

ETRMA Members' Sales Q1 2020: Covid-19 pandemic causes drastic decline in tyre replacements and sales

Brussels, 16 April 2020 – Today the European Tyre and Rubber Manufacturers' Association (ETRMA) publishes its members' European tyre sales for the first quarter of 2020. The figures demonstrate the impact of the Covid-19 pandemic: a dramatic slowdown in tyre sales and replacements compared to the first quarter of 2019. ETRMA welcomes the measures taken at the European and national levels to mitigate the impact of the crisis and looks forward to additional schemes to stimulate a successful restart of activities.

Tyre sales across all categories have dropped drastically as the outbreak of Covid-19 has spread to Europe and forced society to come to a stop. The sector began 2020 amidst similar conditions to the closing months of 2019. But early impact of the coronavirus on the tyre industry can already be seen in February's figures, namely sharp declines in OE truck tyres (-16% to February 2019).

The far-reaching repercussions of the pandemic become apparent in the March figures, leading to a -13% drop in consumer tyres and agricultural tyres as well as a -6% decline in truck tyres. Comparing March 2020 to March 2019, we see a -26% decline in consumer tyres, and a -15% drop in both truck and agricultural tyres.

In '000 units*	1 st Q 2019	1 st Q 2020	Variation %	March 2019	March 2020 COVID IMPACT	Variation %
	55.083	48.049	-13%	21.407	15.739	-26%
	2.999	2.831	-6%	1.094	928	-15%
	358	312	-13%	125	107	-15%
	3.499	2.765	-21%	1.165	688	-41 %

(source: ETRMA)

*Discrepancies with data previously published is due to periodic data corrections

² Replacement Tyres: Passenger car, SUVs and light commercial vehicles

The drastic decline in tyre sales and replacements is partly due to the extensive measures taken by tyre manufacturers to protect the health and well-being of their employees and comply with government guidelines. This has led to the temporary closure of the European manufacturing facilities of almost all member companies. As of 7 April, ETRMA estimates that in Europe: 89% of manufacturing capacity is closed, 84% of the workforce is affected and 10% of R&D staff is unable to continue their activities. It is unclear when the European tyre industry will be able to resume its production activities and the international supply chain will be up and running again.

Additionally, there has been a substantial drop in demand due to the national lockdown measures across the European Union, which have affected vehicle and tyre purchases, driving behaviour and the number of miles driven. Fazilet Cinaralp, Secretary-General of ETRMA states that: *“Both the suspension of the operational activities and the sharp drop in demand will have a long-lasting impact on the performance of our industry. This is the biggest challenge our industry has ever faced.”*

ETRMA supports the measures taken by the European Commission to help mitigate the consequences of this unprecedented crisis. ETRMA hopes to continue collaborating with the EU institutions and national governments to develop schemes that stimulate a smooth and successful restart of activities in this vital European industry once the immediate health crisis is over.

“We look forward to continuing our dialogue with decision-makers on how we can restart our activities in the near future,” said Fazilet Cinaralp. In the meantime, the tyre industry will continue to contribute to the fight against the Covid-19 pandemic. *“The European tyre industry remains ready to provide any assistance it can. A number of ETRMA members are producing surgical masks and ventilators in different Member States and continues to mobilise on all fronts to play an active role in the global battle,”* concludes Fazilet Cinaralp.

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About ETRMA

The European Tyre & Rubber Manufacturers Association (ETRMA) represent nearly 4.400 companies in the EU, directly employing about 370.000 people. The global sales of ETRMA’s corporate members represent 70% of total global sales and 7 out of 10 world leaders in the sector are ETRMA Members¹. We have a strong manufacturing and research presence within the EU and candidate countries, with 86 tyre-producing plants and 16 R&D centres.

(source: europool ETRMA)

¹ ETRMA’s membership: APOLLO VREDESTEIN, BRIDGESTONE EUROPE, BRISA, COOPER TIRES, CONTINENTAL, GOODYEAR, HANKOOK, MARANGONI, MICHELIN, NOKIAN TYRES, PIRELLI, PROMETEON, SUMITOMO RUBBER INDUSTRIES AND TRELLEBORG WHEEL SYSTEMS. Furthermore, members include Associations in the following countries: Belgium, Finland, France, Germany, Hungary, Italy, the Netherlands, Poland, Spain and the UK.