

TPMS tsunami coming

Autogem's Prashant Chopra on TPMS market development

Last November European legislation mandating the fitment of TPMS into new cars came into force. Since then, checking for functioning TPMS and associated warning lights has become part of the MOT process. As a result, TPMS is beginning to enter consumer consciousness. So is the TPMS market growing in line? And how are structural features such as the market's distribution set-up affecting this growth? Tyres & Accessories spoke with Autogem managing partner and NTDA South East region chairman, Prashant Chopra in order to find out more.



Autogem managing partner and NTDA South East region chairman, Prashant Chopra addressing Brityrex 2014 delegates just before the November TPMS legislation took effect



Autogem supplies the i-Sensor range as well as tools and other parts

First off, the market has "certainly grown" following the introduction of legislation last November, as Prashant Chopra explained: "Many, many more vehicles are now coming standard with direct TPMS systems and these include both premium vehicle manufacturers such as Mercedes and BMW and the more mass market marques. With millions of new TPMS sensors on our roads added each year, a tidal wave of market growth is coming." As good as growth has been and (according to Chopra, will continue to be), the overall size of the UK TPMS market is hindered by the scale of its winter tyre market. "...we sadly do not enjoy winter tyre legislation as some of our European neighbours do. With a limited winter tyre culture and even more limited winter wheel change culture, the immediate opportunity for adding millions of secondary TPMS sensor sets is not present in the UK."

Nevertheless, plenty of potential remains: "We do however still have a serious opportunity for those who have already got TPMS capabilities on-site or are considering it. The revenue opportunity from damaged and corroded sensors very much still exists whether this be sensor replacement or sensor servicing." At this point, Chopra drew a distinction between corrosion and battery life as the main reason for TPMS servicing business at this point in time: "Sensor battery life will not drive demand for several years to come as all these millions of sensors being added to our roads each year start failing." The implication is, however, that it will come and will bring further demand with it when it does.

Post-legislation demand 'immense'

While he doesn't offer any concrete figures, Chopra describes demand leading

up to and just after the November 14 legislation as "immense". Whether this was a combination of the firm's exhibiting at shows such as Brityrex or due to an awareness that the major national retail chains were all engaged, is not clear but either way TPMS sell-in was said to have been "very strong" at that time.

Moving forward it is about forging real partnerships with retail customers: "It is one thing to sell equipment to customer partners, it is another to help ensure they maximise the equipment, support and training available to them. Our experience is mixed in terms of this engagement, some retailers have been very effective at maximising the 'sell out' opportunities to their retail customers, others have possibly been distracted by the endless negative pressure on market tyre prices and have not put TPMS as an opportunity high enough on their priority lists. Add in a fundamental education gap across vehi-

cle owners, front office (counter) and back office staff as well as the different knowledge required for all of those stakeholders – training remains a key driver of success.”

With this in mind, Chopra continued by highlighting the importance of consistency: “The energy required by retailers to make TPMS a success is not a one-off charge, but needs an approach to maintain and build expertise at a centre by centre level. Helping to maintain this traction has been a key aspect of our TPMS solution provision.”

Sensor manufacturers under pressure

With sensor manufacturers having invested considerable sums of money into the development and production of TPMS technology, now is a difficult time. They know the technology works, but they can't yet see the market blossoming to its full potential with their own eyes. Here's where the importance of distribution comes in: “[Sensor manufacturers] seek distributors that can properly support their solutions from a technical and training perspective. Without proper support to the end installers there is a serious risk the reputation of the products' capability could be damaged when ultimately correct TPMS inspection procedure and a rigid process flow will eliminate 99 per cent of TPMS support calls.”

The point is that not every distribution option is the same: “There are certainly many solutions now entering the market, as expected. But with very few providing the advantage of minimum stock holding coupled with the maximum coverage and the ability to load new vehicle protocols as they get released into the sensor itself, it is challenging for new distribution players entering the market also. Tried and tested solutions are few and far between so relatively inefficient or less capable solutions may be offered to those tyre retailers that have not properly studied the offerings, let alone the supplier support structures available to them.”

Indeed not every claim is as credible as each other: “We have heard some 'interesting' claims and 'counter claims' being advised to new equipment investors and some are certainly pausing for breathe before investment. There is a lot of smoke and mirrors out there and we anticipate that only to get worse over time as the market matures. Fortunately for Autogem with a customer base of in excess of 2000 retail points already working with us, there are enough users of our solutions and service to serve comfort to from a tried and tested perspective.”

sors and having to pair up new sensor IDs via OBD, stationary or drive around procedures to having the ability to clone/copy OE sensor IDs and circumvent relearn procedures completely. At the same time, some solutions have the capability to deal with those advanced auto learn technologies by also including advanced chipsets. Both OE and reputable aftermarket sensor manufacturers have an eye on emerging technologies and the chipset requirements for these.”

There have also been a number of developments with the tools necessary to service TPMS. According to Chopra,

“With millions of new TPMS sensors on our roads added each year, a tidal wave of market growth is coming...”

Product developments

TPMS technology has developed enormously in the last decade. Likewise the range Autogem works with has come a long way in the firm's eight-year plus TPMS history. The size of sensors and the sophistication of relearn software are both key features of this development, according to Chopra:

“This has been the case from both an original equipment perspective and also an aftermarket perspective too. From the OE perspective, the main developments have been smaller sensors with more complex chipsets having more sophisticated wireless auto learn systems employed, meaning the vehicles need less receivers to find a new sensor fitted to the vehicle. The pace of uptake across new vehicles has certainly not been as quick as perhaps some OE sensor manufacturers would have wanted.

“At the same time the options available to the aftermarket have also evolved. From the good old days of fitting OE sen-

software releases allowing for more functionality such as being able to manually modify IDs incorrectly programmed through the tyre and the ability to save number plate information for TPMS reports to provide to customers: “Of course protocol updates are very important too, allowing for the maximum possible vehicle coverage through quick software releases. For example for one of our TPMS solutions we have released 26 software updates in 29 months to help deal with the many new vehicles adopting direct TPMS.”

In summary, demand for TPMS is growing fast due to legislation taking effect. This means dealerships can earn additional income servicing and where appropriate replacing TPMS. At the same time, sensor and tool technology has also moved on. Both require good distribution, training and support partnerships in order to capitalise on this burgeoning opportunity.

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