

Companies jockey for market share

Truck tire manufacturers, marketers and importers continue to fight for a bigger piece of what has become a smaller market as the trucking industry continues to suffer, leading to continued tire shipment declines.

Overall replacement and original equipment shipments for passenger, light truck and medium/wide-base/heavy on-highway truck tires are expected to decline to 261 million units in 2009, a 21 million unit decrease from 2008 levels and a 16-year low, according to the Rubber Manufacturers Association (RMA).

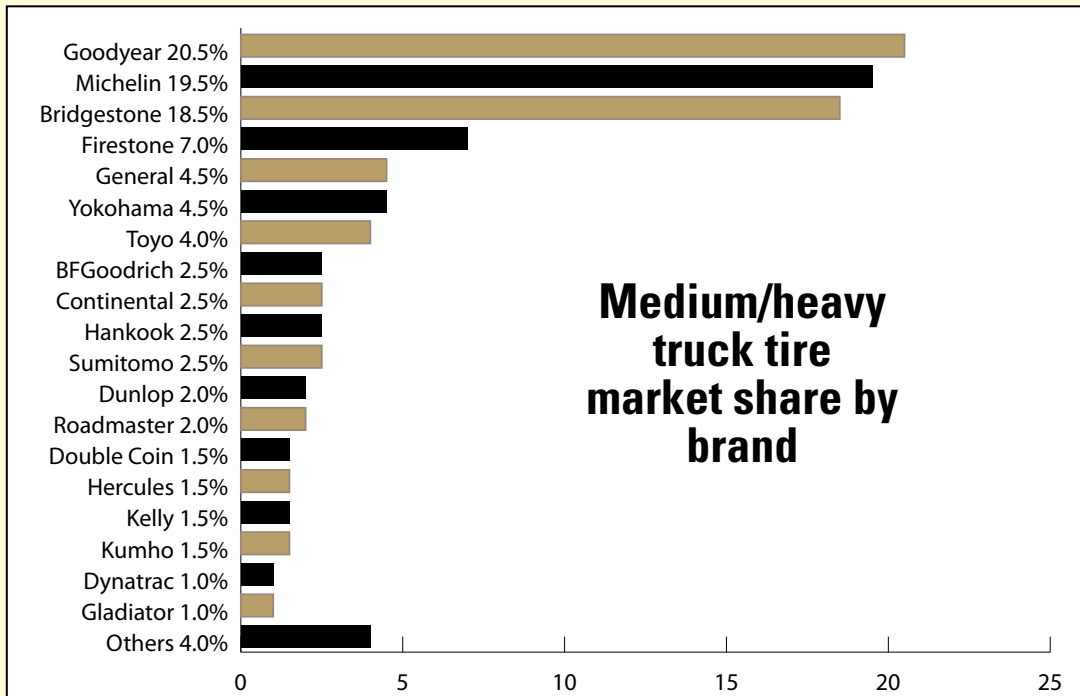
Medium/heavy truck tires will play a substantial role in that decrease. The RMA expects OE shipments in this category to fall 30% to 2.6 million through the full year. On the replacement side, units are expected to decrease by 1.6 million. These dismal projections are a continuation of shipment decreases seen during 2008. Last year, OE truck tire shipments fell 14%. While replacement shipments fared better, units still dropped by 7.2%.

Several tire manufacturers have curtailed medium truck tire production in an effort to realign inventories. This past March, Goodyear Tire & Rubber Co. announced reductions at its Topeka, Kan., plant. In February 2009, Michelin North America Inc. announced it would make production adjustments at a number of its North American plants, including factories in Spartanburg, S.C., and Waterville, Nova Scotia, both of which build medium truck tires.

More manufacturing reductions throughout the industry are not out of the question as freight movement remains at low levels. ■

Medium/heavy truck tire market share by company	
Bridgestone Americas Tire Operations	25.5%
Goodyear Tire & Rubber Co.	24.0%
Michelin North America Inc.	22.0%
Continental Tire North America Inc.	7.0%
Yokohama Tire Corp.	4.5%
Toyo Tire U.S.A. Corp.	4.0%
Hankook Tire America Corp.	2.5%
Sumitomo Rubber Industries Ltd.	2.5%
Cooper Tire & Rubber Co.	2.0%
China Manufacturers Alliance LLC	1.5%
Hercules Tire & Rubber Co.	1.5%
Kumho Tire U.S.A. Inc.	1.5%
American Pacific Industries Inc.	1.0%
American Tire Distributors Inc.	1.0%
Others	4.0%

* Based on 15.5 million units. Because numbers are rounded to the nearest one-half percent, the total may not equal 100%. List includes truck tire manufacturers, marketers and importers.



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