DICK NORDNESS - EXECUTIVE DIRECTOR - NORTHWEST TIRE DEALERS ASSOCIATION

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November | December 2020

LES SCHWAB SOLD TO INVESTMENT FIRM

Les Schwab Tire Centers Inc., the nation's fifthlargest independent tire dealership; founded by one of the industry's giants, has been sold to the Meritage Group LP, a California-based investment group.

The sale comes nine months after the Les Schwab family announced it was looking for a buyer for its 438 stores in the western U.S. The sale process was delayed due to the COVID-19 pandemic, officials told Modern Tire Dealer in June.

In a September 29 statement, Les Schwab CEO Jack Cuniff said, "The decision to sell has always been about securing the long-term success of the company. Meritage Group has a history of preserving culture and values while growing the companies with investment over time. This is a great fit, and aligns with Les' vision and all we have built together."

In a joint statement, family shareholders said, "As our family grows and ages, it has been very important to us to remain committed and aligned behind our Grandfather's vision. While it was hard to make the decision to sell the company, we are very confident Meritage Group will continue that commitment and alignment, and will build on all we have accomplished over the past 68 years."

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TIA OTR CONFERENCE

The Tire Industry (TIAS) has announced that registration is now open for their Off-the-Road Tire Conference set to go for February 17-20, 2021 in Tucson, Arizona.

Now in its 66th year, the event regularly attracts the industry's movers and shakers, who come to network, learn, conduct business, swap ideas, reconnect and have some fun.

The event is all business, with a supplier's showcase, three half-day educational sessions, a half-day of breakout sessions and plenty of time for networking.

The 2020 conference attracted more than 500 attendees from 40 states and 12 countries. See the registration form on their webpage at www.tireindustry.org/event-reg/conference



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GILLS POINT S ACQUIRES 10 NEW ENGLAND STORES

The largest Pont S tire dealer in the country is making a giant, cross-country leap, buying 10 Vianor Tire Center locations from Nokian Tyres in New England. Gill's Point S Tire has purchased all of Nokian's company-owned stores in the U.S. They are located in New Hampshire, Vermont, New York and Massachusetts.

"Point S has a great, and growing relationship with Nokian Tyres," said Eric Gill. "When the opportunity arose to take over the Vianor stores, we thought it would be the perfect time to bring the Point S Tire & Auto name into a new market."

The acquisition give Gill 27 stores – with 17 in Oregon, and 10 in the Northeastern U.S.

This clearly gives Point S Tire a path to once again expand it footprint. The organization has worked to move from the West Coast eastward, adding locations and dealers in Oklahoma and Tennessee most recently.

Point S USA CEO Walter Lybeck says, "We are excited to be able to work with great partners like Nokian Tyres and Eric Gill, who truly represents the strong values shared among independents. Our Members believe Point S is the best branded independent tire dealer group nationwide and having partners like Nokian Tyres is critical to this equation. We are looking forward to the opportunities this growth creates for other independents who wish to join Point S in the Northwest."

Gill says the Vianor employees will remain on staff and all of the locations will remain open. The stores will be rebranded to the Gills Point S Tire & Auto Service name, and the stores will continue to service any existing Vianor warranties.

NPW ACQUIRES AUTO PLUS IN WASHINGTON & OREGON

National Auto Parts Warehouse (NPW) has acquired "substantially all" Auto Plus assets in Washington and Oregon, according to Auto Plus parent company Icahn Automotive Group L.L.C.

NPW, a family-owned aftermarket parts distributor with 17 warehouses throughout North America, and Icahn, which owns and operates parts distributor Auto Plus and Pep Boys Automotive Retail and Service locations, announced the deal in August.

The transaction includes two Pep Boys Parts retail store locations in Seattle, but excludes Pep Boys automotive service centers. The Auto Plus website shows 16 Auto Plus locations in Washington and six in Oregon.

Financial terms were not disclosed.

"This is a great opportunity to grow our parts business and increase our overall service levels in the Pacific Northwest," Larry Pacey, president and CEO of NPW, said.

"We have plenty of capacity in our Hillsboro, Ore., distribution center, and we are ready to extend our customer-first approach to these new locations and their customers."

NPW said it will convert and rebrand the acquired Auto Plus and Pep Boys Parts retail locations as Auto Value parts stores.



TIA ELECTS 5 NEW BOARD MEMBERS

The Tire Industry Association (TIA) has elected five members to its board of directors, four for full three-year terms and one for two to fill out the vacancy created when Jim Pangle of Fountain Tire Corp. was elected secretary of the board earlier this year.

NWTDA is very happy to see that Brandy Sielaff, director of human resources and safety for Commercial Tire of Meridian, Idaho has won a spot on the TIA Board.

Brandy has been with Commercial Tire since 2016, having previously worked for J.R. Simplot Co. for 12 years, including four years as human resources director. Brandy brings an understanding of operations communications, training and efficiency and an invaluable outside perspective to the TIA Board.

Travis Glidden, a well know supplier representative in the Northwest, is a regional sales manager for Stellar Industries Inc., in Garner, Iowa. Travis will fill the two-year vacancy.

Travis began his career in the tire service truck industry in 1986. For the past 30 years, he has traveled extensively throughout North America selling, demonstrating, delivering and putting tire trucks into service. TIA's training programs are very important to Travis and he has been here in the Northwest for CTS, OTR and Farm tire service training programs with Matt White of TIA. He said he hopes to see TIA training classes become a more prevalent industry standard and a requirement for all tire service technicians.

Also elected to the board are Scott Weeden, acting vice president of sales for Barnwell House of Tires in Central Islip, N.Y.; Brad Feeney, director of commercial programs,

TBC Corp., Palm Beach Gardens, Fla.; Tim BeVier, national account business development manager, Technical Rubber Co., Johnstown, Ohio.

NWTDA congratulates all 5 new TIA Board members and wishes them success in their new positions with TIA.

COMMERCIAL TIRE SERVICE TRAINING CLASSES

The Northwest Tire Dealers Association (NWTDA) continues to offer the Tire Industry Association's Commercial Tire Service (CTS) training through our uncertain times dealing with the COVID-19 pandemic. We will continue to follow Washington and Oregon guide lines during our training programs.

In September we held CTS training classes in Pasco, Washington and in Portland, Oregon. In November we will hold CTS trainings in the Bend, Oregon area as well as Mt. Shasta, California for Point S Tire locations.

Cost of the training is \$300 for NWTDA and/or TIA members and it includes a new TIA CTS training manual and lunch. Those members wanting to use their own CTS manuals will be charged \$195 for the training. Non-members price is \$395 and includes a new TIA manual and lunch.

We will also be offering TIA's Automotive Tire Service (ATS) training to our members in the Southeastern Washington area and in Portland in November.

NWTDA will also offer both CTS and ATS training classes during our annual tire dealer conference which will be held at the Holiday Inn and Conference Center in Portland, Oregon on March 18 & 19.

For more information or to register for the training contact the association office at 509-948-2433.



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2020 NWTDA GOLF CHALLENGE

2020 has been a year in which so many things have been turned upside down and canceled because of COVID-19. We did not want the same thing to happen to our annual golf tournament and so we were happy to see Paul Krupa and his company Paysafe/TSYS step up to the plate and sponsor our 2020 Golf event.



Dealin' Dave and his Richey's Point S team of Jim Greear, Kevin Golden and Doug Whitlock were congratulated for their 1st Place win by sponsor Paul Krupa. Jim and Kevin also tied for best score and took home some extra cash.



Greg Hogan, who has the golf swing of Ben Hogan, brought his team of Larry Coleman and Rob Tetz into 2nd place. Larry picked up some extra cash for the second best score.



Doug Ray's Superior Tire Service team of Chuck Anderson, Mike Holms and Gary Gump took home the honors for 3rd place.



Paul Krupa's team of Ed Tuck and Michael Montgomery of T&T Point S Tacoma and Klyde Thompson of Del's Point S of Astoria were on hand to add some competition to the event. Ed took home his favorite trophy.



Bill Dokak's Avaun Tire team of Jesse Cordien and Don Morrison were eager to challenge some of the front runners.

NWTDA wants to thank all who participated and especially our supplier sponsors; Walt Kaufman of Greenball Tire Distributors, Six Robblies, and Superior Tire Service.



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LES SCHWAB SALE...

Continued from the Front Page.

"We are thrilled with this outcome", the statement continued, "The company's long-term outlook, the opportunities for employees, and the tremendous importance of our customers will remain as Grandpa always imagined."

At this point you have to ask yourself what Les would really think of the sale of his company. So I grabbed my copy of his book, <u>"Pride in Performance, Keep it Going!"</u> and did some research.

On page 197 Les Schwab says: "How could I ever sell our company and let these men down? If I believe what I say, then I must do what I believe. This company will never be sold, I hope."

L&I PROPOSES KEEPING WORKERS' COMP RATES STEADY FOR 2021

Washington Department of Labor & Industries (L&I) is prop0osing no increases in the average price employers pay for workers' compensation insurance next year. If the proposal is adopted, this will be the first time in 20 years that workers' compensation rates have dropped or stayed steady for four years in a row."

"Our 2021 rate proposal recognizes the toll the pandemic is taking on employers and workers in our state," L&I Director Joel Sacks said. "Although our projected workers' compensation costs are going up, we're keeping premiums the same by taking advantage of the reserves we've built over the years by improving services and reducing disability."

Employers and workers pay into the workers' compensation system to help cover the cost of providing wage and disability benefits for injured workers, as well as medical treatment of injuries and illnesses.

"We all know how tough it is right now. It's exactly why we have a reserve – so we are ready for an economic downturn," Sacks said. "We hope that keeping the average rate the same next year will help our communities get through this and come out the other side strong."

Along with no proposed increased, L&I has been taking steps to help businesses struggling to pay workers' compensation premiums. In April, the agency announced it was offering a grace period for premium payments, along with payment plans for employers facing financial difficulties during the pandemic. That program was extended in July and has helped thousands of businesses.

The Northwest Tire Dealers Association works closely with the Washington Retail Association to provide special discounted rates for our members. I you are not in a group program and would like to hear how to save money on you Workers' Comp contact the NWTDA office at 509-948-2433.

2020 TOP SHOP FINALIST

Congratulations to Scott Welsh and his crew at Courtesy Auto in Tacoma, who earned the title of 3-Time Tire Review Top Shop Award Finalist. They also had the honor in 2018 and 2015.

Welsh is a tire industry veteran, having worked for Goodyear for more than a dozen years in a variety of positions. In 2003, Welsh and a business partner bought a Goodyear tire shop in the Tacoma Mall. "This was a Goodyear retail facility that was owned by Goodyear and they were going to close it", Welsh said. We kept it open. Today Scott and his wife Susan are the shop's sole proprietors.









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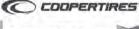
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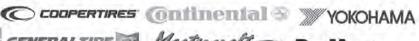


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