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Vadim Lishinsky, Sibur



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Sankara N Nair



SCHILL+ SEILACHER'S CUTTING EDGE PRODUCTS

Colin Clarke & Guido Robbe



Adam Gosling

Adam Gosling heads up the team at TyreSafe Australia. Considering tyres holistically we help clients turn higher profits. Tyres reflect the whole operation, they don't tell lies. Transport and mining companies benefit from our tyre experience. If your tyres aren't turning, they're not earning! ©Tyresafe.com.au

TYRE PURCHASE MUSINGS: **APPEARANCE IS DECEPTIVE, BUYING CHEAP WILL ENDANGER YOU**

The tyre, a critical component for our modern road transport system, has complex performance details and operational outcomes, all hinging on the quality of its design and manufacture as well as appropriate maintenance. It is quite unwise to make a purchasing decision by judging a tyre by its external appearance when really, just like a human, all that is important actually lies under the veneer of skin

In reading an article about how athletes view themselves once they had stopped competitive sports, I wondered what it is about the human being that judges a book by its cover.

When applied to tyres (and certainly other rubber products), this seems to be only

too true. We judge a tyre by its external appearance when really, just like a human, all that is important actually lies under the veneer of skin.

During a recent tyre industry conference, discussion centred around the physical markings that had to be applied to a



Look at your tyres and consider that the tyre hand-prints that hold the road are ensuring your safety as well as that of your family and those sharing the road with you, they determine your well-being. If you wish to “buy cheap” and endanger yourself, then please do it somewhere I am not.

tyre to “determine the quality”. As a tyre engineer, I well know that the surface of a tyre can be made to look anyway you want. I have even seen tyres with external markings buffed off, fresh uncured rubber laid onto the buffed areas and the tyre put back into the mould to “gain the right features”. Yes, as all rubber people would already have determined, those tyres will have failed very very early in service, much to the embarrassment of the distributor. The factory had made a sale so that’s that counted to them. Alas! For that factory, it was the start of the end, for that client there was never another purchase from that distributor nor of that brand. In reality, it also tainted the country of origin in many site people’s eyes. The one sale yielded many outcomes.

So why, when making a complex purchase such as a tyre, do people only look at the superficial appearance? Have we become accustomed to being indoctrinated by advertising so much that instead of viewing detail we look only at the “made-up” appearance? Fake news?

This is akin to purchasing a motor vehicle without looking at the interior finish, the mechanical components or the cost of operation but instead just purchasing on the external appearance only. I am sure there are plenty of people that can confirm that a fancy appearance does not necessarily mean the operational costs are reasonable. If a vehicle was purchased on the basis of external appearances, then the consumer could be in for a large shock when the interior finish either wasn’t to their liking or just plain didn’t work. Imagine the feeling of purchasing a “flash” car to find that it was slower than a snail in a desert.

During the discussions about the appearance of a tyre, it seemed there were no real outcomes discovered. The tyre industry has come up with a series of labels to identify the attributes of a tyre’s performance that are supposed to provide the consumer with “intelligence” to make the appropriate decision for their purchase. Does this actually work? Do consumers really care about labels when everywhere we look there are labels or signs? In some respects, we’ve become desensitised to the many messages conveyed. The colour red no longer means danger, blue food is now available, even tyres that generate pink or blue smoke during burn outs are available, so many signs and advertising bombard our every-day life that if we responded to every “sign” we’d either be broke or immobile.

Yet many consumers still just purchase the cheapest tyre available without giving a second thought to the outcomes of such

a procurement decision. To the average consumer a tyre is a grudge purchase that they have to make, usually only because of legal requirements, i.e. the tyre has worn out.

For the tyre (and rubber) industry, the opportunity to educate the consumer about the importance of making a decision based on sound understanding of the outcomes is usually forgone for advertising of a “cheap price”. The industry has managed to latch onto its own tail and started chasing it. Sure, I well understand that without sales an organisation cannot grow; but I also understand that if the quality of a product is not sound then the organisation will not grow sustainably either. We can change the markings on the tyre, put on as much war paint as we can, alter the photo, change the image. But, if the experience does not live up to the marketing, then will that consumer make a return purchase?

This consideration leads me to think about the way a tyre performs. Sure, there are images of traction, of a car going around a corner or pulling up hard under brakes that are purported to be the major influence in marketing which are often overlaid with low prices such as “4 for the price of 3”.

By no means do I at all discount the safety requirements of road going tyres for passenger vehicles, but what is the foundation laid by price marketing? For commercial vehicles other considerations such as cost of operation abound. Whilst tyre A may be 50% of the cost of tyre B what if the operating costs of tyre “A” were 10% higher than tyre “B”?

Rolling resistance is a major factor in tyre performance and directly affects fuel burn (and emissions). Without delving deeply into this equation many procurement people would simply dismiss the proposition, but we need to consider the added costs of an increased fuel burn rate, say 2% over the life of a tyre. Sure, there may have been a couple hundred dollars saved in the purchase price but at the extra cost of thousands of dollars spent on fuel seems like a very false economy to me. Consider the additional costs of extra tyre service to extract the same level of performance from a low cost tyre when compared to a premium tyre.

In our arena of specialty, we monitor tyre pressures and tyre performance in real time over a tyre’s life. We get to understand the operational differences between different types and brands of tyres. Some tyres require additional service to either maintain the appropriate inflation pressures or to gain the expected performance from the

tread pattern/casing. This service comes with costs; procurement people would say OPEX (operational costs) as they are only interested in CAPEX (capital expenditure costs). The management and executive board, however, are interested in the bottom line -- the actual profit. What does this product contribute to the overall profit margin is the question that should be asked?

Without tyres a transport or mining operation would be a totally different picture than what we see today. Tyres are the foundation of the modern motor vehicle. Our vehicles of today could operate without suspension, yes the ride would be hard and handling poor, could even operate without brakes; but try operating without tyres!

The humble tyre is a critical major component for our modern road transport system that has complex performance details and operational outcomes all hinging on the quality of the design and manufacture as well as appropriate maintenance. So why do we continue to make such purchasing decisions based upon

the external appearances of the tyre when in fact the required quality is hidden from sight? Has the human in the procurement process become so desensitised that we accept what we are shown as being "the reality" or trumped up fact?

Look at your tyres and consider that the tyre hand-prints that hold the road are ensuring your safety as well as that of your family and those sharing the road with you, they determine your well-being. If you wish to "buy cheap" and endanger yourself, then please do it somewhere I am not.

Invest in quality which goes more than skin deep, whilst a book may have a fancy cover it's the actual contents that provide the value. A tyre shares many attributes with humans and beauty being more than skin deep is one.

Regardless of purchase price, all pneumatic tyres require the same care, regular pressure maintenance. Look after your tyres so when you call upon them to look after you, they will be ready and able to do so. Your safety on road depends on your tyres working as you expect them to. ■

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Oil set to peak

economy and for alternatives will simply hasten the inevitable.

At the roadside, things are changing too; the ubiquitous petrol (gas) stations in our towns and along our highways will be transformed in these few coming years and a new model station in the Spanish capital Madrid is showcasing the future.

Petrol cars are still welcome at this site; but Repsol, Spain's oil company, really has its eye on electric and added value services which will extend a lot beyond the usual few basic grocery needs. Think gourmet ready meals, coffee of course, car share schemes, an Amazon collection point perhaps? And, of course, electric vehicle recharge points. In fact, while impatiently awaiting a recharge boost, why not enjoy a snack in the cafeteria?

Still moving east

Michelin's recent announcement that it will close a plant in Scotland will leave the UK with just a couple of tyre-making facilities, France and Germany

are still hanging in there. But everywhere across Western Europe, the picture is the same. Capacity is re-locating to lower-cost locations.

This truth is hard to avoid, it has been happening for years.

This latest UK closure has been obliquely blamed on low-cost imports (from China, of course) with just a hint of Brexit-effect too, but it is really about production costs.

New plants have been opened in Eastern Europe, the Balkans and Turkey over the years but most have been in South East Asia itself where the world's big tyre brands have been keen to invest despite these media recriminations. Paradoxically, within the EU itself new plants in its eastern member states are often built with generous local incentives often indirectly funded by yes, an EU whole principal funding members are those very Western European countries suffering capacity losses. This is, of course, the way of things in the commercial and industrial world; but putting the blame on job-destroying imports hardly does justice to the core realities of these larger-scale economic movements. ■