



RAISING STANDARDS AND IMPROVING SAFETY IN THE UK TYRE INDUSTRY

OUR MANIFESTO FOR CHANGE



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WELCOME

Welcome to the National Tyre Distributors Association (NTDA) manifesto for raising standards and improving safety in the UK tyre industry.

This research, and the six major policies formulated from it, has been based upon consultation with the NTDA membership, independent motorist research carried out by One Poll and interviews with leading experts from sector trade bodies.

We still have a lot of work to do to ensure that motorists do not make the mistake of buying part-worn tyres. We have a good base on which to build: our research has shown that motorists are not buying tyres on cost alone – trust in tyre retailers is high and buying choices are highly influenced by technicians.

We must also work to raise the skills of tyre technicians, encourage new talent into the industry and continue to educate motorists about the importance of tyre safety – all strong themes within this manifesto which I am delighted to commend.

A stylized, handwritten signature in black ink, consisting of several overlapping, sweeping lines that form a cursive shape.

Prashant Chopra

NTDA National Chairman



OUR MANIFESTO

The tyre industry is experiencing immense change. The uncertainty in the financial and political climate, particularly in the United Kingdom, looks set to continue for years to come. Trade association membership has never been so vital for businesses in the uncharted waters we are currently navigating through.

Acknowledging this, we have produced a 'manifesto for change', with six pledges focusing on tyre safety, improving tyre technicians' skills and building trust with motorists. We have to be 'fit-for-purpose' and listen carefully to our members, industry colleagues and the customers we serve.

We have carried out as much independent research as possible, touching on tyre safety, part-worn tyres and motorists' attitude to safety. The result is this basis for a consultative, pragmatic plan that outlines a clear pathway for the future.

We make no apology that this document has its primary focus on the vexed issue of part-worn tyres. The NTDA has long campaigned for better enforcement of the law. We have worked hard with industry colleagues such as TyreSafe and Trading Standards to secure successful prosecutions against those unscrupulous traders who sell illegal and defective tyres to motorists.

While this work has been relatively successful, it is unsustainable and our frustration at the inaction of Government and a lack of enforcement has led us to call for an outright ban on the sale of part-worn tyres in the United Kingdom. In this manifesto, we outline a plan for change and we intend to take this to other stakeholders and Government who can influence the change we desire.

Our independent research has been backed up with invaluable support, data and information from leading consumer charity TyreSafe, the British Tyre Manufacturers' Association (BTMA), the Tyre Recovery Association (TRA), the Tyre Industry Federation (TIF) and other important stakeholders and manufacturers in our industry.

This is our manifesto for change and we hope you can support our aims and objectives over the coming years.

A handwritten signature in black ink that reads "Stefan Hay". The signature is written in a cursive, flowing style.

Stefan Hay

NTDA Chief Executive

October 2017

CHAPTER 1

NTDA POLICY AND THE CALL FOR A BAN ON PART-WORN TYRES



A man in a dark blue suit and patterned tie is speaking at a podium. He is looking upwards and to the right. The background is a blue wall with a grid pattern. The lighting is dramatic, highlighting his face and suit.

"We want a total ban. It may not happen today, tomorrow or even this year, but we are ready to take this campaign forward."

Stefan Hay

THE CALL FOR A BAN

NTDA POLICY: A TOTAL BAN ON THE SALE OF PART-WORN TYRES IN THE UK

*"We want a total ban. It may not happen today, tomorrow or even this year, but we are ready to take this campaign forward for as long as it takes."*¹

It is the opinion of the NTDA that the part-worn tyre situation is now out of control, with many part-worn tyre dealers consistently ignoring the regulations and selling tyres that have not been tested under inflation or thoroughly inspected for damage. This poses a risk to public safety.

There is a large, unregulated part-worn tyre market where tyres are not marked as part-worn and are often stored in tyre-mountains in yards, sometimes open to the elements causing further deterioration. These tyres are rarely, if ever, fitted by qualified tyre technicians.

For many years, the NTDA has been working closely with the consumer charity TyreSafe and local trading standards officers to raise public awareness of the dangers of part-worn tyres. During this time, numerous part-worn dealers have been visited and in every case non-compliance with the regulations has been found. Among the most recent visits were businesses that have already been prosecuted within the last 12 months. Alarming, Trading Standards found further evidence of non-compliance leading to many further prosecutions.

Around 25% of motorists have purchased part-worn tyres². The NTDA believes in the majority of cases part-worn tyres are not fit for reuse, are a cancer to members' business and a menace to the public. NTDA membership supports the ban: in a recent membership survey, 86% would like to see a total ban on the sale of part-worn tyres and 90% believe part-worn tyres should not be a purchase option for motorists³.

To raise support and more awareness amongst the industry and the general public the NTDA launched an online petition, which within 24 hours attracted over 1,000 signatures. The NTDA will present this petition to the Business Secretary in 2018.

SELF-REGULATION: THE NEED FOR LICENSING AND A PROFESSIONAL DEVELOPMENT SCHEME

NTDA POLICY: WORK WITH STAKEHOLDERS AND OTHER INDUSTRY BODIES TO DEVELOP A THIRD PARTY CERTIFICATION SCHEME TO TACKLE ILLEGAL PART-WORN DEALERS

While an outright ban remains the ultimate goal, the NTDA fully recognises the difficulties in achieving this. Therefore it also supports the development of a certification scheme to tackle the part-worn dealers who do not follow legislation or protocol.

The NTDA has funded many investigations with Trading Standards. Since December 2013, joint inspections with Trading Standards Officers have been carried out in Bristol, Durham, Cheshire, Greater London, Lincolnshire, Northern Ireland, North

Lanarkshire, Nottingham, Sandwell, St. Helens, Stockton-on-Tees, Staffordshire, Wolverhampton and Derbyshire. Many of the vendors identified in these investigations have been arrested and prosecuted and many more face enforcement actions.

NTDA members contributed a voluntary £15 per depot levy to raise further funds in order to widen the scope of the part-worn campaign. While members are very pleased with the success of these campaigns to date, the size of the part-worn tyre market means that this level of funding is unsustainable and a new, more effective, properly funded solution needs to be developed.

SELF REGULATION AND ACCREDITATION: SUPPORTED BY MEMBERS AND THE PUBLIC

An industry-backed certification scheme that audits dealers who are compliant with the legal requirements

¹ Stefan Hay NTDA Chief Executive at NTDA Conference October 2016

² NTDA Motorist Tyre Survey July 2017

³ NTDA Membership Survey July 2017

would be a practical solution to the increasing safety issues and size of the part-worn tyre market. In the recent NTDA Membership Survey, over 90% felt companies dealing in part-worn tyres should be independently assessed. In its independent Motorist Tyre Survey, NTDA also found that over three quarters of motorists feel the part-worn tyre industry is unsafe with many stating action needs to be taken – now.

A third party certification scheme would introduce an element of control and policing which we currently do not have. Only dealers that have been independently inspected, audited and awarded the relevant third party certification would be allowed to legally sell part-worn tyres. Those who do not adhere to the scheme would be reported to Trading Standards and investigated.

This scheme would enable the industry to increase awareness to the general public. The NTDA would be able to promote an official, ‘safe’ list of dealers to motorists which would reinforce road safety messages, and protect those most vulnerable to the dangers of part-worn tyres.

RAISING PART-WORN LEGAL TREAD DEPTHS

Creating a certification scheme would allow the NTDA to introduce proposals for other safety measures. When reselling part-worn tyres, the original grooves must still be clearly visible in their entirety and must be to a depth of at least 2mm across the full breadth of the tread, around its entire circumference. In the NTDA Membership Survey, almost 80% of respondents felt the legal tread depth should be increased and 21% believe this would make a significant improvement to road safety. A certification scheme could allow the NTDA to propose the introduction of a deeper legal tread depth for part-worn tyres of 2.5mm or even 3mm.

FUNDING A CERTIFICATION SCHEME

Trading Standards can – and already does – place considerable fines on companies who break the law for selling part-worn tyres illegally. These have been as high as £20,000 in some cases. Fines from non-compliant companies could be used to fund the enforcement of a certification scheme.

Part-worn tyre dealers should also contribute to a scheme with a registration and annual inspection fee.

A USED TYRE “QUALITY MARK”

The NTDA believes the part-worn tyre market could be made safer with the introduction of a quality mark – available only to industry-inspected and accredited dealers. In the NTDA Motorist Tyre Survey, 47% of motorists agreed that a quality mark on part-worn tyres would make the industry safer. The current part-worn mark is generic and open to abuse.

SUPPORTING THE TYRE RECOVERY ASSOCIATION (TRA) PROTOCOL

The NTDA partners the Tyre Recovery Association (TRA) on issues relating to part-worn tyres. As sister organisations, both sit together in the Tyre Industry Federation and the NTDA fully supports the TRA in its endeavours to improve compliance.

The TRA has launched a protocol aimed at ensuring that no tyre is offered for resale that is not legally compliant. During the course of this year, all pre-owned tyres that are still deemed suitable for road use will be professionally examined by a trained operative and specifically marked as suitable for re-use. In the ‘Waste Hierarchy’, reuse is considered the highest form of recycling: the European Commission states clearly that acceptable reuse avoids unnecessary waste.

The bulk of part-worn tyres come to market from vehicle dismantlers and dedicated importers. Both the British Vehicle Salvage Federation (BVSF) and the Motor Vehicle Dismantlers Association (MVDA) are supportive of the TRA’s proposals.

The TRA’s view is that part-worn tyres can provide an effective alternative to new tyres, subject to them meeting a number of criteria. Completing the new TRA protocol demonstrates the part-worn tyre being checked is the best quality and meets critical legal requirements.

The NTDA supports the TRA scheme. However, real evidence of enforcement with punitive measures against those not complying with the law, must be seen.

Peter Taylor, Secretary General of the Tyre Recovery Association (TRA), said: *“Tyres are a vehicle’s primary safety feature. Alarming only two per cent of part-worn tyres are sold legally. The sale of part-worn tyres that do not meet legal requirements is not only a criminal offence under the Consumer Protection Act, but also a serious safety risk to drivers, their passengers and other road users. This new protocol will ensure retailers selling second hand tyres follow industry best practice, which will in turn draw attention to those who do not. It will give consumers the confidence that the retailer is putting tyre safety first.”*



PART WORN TYRES PROPOSALS FROM THE TRA



This chart shows how the TRA protocol will work

SIDEWALL DRILLING

NTDA POLICY: NTDA SUPPORTS MEMBERS DRILLING HOLES IN THE SIDEWALLS OF END-OF-LIFE TYRES TO STOP THEM BEING SOLD AS PART-WORN TYRES

Sidewall drilling is the practice of destroying the side of the tyre to make it impossible to refit as a part-worn tyre. It is a way of self-policing the market and ensures that tyres cannot leave the distributor and go back into the marketplace.

Around 22% of NTDA members always drill the sidewalls

of tyres they deem unsafe for reuse to stop them being resold⁴. In the NTDA roundtable research, there was a consensus that sidewall drilling was a legitimate and responsible act which NTDA members could undertake to combat the scourge of part-worn tyres.

END OF LIFE TYRE COLLECTION AND DISPOSAL

NTDA POLICY: RETAILERS SHOULD ONLY USE TRA APPROVED COLLECTORS TO ENSURE FULL COMPLIANCE WITH WASTE TYRE REGULATIONS

There are legal obligations for waste tyre producers (see Chapter 2). NTDA members produce around 16

Grove Road Tyres in Chadwell Heath, Essex was the first in the country to adopt and introduce the new TRA protocol, which inspects every second hand tyre and is independently audited. Grove Tyres sells upwards of 300 fully examined part-worn tyres each week.

Peter Craven, who has worked in the tyre industry for 45 years and opened Grove Road Tyres 30 years ago, said: *“As a member of the Tyre Recovery Association, we were delighted to trial the new protocol which shows consumers that the part-worn tyres they are buying are of the best quality. Whether you are driving a Ford Fiesta or a Rolls Royce, ensuring part-worn tyres meet safety and legal requirements is paramount.*

“Every member of our tyre team has been trained to follow the protocol, which is a series of good practice and safety checks. We are independently assessed and audited, and the certificate of accreditation we receive will be displayed for all our customers to see so they can be assured we meet the highest quality standards.”

⁴ NTDA Membership Survey July 2017

million tyres for scrap each year, with over 1.5 million finding their way back into the part-worn tyre trade. The NTDA supports the use of the Tyre Recovery Association's TIF Responsible Recycler accredited collectors to collect and dispose of waste tyres.

TIF Responsible Recycler accredited collectors are audited annually to ensure:

- They are correctly licensed
- They issue customers with and maintain the correct paperwork
- They maintain records of all their waste movements to final re-use, recovery or disposal
- Their sites are suitable, compliant and meet other appropriate standards e.g. health and safety
- The end of life tyres they handle stay within the legitimate recovery chain

CHAPTER 2

THE PART-WORN TYRE MARKET



THE PART-WORN TYRE MARKET

A part-worn tyre is one that has been previously used on one vehicle and is then removed and subsequently used on another. The sale of part-worn tyres is legal, however there is strict criteria which must be met to comply with the legislation and provide a safe product for the driver.

SOURCES OF PART-WORN TYRES

It is generally agreed there are three sources of part-worn tyres:

- Imports
- Vehicle recovery firms
- Tyre retailers

The imported tyre is a vast source that lends itself to the wrong types of tyres being used on vehicles. There are, for example, a large number of winter tyres being imported which may not be intrinsically unsafe but are not necessarily fit for general motoring in the UK.

Tyres from vehicle recovery firms are those from scrap car dealers who have recovered a vehicle and removed the tyres.

Tyre retailers may replace tyres on customers' vehicles and then sell them into the part-worn market or sell those that have been sourced from vehicle recovery firms.

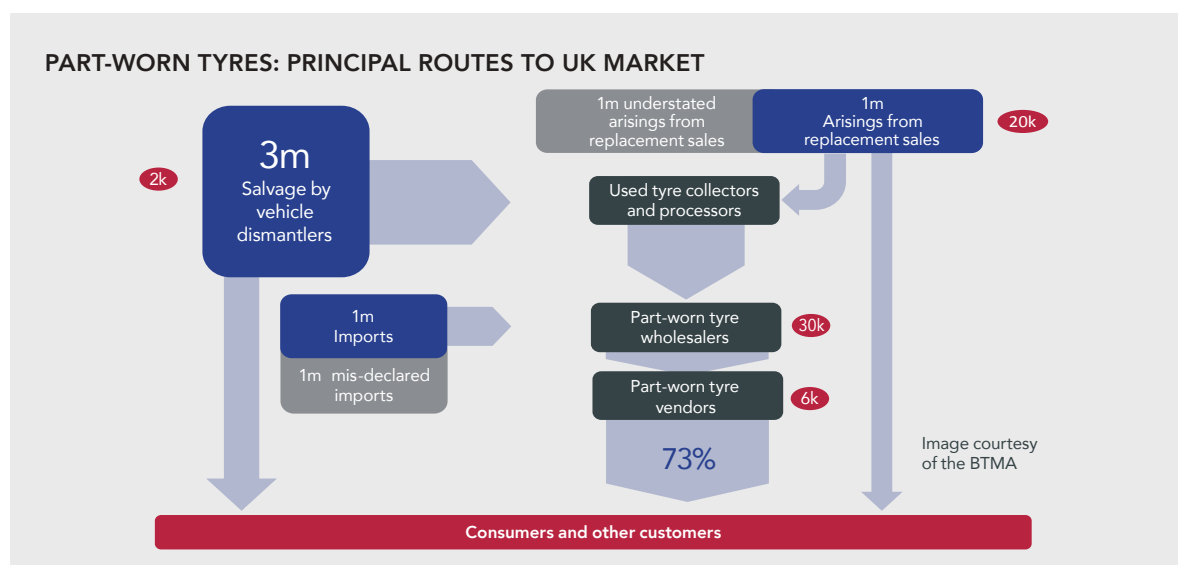
THE SIZE OF THE UK'S PART-WORN TYRE MARKET

The NTDA estimates that at least 4.5 million part-worn tyres are sold in the UK every year, although the figure could be nearer 6 million. In interviews, one part-worn tyre wholesaler claimed he sells 2 million a year and another stated he imports between 6,000 and 10,000 part-worn tyres a week. Defining the size of the market is difficult, but certain statistics make it almost inconsequential. A TyreSafe survey⁵ found:

97% of part-worn tyres were being sold illegally
34% being offered for sale had dangerous, potentially life-threatening, defects

WHY ARE MOTORISTS BUYING PART-WORN TYRES?

The NTDA Motorist Tyre Survey highlighted 25% of motorists admitted to previously purchasing part-worn tyres and of those, 65% stated this was because they were far cheaper – in fact over half of all motorists interviewed said their choice of tyre was influenced by cost. Of course part-worn tyres are cheaper than new tyres and the rise in the cost of rubber has hit the budget tyre market and raised the price of cheaper brands. As tyres tend to be a distress purchase, for some motorists part-worn tyres are becoming a more attractive option.



⁵ TyreSafe. 2017 <http://www.tyresafe.org/tyre-safety/part-worn-tyres/> [Accessed July 2017]

There is a distinct lack of knowledge with regard to part-worn tyres however. Motorists are unclear about how to accurately determine the state of the tyre. The number one problem found with part-worn tyres is them failing due to damage that was already present when the tyres were fitted to the new user's car⁶. This damage is rarely clear to the inexperienced eye. Second place in the list of complaints with part-worn tyres is a loss of grip or control due to the tyres' poor quality, with many drivers reporting they have been involved in a collision due to lack of grip. Third place goes to MOT failure.

PART-WORN TYRES: A FALSE ECONOMY

Purchasing part-worn tyres may only be a perceived saving: they may seem cheap but could cost a motorist more in the long-run. Part-worn tyres have substantially less tread than a new tyre, so will need to be replaced much more quickly – potentially very quickly. If there is little tread left then the motorist will be forced to purchase new tyres after only a few thousand miles rather than the 18,000 miles expected from new tyres with 8mm tread depth.

Minimum legal requirement of tread left on a part-worn tyre: 2mm

Minimum legal tread for a car or van tyre on Britain's roads: 1.6mm

Difference: **0.4mm** – half the thickness of a credit card

A new tyre's tread depth: **7mm to 8mm**

Penalties for driving a vehicle with tyres below the legal tread depth: **Up to £2,500** and three penalty points per tyre.

THE IMPACT OF BREXIT ON THE PART-WORN TYRE INDUSTRY

It has been a period of great uncertainty in UK politics and the uncertainty will continue for some time to come.

A key moment for tyre safety legislation will come with the Great Repeal Bill, which will retract the 1972 European Communities Act and essentially convert EU law into British law. Without these EU laws becoming UK law, there would be no legislation on many important issues. The NTDA will be monitoring the situation in the years ahead.

However, depending upon the political climate, further general elections and the possibility of a second referendum on leaving the European Union, it is too early to guess the legislative impact of Brexit on the tyre industry and consequently the part-worn tyre market.

As we retain certain EU laws through the Brexit process, EU tyre labelling will remain on tyres for the foreseeable future. However, more work needs to be done on educating the UK motorist on what EU tyre labelling means as in our Motorist Tyre Survey, less than 5% of respondents said they fully understood the labelling while over 50% claimed they had never even heard of it.

What is clear is that political uncertainty breeds financial instability in the business community, and NTDA members are not immune to this. If prices of branded tyres are pushed up by the weakness of the pound against the dollar and Euro, then the worst case scenario is an increase in the sale of part-worn tyres due to cost. According to NTDA research, over half of all motorists buy on cost⁷. The NTDA industry roundtable revealed that NTDA members are seeing cheaper new tyre brands' costs rising. Therefore, this would seem to suggest that part-worn tyres could become more popular as costs rise.

"Many of the second hand tyres sold in the UK are brought in from Europe by the container-load, having been taken off cars across the Channel. Motorists considering a part-worn tyre should perhaps ask why a tyre that is no longer good enough for a Dutch, German or Danish driver would be good enough for them.

We recognise that drivers are keen to keep their motoring costs low, and we work hard to provide products and services to help them do that. There comes a point where cutting costs can compromise safety and this is especially true with tyres. After all, these are the only thing connecting a car with the road, so we urge drivers to consider whether they really need to opt for the unknown quality of second hand tyres."

Roger Griggs, Kwik Fit and past NTDA National Chairman

⁶ Kwik Fit 2014 <http://www.ntda.co.uk/tag/kwik-fit/> [Accessed August 2017]

⁷ NTDA Motorist Tyre Survey July 2017

WHAT THE LAW SAYS

Under The Motor Vehicle Tyres (Safety) Regulations 1994 (reg.7.) part of the Consumer Protection Act⁸, it is an offence for anyone to sell part-worn tyres that do not meet the following principal requirements:

- The structural integrity must not be compromised. It should be free of large cuts, any bulges or lumps both internally and externally. No plies or cords should be exposed.
- Tyres must have passed an inflation test prior to sale.
- The original grooves must still be clearly visible in their entirety and must be to a depth of at least 2mm across the full breadth of the tread, around its entire circumference.
- Part-worn tyres which have not been re-treaded must clearly show the relevant 'E' mark alongside which 'PART-WORN' must be permanently and legibly applied in letters at least 4mm high. These words cannot be hot branded or cut into the tyre.

Part-worn tyres that have been re-treaded must have one of the following:

- BS AU 144b, 144c, 144d, or 144e markings on the side wall (if first supplied as a re-tread on or before 31 December 2003) or an ECE approval mark (if first supplied as a re-tread on or after 1 January 2004).
- A permanent mark to identify the original model and manufacturer, the word 'RETREAD' moulded onto or into its sidewall (in upper case letters at least 4mm high) and further markings in accordance with ECE rules.
- The indication 'PART-WORN' must also appear next to the BS or ECE approval mark, or next to the word 'RETREAD'.
- For tyres marked BS AU 144e, a speed category symbol and load capacity marking should be present.

A tyre has to comply with all these requirements whether or not it is fitted to a rim.

EVIDENCE OF ILLEGAL SELLING AND SAFETY ISSUES

According to recent figures released by TyreSafe⁹, 5,375 UK motorists were killed or injured in the past five years in accidents caused by illegal, defective or under-inflated tyres.

More than a third (34%) of the 817 part-worn tyres bought in mystery shopper exercises across the country during 2014, contained faults or damage which meant that they should not have been offered for sale. Furthermore, 97% had not been marked by retailers as 'part-worn' as required by law.

In safety checks carried out by trading standards in County Durham¹⁰, six out of seven part-worn tyre samples for sale had faults and the only legal tyre was over 18 years old. Two tyres were seriously damaged after being under-inflated. Two had damage to the bead and one contained water, showing it had not been stored properly.

The NTDA believes competence among used tyre retailers across the UK is questionable and the majority of used tyres are not properly inspected.



An example of the work NTDA and TyreSafe have carried out to expose illegal and unsafe part-worn tyre dealers

⁸ <http://www.legislation.gov.uk/ukxi/1994/3117/regulation/7/made>

⁹ <http://www.tyresafe.org/other-information/statistics/>

¹⁰ <http://www.mirror.co.uk/news/uk-news/motorists-warned-against-buying-lethal-10233432>

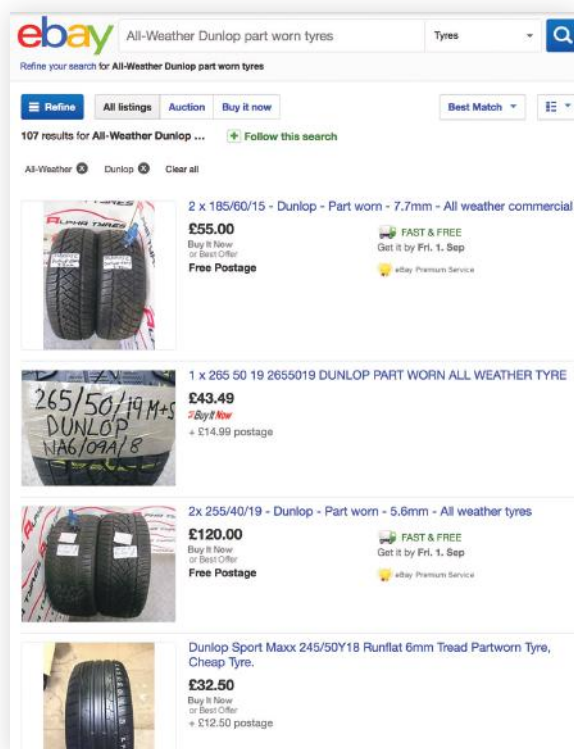
WHO IS SELLING PART-WORN TYRES AND WHERE?

Part-worn tyres can be bought in yards, garages and in 'pop up' roadside outlets, for instance in car washes. According to figures from our Motorist Tyre Survey, around 15% of motorists who purchased part-worn tyres did so online, on eBay, Gumtree and other websites. There are sellers openly selling tyres on eBay that state that they are damaged – that is an offence.

The NTDA does not, and would never, support the sale of part-worn tyres on online sites such as eBay and Gumtree.

There is no control of businesses setting up as part-worn dealers, adding to the safety issue. Part-worn traders who are setting up in petrol stations for instance, may well be employing unqualified personnel and be committing other offences such as the employment of illegal workers, a lack of health and safety and non-payment of VAT.

The good news is that NTDA independent research shows over 80% of motorists would prefer to buy their tyres from an outlet, face to face, not online¹¹.



LEGAL RESPONSIBILITIES FOR WASTE TYRE PRODUCERS

Waste Tyres are a controlled waste and are therefore subject to environmental regulations under Duty of Care, Registration of Carriers and Licensing of Waste Management operations¹². Any tyre permanently removed from a vehicle is considered to be 'waste'. Retailers and others in the recovery chain, even the motorist, have a legal Duty of Care in handling such tyres. Part-worn tyres are waste until they have been properly and thoroughly inspected and marked.

In England and Wales (and for the time being Scotland) tyre retailers may store up to 1,000 used car tyres and 500 truck tyres at their depots without a permit, however, if tyres are transported on the public highway for whatever reason, they will need to apply for a Waste Transfer Permit.

Many retailers think that once they have passed the tyres to a third party collector and they have a Waste Transfer Note (WTN), they no longer have any legal responsibility. This is not the case. The WTN is only part of the process. To be legally compliant retailers need to ensure they carry out and document the following checks:

- Ask for a copy of the Waste Carriers Licence
- Ask for proof of where and how the tyres will be recycled
- Ask for copies of Environmental Permits and/or exemptions, if applicable
- Complete a WTN for each collection, information showing:
 - o Classification of the waste (EWC code), waste tyres are 160103
 - o Quantity and how they are packed (e.g. loose loaded)
 - o Time and place of the transfer
 - o Their SIC code
 - o The name and address of the transferor and transferee
 - o Details of the transferor and transferee (e.g. producer, registered waste carrier) and including relevant licence and permit numbers

¹¹ NTDA Motorist Tyre Survey July 2017

¹² <https://www.gov.uk/guidance/waste-legislation-and-regulations>

Out of sight is not out of responsibility. As the producer of the waste, retailers' legal responsibility does not transfer once the tyre has left their premises; it is still their responsibility until it has been fully recycled.

PENALTIES FOR BREACHING THE LEGISLATION

Anyone found in breach of the Duty of Care Code of Practice is subject to a penalty of £5,000 on summary conviction or an unlimited fine on conviction on indictment.

ILLEGAL DEPOSIT

Section 33 of the Environmental Protection Act 1990 prohibits unauthorised or harmful deposit, treatment or disposal of waste e.g. fly tipping or transfer to site without an appropriate environmental permit or exemption. Any person who commits an offence under this section if convicted in the Magistrates' Court is liable to conviction and imprisonment of up to 12 months and/or a fine of up to £50,000. Any person convicted in the Crown Court could be liable to a five-year jail term or an unlimited fine.

CHAPTER 3

MOTORISTS AND THEIR ENGAGEMENT WITH, AND ATTITUDE TO, TYRE SAFETY



MOTORISTS AND THEIR ENGAGEMENT WITH, AND ATTITUDE TO, TYRE SAFETY

With tyres the only thing keeping a vehicle in contact with the road, they are an essential safety component of a vehicle. NTDA independent research¹³ shows some good news: the majority of motorists would choose a more expensive but brand new tyre over one that is part-worn and are happy to change their tyres when the need arises.

However, when surveying motorists on their tyre maintenance attitude:

- Only 40% of respondents said they regularly check their tyres' tread
- 60% did not know the legal tread depth of tyres
- Just 14% know the legal tread depth on a part-worn tyre is 2mm

During NTDA research on part-worn tyres it has been suggested that tyre retailers are merely acting in self-interest by calling for a ban. In other words, they are out to make more money from new tyres rather than giving an option to the consumer. However, when the NTDA engages with Government and key stakeholders it is always coming from a position built on safety research.

PURCHASING TYRES: COST IS KING FOR MANY

Both the NTDA's Motorist Tyre Survey and Membership Survey clearly show that the biggest influence when purchasing new tyres remains cost. Members are concerned that the market for part-worn tyres is strong and continuing to grow. This concern is supported by the independent Motorist Tyre Survey: while the majority of respondents would be more likely to purchase tyres from a reputable shop, 20% said they would either be more likely to purchase from a car wash forecourt or scrap yard or would consider either.

During the roundtable member meeting, the consensus was that the consumer is still out there looking for the part-worn product. Attendees agreed they had seen an increase in enquiries. All felt that tyres are a distress purchase and many believe the public is not fully aware of the potential dangers of

part-worn tyres – they do not understand that these are tyres that may have been involved in an accident or driven around on another car for years. They do not understand what a problem sidewall cracking, bulges or poor repairs can be.

As a distress purchase, many motorists begrudge the outlay. In the Motorist Tyre Survey, over half stated they make their tyre choice based purely on cost. It is unfortunate that those purchasing part-worn tyres for this reason do not recognise that in many cases they are a false economy. A TyreSafe investigation¹⁴ showed that the average part-worn tyre costs £6.33 per mm while a comparable new tyre costs just £5.32 per mm.

Due to the results of its independent survey, further consultation with the NTDA membership and anecdotal evidence from the roundtable session, the NTDA stands by its call for a ban on part-worn tyres until such time as the market becomes significantly safer.

MOTORISTS' ATTITUDE BY GENDER AND REGION

There is a concern from NTDA members that motorists may be moving toward purchasing tyres online. The Motorist Tyre Survey shows that in fact this is not a popular option. Men are more likely to buy online, with almost 1 in 5 saying they have done this while only 1 in 10 women have done so.

It is not a surprise to discover that women are far more likely to listen to advice from a tyre technician than men (45% and 36% respectively). Our interview with Steph Savill, founder of Foxy Lady Drivers Club explores how tyre retailers can become more female friendly and build upon the trust consumers have in their local tyre centres.

There is a vast difference in regional attitudes to part-worn tyres. While only 7% of motorists in East Anglia have purchased part-worn tyres, 33% of motorists in Wales and 37% of motorists in Northern Ireland have purchased them.

Regardless of region however the overriding factor in choosing a tyre remains cost.

¹³ NTDA Motorist Tyre Survey July 2017

¹⁴ TyreSafe http://www.partworn-tyres.co.uk/?qards_page=cost

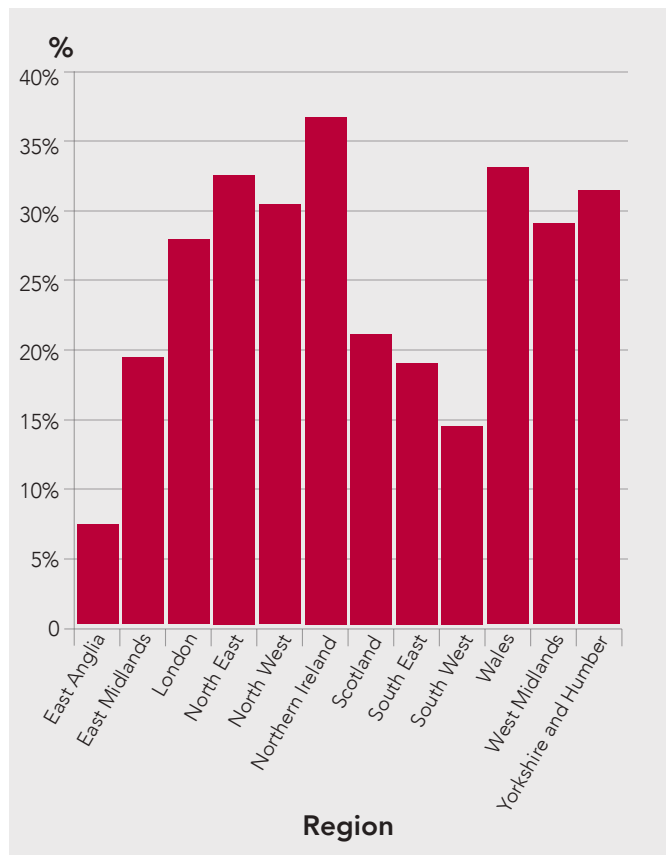
KNOWLEDGE OF TYRE LEGISLATION

Tread depth is vitally important when it comes to tyre safety: tread depth increases tyre grip on wet surfaces which means vehicles can travel at a higher speed without aquaplaning and braking distance is shorter. According to the TNO Tyre Usage Report sponsored by the European Commission¹⁵, research suggests that around 10 to 20% of vehicles across the EU have a tread depth that is close to or below the minimum legal limit. Up to 20% of cars have one or more tyres with reduced inflation pressure that is considered dangerous: it reduces grip, can lead to vehicle instability and cause blowouts.

TyreSafe together with Highways England carried out a vast investigation of over 340,000 used tyres in 2016¹⁶ and the findings were shocking.

- More than 27% were illegal at the time of changing
- Over 10 million tyres on the UK's roads could be illegal
- Over 70% of tyres replaced were under 2mm

Regional revelation: percentage of respondents purchasing part-worn tyres by region



¹⁵ https://ec.europa.eu/transport/road_safety/sites/roadsafety/files/pdf/vehicles/study_tyres_2014.pdf

¹⁶ <http://www.tyresafe.org/other-information/statistics/>

¹⁷ TyreSafe http://www.partworn-tyres.co.uk/?qards_page=your-safety

Braking distance on a wet road is radically different between a new tyre with 8mm tread (25.9m) and a worn tyre at 1.6mm tread depth (37.8m) – a difference of almost 12m¹⁷.

The recent NTDA Motorist Tyre Survey shows that only 40% of motorists know the legal tread depth of new tyres and 85% do not know that the legal tread depth for part-worn tyres is 2mm.

There is some good news from the NTDA independent research however. NTDA members say there is a perception amongst motorists that those selling part-worn tyres have done due diligence and that they believe the tyres they are purchasing are legal and safe. However, the NTDA Motorist Tyre Survey shows a different slant – that motorists do not feel the part-worn tyre market is a safe one and that there is a call for a certification scheme to regulate the market. While in some areas such as Northern Ireland, there is a stronger perception that the part-worn market is safe, the overwhelming majority of respondents in our survey feel the industry should be policed more effectively.

EU TYRE LABELLING

The EU tyre label was introduced back in November 2012 and provides information on wet grip, rolling resistance and noise. The main aim of the legislation was to provide more information to motorists on the performance of tyres. In turn, this would improve road safety, make buying tyres more cost effective and reduce the impact tyres had on the environment by lowering rolling resistance.

However there is some controversy over the labels. Drivers now have more access to information about the safety and environmental impact of their tyres than ever before. But opponents argue the labels are misleading as, amongst other factors, they do not take into account braking on a dry surface or winter performance.

The NTDA wholeheartedly supports the labelling but its Motorist Tyre Survey highlighted some startling statistics about EU tyre labelling – only 4% of motorists felt they understood the EU labelling and over half of all motorists claimed, shockingly, not to have even heard of it.



STEPH SAVILL MBA, FIMI, FCIM, FOUNDER AND MD OF FOXY LADY DRIVERS CLUB EXPLAINS WHY NTDA MEMBERS NEED TO LISTEN TO 51% OF THE POPULATION

When it comes to buying a tyre, the NTDA Motorist Tyre Survey research found that women are more likely to trust advice and recommendation, rather than base their decisions purely on cost.

WHAT IS THE FOXY LADY DRIVERS CLUB?

FOXY Lady Drivers Club is the UK's only motoring club for women drivers. Membership benefits include car insurance, affinity car buying schemes and VIP services at FOXY Lady Approved UK garages and car dealers.

Why did you establish the Club?

Prior to my step daughter having a bad garage experience, I had no experience of the motor industry. I didn't realise that so many areas aren't regulated or that mechanics don't have to be licensed to do their job. It was the safety implications, coupled with poor female perceptions and the dramatic increase in the numbers of women drivers that got me thinking I could do a better job for motoring mums and daughters.

How important is tyre safety to female drivers?

Car safety is important to all the women drivers I speak to. Of particular note are the mums, grans and carers who worry about transporting others. Most are well versed about NCAP car safety ratings but less aware of tyre safety tread and pressures, thinking that the annual MOT puts them straight here.

Too many women delegate tyre checks and garage visits to husbands or partners not realising that she, the driver, is responsible for the safety of her car. And an alarming few don't seem to realise that a much travelled car/van can need tyre attention long before its first MOT. When I talk about tyre care I find remarkably low awareness or interest until I mention the possibility of a £2,500 fine and three licence points per illegal tyre – then I have their full attention.

Anecdotally, do you think women are more careful when it comes to buying tyres?

Women are professional shoppers in most domestic situations but this assumes they know the brand names. When faced with many tyre brand names they've never heard of, price comparison websites

suggest they are all of a similar standard. I suspect that many male and female motorists are equally influenced by price considerations today.

Do you think there should be an accredited scheme and mark for sellers of part-worn tyres?

FOXY's advice is to **NEVER** buy part-worn tyres because you don't know where they've been. If this area ever became government regulated and TyreSafe convinced me that these tyres were safe I'd think again of course. As this is highly unlikely, I can't endorse any scheme that might allow dodgy tyre centres to sell non-accredited part-worn tyres via the back door.

How comfortable are women when it comes to dealing with their car?

Many women arrive at garages (including tyre centres) expecting to be sold services they don't need or expecting to be patronised or overcharged. This can make us overly suspicious, aggressive and assertive – which is not a good start to any business relationship.

So, when a genuinely caring garage suggests she'll need a new tyre very soon (because the tread is close to 1.6mm) she might see this as a sign that the garage is attempting to sell her something she doesn't need – because she's expecting this sort of thing to happen to her.

To make tyre retailers more welcoming for women I would start with recruiting more women into boardroom roles, tasked with making businesses more female friendly for customers and encouraging more female staff to join the business and/or move up the career ladder. I'd like to see more women selling tyres and being promoted as female role models/business ambassadors at tyre retailer websites – clearly targeting wary women drivers.

In my opinion, the next challenge for tyre retailers will be how to become (and be seen as) genuinely female friendly employers to attract more of the best female talent at the interview stage. Given a customer service mandate, the right female staff will not only lead and influence tidiness and cleanliness standards but they'll also bring that welcoming female touch we hope.

CHAPTER 4

NTDA MEMBERS' ATTITUDES TO PART-WORN TYRES



NTDA MEMBERS' ATTITUDES TO PART-WORN TYRES

This research has been a collaborative project, consulting NTDA members, motorists and other key industry bodies and professionals. The NTDA conducted a roundtable session with its members and carried out a research programme across the entire membership to better understand attitudes to the part-worn tyre market and to call for a ban on part-worn tyres.

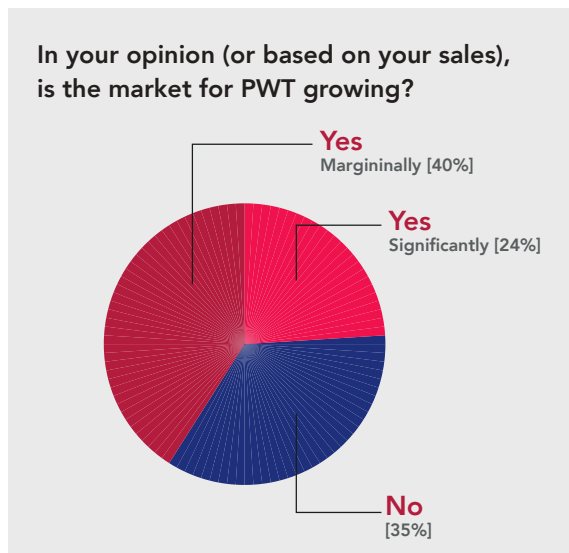
“THE PART-WORN TYRE MARKET IS GROWING”

As consumers continue to look for cheaper products, members have seen an increasing amount of enquiries about part-worn tyres. According to our roundtable discussions, consumers are unaware of the dangers of part-worn tyres, see buying new tyres as a distress purchase and think part-worn tyres may be an option to save money. Economic perception is influencing the market.

“I don't think people wilfully take risks with their safety it's the perception that it's okay and they will do it because they are motivated by buying the cheapest product.”

“There should be a total ban on selling part-worn tyres. We are the sixth wealthiest nation and it's crazy they are being sold over here.”

64% of NTDA members say the part-worn tyre market is growing



“THE PART-WORN TYRE INDUSTRY IS UNSAFE”

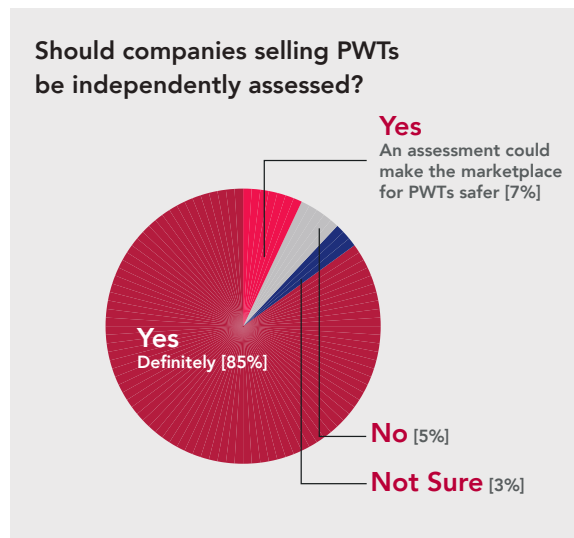
Members are in almost total agreement here – the NTDA Membership Survey shows only 3% of members feel the part-worn tyre industry is safe. There is an acknowledgement that the industry needs an assessment and accreditation process, that all retailers should be independently assessed and that unaccredited tyre dealers should not be able to sell tyres.

“The problem is we're telling them one thing and the part-worn dealers are telling them something different and there's no real guidance on it.”

“ANYONE CAN SELL PART-WORN TYRES. THERE IS A LACK OF ENFORCEMENT AND A LACK OF CONSUMER EDUCATION. CONSUMERS SIMPLY THINK WHEN THEY BUY THEM THEY ARE SAVING A FORTUNE.”

Less than 2% of our members think anyone should be able to sell tyres.

91% believe companies selling part-worn tyres should be independently assessed



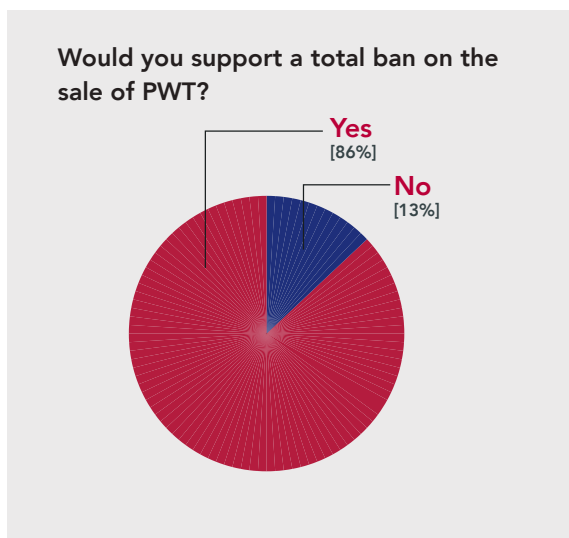
“WE NEED A BAN”

The NTDA members attending the roundtable session were in agreement: regulation is not easy and an outright ban is the ideal. Members stated that regulation has not proved successful in the past and that rules can be bent. Some highlighted that the public can be gullible and believe the person selling the part-worn tyre, whether they are telling the truth or not. Regulating the industry could simply justify the market. The NTDA needs to raise awareness of the dangers of part-worn tyres and kill the demand for them. **However, the member survey showed that an outright ban may be a challenge, with many believing that in the current conditions, a ban is not achievable.**

“Regulation has been tried and it has failed so there needs to be a ban. We need to be able to say that selling part-worn tyres is illegal.”

“Dangerous tyres on a car can kill. Any improvement is better than nothing but a ban is our aim. Regulation is flawed – 97% of all part worn tyres have no official stamp so this is not being adhered to. We want to say to the customer ‘don’t buy part-worn tyres – they are illegal’.”

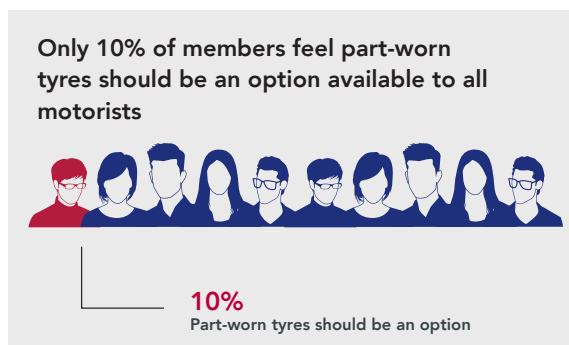
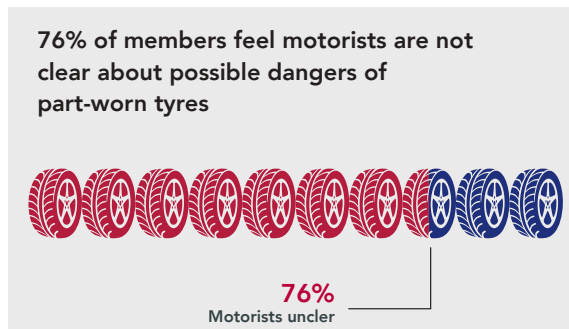
86% of members would support an outright ban – only 36% believe it is achievable



“MOTORISTS DO NOT KNOW THE DANGERS”

The roundtable session showed that members are very concerned that motorists are unaware of the dangers of part-worn tyres as there is little clear guidance for the consumer. Many members do not wish to put information on the dangers of part-worn tyres in their centres as they do not want to promote that market. Others do have posters up but feel it remains difficult to compete with those dealers who say part-worn tyres are cheap and safe. All roundtable attendees stated motorists begrudged buying new tyres and in the Motorist Tyre Survey while 70% of over 55s are happy to change tyres when needed, less than 30% of 18-24 year olds are. Many (particularly young) drivers looked to part-worn tyres in a bid to save money.

“Customers think ‘Do I really need [tyres] now? Can I think about it?’ We need to help them with this distress purchase. Help them with the process and get across the safety message, then we build trust.”



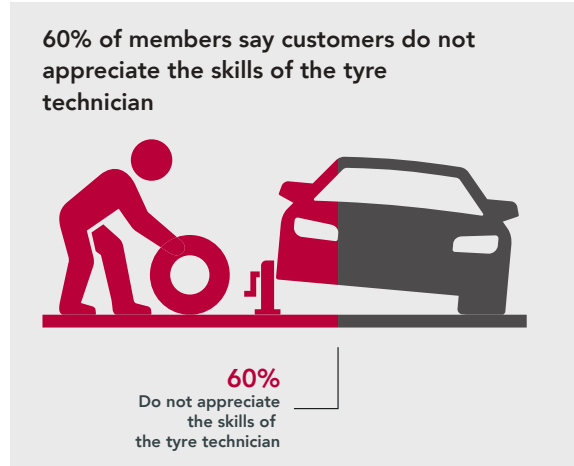
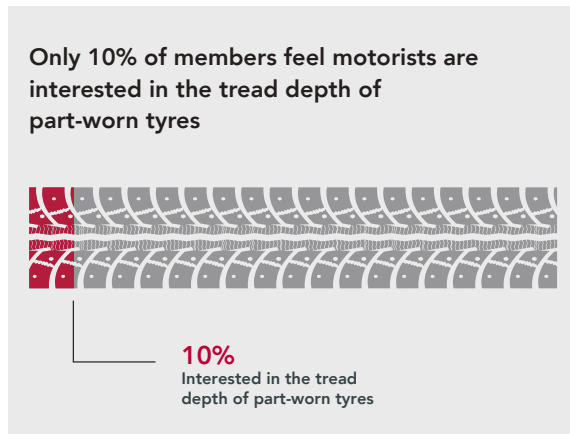
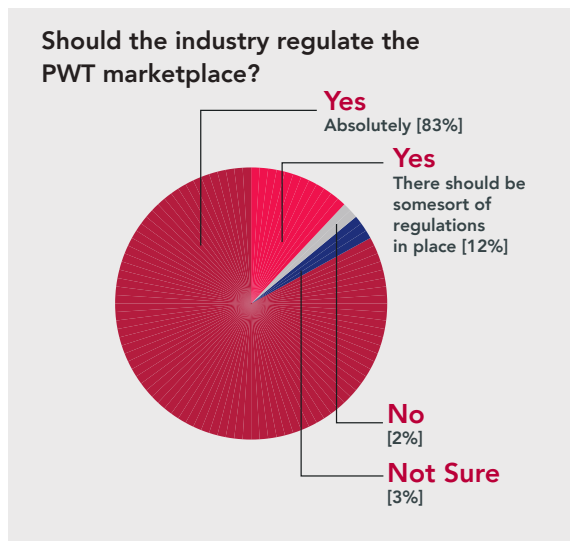
“THE MINIMUM PART-WORN TYRE TREAD DEPTH SHOULD BE INCREASED”

Although the minimum tread depth in other European countries is usually as low as Britain’s 1.6mm, this is not the case for winter tyres which are generally set at 3.0mm. This is resulting in thousands of winter tyres being imported to Britain as part-worn tyres which cannot be resold in other countries.

In light of industry debate regarding minimum legal tread depths, the NTDA has reaffirmed its commitment to its Tread Safety campaign, which was launched in partnership with ROADS SAFE in 2005. It is an initiative designed to raise awareness among motorists of the importance of changing tyres when they reach a 3mm tread depth rather than the lower, legal limit of 1.6mm. The NTDA Chief Executive has called upon members to, once again, embrace the 3mm campaign and to start utilising the 3mm campaign logo, available from the NTDA, on their web sites and on social media.

“Our minimum tyre tread depth is below the winter tyres of our European counterparts and this allows an avenue. We should have a 3mm limit. It’s proven to be the safer way and that would also cut off a lot of the source of these imported waste tyres.”

78% agree raising the minimum tread depth could make a big difference to safety on the roads



“RAISE TYRE TECHNICIANS’ SKILLS”

NTDA members believe the skills of tyre technicians are not appreciated. The perception of tyre technicians is often that they are pushy, getting commission for every tyre sold. Members feel technicians need to develop their communication skills and be given appropriate titles – apprentice, technician then service operative. They should be paid well to encourage a good standard of technician into the industry. Members have many potential solutions to the problem of trust: industry backed skills and qualifications and staff training; tyre scanners which produce a report for the customer showing tread depth and braking distance; cameras attached to a technician to record a video that could be emailed to clients. The NTDA has a role to fill here. It needs to paint the picture and show this is a good career option, that there are many different paths to take within the industry with good career progression. We go into further depth on this in Chapter 7.

In this area our motorist research shows positive news for tyre retailers – 40% of motorists will purchase a tyre based on advice from a tyre technician and 85% believe they can trust their new tyre retailer. But we still need to do more.

“With tyre technicians, standards have improved. The problem is perception – customers think we are giving them a hard sell. They think they need one tyre but we say you need to replace two. Tyre technicians are perceived as pushy.”

96% of members would like to see an industry-backed NTDA qualification or licence that separates tyre technicians from the non-skilled workforce



The NTDA extends its thanks to the following NTDA members for their contributions at the roundtable event on 7th June 2017 at Automechanika, NEC, Birmingham.

Roger Griggs	ETEL
Donald Carmichael	McConechy's Tyre Service Ltd
Stefan Hay	NTDA
Stephen Callow	TX Trading
Prashant Chopra	Autogem Invicta Ltd
Martin O'Brien	Kingsway Tyres
Simon Wright	Universal Tyre Co (Deptford) Ltd
David Sholicar	Micheldever Tyre Services Ltd
Gavin White	Autotech Recruit Limited
Andy Pryce	Sigmavision Limited
Michael Sidley	Lodge Tyre Co Ltd
Simon Pashley	Selecta Tyre Ltd
Nick Henshall	Selecta Tyre Ltd
Noel Pope	Merityre Specialists Ltd
Craig McCracken	Autoparts UK
Dasos Michaelides	Donnelly Group Tyres Services
Craig Sprigmore	HIQ/Goodyear Dunlop
John Tarbox	Pan Auto Services
John Parker	Kirkby Tyres Limited
Peter Tye	ATS Euromaster Ltd
Richard Dibb	Pirelli Tyres Ltd
Paul Emery	Trelleborg Industrial Tyres Limited

CHAPTER 5

A CHANGING MARKETPLACE



A CHANGING MARKETPLACE

As we have touched upon in previous chapters, an unstable financial and political climate has had a dynamic effect on the United Kingdom's economy, and the tyre industry as a whole.

It is helpful to position the issue of part-worn tyres in this context. A changing world, advances in technology and attitudes to purchasing tyres must be added to the research to complete the picture.

TYRE MANUFACTURERS

According to the Tyre Industry Federation's latest available FactBook¹⁸ on the UK tyre Industry, in 2014 there were over 300 brands of tyre available in the UK, sourced from over 45 countries around the world.

Britain has four manufacturers and eight manufacturing sites, producing around 15 million tyres per year. It is an industry with 5,000 direct employees and a further 5,000 indirect, generating £800 million per year in exports and contributing £80 million per year to the exchequer.

SALES

The European Tyre and Rubber Manufacturers Association's (ETRMA) latest available statistics 2016¹⁹ shows healthy sales growth across the large tyre manufacturers such as Bridgestone, Michelin, Goodyear, Continental, Pirelli, Sumitomo and Yokohama between 2014/15.

There was a 1% growth in tyre production between 2014 and 2015, with a 5.3% increase in commercial

tyre sales and a 5.7% growth in car tyre sales over the same period.

ONLINE SALES

As in many industries, the internet has transformed the route to market for tyre manufacturers, distributors and retailers. The most high profile example of this is Blackcircles, now owned by Michelin, which enables the general public to buy their new tyres online and arrange for them to be fitted. Supermarkets such as Tesco and ASDA are also offering online tyre fitting services, giving tyre manufacturers new routes to market.

BUDGET TYRE BRANDS

New budget tyre brands from the Far East have also been imported into the UK. This has provided more choice and price points for the motorist, especially those who base their tyre purchase on cost alone and brands such as Linglong, Winda, Rovelo and Rockstone are readily available across the UK.

The popularity of budget tyre brands may be under threat as raw material prices increase and budget tyre prices rise. This may mean an increase in popularity of part-worn tyres with the motorist.

"Now that Chinese tyre prices have increased, part-worn tyres are more attractive."

NTDA round table attendee

2015	2014	Company	Headquarter	2015 sales in €M	2014 sales in €M	Variation
1	1	Bridgestone ^(e)	Japan	24.233	21.300	↑ 14%
2	2	Michelin ^(e)	France	20.775	19.161	↑ 8%
3	3	Goodyear ^(e)	USA	15.103	14.939	↑ 1%
4	4	Continental ^(e)	Germany	10.387	9.784	↑ 6%
5	5	Pirelli	Italy	6.300	6.007	↑ 5%
6	7	Sumitomo	Japan	5.587	5.035	↑ 11%
7	6	Hankook	South Korea	5.018	5.041	↓ 0%
8	8	Yokohama	Japan	3.820	3.426	↑ 12%
9	9	Maxxis	Taiwan	3.262	3.358	↓ -3%
10	11	Giti	Singapore	2.762	2.754	↑ 0%

Source: European Tyre & Rubber Industry Statistics 2016

¹⁸ <http://www.tyreindustryfederation.co.uk/wp-content/uploads/2011/12/TIF-Factbook-A5-V3.pdf>

¹⁹ <http://www.etrma.org/uploads/Modules/Documentsmanager/20161208---statistics-booklet-2016-final5.pdf>

NTDA Membership Survey response:

The NTDA believes this threat is real and this will mean the education of the motorist must continue into the future.

TYRE RETAILERS

There are around 3,000 specialist tyre outlets in the UK with around 20,000 garages or similar selling new tyres alongside other services. Total retail sales of replacement tyres amounts to approximately £3.2billion each year²⁰.

Tracking 20 of the largest tyre retailers in the UK, Tyre and Accessories magazine analysed the tyre retail market²¹. Among the 20 retailers the survey tracks it has noticed three noticeable trends:

- Stabilisation – many of the firms being tracked have remained flat year on year. Over a three year period the number of retail outlets is roughly 103 sites larger. As outlets would not open where there is no demand it could be argued that the worst of the pressure on tyre retailers could be over.
- Growth – year on year the 20 retailers being tracked have grown by 30 branches (1920 in 2014/15 vs 1950 2015/16).
- Attrition – not all retailers have seen growth or managed to achieve a stable position in the market. Both Kwik Fit and ATS Euromaster have seen the sizes of their networks slightly shrink.

THE IMPACT OF MERGERS AND ACQUISITIONS (M&A)

Just as tyre manufacturers, especially in China, have experienced new ownership or consolidation, Japanese companies have invested heavily in UK tyre retailers. In January 2017 Sumitomo Rubber Industries agreed a £215m deal to buy Micheldever Tyre Services (MTS), the

UK's second largest car tyre distributor, after Kwik Fit was sold to trading house Itochu for £637m in 2011.

Micheldever itself had, since the previous 2006 buy-out by Graphite, completed 26 acquisitions and had grown its retail chain to 98 units – 83 of which have been acquired since the Graphite buy-out.

According to New York investment experts HT Capital Advisors LLC²², business conditions in 2017 provide the foundation for a year which should see steady to growing M&A transaction volume in the tyre industry globally. Exit opportunities for private business owners remain good.

Combined with tyre manufacturers' acquisitions of online companies which offer more direct routes to market, the traditional tyre retailer has to work even harder to remain competitive.



²⁰ <http://btmauk.com/wp-content/uploads/2014/12/tif-factbook-0712.pdf>

²¹ <http://www.tyrepress.com/category/market-info/leading-retailers-uk/>

²² <http://www.htcapital.com/wp-content/uploads/Tire-Distribution-and-Manufacturing-Global-Industry-Review-2016.pdf>



PART-WORN TYRES AND THE EFFECT ON IN-CAR TECHNOLOGY AND SAFETY

ADAS (Advanced Driver Assistance Systems) technology

Today, some 86% of new vehicles require some form of systems calibration following repair or service. This has a significant impact on the tyre replacement industry as a whole, but one which potentially puts motorists who have chosen part-worn tyres fitted by unqualified personnel at risk as never before.

ADAS technology is already in use in hundreds of thousands of vehicles and requires precise calibration. Therefore, following most common workshop repairs, it is vital that cameras and radar sensors used by these complex systems are recalibrated to ensure its correct operation. While this may be obvious when it comes to accident repair or windscreen replacement, recalibration also needs to be undertaken following steering and suspension replacement and even something as comparatively trivial as an adjustment of the vehicle's tracking or wheel alignment.

Today we have ultrasonic, medium range radar, cameras, lidar and long-range radars being utilised, often in unison with, and controlling various systems. There is very little of a modern vehicle's surrounding environment not covered by these systems.

Failure to calibrate the ADAS cameras or sensors can lead to inaccurate information being fed back to the system's computer, causing these vital safety features to operate incorrectly. Added complexity is also driven by an increase in the electronic processing power and the number of electronic control units (ECUs) on a vehicle.

In relation to ADAS, there is nobody immune to the need for system calibration – wheel replacement, wheel alignment, accident repair and mechanical work all require particular attention.

With thanks to Hella Gutmann Solutions

TYRE PRESSURE MONITORING SYSTEMS (TPMS)

TPMS is a relatively new subject for many tyre technicians and is a market which is evolving rapidly. A few years ago there were only eight different generic design styles of sensor in the European market, today there are over 20 different styles. Each different style may have different physical handling requirements and potential service possibilities.

TPMS brings several benefits to the driver. It increases safety by reducing braking distances and improving vehicle handling as well as alerting drivers of potential danger in the event of a rapid tyre deflation. It can also lead to savings by reducing fuel consumption, emissions and tyre wear.

Part-worn tyres can cause serious problems when fitted. Indirect TPMS systems (which use wheel speed sensors to estimate inflation) can be very susceptible to inaccuracy when different sets of tyres are fitted across vehicle axles. They can be particularly sensitive to different tyres having different tread depths and even different brands of tyre on each side of the vehicle.

Pre-2014 BMW Minis in particular are well known for this incompatibility.

Assuming a part-worn buyer would be happy to put different brands of tyre on each wheel position as well as an inconsistency of tread wear from one part-worn to another, this would affect indirect systems.

Direct systems which use valve mounted sensors should not be affected by part-worn systems.

Vehicle manufacturers have already started improving wireless auto locate systems to reduce the number of TPMS receivers that need to be fitted to the vehicle at manufacture. This requires the TPMS sensors to have more sophisticated chipsets within them. Some aftermarket TPMS solutions can deal with this advancement in technology.

Moving on from here would be TPMS sensors embedded into the tyre itself but this presents significant issues on tyre replacement since vehicle manufacturers have been unable to agree standard TPMS protocols so far resulting in a huge proliferation of vehicle specific tyres.

With thanks to Autogem Invicta



FUTURE TECHNOLOGY – WHY PART WORN TYRES MAY BECOME OBSOLETE

The UK is leading the way in the development of automated vehicles. The Government has stated its ambition to become a leader in autonomous technology and has committed hundreds of millions of pounds into trialling and developing driverless tech in conjunction with carmakers.

In April 2017, a 30-month programme of trials began to shake-up both the transportation and insurance industries by seeking to remove fundamental barriers to real-world commercial deployment of autonomous vehicles. A fleet of driverless vehicles using UK-built software will be trialled between Oxford and London in a 30-month trial set to take place in 2019 by artificial intelligence company, Oxbotica.

In 2016 American tyre manufacturer Goodyear unveiled a concept for a “visionary” sphere-shaped tyre that could make driverless cars safer and smoother to run.

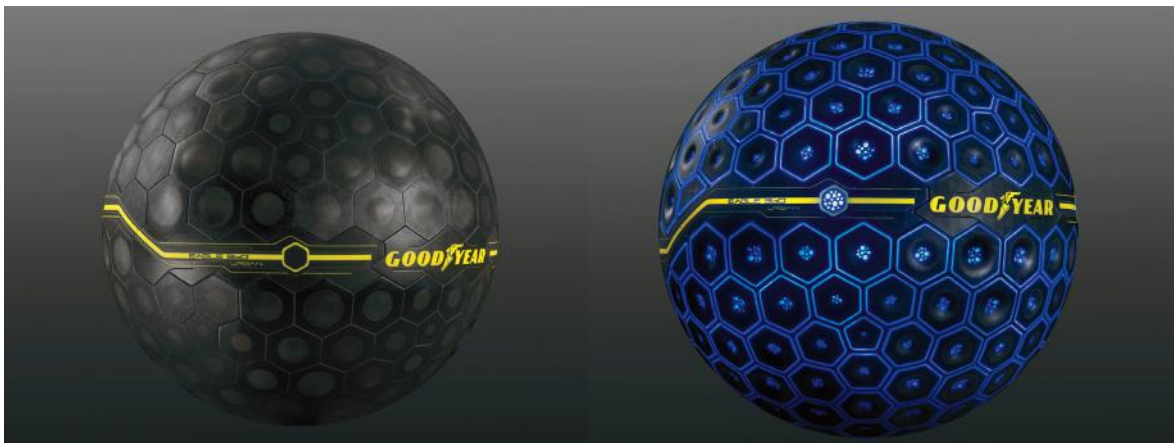
The Eagle-360 tyres were designed specifically for self-driving vehicles. Each spherical tyre would be

suspended from the car by magnetic fields – using similar technology to magnetic levitation (maglev) trains. According to Goodyear, this will increase passenger comfort and reduce noise.

Its tread would be 3D printed, and customised to suit the driver’s habits and location.

The concept includes embedded sensors that would communicate road and weather conditions to the vehicle’s control system. Goodyear claims that the multi-orientation tyres could contribute to passenger safety, by allowing the vehicle to move in all directions and avoid obstacles faster. Built-in sensors could also enable the tyre to detect and negotiate around patches of black ice.

With automated cars now a reality, part-worn tyres may become obsolete as tyres become more integral to an overall car “system”. Even with radar, camera and laser-based guidance to help it read its environment, an autonomous vehicle may become unstuck if its tyres are not fitted and aligned properly in respect of these other systems.



Goodyear's Eagle-360 concept tyre

CHAPTER 6

PART-WORN TYRES: AN ALTERNATIVE VIEW



PART-WORN TYRES: AN ALTERNATIVE VIEW

The NTDA supports a ban on part-worn tyres. While it recognises that this view is not necessarily supported by all other trade associations and representative bodies, it wants a collaborative industry-wide approach to solving the issue. The NTDA also wants members and stakeholders to be aware of differing opinions on part-worn tyres.

BRITISH TYRE MANUFACTURERS ASSOCIATION (BTMA) POSITION ON PART-WORN TYRES

It is the BTMA's position that a partly worn tread on a tyre does not of itself make the tyre less safe than a new tyre. Almost every tyre on the road is partly worn. Over 28 million part-worn tyres are sold on second-hand vehicles every year, apparently without significant problems. **The BTMA is concerned however about the operation of the market for second-hand tyres.**

The Association believes that over five million second-hand car and van tyres are retailed in the UK every year. Legislation highlights that tyres are a safety-critical element of all vehicles. This principle must underpin all decisions regarding tyres, new or part-worn.

BTMA members are committed to the application of the principles of the Waste Hierarchy and the Circular Economy but only where it is safe and legal to do so.

The BTMA believes the existing UK regulatory framework is theoretically sufficient to assure a safe

market in part-worn tyres. However, it agrees with the NTDA's view that compliance is minimal. Respect of the legal requirement for compliant part-worn tyres to be clearly marked as such would provide necessary consumer protection and support improved enforcement.

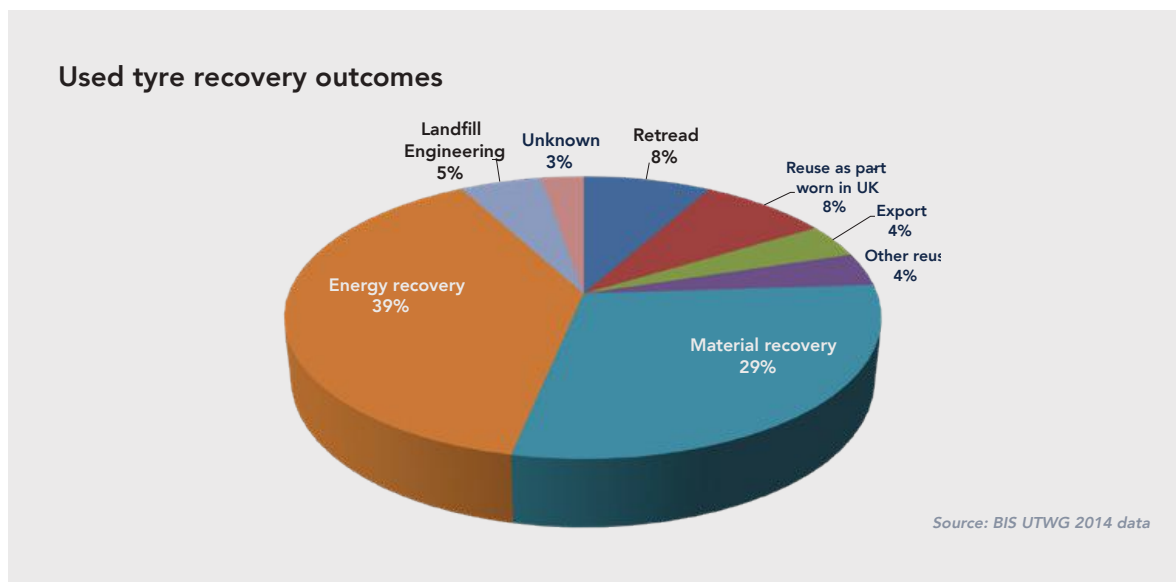
Retailers who wish to put tyres definitively beyond reuse should do so by cutting the beads as drilled sidewalls can be dangerously "repaired" by the unscrupulous.

A BAN MAY BE UNACHIEVABLE

There is no unequivocal evidence that as a category part-worn tyres are unsafe: evidence of unsafe specimens is limited to carefully chosen dubious retailers. The BTMA states there is no evidence of unsafe tyres sold by, for example, vehicle dismantlers. Although the BTMA cannot say part-worn tyres are not causing road accidents, road accident statistics do not specifically incriminate part-worn tyres.

CONSUMER SURVEYS SHOW SUSTAINED DEMAND

The BTMA believes there is a strong risk that prohibition will drive the market underground without significantly reducing demand. The 'value for money' argument doesn't cut any ice with the customer who has no cash, only does 2,000 miles a year and just





needs to get the car through its MOT or off the forecourt in the case of the second-hand car salesman.

GOVERNMENT POLICY IS OPPOSED TO ENFORCEMENT

The Government is looking for joint action with business to raise compliance with the willing so as to focus enforcement on the deliberately and persistently delinquent. The BTMA feels it is better to work with Government than fight against it, especially where the evidence base is weak and the accusation of self-interest is strong.

TYRE INDUSTRY FEDERATION (TIF) POSITION

The tread on a tyre that is partly worn does not of itself make the tyre less safe than a new tyre or unsafe for continued use. However, there are concerns within the industry regarding the operation of the market for second-hand tyres. Although perspectives differ, there is common ground enabling the industry to pursue improved practice and regulatory compliance in this market.

TIF members support the principle of free choice for both users and providers of used tyre recovery services within a framework of demonstrable legal compliance. We support the application of best practice and the targeted and effective enforcement of all applicable regulations.

TIF members are united in their commitment to the principles of the Waste Hierarchy including the reuse of suitable tyres, where it is safe, legal and economic to do so. Used tyres are a resource with the potential for reuse, retreading or recovery according to their condition. However, legislation highlights that tyres are a safety-critical element of all vehicles. This

principle must underpin all decisions regarding the reuse of part-worn tyres.

Part-worn tyres that are safe and legal for reuse should be clearly identified as such, visibly differentiating them from the large majority of used tyres that do not meet the requisite criteria. Respect of this existing legal requirement, in addition to giving necessary consumer information, would provide prima facie evidence in support of improved enforcement.

In seeking to prevent the re-fitment of unsuitable part-worn tyres we are concerned with not handicapping the development of the safe and environmentally responsible reuse of used tyre casings, in particular for retreading. The Tyre Industry Federation provides a common platform for the British Tyre Manufacturers' Association, the Imported Tyre Manufacturers Association, the National Tyre Distributors Association, the Retread Manufacturers Association and the Tyre Recovery Association.

Many part-worn tyre vendors and recovery operators are ill-informed concerning the impact of existing regulation on many aspects of used tyre recovery. The availability of definitive information in this respect would enable those operators who are innocently non-compliant to enter into compliance. It would also provide a framework to support more effective enforcement against the wilfully non-compliant.

TIF and the vehicle dismantler Trade Associations are working closely with Government and enforcement agencies to prepare and disseminate authoritative information to meet this need. At the same time TIF Trade Associations are working to maximise the volume of used tyres that are handled by recovery operators with third-party accreditation.

TIF members continue to support enforcement visits by local Trading Standards Officers through the provision of independent tyre examination expertise.

Trade Association membership is typically dominated by the larger and more responsible operators in an industry. This is the case in the tyre and vehicle dismantler sectors. We remain concerned that much of the observed non-compliance occurs beyond the direct influence of the industry Associations. TIF and the vehicle dismantler Trade Associations are committed to supporting the work of the enforcement agencies in raising awareness and compliance across the whole industry.

In particular, we believe that a significant proportion of the part-worn tyre market is supplied by a small number of specialist wholesalers and importers. These operators present a pinch-point in the market where compliance could be efficiently improved if appropriate action were to be taken.

Finally, TIF are concerned by the apparent growth in

the number of retail outlets offering part-worn tyres; in particular, those of an ad hoc nature with an apparently low level of tyre-related know-how (e.g. hand car wash operations). The challenge of effective enforcement at this level in the market provides an incentive for upstream action to ensure the compliance of product supplied for resale.

THE MOTOR VEHICLE DISMANTLERS' ASSOCIATION VIEW

Part-worn tyres are part of the waste economy, with vehicle dismantlers reliant upon them for revenue. Chas Ambrose, Association Secretary of the Motor Vehicle Dismantlers' Association, gives his view to NTDA.

Q. In general terms, how is the vehicle dismantling industry faring?

A. Variable. There are very high levels of illegal dismantling undermining licensed operators and leading to withdrawal of investment. Despite years of providing evidence to Government, there is little sign of any effective action being taken. There are now probably more illegal vehicle dismantlers in the UK than there are legal.

Q. How do MVDA members approach the disposal of the tyres when dismantling a vehicle?

Every tyre goes through an early assessment process to determine whether it's suitable for reuse as part-worn, as a casing or just scrap.

Q. How profitable to your members are the tyres that they remove from vehicles?

This depends on the approach of the individual operator. Scrap tyres have a significant cost in handling and disposing. Good part-worn tyres are a very valuable profit centre for our members.

Q. What would happen if there were a ban on the resale of all part-worn tyres – how would this affect dismantling companies?

This would have a calamitous impact on vehicle dismantlers. The value of scrap cars would reduce significantly. Many operators would stop accepting cars with tyres, like some scrap yards already do. There would probably be an increase in fly-tipping. In reality, it would be impossible to enforce and it would drive the business underground, further into the hands of illegals.

Q. Would costs of disposal and recycling tyres increase?

Yes. The industry would either refuse to handle scrap tyres at all or the charge to handle scrap tyres would increase dramatically if they were of no value.

Q. Could the MVDA support a ban on the sale of part-worn tyres?

A. No, never. We would fight against it very strongly. There is no evidential basis for a ban – our experience is that publicly available reports are of very poor quality and do not stand up to any real scrutiny.

Q. Is there an alternative approach to the disposal of part-worns rather than selling them to motorists?

One option to consider is for the tyre industry to buy back from vehicle dismantlers all part-worn tyres based upon their market value. Typically this might be between £10 to £35 per tyre.

Q. Would you support attempts by the tyre distribution industry to create an "official list" where only those who have been checked and accredited can sell part-worn tyres?

Possibly, but this depends on many things, including who carries out the auditing. We are not interested in adding unnecessary cost for a legitimate industry unless there were clear positive implications for vehicle dismantling businesses and at the other end in preventing non-accredited operators from selling. But this would be virtually impossible to achieve. MVDA has and is considering some form of assurance scheme for members.

MVDA strongly supports the sale of good quality part-worn tyres. Part-worn tyres have many obvious benefits and few proven disadvantages. The emphasis must be on safety of the tyres.

CHAPTER 7

A WAY FORWARD: THE NTDA'S MANIFESTO FOR CHANGE



A WAY FORWARD: THE NTDA'S MANIFESTO FOR CHANGE

With the part-worn tyre marketplace still seemingly thriving, it is believed across the membership that there is a need for the NTDA to outline a Manifesto for Change for the industry and the part-worn tyre marketplace.

The six manifesto pledges cover the main issues raised in the research and are based upon our members' concerns.

1. **Work with Industry to implement a pragmatic plan to eradicate illegal and dangerous part-worn tyres;**
2. **Work to promote and increase tyre technician skills and improve qualifications;**
3. **Support the Trailblazer group and the new apprenticeships in the tyre sector;**
4. **Work to make the tyre industry more attractive to new talent;**
5. **Educate the motorist about tyre safety via the NTDA membership network;**
6. **Work to raise confidence levels in the industry.**

1 Implement a pragmatic plan to eradicate illegal and dangerous part-worn tyres

- We will continue to lobby for an outright ban on part-worn tyres. This will include garnering support from the general public via a petition;
- While no ban is in place, we will commit to a cross-industry project to encourage the take up of an accreditation scheme for part-worn tyre dealers, based upon and expanding existing schemes, such as the TRA's protocol. An accreditation scheme is supported by over 90% of our members²³ and over 80% of motorists²⁴;
- Look to potentially establish the legitimacy of a quality assured part-worn tyre product and a new 'quality mark', while highlighting to motorists the risks associated without the mark;
- Review the possibility of raising tread depths in an industry-accredited part-worn market, with new quality marks applied only to part-worn tyres over, for instance, 3mm;
- Build the scope of the cross-industry project to cover the whole supply chain with particular outreach to importers and wholesalers who are presently untouched by Industry or Government initiatives;
- Involve ALL Trading Standards Organisations (TSOs) in the battle against part-worn tyres;

- Maximise the investment and good work already done by the NTDA and TyreSafe to highlight the problem to Trading Standards, the regulatory context and how to conduct an inspection;
- Encourage NTDA members to work with their local TSOs in delivering more inspections and identifying 'at risk' operators.

2 Work to increase tyre technician skills and improve qualifications

The NTDA motorist research shows that customers listen to and take advice from their tyre technicians when it comes to buying tyres. Motorists prefer the face to face service which NTDA members give them. In fact, the research highlighted that many customers do not want to buy their tyres from the internet, nor do they want to put themselves in danger by purchasing part-worn tyres.

The NTDA has introduced the REACT licensing scheme for the commercial roadside tyre technician and our awards support this, showcasing the very best in the industry. Tyre technicians keep Britain's motorists and industry moving and the NTDA will continue to work towards raising standards and qualifications.

The NTDA's vision is that by raising the skills of tyre technicians, trust and confidence levels amongst

²³ NTDA Membership Survey July 2017

²⁴ NTDA Motorist Tyre Survey July 2017



introduced the Tyre Technician Professional Development Scheme. The scheme is intended to act as a form of self-regulation for the tyre retail industry and is an opportunity for both employers and employees to improve the mobility of tyre technicians by providing them with a nationally recognised licence designed to demonstrate their competency.

The NTDA Tyre Technician Professional Development Scheme is based on the following structure:



Licensed Retail Tyre Technician (LRTT)

A licensed retail tyre technician is likely to come from a number of backgrounds, for example apprentice, trainee or from another company where they have gained experience, but may not hold relevant qualifications or where qualifications may be old or out of date. For an individual to qualify for the LRTT, they must be assessed as competent practitioners and have the relevant knowledge in the following for Car, Light Van and 4x4:

- Fitting
- Repair
- Balancing
- Four Wheel Alignment
- TPMS
- Manual Handling and Safe Working Practices



Licensed Vehicle Service Technician (LVST)

This is considered the next progression for the tyre technician. For an individual to qualify for the LVST, they must already hold the LRTT and in addition, be assessed as competent practitioners and have the relevant knowledge in the following for Car, Light Van and 4x4:

- Customer Liaison
- Vehicle Inspection and Appraisal
- Battery and Related Components
- Exhaust Systems
- Braking Systems
- Computer based testing equipment

The NTDA's Tyre Technician Professional Development Scheme provides tyre technicians with a nationally recognised licence

customers will also rise and motorists will be guided towards more informed tyre purchases where the idea of buying part-worn tyres is an alien one.

In the roundtable sessions and member research the message was clear: more must be done to raise the skill levels and service skills of tyre technicians and 96% of NTDA members support a qualification or industry backed licence that separates their tyre technicians from the non-skilled industry.

In response to this need, and following the success of the REACT licensing scheme, the NTDA has

Licensed Commercial Tyre Technician (LCTT)

The LCTT is category based as follows:

- Category 1: Truck
- Category 2: Specialist and Multi-wheel
- Category 3: Agricultural
- Category 4: Earth Mover
- Category 5: Industrial

Certificates to accompany the LCTT licence will be issued showing the categories in which an individual has been assessed as a competent practitioner and in which they have demonstrated the relevant working knowledge.

3 Support the Trailblazers and new apprenticeships in the tyre sector

The long-term success of any industry is heavily dependent on recruiting new talent, and tyre retailers are often in competition with other sectors to attract the best and brightest. More must be done to attract talent, so they can build trust with the customer base and drive motorists towards the right tyre choice.

Our sector has long held an appeal for school leavers to join as apprentices and the Fast-Fit Technician and Specialist Tyre Fitter apprenticeships have successfully given over 7,500 people their first step on the ladder in recent years.

However, the Government implemented major Apprenticeship reforms, introducing the Apprentice Levy and removing the existing Apprentice Frameworks.

A 'Trailblazer' group from across the tyre and auto-repair industry proposed a new standard for Vehicle Repair Technicians to the Department for Business Innovation and Skills. The group, led by NTDA member Kwik Fit, includes companies totalling over 11,000 employees, with an expected annual intake of more than 650 apprentices. Kwik Fit has significant experience in the design and development of Apprenticeship programmes and is ranked by Ofsted as an Outstanding Provider following its most recent Inspection in 2015.

The path to gaining approval for bespoke Apprenticeship standards for our industry sector has been arduous, with policy makers not fully appreciating the specific and very different requirements of our businesses and our employees.

Fortunately the Trailblazer group has been tenacious on our behalf and has worked hard to overcome

every challenge and clearly argue the case for specific standards. That work paid off in December 2016 when the group was informed by the Department for Education that it had been given approval to develop new standards for **Autocare Technician** and **Specialist Tyre Technician**.

The new standards will be available for apprentices starting in October 2017. This is a real success story and a great example of the industry working together for a better future.

The NTDA commits to supporting and promoting the apprenticeships throughout its membership and beyond.

4 Make the tyre industry attractive to new talent

During the roundtable sessions the subject of training and apprenticeships provoked a passionate discussion. Many members know that the apprentices of today will be leading businesses in years to come.

Following the roundtable discussion, NTDA Vice Chairman, Martin O'Brien of Kingsway Tyres, subsequently proposed steps and attitudes to encourage and progress new talent into the industry. Kingsway is already on the path towards implementing these ideas and NTDA will be developing and acting upon these in the future:

- Promote apprenticeships positively through schools and career advice;
- Allow flexibility for family working times, shift patterns and flexible working;
- Use technology to make the job easier physically – particularly on commercial tyre fitting, for instance through mobile fitting machines;
- Transform 'fitters' into technicians not just through qualifications, but also with the use of e-jobsheets, software and apps too;
- As standards are raised, the industry should justifiably increase its prices and lift the entire profile of the industry in line with other sectors, such as the OE Truck dealer service sector;
- Retailers should be prepared to take mature staff untrained and invest the time to create a good tyre technician;
- Ensure your business is a great place to work with an ever improving understanding of the fluid mobility and drivers of young people and subsequent generations of new apprentices.

5 Educate the motorist via the NTDA membership network

The NTDA's independent Motorist Tyre Survey has shown that motorists do want and seek advice from tyre retailers. The NTDA will now push harder to educate consumers via its membership network and encourage members to take the messages to their customers.

For instance, in light of industry debate regarding minimum legal tread depths, the NTDA recently reaffirmed its commitment to its Tread Safety campaign, an initiative designed to raise awareness among motorists of the importance of changing tyres when they reach a 3mm tread depth rather than the lower, legal limit of 1.6mm, which was launched in partnership with ROADS SAFE in 2005.

Every year the NTDA rewards best practice at the Tyre Industry Awards. The quality of the submissions, across a range of categories including Tyre Retailer of the Year, REACT Tyre Technician of the Year and more recently the National Tyre Technician of the Year, is outstanding and it is reassuring that our industry gets things right on many occasions.

The NTDA pledges to promote the great work members do through the national and trade press, raising the profile of the industry and closing the confidence gap between NTDA members and the general public.

6 Raise the confidence levels of our industry

There may be a lack of confidence in the tyre industry and the NTDA needs to work hard to ensure members understand the incredible role they play in keeping Britain moving. The research has highlighted a potential discrepancy in how NTDA members think they are perceived compared to how the general public values their expertise as established by the Motorist Tyre Survey.

Only 40% of NTDA members acknowledge that customers always appreciate the skills of their technicians and the roundtable sessions also provided anecdotal evidence that customers just don't listen or trust the advice of tyre technicians. However the research with the general public shows this isn't always the case.

The NTDA motorist research showed 80% of motorists are more likely to buy tyres from a tyre retailer, rather than a petrol forecourt or the internet. **While cost and brand are also major factors, over 40% of motorists make their tyre choice on advice from the tyre technician.**

The trust levels of tyre retailers is extremely high amongst motorists too. Only 7.6% of motorists we asked said they definitely did not trust tyre retailers.

Out of 85% of motorists who do trust the industry, nearly 35% have built up trust as a regular customer of one retailer over a period of years and 23% trust retailers if they have been recommended by other motorists.

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