionally, Alpio Barbara of Redwood General Tire Pros in Redwood City, CA, was placed into the one-year vacancy that was created by the election of Mike Wolfe, Sotheastern Wholesale Tire, to the position of treasurer.

TIA also acknowledged the work of departing board members Gary Albright, John Derringer, Robert Frick, Randy Groh, Brett Matschke and Steve Zimmerman.

The new board will take office on Nov. 3 at TIA's Annual Meeting at Caesars Palace in Las Vegas.

Tire Service Trucks, Cranes & More!

STELLAR

B

Travis Glidden
Regional Sales Manager
tglidden@stellarindustries.com
800-321-3741 ext. 4254
Fax: 641-923-9026

www.stellarindustries.com







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

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

Perfect Equipment is a brand of **WEGMANN***



We are a proud supporter of the

Northwest Tire Dealers Association



NWTDA ANNUAL GOLF CLASSIC

The Northwest Tire Dealers Association Annual Golf Classic was once again a huge success with players form Oregon and Washington attending the beautiful McMenamins Edgefield course in Troutdale, Oregon.

NWTDA would like to thank the sponsors who helped with door prizes as well as money for the individual winners and of course the team trophies. Thank you to Pacific Tire Distributors, Greenball Tire, Federated Insurance and Wheel Mart/Seattle & Portland.

NWTDA would also like to thank our two co-chairs, Bill Dodak, of Wheel Mart and Rick Mustion of Nexton Tire.



This year's event drew some seasoned veterans in the industry out to see if they could pick up some cash prizes. Jim Cole, Mike Meyers, Jim Hawkes, Walt Kaufman and Bill Dodak, all who claim to have worked at the old Astro Tire & Wheel



Dave Montei and his band of golf brothers: Warren Webb, Doug Whitlock and Jim Greear representing Richey's Tire Factory in Vancouver were on hand to take back their first place team trophy. Jim Greear ended up tieing with Jim Allen for third place in individuals play.



The Industrial Tire Team of matt Stotts, Rob Tetz, Greg Hogan and Larry Coleman were on place to take the second place team trophy. Larry also took the individual best score and the Greenball "Closest to the Pin" cash awards. A jubilant winner, Larry bought a round for those less fortunate.



The Pacific Tire Distributors team of Chris Jr., Fred Corona and Ryan Gutenberger took the 3rd place team award.



Rick Mustion of Nexton Tire awarded the "Ricky" award for the higest score to Dusty Hurdman of Extreme Tire in Salem, Oregon. The "Ricky" is in honor of Rick Mustion who has won the award in past years.









1-800-697-8973

Your NEW TIRE & CUSTOM WHEEL Specialists





Now offering 5 day delivery to Seattle!



Telstaa tire











Check out our new website! ER OUL OUT HEW WELDS



Telstar Mud Claw



Snow Wheels Available!



Sumitomo A/S P01





L&I RATE CHANGES

Labor and Industries of Washington (L&I) has announced an increase in premiums of 1.8% to the average base rate for 2015. L&I has indicated that this is their answer to premiums that do not have a natural inflator for increased wages as other states base their premiums on gross wages. This announced increase is a surprised due to the higher than expected premiums received due to increased hours in several risk classes.

Public hearings on the proposed rates were held in six cities across the state. Final rates will be adopted by Dec. 1 and go into effect Jan. 1, 2015.

For our Tire Sales group there was a decrease: 6405 (Tire Sales & Service Centers) is proposed to decrease by 1.99% (was 1.3439 going to 1.3171)

For more information on the new rates or how to be part of the program please contact the NWTDA office at 509-948-2433.

SAIF'S LATEST DIVIDEND

When the SAIF Board of Directors declared a \$165 million dividend in September, it boosted the amount that the Oregon workers' comp company has returned to customers in the past five years to nearly \$800 million.

More the 44,000 employers around Oregon will receive the dividend; the amount they receive depends on the premium they paid in 2013.

More than 700 of SAIF's largest customers will receive an average of \$98,645 each. The total amount of SAIF policyholder dividends since 2010 is \$795 million.

"This is the largest policyholder dividend in SAIF Corporation's history," said John Gilkey, SAIF's Interim President and CEO, "and it will benefit thousands of Oregon businesses and the Oregon economy.

Many of our Oregon members of NWTDA are part of the SAIF program that we have supported over the years. For more information on being part of this program contact the NWTDA office at 509-948-2433.





CHINESE TIRE ANTIDUMPING DUTY POSTPONED

Source: Tire Business

The U.S. Department of Commerce's International Trade Administration has postponed its preliminary determination on an antidumping duty investigation against Chinese passenger and light truck tires.

The new deadline for the decision is Jan. 20, 2015 - changed from the original date of Dec. 1, 2014, according to a notice published in the Oct. 9 Federal Register.

"Because of the extraordinary complexity of this case and the number of firms we must investigate, including over 80 separate rate applications, it is not practicable to complete the preliminary determination by the current deadline," the agency said in the notice.

The United Steelworkers (USW) union petitioned Commerce and the International Trade Commission (ITC) June 3, seeking countervailing and antidumping duties against Chinese tire makers under Section 701 and 731 of the Trade Act.

The union sought relief similar to but not identical with the three years of elevated tariffs against Chinese tire makers it won in September 2009 under Section 421 of the Trade Act.

Countervailing and antidumping duties would constitute more permanent relief against Chinese tire imports.

The ITC ruled in August that there was a reasonable indication of material injury against the U.S. tire industry because of Chinese tire imports.

The USW petitioned the Commerce Department Sept. 12 asking for expedited action on its countervailing duty decision.

In addition, the National Association of Trailer Manufacturers and Recreation Vehicle Industry Association, supported by more than a dozen distributors of specialty trailer tires, are seeking an exemption for specialty trailer tires, from possible import and/or antidumping duties the U.S. government is considering for car and light truck tires imported from China.

LES SCHWAB NORTH BEND CELEBRATING A NEW BEGINNING

Six months after an explosion destroyed a Les Schwab Tire store in North Bend, Washington, the tire business is celebrating a new beginning.

On April 25, a natural gas leak at a pizza parlor that was under renovation caused an explosion that damaged nearby businesses and dozens of homes. According to investigators, the blast was accidental. It, however, all but leveled the Les Schwab building.

The blast destroyed three other structures and damaged several others, with debris blown more than a block away. Josie Williams, spokeswoman for Eastside Fire and Rescue said the destroyed buildings included the pizza parlor along with a barbershop and an office building in the strip mall.

Despite the disaster, employees went immediately to work in the back parking lot, using a 5,00-square-foot tent and a double-wide trailer for offices.

The weekend of October 24 & 25, the Les Schwab store celebrated its grand reopening with food, cake and door prizes. The reopening is a chance to thank customers and the community for its help, said Kevin Scallhorn, store manager.

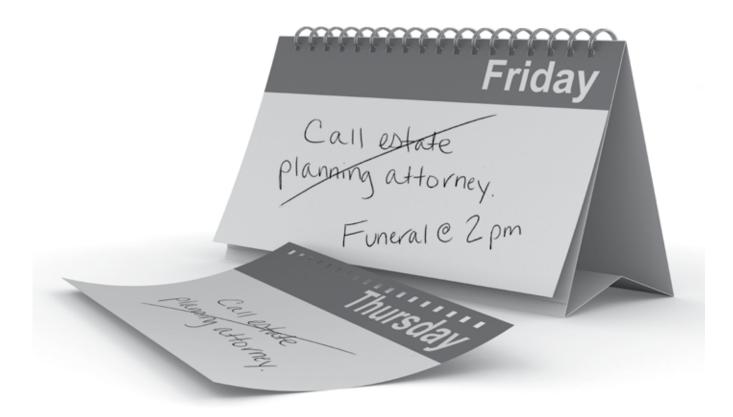
ARE YOU OSHA COMPLIANT?

According to OSHA, "...all employees who handle truck tires and wheels must receive safety training."

The Tire Industry Association (TIA) educational programs are designed to provide truck tire and wheel safety training.

The Northwest Tire Dealers Association will be offering the TIA Commercial Tire Service (CTS) Certified Technician training in Portland on Sunday, November 9. For more details and registration please call the association office at 509-948-2433.

NWTDA will also be working with TIA for Farm Tire Service and Off-the-Road Tire Service training in March of 2015. Please call 509-948-2433 for more details and registration info.



Too Busy To Protect Your Business?

Contact your local Federated representative to learn more about business succession and estate planning resources, including a complimentary initial consultation with our independent attorney network*.

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

*Retail value of \$250. Some restrictions may apply.



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



93705 E. Granada • Kennewick, WA • 99338

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



Northwest Tire Dealers Association 2014 Officers

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