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Holland tire dealer thrives in a small town

Kuil Banden BV credits quick, 24/7 service and inventory for success

By Greg Smith

When your dealership is surrounded by fields of tall corn in all directions, it makes sense that your farm tire business would be very important to you. This holds true for Kuil Banden BV, located just outside Groningen, Holland.

Jacob Kuil, the second generation owner, says his agricultural tire and service business comprises about 85% of his roughly \$13.6 million annual sales. But one look at his modern showroom reveals he doesn't overlook the retail side of the business, either.

In fact, Kuil has much in common with most independent tire dealers in North America. He's a true entrepreneur and also faces many of the same issues we see on this side of the Atlantic.

But first, here's more information about Kuil's business. It was started in 1987 by his father Jaap Kuil who had been a vice president for a tire manufacturer.

Kuil joined the company as a partner in 1989 when they decided to expand away from only agricultural tire service and into retail.

The expansion worked and today the company has 35 employees and is the



Although the retail business only represents 15% of Kuil's business, the dealership has multiple bays with a large inventory of tires on hand to take care of customers quickly.

dominant tire dealership in the region. Right now, he says his biggest competitors are Euromaster (a retail store chain owned by Michelin Groupe) and Profile Tire Centers (a franchising operation).

Retail operations account for 15% of his total business, while truck tire work stands at 25%. When Kuil bought a wholesaling business in 2005, his father said the company was getting too big, "so it's time for me to retire," which he did in 2006.

However, Kuil joking says that his father, 73, and his mother, 70, both show up daily at the dealership and work!



Owner Jacob Kuil (right) took over from his father Jaap Kuil in 2006.



While standing at the retail counter, customers can look through windows at both the passenger service bays and the truck service bays.



Henrik De Koning (right), Vredestein OHT area manager, did a great job translating some Dutch words into English for owner Jacob Kuil.

He credits much of his success in the business to the company's reputation for service. Kuil's customers know "they can reach me 24/7 and I have two acres of tires in stock at all times — both new and second hand." Kuil says downtime is not acceptable to farmers, so keeping the inventory and providing quick service is what matters most to them.

Kuil buys 85% of his tires directly from manufacturers with the rest from distributors.

Hiring good people and then training them is a key to success for Kuil. "I have the people, delegate responsibility to them

quickly repair it or fabricate a new wheel for the farmer. Wheel repair and service at Kuil's also is done for retail customers. In fact, Kuil will do any type of repair on a passenger car or light truck, up to and including engine replacement. "The only thing I don't do here is sell cars," says Kuil.

At the heart of the business

Kuil says that when a company in the Netherlands employs a certain number of people (he didn't know the exact number, but says his company is big enough to meet the standard), it must have a person who can perform medical help should an accident occur. As a leader in the community, Kuil took this a step further.

He has the only heart defibrillator in the area along with two people trained to use it. There also is an app that people can put on their phones that alerts them to the nearest location that has a defibrillator. If an emergency happens, his workers will go out to the victim, or the victims can be brought to the dealership.

Kuil's concern for the future is the competition coming directly from manufacturers. "I think in five years, tire manufacturers will be selling directly to everybody."

Pricing of truck tires mirrors what is happening in the U.S. A low-cost 385/65R22.5 costs 200 euros (\$230) while a high-end truck tire costs 295 euros (\$340). Even though he doesn't sell them, a retreaded truck tire of the same size costs 185 euros (\$213).

For the past 10 years, the government has promised to put an exit at the major highway near Kuil's dealership. He keeps pressing for this to happen as it will generate more traffic for him and he wants to build a truck stop at the exit. In the meantime, Kuil keeps finding new services and ways to grow his business, just like many tire dealers in North America. ■



There are two drive-through truck service lanes at Kuil's dealership. The third service bay opening was being used to work on a farm tractor.

Emphasis on farm

Without question, the dealership is grounded in the farm tire side of the business. It operates four fully enclosed service trucks that are equipped with the latest in service equipment. "I like the agricultural side of the business because it is more professional," says Kuil. "The consumer side is all about price."

and depend on them to work hard." Kuil says the challenge is in making sure he has the right people in place.

Since there are so many sizes and offsets of wheels in the agricultural side of the business, Kuil has a full-blown machine shop to do complete wheel repair, fabrication and cleaning. He believes if a farmer comes in with a broken wheel, he must be able to



Work tables and a play station for children are all part of the showroom, along with POS displays for many different automotive products.

This is one of four Kuil service trucks that feature modern equipment inside to keep the technician from being exposed to the elements.

