



COMMERCIAL FLEET TIRE DIGEST

*The authoritative guide to reducing commercial tire expenditures from
Pressure Systems International,
the manufacturer of the Meritor Tire Inflation System by PSI™*

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Tire Budgeting Process

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Planning your annual tire related budget can be a complicated process and takes considerable time when you take into account the many variables that go into a realistic budget. It is not simply the cost of new tires and retreads. A good industry reference on this subject is Recommended Practice 208D from the TMC (Technology Maintenance Council) of the American Trucking Association.

For your tire budget, new tires can be broken down into three categories:

1] Tires that come equipped on your new tractors and trailers. 2] Replacement tires that are purchased on a regular schedule as well as those bought on the road because of tire puncture/damage. 3] Retreads which are typically purchased as replacements and on the road with different costs depending on whether you retread your own casing or purchase a cap/casing. Most fleets prefer if possible to retread their own casings since they know the history of that particular casing.

Repairing tires must also be included in your budgeting process. Time, labor and cost of repair materials can take a toll on your tire budget. Road service calls have always been a serious cost for fleets. Not only is the road service call itself expensive, especially for those occurring after normal business hours, but the downtime associated with a road service call is also significant. The average roadside service call takes about two and half hours. With so many fleets in a just-in-time delivery mode, this downtime can result in a hefty penalty associated with a late delivery.

Labor connected with tires includes mounting, dismounting, balancing, and rotating tires. Every fleet has different labor costs depending if they are doing this in-house or outsourcing to a local tire dealer. Even within a fleet, costs can vary because mounting/dismounting a 11R22.5 tire takes less effort and time versus doing the same procedure on a widebase tire such as the 445/50R22.5. All these variables should be taken into account when designing your tire budget.

Determining an average removal mileage for your tires is required to give a good estimate of the actual number of tires your fleet will be purchasing every year so you can budget accordingly. The removal miles will be different depending on specific axle. Steer tires running in line haul operations may average 175,000 miles, drive tires could be 300,000 miles, and new trailer tires may be averaging 200,000 to removal. Retreads will have different removal mileages. Since you already know the average miles run on the tractors and trailers in your operation, it will be straightforward to determine how many tires will be coming out of service each year depending on wheel position. These numbers change dramatically for vehicles run in different service vocations. If half of your tractors are in line haul operations and the other half in more pickup and delivery service, then two separate calculations would be required.

The more operational variables in your fleet, the longer it will take to accurately put together your annual tire budget. Working with your local tire provider will also be helpful in the process.

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