



Market Research Report - TPMS

April 2010

Introduction



- Use of TPMS (Tire Pressure Monitoring Systems) was mandated by the TREAD Act enacted in 2000.
- All light motor vehicles (under 10,000 lbs.) sold after 9/1/2007 were affected.
- Phase-in began in 10/2005 at 20%, and reached 100% after 9/2007.

TPMS Research Objectives



- Measure the market's current level of familiarity of TPMS.
- Evaluate the market's use and experiences with using TPMS as well as their future business expectations in implementing TPMS services to their business.
- Identify the key issues and/or obstacles in successfully servicing vehicles with TPMS.
- Learn more about what brand of vehicles they have done TPMS services to and the brand/model of tools they have used.
- Find out what support the market needs to implement or grow their TPMS business.

Methodology



- Sponsor: ETI & Motor Magazine
- Audience: Readers of Motor Magazine
- Survey Instrument: Email format with 9 Telematics questions (combined with TPMS Survey)
- Delivery Format:
 - Original Email blast: 11/17/2009
 - Reminder notice: 11/24/2009
 - Publicity of research by ETI

Response Summary



Website	Email Delivered	Completed Surveys	Response Rate
http://a-i-m.com/eti	25,308	950	3.75%
http://a-i-m.com/tools	Unknown	13	NA
Unknown	Unknown	8	NA
TOTAL	25,308	971	3.84%

	Total TPMS	Total Telematics
TPMS Only	299	0
Telematics Only	0	10
Both: TPMS & Telematics	662	662
Total	961	672

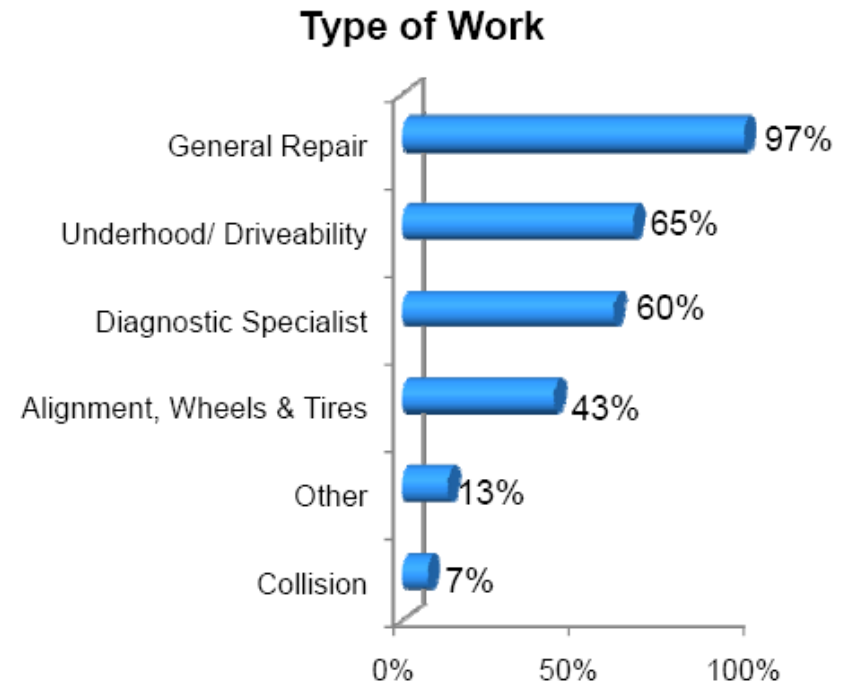
Research conducted by:



Accountability Information Management, Inc. © 2010

2010 TPMS & Telematics Research
 Prepared for: Equipment & Tool Institute
 Confidential and Proprietary 6

Shop Profile – Type of Shop

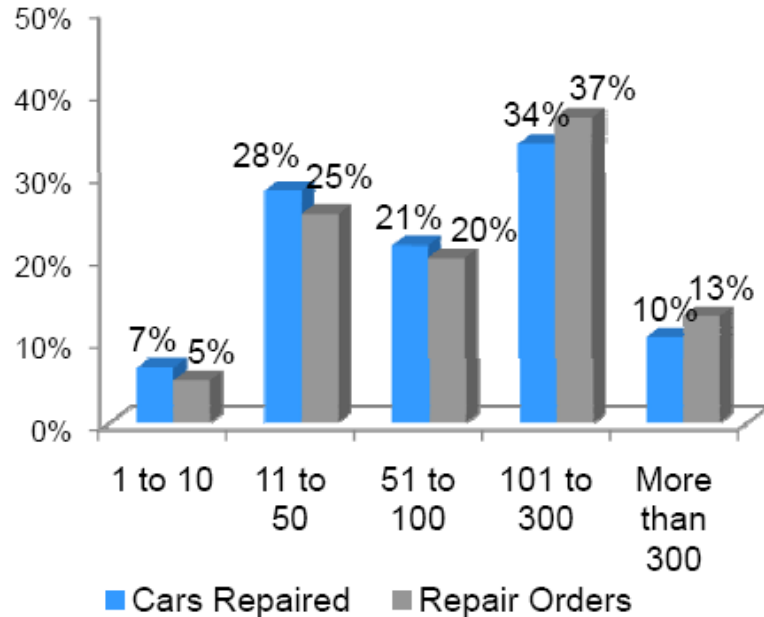


Research conducted by:

Shop Profile - Business

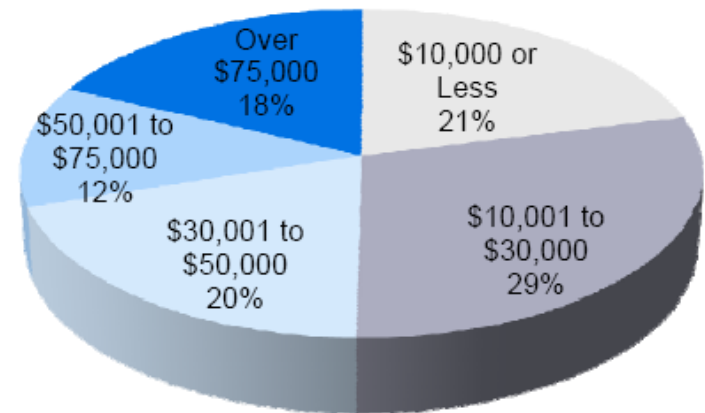


Cars Repaired & Repair Orders Per Month



Avg. Cars Repaired: 161
Avg. Repair Orders: 187

Monthly Gross Revenue Per Month



Average Revenue/Mo: \$54,928
Median Revenue/Mo: \$30,000

Research conducted by:

Knowledge of TPMS



- 52% of the market is somewhat familiar with TPMS and 13% is very familiar with TPMS.
- Dealerships and tire dealers were much more familiar with TPMS than independent repair shops.
- Shops with more technicians seem to be more familiar with TPMS.
- Significant differences in responses were found based on the type of shop surveyed and the # of technicians employed at the shop.

Involvement with TPMS



- 14% of those surveyed do not perform any TPMS services.
- 64% of the market works on cars where no reset is necessary or where the vehicle has a relearn button.
- Only 43% of those surveyed indicate they work on all of the TPMS diagnostic services.
- Car dealerships and tire dealers are most likely to frequently perform TPMS services.

Working with TPMS



- Many respondents indicated that they use multiple methods to determine if a vehicle has TPMS.
- 93% of respondents do have problems with servicing TPMS equipped with TPMS.
- Most technicians are self taught and do not have the correct tool required for the TPMS service.

Growth in TPMS Service



- New car and tire dealers anticipate the most growth as well as the larger shops with more technicians.
- The biggest obstacle to growth of TPMS is the investment required.
- Most shops agree that more repairs will require TPMS services and want to increase services.
- Those surveyed were split on if TPMS will offer a significant profit opportunity.

Existing TPMS Service Market



- On a scale of 1-10, with 1 being zero growth and 10 being a high rate of growth, those surveyed gave a score of 4.5 on the question of would TPMS service increase at your shop?
- Again, the response varied from they type of shop and the # of technicians.
- The cost of TPMS equipment was seen as the largest impediment to service growth in this area.
- There was strong agreement that TPMS service would be required in the future across all types of shops surveyed.

Tool Ownership



- Slightly more than half currently own electronic TPMS tools.
- 32% of those that own electronic TPMS tools own OTC tools, followed by 23% with Snap-on.
- Their top OEM branded tool was Ford, followed by Chrysler.
- Most respondents (90%) had worked on a GM vehicle.
- GM-Saturn were considered to be the easiest to work on, with Nissan-Infiniti being the hardest to service.

Need for Support from the Manufacturers.



- Of those that do TPMS service today, 57% state they need more support from the manufacturers.
- 52% overall say they need more support.
- Support needs include accessibility and training information, standardization of equipment, better tools and lower costs to name a few.