PRESS RELEASE

AFTER FIVE YEARS, TYRE LABEL SYSTEM STILL NEEDS TO ESTABLISH ITSELF TO DELIVER ITS FULL POTENTIAL

- Industry study shows slow market uptake of tyres with highest grade labels
- Efforts to increase market surveillance and awareness of benefits of high-grade tyres should be given priority instead of making early changes to the label

Brussels, 15 October 2018 - A new industry report into the effects of the tyre labelling system on the European tyre market in its first five years has found a steady evolution of the market but no significant increase yet in the market uptake of the tyres with high ranking. “E-C” remains the most common tyre label in Europe. The study underlines the need to continue to emphasise the purpose of the tyre label, which is to support more informed choices.

Funded by The European Tyre & Rubber Manufacturers’ Association (ETRMA) the report carried out by the Lizeo Group analysed 400,000 tyre labels in the EU28 between 2012 and 2017 and looked at the presence in the market of different label combinations for rolling resistance and wet grip. The first performance is an indication for fuel efficiency and lower vehicle emissions, the latter as an indication for tyre safety performance on wet roads. Both performance indicators need to be considered in combination, as they are in trade-off.

The report released in October concludes that the tyre label is still a “young tool” and not sufficiently well known by drivers and fleet managers. As a result, there is still a significant potential for awareness growth of the current tyre label.

When asked about the need to build broad awareness of the labelling system, Fazilet Cinaralp, Secretary General of ETRMA said: “Looking at this study, it is clear that the tyre label still needs to establish itself and that the market has yet to fully appreciate the benefits brought by the use of tyres with the best combinations of rolling resistance and wet grip performance. There is also the need to recognise that, given that these attributes are interdependent, it’s a huge technological success to be able to create high grade tyres both for fuel efficiency and safety.”

“Unfortunately, the Lizeo study shows that there is a low consumer awareness – not only of the tyre label – but also of the fact that tyres are a highly technological product with considerable differences in performance and not just price. As a result, when discussing a review of the label, the main focus should be on what can be done to increase awareness and market up-take, before changing the grading system adding new and more ambitious classes,” Mrs Cinaralp added.

Industry argues there is also a strong need for more market surveillance. The Lizeo Group’s study discovered that about 4,000 tyres were wrongly labelled. This is supported by the findings of
MSTyr15 Report\(^1\), funded by the European Commission, which indicate the need for increased confidence of purchasers, manufacturers and retailers and for better enforcement of the EU legislation as 9% of the tyre models examined demanded the application of enforcement measures.

The Lizeo Report comes at a timely moment as the European Commission is proposing a rescaling of the tyre label in their new proposed regulation on the labelling of tyres of 2018. The proposal\(^2\) is currently under review by the European Parliament and the Council.

Different from the Lizeo study, the European Commission Impact Assessment of 2018 looked at data from only one tyre market – Germany – and examined each performance, rolling resistance and wet grip, in isolation. The two studies are therefore difficult to compare but the Impact Assessment is clearly more optimistic, even if there is no huge discrepancy between the two sets of data.

"The results clearly indicate that any rescaling of the labelling system at this stage would be premature. The criteria for rescaling which are set in the Labelling Framework Regulation are not met and there has not been enough change at the top of the scale", concluded Fazilet Cinaralp

Key findings:

- In 2012-13, the most common tyre label for passenger car tyres was rated “E-C” – “E” for Rolling Resistance and “C” for Wet Grip. In 2017, this label was still the most common, making up around one-fourth of the passenger car tyre market.
- Less than 0.1% of all tyres are currently labelled A-A, while more than 98% of all tyres are still below B-B.

The tyre label encourages competition and differentiates products based on performance, providing consumers the opportunity to make informed decisions. A market evolution to higher grade tyres – both fuel efficient and safe – could have significant positive impacts on our environment and road safety.

***ENDS***

For more information contact:

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Notes to the editor

- The Lizeo Group Study can be found at the following address:
  

- The Lizeo Group is an independent Global Information Technology company focused on managing and adding value to Big Data for the Tyre Industry \[\text{http://www.lizeo-group.com/fr}\]

\(^1\) Market Surveillance Action for Tyres 2015 – Final Report, August 2018

\(^2\) COM(2018) 296 final
MSTyr15 is a project funded by the European Union’s Horizon 2020. More information can be found at www.mstyr15.eu


About ETRMA

The industry employs directly more than 360,000 people with a turnover of €73B in 2016, which constitutes about half a point of the EU turnover. ETRMA’s membership include the following tyre manufacturers: APOLLO VREDESTEIN, BRIDGESTONE EUROPE, BRISA, COOPER TIRES, CONTINENTAL, GOODYEAR DUNLOP TIRES EUROPE, HANKOOK, MARANGONI, MICHELIN, NOKIAN TYRES, PIRELLI TYRE, PROMETEON Tyre S.r.l., and TRELLEBORG WHEEL SYSTEMS. Associations in the following countries are also members of ETRMA: Belgium, Finland, France, Germany, Hungary, Italy, the Netherlands, Poland, Spain and the UK.