

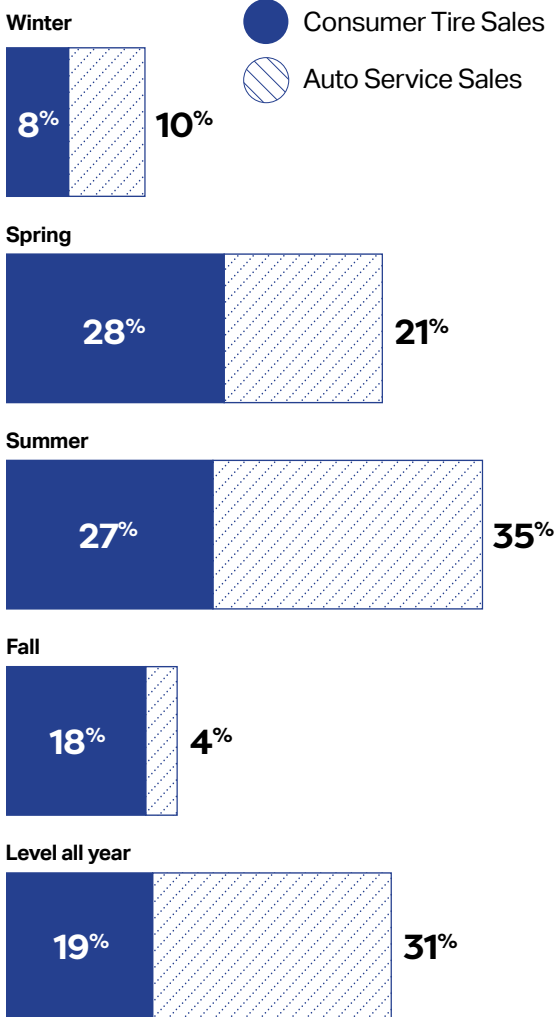
# Market Profile: Service

Traditionally, TIRE REVIEW has paired service data with tire market data in one section. In 2016, we decided to break the information apart from the tire market information to help tire dealers realize the full potential of the service side of their business.

All information is TIRE REVIEW research unless otherwise noted. Direct any questions to **Patti Renner** at [prenner@babcox.com](mailto:prenner@babcox.com).

## Summer

Still the Strongest For Service Sales



# Service Equipment Tire Dealers Lease/Own

(2016 data (2015 results). More than 100% due to multiple responses)

97%	(95%)	Air compressor
95%	(94%)	Alignment rack
95%	(96%)	Tire changer: standard
94%	(94%)	Computerized tire/wheel balancer
94%	(92%)	Tire changer: euro style
91%	(85%)	Battery tester/charger
89%	(89%)	Above-ground lift
89%	(87%)	Brake lathe: off-vehicle
88%	(85%)	Parts cleaner
88%	(78%)	TPMS reset/recalibrate tool
82%	(80%)	Engine diagnostic analyzer
80%	(92%)	A/C refrigerant recycler
77%	(67%)	Service truck
69%	(67%)	Brake lathe: on-vehicle
67%	(54%)	Nitrogen inflation system
41%	(39%)	Tube benders

## Tire Dealers **Do A LOT** of Service Work!

(Total service jobs by U.S. tire dealerships performed in 2015)

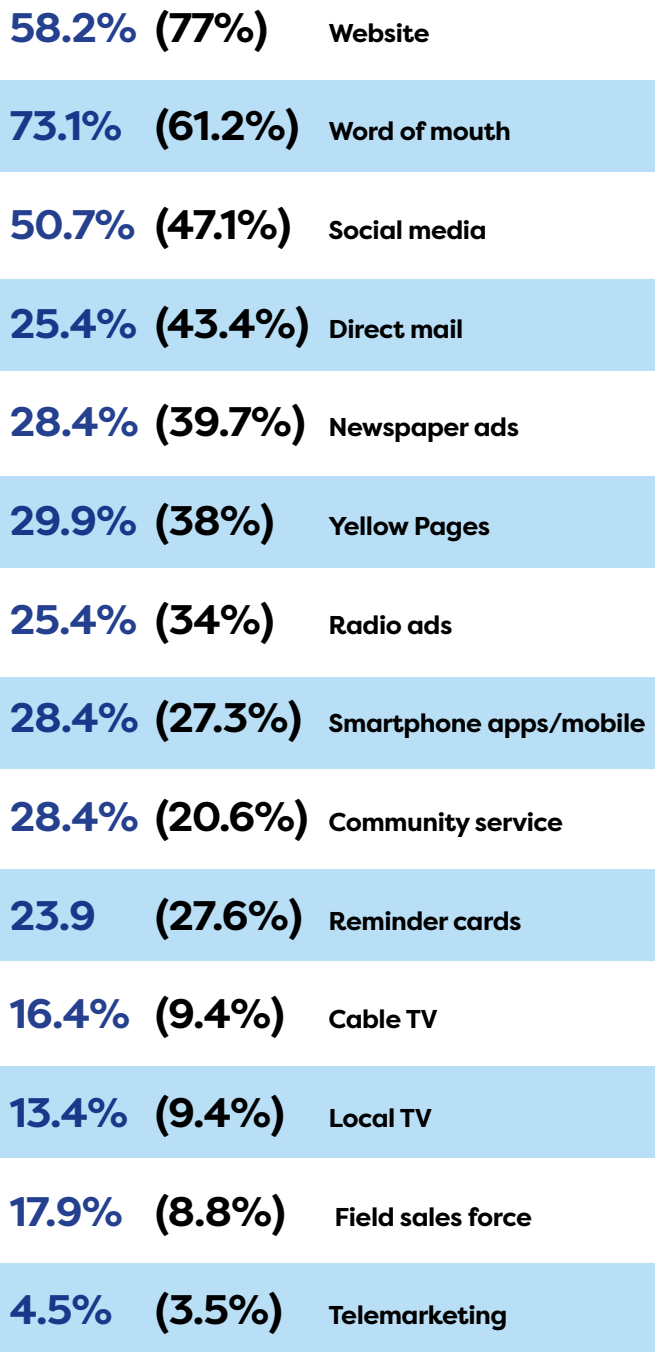
Alignment .....	25,889,019	Fuel/Air Sensors (MAF/MAP).....	1,487,947
Alternator .....	991,965	Hoses (Coolant) .....	1,983,929
Automatic Transmission Maintenance (Flus/Filter) .....	1,157,292	HVAC A/C Compressor .....	815,615
Axle (CV Joint/Full Axle).....	2,883,600	Ignition Coil .....	1,543,056
Battery.....	4,306,549	In-Tank Fuel Pump.....	854,192
Belt (Serpentine/V-Belt Tensioner) .....	3,747,455	Bulbs .....	6,943,742
Belt Tensioner .....	991,965	Oxygen Sensor .....	2,204,366
Brake Pads.....	13,336,413	Radiator .....	1,102,183
Brake Caliper .....	2,700,348	Shock & Struts.....	3,865,675
Brake Line/Hose .....	1,794,147	Spark Plugs.....	4,408,731
Brake Rotor .....	9,335,214	Starter .....	2,231,920
Catalytic Converter.....	495,982	Suspension Steering Rack/Gear .....	1,322,619
Clutch (Manual Transmission) .....	232,262	Suspension Air Ride.....	881,746
Coolant Flush Fill .....	1,991,965	Suspension Components: Ball Joints, Bearings, Tie Rods, Control Arm.....	11,956,244
Diesel Injection Engine Repair .....	275,546	Thermostat .....	1,680,929
Engine Replacement (Crate/Reman).....	122,044	Timing Belt.....	761,310
Engine Sensor (Crank/Cam Position/Knock/ Temperature).....	716,419	Tire (mount & balance).....	28,326,099
Exhaust System (Muffler/Pipes/Flex Joints).....	1,653,274	TPMS Relearn .....	16,753,179
Filter (air) .....	4,408,734	TPMS Sensor Replacement.....	1,983,929
Filter (cabin).....	2,424,802	Water Pump .....	1,157,292
Filter (fuel).....	1,212,401	Wheel Bearing Conventional (Press/Cartridge/Tapered) .....	1,377,729
Filter (oil).....	38,678,583	Wheel Bearing Hub Unites.....	2,416,383
		Wiper Blades .....	10,140,041

(Source: Babco Research)

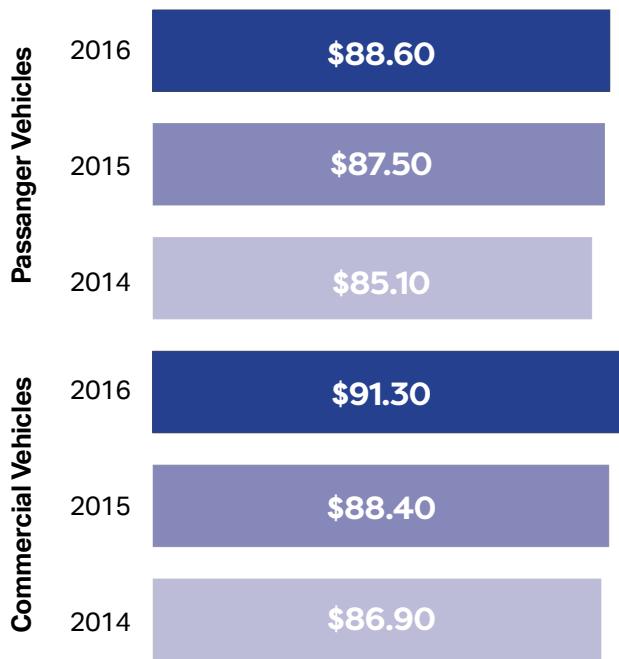
# How Dealers Advertise/Promote

2016 data (2015 results).

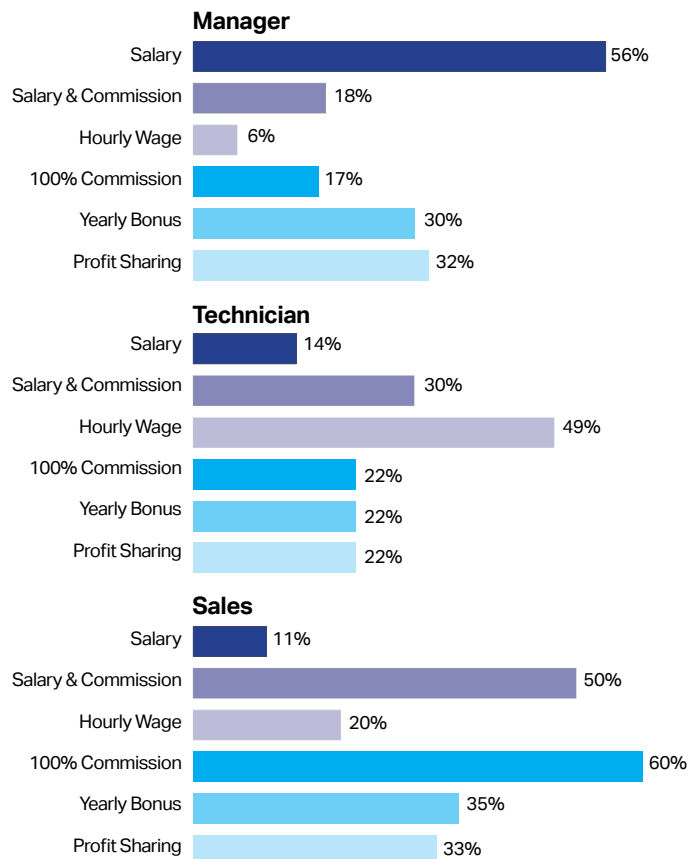
More than 100% due to multiple responses



## Average Labor Rate per Hour



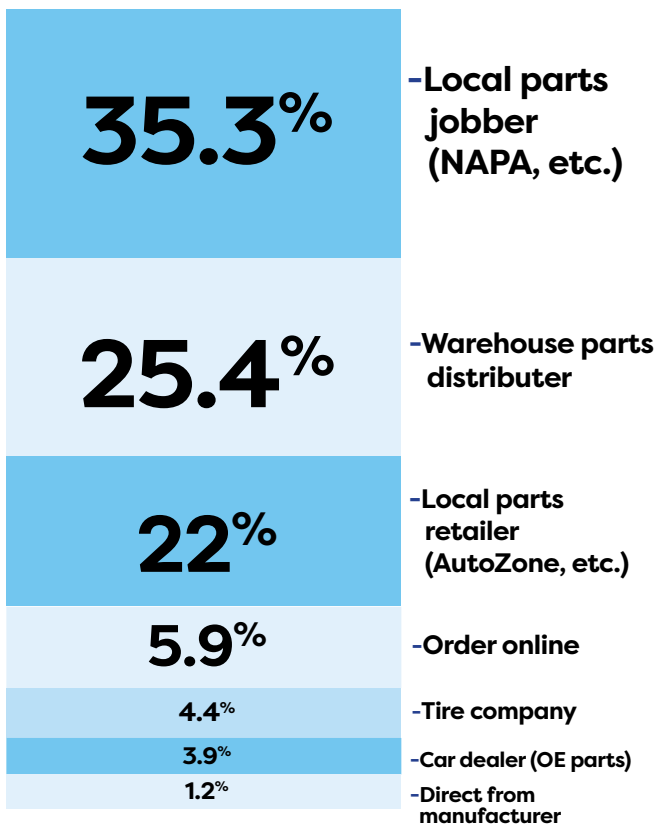
## Employee Compensation 2016



## Key Factors in Choosing a Repair Part Brand

1. Quality/fit/function
2. Availability
3. Product engineering
4. Full line coverage
5. Lifetime warranty
6. Strong brand name
7. Informative catalog
8. Used by OEMs

## Where Dealers Get Service Parts



## Hybrid Vehicle Sales By State

(registered vehicles)

State	2014	2015
California	145493	146302
Florida	31236	27033
Texas	26387	20281
New York	25385	20122
Illinois	19832	14631
Washington	14880	13554
Pennsylvania	14158	10690
Virginia	13602	10085
North Carolina	12843	10004
Ohio	12575	9667
Other	183030	135707
<b>TOTAL</b>	<b>499421</b>	<b>418076</b>

(Source: IHS Markit)

## EV Vehicle Sales By State

(registered vehicles)

State	2014	2015
California	29536	34477
Georgia	9993	6291
Washington	3381	3093
Texas	2308	2340
Florida	2213	2219
Oregon	1362	1638
New York	1084	1346
Illinois	1044	1324
New Jersey	900	1288
Hawaii	880	1014
Other	9517	10818
<b>TOTAL</b>	<b>62218</b>	<b>65848</b>

(Source: IHS Markit)

## Fuel Type By Volume

(registered vehicles)

Fuel Type	2014	2015
Hybrid	499421	418076
Conversion	118	128
Diesel	506766	489624
Electric	62218	65848
Flexible (Gasoline/Ethanol)	2313261	2029142
Gasoline	12946264	14184553
Natural Gas	2639	1600
<b>All Fuel Types</b>	<b>16330687</b>	<b>17188971</b>

(Source: IHS Markit)

# Vehicle Registration, Sales & Mileage

## U.S. VEHICLE POPULATION, (2002-2016)

(million of vehicles)

Year	Cars	LT/SUVs	Class 4-6 Trucks	Class 7-8 Trucks	Total Vehicles
2011	121,372	128,102	2,493	4,185	256,152
2012	119,533	129,188	2,867	4,817	256,405
2013	118,625	130,224	2,845	4,993	256,688
2014	119,631	132,970	2,629	4,490	259,720
2015	120,941	136,969	2,704	4,652	265,266
2016	121,984	142,091	2,903	5,071	272,048

(Source: Auto Care Association)

## U.S. NEW VEHICLE REGISTRATIONS

(In millions)

### CARS

Year	Domestic	Import	Total
2011	1.99	3.99	5.99
2012	2.23	4.87	7.10
2013	2.41	5.02	7.43
2014	2.35	5.20	7.55
2015	2.21	5.14	7.35

### LT/SUVS

Year	Domestic	Import	Total
2011	3.90	2.76	6.66
2012	4.10	3.10	7.21
2013	4.50	3.44	7.94
2014	4.98	3.79	8.77
2015	5.52	4.31	9.83

### TRUCKS

Year	Class 4-6	Class 7-8	Total
2011	.10	.21	.32
2012	.12	.25	.37
2013	.13	.24	.38
2014	.14	.28	.43
2015	.15	.32	.48

### TOTAL VEHICLES:

Year	Total
2011	12.98
2012	14.68
2013	15.76
2014	16.76
2015	17.66

(Source: Auto Care Association)

## U.S. VEHICLE MILES DRIVEN

(in trillions of miles traveled)

Year	Miles
2011	2.960
2012	2.950
2013	2.970
2014	3.040
2015	3.040

(Source: U.S. Dept. of Transportation)

## AVERAGE AGE OF CONSUMER VEHICLES

(in years)

Year	Cars	Light Trucks	All Light Vehicles
2011	11.1	10.4	10.8
2012	11.2	11.0	11.1
2013	11.3	11.2	11.3
2014	11.4	11.4	11.4
2015	11.5	11.5	11.5
2016	11.6	11.6	11.6

(Source: Auto Care Association)

# Vehicle Registration, Sales & Mileage

## U.S. TOP 10 PASSENGER CAR SALES

(Based on 2015 C-Y New Registrations)

<i>Make/Model</i>	<i>2014</i>	<i>2015</i>	<i>YoY Change</i>
Toyota Camry	429,553	424,179	-1.3%
Toyota Corolla	337,521	358,786	6.3%
Honda Accord	389,460	353,515	-9.2%
Nissan Altima	332,864	333,356	0.1%
Honda Civic	326,644	333,313	2.0%
Ford Fusion	307,191	299,558	-2.5%
Hyundai Elantra Sedan	190,780	220,415	15.5%
Hyundai Sonata	213,346	208,273	-2.4%
Ford Focus	223,276	200,474	-10.2%
Nissan Sentra	181,27	199,140	9.9%
<b>Top 10 Passenger Car Sales</b>	<b>2,931,880</b>	<b>2,931,009</b>	<b>0%</b>
<b>Total Passenger Car Sales</b>	<b>7,553,641</b>	<b>7,348,944</b>	<b>-2.7%</b>
<b>Top 10 as a Percent of Total Sales</b>	<b>3.8%</b>	<b>39.9%</b>	

## U.S. TOP 10 LIGHT TRUCK SALES

(Based on 2015 C-Y New Registrations)

<i>Make/Model</i>	<i>2014</i>	<i>2015</i>	<i>YoY Change</i>
Ford F-Series	700,095	727,846	4.0%
Chevrolet Silverado	523,809	596,727	13.9%
Dodge Ram	422,922	432,986	2.4%
Honda CR-V	335,099	344,587	2.8%
Toyota Rav4	266,116	309,990	16.5%
Ford Escape	308,061	305,655	-0.8%
Chevrolet Equinox	238,238	276,632	16.1%
Ford Explorer	210,830	247,590	17.4%
Gmc Sierra	211,859	223,645	5.6%
Jeep Grand Cherokee	176,204	215,526	22.3%
<b>Top 10 Light Truck Sales Total</b>	<b>3,393,233</b>	<b>3,681,184</b>	<b>8.5%</b>
<b>Total Light Truck Sales</b>	<b>8,777,046</b>	<b>9,835,783</b>	<b>12.1%</b>
<b>Top 10 as a Percent of Total Sales</b>	<b>38.7%</b>	<b>37.4%</b>	

(Source: Auto Care Association)