NOT ALL LOAD INDEXES ARE THE SAME!

Why choose an IF tire?

There are multiple conditions where an IF front tire may be needed to handle the requirements of work being done. Most often, a tractor will add significant ballasting to the front of a tractor to increase traction and reduce slippage. In some cases, manufacturers are also outfitting the tractor with the proper setup for the farmer without considering total weight demands placed on tires.

Listed below are two examples of how load indexes affect total carrying capacity for front wheel assist tractors.

Example #1:

| 380/85R34 | | | | | |
|----------------|------------|---------|------------------------------|--|--|
| Classification | Load Index | Max PSI | Max Carrying Capacity | | |
| Standard | 137B | 23 | 5,080 Lbs | | |
| Standard | 145B | 41 | 6,400 Lbs | | |
| IF Designation | 149B | 35 | 7, 150 Lbs | | |

Notice, there are three load indexes for the same size tire. Each has a unique maximum PSI and load carrying capacity as well! Ensuring your farmer has the correct load index for their equipment is essential to optimizing the performance and life cycle of a tire.

Example #2:

| 420/90R30 | | | | | |
|----------------|------------|---------|------------------------------|--|--|
| Classification | Load Index | Max PSI | Max Carrying Capacity | | |
| Standard | 145B | 29 | 6,400 LBS | | |
| IF Designation | 152B | 29 | 7,600 LBS | | |

Notice, the IF designation tire has a higher load index than the 145B standard. Due to its designation, the IF tire can carry 20% more weight than its standard counter part at the same inflation pressure. If the farmer does not need the maximum carrying capacity, they can drop air pressure by 20% to reduce soil compaction resulting in better yields!



HOW TO PLAN A FARMER'S DAY

Planning Tips:

February is a great month to have these events. Avoid having the event too close to planting season.

Try a Pancake & Sausage breakfast for the first event.

Work with K&M representative to see what promotions and vendor/manufacturer support may be available for the event.

January/February:

Have primary farm salesperson or service tech visit farm customers.

Best to do this on a rainy or overcast day. On a nice day they'll be out, but on a rainy day you're more likely to catch them in their shops.

Call ahead that day and ask if you can stop by to visit and walk around equipment with them.

Take tread depth, check air pressure, inspect tires for damage or wear.

If you're in the service truck, offer to air up any tires that are slightly low.

Give customer a list of any tires that are in need of replacement (write down size, load index, etc.).

Give customer a flyer or postcard with details of your winter Farmer's Day event and invite them to it. (Tip: Leave back of postcard blank so you can write list of tires needing replacement on it.)

Promote Event:

Farm visits over January and early February

Put flyer/invitation in customer statements when mailing out

Direct mailer/postcard to customers with details of event

Advertise on local radio, as event builds you can invite local radio host to attend (we've had radio stations that will broadcast from store during event.)

Word of mouth.... Personally, call and invite customers when slow at counter



K&M TIRE DEALER CONFERENCE & TRADE SHOW

Sample Tire/Product Pricing Matrix

| Cost per tire | <u>Markup</u> | Gross Profit % |
|---------------|---------------|-----------------------|
| \$1 - 25 | 1.60 | 37.5% |
| \$25 - 50 | 1.50 | 33.3% |
| \$50 - 100 | 1.40 | 28.6% |
| \$100 - 250 | 1.35 | 25.9% |
| \$250 - 500 | 1.27 | 21.3% |
| \$500 - 750 | 1.23 | 18.7% |
| \$750 - 1,000 | 1.18 | 15.3% |
| \$1,000 + | 1.12 | 10.7% |

- + Service Call (if at farm)
- + Dismount/Mount

My Location Tire/Product Pricing Matrix

| Cost per tire | <u>Markup</u> | Gross Profit % |
|---------------|---------------|-----------------------|
| \$1 - 25 | | % |
| \$25 - 50 | | % |
| \$50 - 100 | | % |
| \$100 - 250 | | % |
| \$250 - 500 | | % |
| \$500 - 750 | | % |
| \$750 - 1,000 | | % |
| \$1,000 + | | % |

- + Service Call (if at farm)
- + Dismount/Mount

Formula to convert Markup to Gross Profit %:

(Markup - 1)/Markup = Gross Profit %

ie... Markup of 1.25 results in 20% Gross Profit on sale

(1.25 - 1) = .25

.25 / 1.25 = 20% Gross Profit

