

TIRE GROUP ON A ROLL



Tire Group International sells tires for everything from earth movers to rickshaws in more than 45 countries.

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As soon as Antonio Gonzalez was big enough, he began rolling tires around his father's service station and tire business in Miami, pumping gas and repairing tires to help out.

Today, the CEO of Tire Group International, a Miami company he founded with a friend in 1992, is moving more than 1.3 million tires a year to customers all over the world.

"I worked in tires since I was born," said Gonzalez, 43. "My family has been in the business since the 1940s in Cuba."

TGI is a major tire wholesaler in South Florida that buys over 40 brands of tires from manufacturers in Asia and the United States, produces its own tire brands and supplies importers, distributors, mining and trucking companies in more than 45 countries each month.

"Our focus is on exports," Gonzalez said. About 45 percent of TGI's sales go to Latin America (excluding Mexico) and the Caribbean, 35 percent to North America, including Mexico, and 20 percent to Europe, Asia, the Middle East and Africa.

Sales last year reached 1.3 million tires and the goal this year is to sell 1.5 million. Revenue in 2011 was about



PATRICK FARRELL/MIAMI HERALD STAFF

WHEELING AND DEALING: CEO of Tire Group International, Antonio Gonzalez, above and front, and his brother and COO Juaquin Gonzalez inspect the firm's warehouse.

\$115 million, the company said.

"We sell tires for every type of use except airplanes," Gonzalez noted, "... passenger vehicles, motorcycles, light and heavy trucks, lawn equipment, golf carts, agricultural and construction equipment ... even rickshaws."

At TGI's northwest Miami warehouse, the company has about 350,000 tires, including earth moving equipment tires that are about 10 feet tall and cost \$25,000 each at the wholesale level. Other giant tires there sell for several times that figure.

Gonzalez was not just born into the tire business. Working with his partner and his "family" of employ-

ees, he applied his knowledge of the tire market to grow TGI into a large, successful domestic and international distributor. One contributing factor to TGI's development, however, was getting stuck with \$150,000 in stock.

In 1992, he and a childhood friend, Agustin Herran, now president and CEO of Sedano's Supermarkets, decided to set up a business and established TGI using personal savings. "We started out as brokers, putting together buyers and sellers," Gonzalez said.

The brokerage business grew quickly and obtained bank credit, but the company acquired \$150,000 in product for one customer who could not pay, leaving

them with a big inventory of unsold tires. "Then we began buying and selling for ourselves."

Soon after, TGI had seven employees and was working from a Miami townhouse. "There were people working in the kitchen, the living room, the dining room," Gonzalez said.

Eventually the company bought its current location — a 600,000-square-foot warehouse of which TGI uses about a third and leases the rest.

To supply the needs of customers in underdeveloped nations, TGI designed thicker, overbuilt tires with extra-deep treads.

The company designs and manufactures four house brands — Astro, Cos-

TIRE GROUP INTERNATIONAL

- Business: Worldwide wholesale distribution of tires and accessories. TGI sells more than 40 brands of tires, including its own brands, and ships to customers from international manufacturers and from its Miami warehouse.
 - Headquarters: Miami, with offices in Venezuela, Peru, Ecuador, Brazil, the Dominican Republic, Mexico and China.
 - Established: 1992
 - Employees: 78 (70 in Miami)
 - CEO: Antonio R. Gonzalez
 - Ownership: Privately held
 - Sales: 1.3 million tires in 2011
 - Website: www.tiregroup.com
- Source: Tire Group International

they're there when you need them."

A customer in Miami, Carlo Canasi, owner of Nuñez Tire on West Flagler St., has worked with TGI for decades. "They have a large variety of tires, very good service and they get the tires to me on time," Canasi said.

In a move to expand opportunities for the business, TGI last October formed a partnership with Transportation Resource Partners, an investment fund affiliated with Penske Corp., and the McLarty Cos., a family-owned transportation firm with international automotive operations. Gonzalez said that the partnership, which involved an equity investment in TGI, will help the company expand. McLarty owns the sole distributor of Jaguar and Land Rover in Mexico, and has operations and relationships in China, Brazil and the U.S.

And in early June, TGI announced a strategic partnership with Miami-based Tire Warehouse, which provides tires to the construction, industrial, forestry, earth moving and agricultural sectors.

"We've gotten this far because we do things the right way," Gonzalez said. "Now we're in a position to grow the business even more."

mo, Industar and Luna — which range from economy to premium. Chinese-made Cosmo alone has over 300 items in its product line.

TGI also sells tires from a broad range of other manufacturers, including Cooper, Sumitomo (which makes Dunlop), Kenda (Taiwan), MRF (India), Goodyear, Bridgestone and others.

Wilmer Aguilar, one of the owners of Autollantas Honduras, a major tire wholesaler in Honduras, said his company has been doing business with TGI for about 18 years. "Compared to the competition, they offer several advantages," he noted. "First, the quality of service; second, the variety of brands; third, good credit terms and finally support —