

Why are tire prices skyrocketing?

Raw material price increases to Plant to Mfg to Distributor to Dealer to Consumer
 And in the case of fuel increases, transportation costs go up at every step
From the field.....to your car

Main ingredients in a tire



Natural Rubber

Fuel/Petroleum

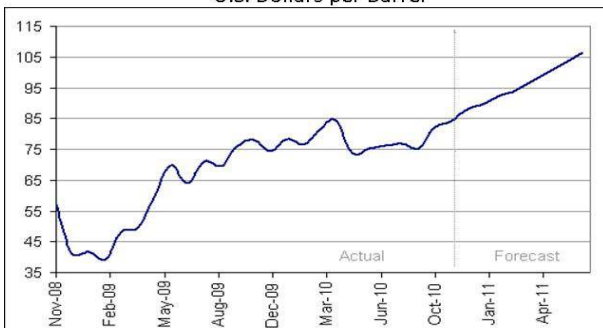
What you should know about Natural Rubber?

- ~Natural Rubber constitutes as much as 40% of the cost of tire production
- ~Natural Rubber prices have more than doubled since late 2009
- ~Worldwide demand is higher than what's actually available
- ~Natural rubber is still generated by a person, a machete, and time
- ~Extreme weather has slowed production and damaged trees
 - Malaysia, Indonesia, and Thailand produce approx. 75% of this Rubber
- ~It takes approx. 7 years before a tree can start producing Natural Rubber

What you should know about Fuel/Petroleum products in tire production

- ~It takes approx. 7 gals of oil to build each tire
 - 5 gallons for the ingredients and 2 gallons to generate those ingredients
- ~Approximately 30% of a tire is petroleum based
- ~When Fuel or Oil goes up, so does the price of a tire

Crude Oil Prices
 Past Trend Present Value & Future Projection
 U.S. Dollars per Barrel



Natural Rubber Price – US cents per kilo

