



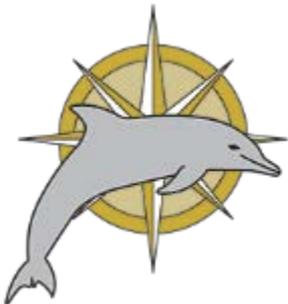
True Course
Consulting

Marketing Recycled Waste Tire Products in a Competitive Environment

2015 Colorado Waste Tire Conference

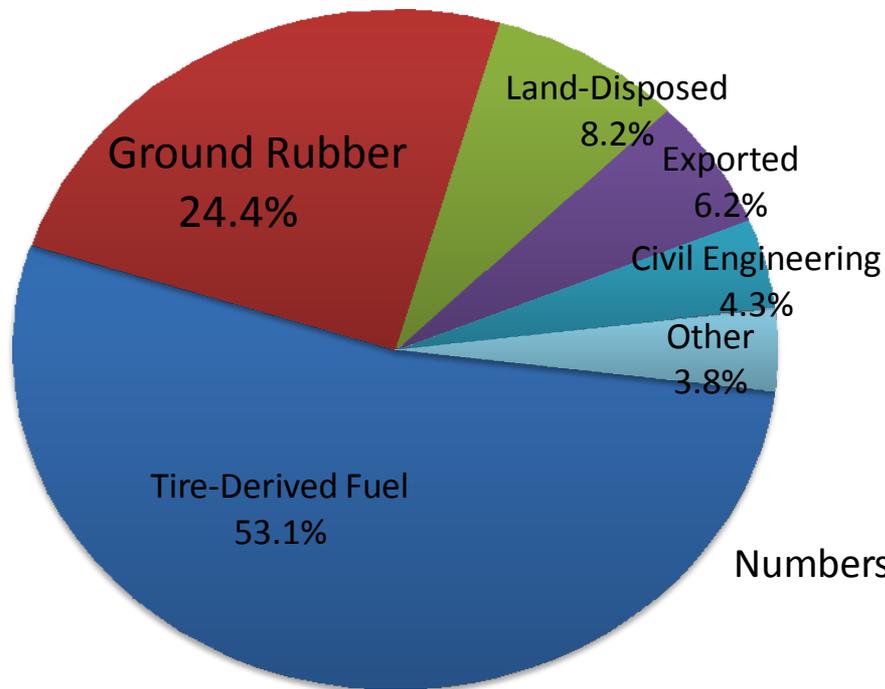


Don Baldwin
24 June 2015

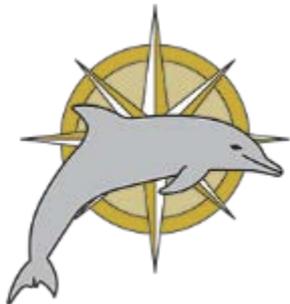


U.S. Scrap Tire Disposition 2013

(percent of total tons generated annually)

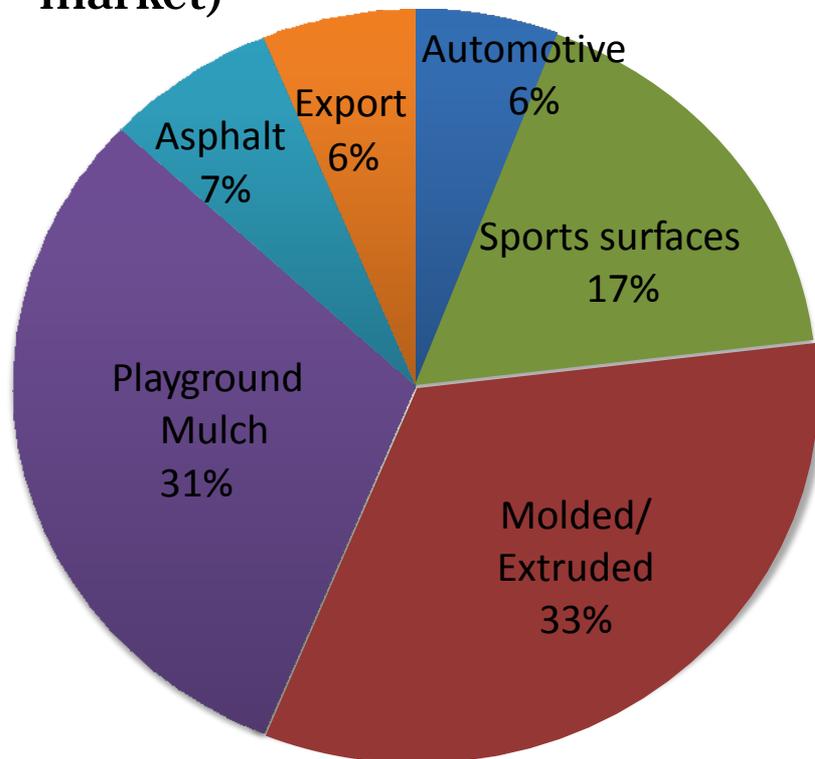


Numbers may not add due to rounding.



U.S. Ground Rubber Markets 2013

(percent of total pounds of ground rubber consumed in market)



Did you know?

Total tire rubber consumed in ground rubber markets:
about 1,300,000,000 pounds

Total scrap tires diverted to these markets:
About 975,000 tons or almost 60 million tires

Please note: Ground rubber market distribution data are based on ground rubber consumed in end-use markets, not whole tires entering these market streams. The data represented in RMA U.S. scrap tire market summaries refer to the weight of whole tires diverted to all scrap tire markets, including ground rubber, whereas this chart refers to the weight of processed ground rubber, with wire, fluff and agglomerated rubber removed that is consumed in ground rubber end-use markets.



Marketing Challenges



1. Existing Products from Traditional Sources
2. Distribution Availability
3. Costs
 1. Raw Materials
 2. Manufacturing
 3. Distribution
4. Pricing
5. Legislative/Regulatory Restrictions
6. Synchronizing with customer needs.

To be successful, your products need to meet the customer's needs!

Is your product what the customer wants?

Being Green is Not Enough!



Marketing Challenges



1. Existing Products from Traditional Sources

Example:

Michelin TRX

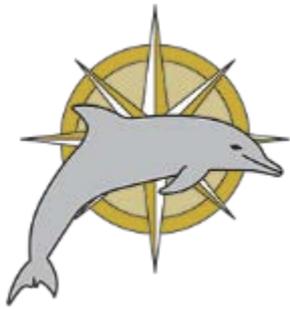
Pros:

- Design met customer need for larger wheel diameter and better vehicle handling.

Cons

- Revolutionary design requiring special wheels

Failed because competitor developed comparable tire using standard wheels.



Marketing Challenges



2. Distribution Availability
3. Costs
 1. Raw Materials
 2. Manufacturing
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Example:

Michelin PAX System

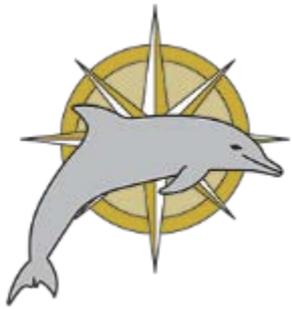
Pros:

-Design met customer need for larger wheel diameter, higher loads and lower rolling resistance.

Cons

- Complex design requiring special service infrastructure.

Failed because of inability to service and lack of standardization



Marketing Challenges



5. Legislative/Regulatory Restrictions

Example:

Michelin XOne Wide-Base Single Truck Tire

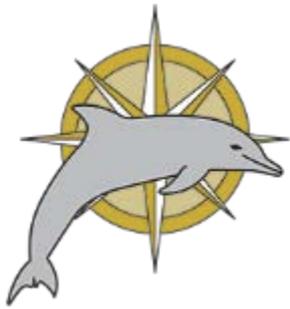
Pros:

- Fuel Savings
- More payload

Cons

- Truckers desire to have “installed spare”
- State regulations limiting use of single tires on trucks.

Succeeded because of significant communication effort and extensive work with state DOTs.



Marketing Challenges



6. Synchronizing with customer needs.

Example:

Michelin Air X Radial Aircraft Tire

Pros:

- Lighter Weight, More Payload, Fuel Savings
- More landings per tread

Cons

- Must be qualified on new aircraft
- Need to rewrite national aviation regulations

Succeeded because product delivered performance required by the customer better than the existing bias technology.

Reduces Long-Term Maintenance and Liability Costs

Porous, Flexible and Non-Cracking

Tested, Proven with a World Class Client List

LEED Certified and ADA Compliant



Scott's Corner Sidewalk
Westchester County, Pound Ridge, NY

Example:

KB Industries Flexi-Pave

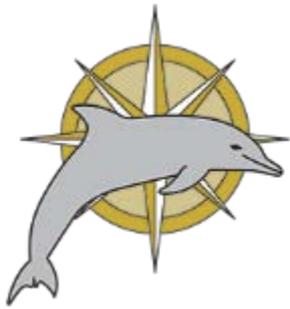
Pros:

- Long term cost effectiveness
- Ease of installation

Cons

- Short term costs
- Lack of high quality tire crumb

Succeeding because product meets customer need for improved storm water management and more durable infrastructure.



Marketing Challenges

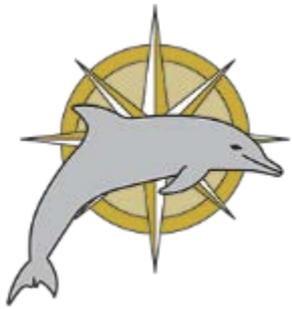


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Conclusion



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**Thank you for
your time!**

Questions?