

2017

ANNUAL REPORT

MAKING MORE DREAMS COME TRUE

**DISCOUNT<sup>®</sup> AMERICA'S<sup>®</sup>**  
**TIRE TIRE**

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**TIRE TIRE**





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# A Message From Our Executive Chairman



**We are enormously proud of all your outstanding accomplishments this past year, and more importantly in how you accomplished them together!**

## **To our Discount Tire Family,**

Our wonderful Discount Tire Family started out with the gift of our Founder, Mr. Bruce Halle, and his Five Life Lessons (Be Honest, Work Hard, Have Fun, Be Grateful, and Pay it Forward). Bruce was also a strong believer in the American Dream. He not only wanted to be the best person he could be, but he also made it his mission, and ours, to help others on their journey in life. Most importantly, Bruce role-modeled his values for us every day and created our special culture. Mr. Halle's gift to us is now our gift to each other and to future generations.

Today, YOU—our wonderful 26,933 Discount Tire Family members—are role-modeling our culture. You are not only positively impacting your life, but the lives of your loved ones, our Discount Tire family members, our customers, and our community members.

We are enormously proud of all your outstanding accomplishments this past year, and more importantly in how you accomplished them together!

At the end of this past year, we were also blessed with the opportunity to further expand our family with the addition of the Tire Rack family. Like our great company, Tire Rack's founders Pete and Wilma Veldman gifted their wonderful employees with a culture of caring about each other, their customers, and their communities.

Together, let's keep making many more dreams come true.

Dream BIG and may God Bless You!

**Michael Zuieback**  
**Executive Chairman**

On behalf of the Halle family  
(Halles, Lyles, Pedersens, Zuiebacks)



**The Halle Family**

Michael Zuieback, Bruce Halle Jr., Susan Lyle,  
Diane Halle, Lisa Halle-Pedersen



# A Message From Our Chief Executive Officer



This past year was one of extreme adversity with the toughest labor market we have ever faced, global supply chains that came to a halt and on-going waves of Covid creating significant disruptions. This adversity caused many companies to break; we broke records.

This is a story about our people and their can-do attitudes to face all challenges with the courage to move us forward and make more dreams come true. We set new records in sales, units and profitability ("tools"). With these tools we opened more stores, promoted and hired more people, shared more gifts and paid it forward to those in need.

This was accomplished with a focus on getting better each day at delivering on our Strategy of providing the most inviting, easy and safe employee and customer experience.

#### **A few highlights from this past year:**

- We came together with Tire Rack and the Veldman family who have a remarkably similar culture. Together, we will continue to preserve and strengthen our cultures and grow our market leadership. Tire Rack will further enhance our online presence and capabilities, expand our mobile service, further strengthen our tire expertise and grow our business-to-business capabilities.
- We grew our Omni Channel experience to levels that lead the tire retail world and drove a 39% increase in customers choosing to buy online and make an appointment.
- We began expanding our services with the roll out of wiper blades and the piloting of alignments.
- We made investments for our future in the areas of robotics and sensors.

**We grew our Omni Channel experience to levels that lead the tire retail world and drove a 39% increase in customers choosing to buy online and make an appointment.**

- We took a great step forward in our fleet strategy with the development of our fleet team and expanded customer offerings. We are delivering mobile service, tires as a service, and sensor technologies. We are also partnering with other service providers.
- We continue to invest in the growth of our people through the Discount Tire Management System.

There is no doubt the people of Discount Tire are living out Mr. Halle's 5 life lessons to the fullest. When it comes to cultural excellence, a recent study from the Massachusetts Institute of Technology (MIT) recognized Discount Tire as one of just 21 companies that are head and shoulders above the rest in having a vibrant, multifaceted culture that succeeds spectacularly. We were praised for our collaboration and great teamwork philosophy and ranked as one of the highest integrity workplaces.

We believe it takes Happy Employees to make Happy Customers and this proved to be the case. Discount Tire has been ranked the #1 Retail Customer Centric Company in Forbes. We are the very best in retail today. What an accomplishment!

These recognitions are an amazing testament to Our Culture and the wonderful people of Discount Tire who bring it to life every day. The best part is we have so much more we are working on to take both the employee and customer experiences to new levels.

I am so proud of each and every one of you and what we have achieved together. Thank you for Caring for and Cultivating each other, delighting Our Customers, and helping us Grow Responsibly.

We do this together.

**Dean Muglia**  
**Chief Executive Officer**



2021: Our Year In

# Numbers

6,405

Average number of wheels sold per business day company-wide in 2021



#89

Glassdoor ranking of "Best Places to Work in America"



110,780

Average number of tires sold per business day company-wide in 2021







**#73** Forbes Halo 100 List ranking of "brands that consumers love"

# Top Sellers Of 2021

## TOP 5 TIRES BY TOTAL UNITS SOLD

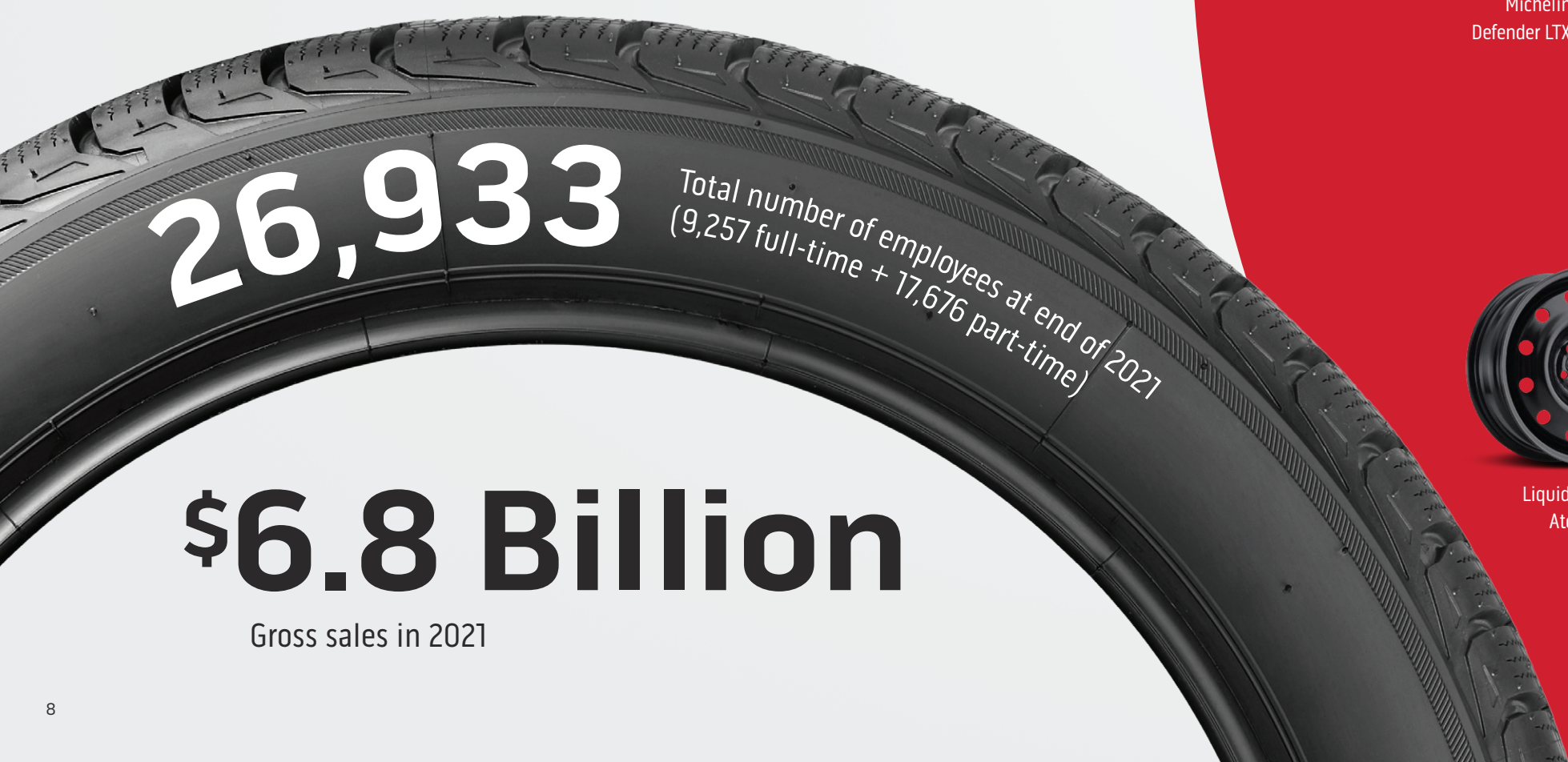


Michelin Defender LTX M/S    Michelin Defender T+H    Sentury Touring    Arizonian Silver Edition AS    BF Goodrich All Terrain T/A KO2

## TOP 5 WHEELS BY TOTAL UNITS SOLD



Liquid Metal Atom    Vision Boost    Liquid Metal Shadow    MB Crux    MB Legacy

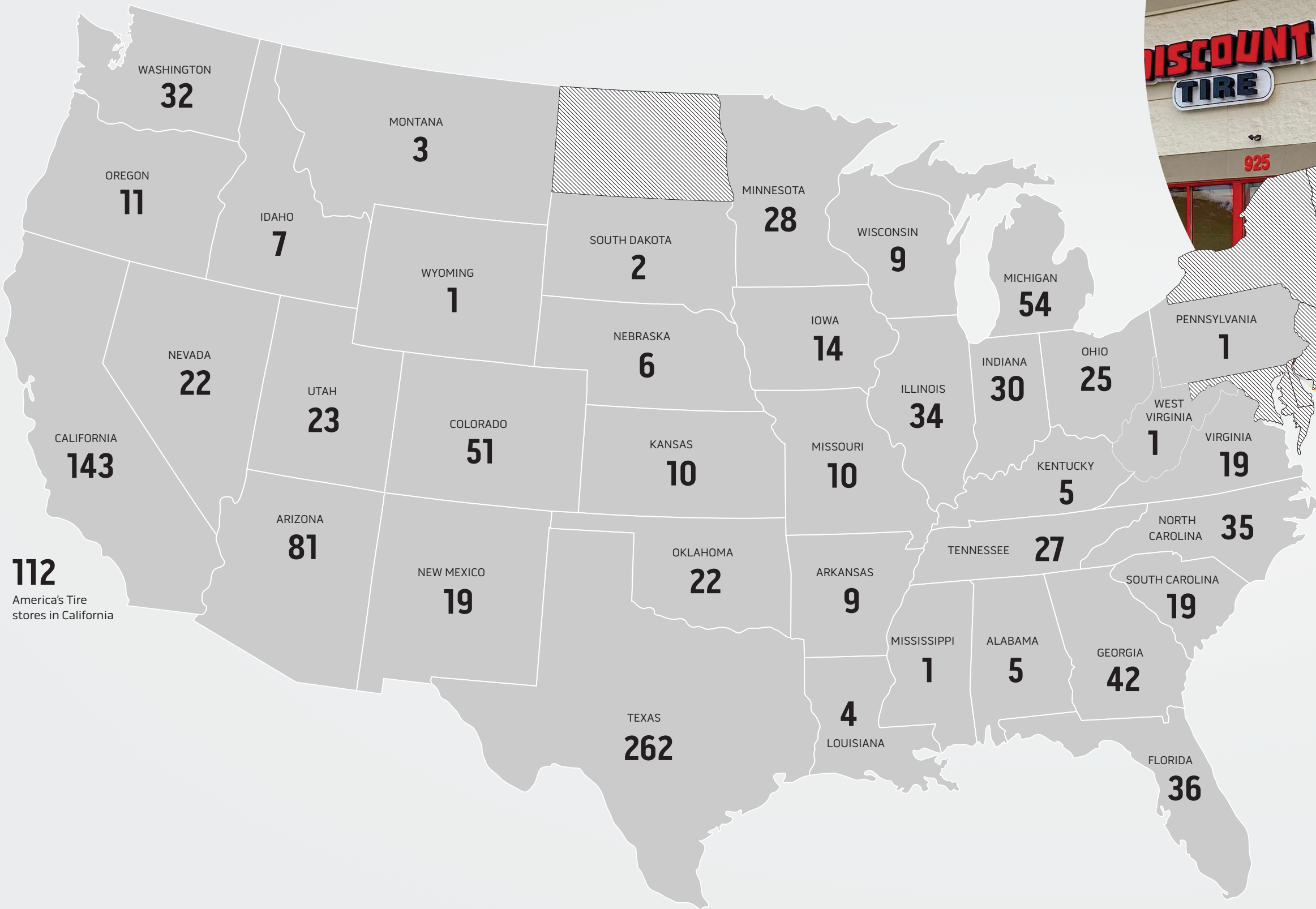


**26,933** Total number of employees at end of 2021  
(9,257 full-time + 17,676 part-time)

**\$6.8 Billion**  
Gross sales in 2021



# Total Stores At Year-End



WIO 01 - Oshkosh, WI  
Opened 11/4/21

**1,103**  
Total number of stores  
at year-end



Making More Dreams Come True:

# How Has The Company Helped Make Your Dreams Come True?

**I found myself here at Discount Tire because I wanted to try something new and push myself to be the best version of myself I can be. I found a home where I can be myself, and I have made some of the best friends I could ever ask for.**

Ezra Kincaid  
TXA 04 - Austin, TX



"In 2013, I was working for Discount Tire as a part-time tire tech when I lost my mother. Our AVP at the time, Mark Smith, immediately came to my store to comfort me. Not only did he help guide me through the tragedy, he also put me in touch with the Bruce T. Halle Assistance Fund. I was completely blown away that Mark and such a large company would go through so much for me, a part time-tire tech. I knew then that I stumbled upon something much bigger than just a "tire store." Since then, I have had many mentors within the company who have helped me professionally and personally."

Lex Crocker  
TXS 22 - San Antonio, TX

"Growth—this is the first thing that comes to mind when I think of what Discount Tire has done for me both personally and professionally. During my time with Discount Tire, I have transitioned from a hard-working blue-collared young man to becoming a professional business leader. Along this journey I have created a stable lifestyle for my family and I have a career they are proud of. None of this could have been accomplished without my mentors and friends guiding my path for success."

Steven Williams  
GAS 01 - Valdosta, GA

"Growing up with a single mom, I knew all I ever wanted was comfort for my own family, and Discount Tire has more than provided that for me. My all-time favorite experience so far has been meeting Mr. Halle. I will forever be grateful for the sacrifices he made in his life to pave the way for my brothers/sisters and me!"

Quashon Bagley  
SCC 18 - North Charleston, SC

"From a tire technician in Dallas to Senior Assistant Manager in Georgia, Discount Tire has taken me to places I never dreamed of. The intangible benefit of recognizing my worth and ability to lead has been the greatest reward of all."

Calvin Sylvester  
GAA 14 - Cumming, GA



**My favorite part about working for Discount Tire has been helping others reach their full potential. To watch someone grow into the man or woman God intended them to become and sharing in their success has been overwhelmingly life-changing.**

Mark Medlin  
Assistant Vice President - Indiana Region



"Discount Tire / America's Tire gave me the opportunity to be a great role model for my son, and provide for my family in ways I never thought possible. I was promoted to full time in 2015, married in 2016, moved to North Carolina later that year, and have since bought our dream home. I am currently a Senior Assistant Manager at NCC 09 and have been given an amazing opportunity to go to the company's Tahoe outing this year. I am overly excited for Tahoe as this is where my wife and I got married. My son, now 16 years old, works for Discount Tire. Thank you Bruce Halle and all my Discount Tire family for helping make my dreams come true."

Pete Wullenwaber  
NCC 09 - Cary, North Carolina

"Discount Tire helped me accomplish my goal of becoming a successful manager. This has given me the ability to provide for my family no matter what. While working at Discount Tire my family and I experienced a devastating home fire; I learned that my commitment to Discount Tire is not in vain, as the company proved to me that I am part of a larger family. Discount Tire made my dream come true!"

Thalese White  
SCC 13 - Beaufort, SC

**After meeting the love of my life, my dreams changed to being able to provide for my family, and Discount Tire has allowed me to be able to do that. I have been able to give my kids more than I ever had growing up. In the last eight years of being with the company I have grown as a manager, a father, and a husband, and I would not change that for the world.**

Hunter Martin  
GAA 28 - Conyers, GA



"The greatest gift I have received from Discount Tire is the ability to impact people's lives in a positive way; from being a leader that prepares our young people for life or being that father figure they need to guide them. Helping and believing in people is Mr. Halle's legacy and it's a debt I know I can only try to repay with my actions and behaviors. Every day, I wake up with a plan to positively impact somebody's life and teach them something."

Benjamin Filkins  
GAA 36 - Evans, GA

"America's Tire has helped make my family's and my dream come true. A recent promotion to Manager has given me the opportunity to build a better life for my children, opening up more opportunities and better schooling options. Now that I'm in this position, I can pay it forward, and I get to watch others grow. I get to be involved in making dreams come true, including sending two employees to the Lake Tahoe outing this year."

Anthony James  
CAL 20 - Glendora, CA

**America's Tire has taken a shy 16-year-old kid and given him the confidence to lead a group of his coworkers to reach their full potential. My dream was to be able to buy a house and give my wife and son the life they deserve, and America's Tire has enabled me to do just that. This has always been more than a job; I get to go to work every day and work with people that have become family.**

Nate Dodson  
CAN 48 - Riverbank, CA



*Family Business*

*Twin brothers Nate (left) and Matt (right) pose with their cousin, Zachary. All three are store managers in Northern California. Zac's brother Josh also works for the company.*



**My dream came true when I found a lifestyle worth living. When applying Bruce Halle's 5 Life Lessons (Be Honest, Work Hard, Have Fun, Be Grateful, and Pay it Forward), I found myself in the absolute best position to live my dream of helping people. Living these lessons also allows me to set a positive example for my children and form meaningful and lasting relationships with others. Today I get to do what I love and have fun doing it.**

Shaun Sasaki  
CAS 16 - Lemon Grove, CA



"Through Discount Tire / America's Tire, I was able to purchase my home and to set up my future with 401k and other investments. In 2020, I fulfilled a milestone in my journey by receiving The Dream Award. However, I hit a personal speedbump when my oldest was diagnosed with cancer. With the help of Dustin (AVP) and Josh (VP) and the amazing Discount Tire medical team, my family and I were taken care of. Eight months later I was blessed by being promoted to Manager of CAL 11. I am beyond grateful for everything and will strive to be an extension of Mr. Halle's hospitality and his life lessons."

Alex Aguilar  
CAL 11 - Rancho Palos Verdes, CA

"Discount Tire changed my life when I got hired right after high school. Along my journey I have been given amazing opportunities to meet the most awesome people, experience the epic Lake Tahoe trip, and even win a personal trip while there. The company has taken such great care of me along my journey; I have been able to buy the home of my dreams and provide a stable, amazing life for my family."

Jeffrey Voutour  
FLG 03 - Lake City, FL

"When I joined Discount Tire I had no expectations. Once I completed the training academy in Las Vegas I knew I had joined something special. During that class I set two professional goals for myself. In December of 2021, one of my dreams came true when I was promoted to Manager of FLS 02. A few short months later a second dream came true when I was told I will be attending the Tahoe outing in July 2022. My personal goals have been getting checked off the list as fast as I can make them! I've also been able to provide for my family in such a way that my wife can be a full-time stay-at-home mom!"

Brett Vanorden  
FLS 02- Greenacres, FL

"Never did I think my first job at age 16 would turn into my forever job, but I fell in love with the culture and I have the pleasure of working with the most amazing people! In my current season of life, I'm able to work from home a few days a week and enjoy watching my 1 ½-year-old son grow up. America's Tire has made this flex schedule possible and I am so grateful!"

Megan Brazil  
Northern California Regional Office





Making More Dreams Come True:

# Words From New Employees

**My favorite moments at Discount Tire are when people see me working in the back room and approach me and say ‘I’ve never seen a girl do this kind of work; you rock!’**

Hannah Mlekodaj  
NMA 06 - Albuquerque, NM TX



“I like how everyone works well with each other and takes care of each other like a brother. I also like taking care of our customers and making sure they leave safer than when they came in.”

Alberto Hinojos  
TXE 06 - El Paso, TX

“My favorite part about working for the company is the family we have created at our store. We all have invested in each other and each other’s families.”

David Melton  
KSM 01 - Manhattan, KS

“My favorite part about working with the company so far is the ability to grow. To learn more things other than just changing out tires. The company has taught me other skills which have helped me in and out of work. I have become more confident in interacting with customers and more knowledgeable to answer their questions and concerns.”

Armando Hinojosa  
TXE 07 - El Paso, TX

“Several managers and employees at my store have made an impact on my life and are great role models that I want to be like one day. One of my other favorite parts of the job is doing the challenges with other stores from our region, which makes the job feel like a competition for everyone to get better and try harder.”

Deven Martell  
WIG 01 - Bellevue, WI

“I enjoy the welcoming environment at the store. This is the first job I’ve had where I enjoy going to work every day.”

Carlos Acevedo  
MIA 17 - Adrian, MI

“One of my favorite parts of working for the company is that I feel like I’m truly a part of the Discount Tire family. I love coming to work; working on outings for our people, getting to know them better, and helping to make our region a success!”

Sara Lien  
North Star Regional Office

“My favorite moments have been seeing my fellow assistant managers and apprentice techs getting well-deserved promotions with all the hard work that they have put in.”

Eric Rush  
NVL 05 - Las Vegas, NV



**My favorite part of working at Discount Tire is being surrounded by people that I care for and that care for me just as equally. It motivates me to work harder and grow for a company that rewards that effort tenfold.**

Marcus Perkins  
IAC 01 - Cedar Rapids, IA



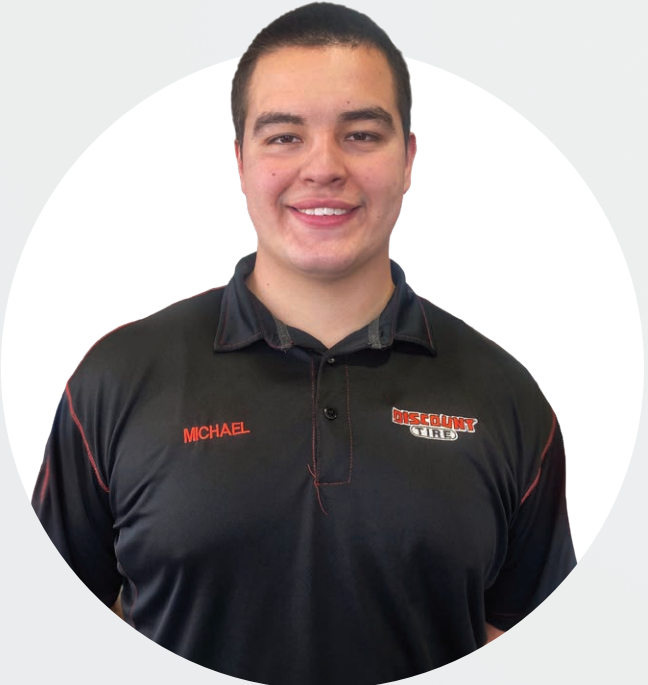
**My store manager, Darrell, has been a big role model for me. He truly makes me want to become a better person every single day. He cares about his people and this company.**

Juliana Rodriguez  
NVL 07 - Las Vegas, NV



**My favorite part about working for the company is the focus on always keeping integrity in everything we do, inside and outside the workplace.**

Michael Garcia  
TXE 01 - El Paso, TX





Making More Dreams Come True:

# 6,284 Employees Were Promoted in 2021. Here Are Some Of Their Stories.

**I was promoted to Senior Assistant Manager in 2021. I’ve worked for many managers who I can proudly say have given me the traits to be a better employee and leader, which has helped with me in my Discount Tire journey but also in my everyday life. I have grown because of them, and as I continue on my path, my hope is that now I am able to help others achieve their dreams.**

Ramon Solis  
TXA 01 - Austin, TX



“I have always looked up to my managers and saw how they work hard and play hard. My promotion was a reminder of Bruce Halle’s mission which is to continue to make dreams come true. It really was a dream coming true for myself and my family. It now brings me joy when I am able to promote my brothers and sisters below me to continue their journey and make their dreams come true.”

Hunter Eckert  
TXA 14 - Austin, TX

“My favorite moment since joining Discount Tire was when my AVP and manager surprised me with a promotion to 5S Manager. It truly blew me away and caught me by surprise!”

Tristan Carnell  
IAD 02 - Des Moines, IA

“To me, being promoted to Senior Assistant Manager meant that I had earned the respect of upper management which would allow me to help make more dreams come true. In addition, I would have more opportunity to grow, learn, and to be a greater impact on my Discount Tire family and the San Antonio community. I am significantly grateful for the foundation that Bruce Halle paved for Discount Tire. I am also grateful for the people I have met who have mentored me along the way.”

Miguel Gonzales  
TXS 05 - San Antonio, TX

“I have been with the company for two years and have recently been promoted to Workflow Manager. This journey has meant the absolute world to me. This amazing opportunity has given me the chance to impact others to excel in their careers and make a difference in their journey, just like strong leaders have in mine. I hope to one day be as great as the people that have made an impact on me—not only in my Discount Tire career, but in my life.”

Frank Montano  
TXA 20 - Marble Falls, TX



**I was promoted during a time when I had friends and family getting laid off or furloughed. I was able to take a giant step forward in my journey. Getting promoted in that Saturday morning huddle, surrounded by my team, had me in tears. I knew I was going to be able to provide for my growing family. This company has given me the tools and resources necessary to truly live the DREAM.**

Lex Crocker  
TXS 22 - San Antonio, TX



**My promotion to 6th Level Assistant Manager was a real eye-opener. I felt that my manager, AVPs, and the company saw something in me that I didn't see in myself. That is what I admire about this company; they look out for people who they can invest in to be the best!**

Michael Hausler

TXS 06 - Hill Country Village, TX



"Under the mentorship of David Stahl, who has helped me tremendously, I got promoted to Marketing Manager and then again to Senior Assistant Manager. I've also had the privilege to work with other managers over the years that have given me valuable insight and lessons about the job. I recently had the honor of being named 'Employee of the Quarter' at the end of 2021. That has been one of my proudest moments of my career with Discount Tire, and I am grateful for all the mentors along the way. Working at a company that treats you and your family like family is invaluable. I feel lucky to be able to wake up and go to a job that I love. This company has been good to me and my family through the years and I look forward to growing and continuing my journey here."

AJ Jaimez

TXS 27 - San Antonio, TX

"Over the years I've been inspired by many managers and the teams at the Laredo stores. They showed me the culture of Discount Tire and how this isn't just a job—it is a family. My dream grew from just wanting to support my family to wanting to help others just like I had been helped. Being promoted to a senior assistant manager this past year was something I would have never thought I would have wanted to be when I started. It has been an amazing journey to reach this milestone. This promotion not only continued to help keep the dream alive for me and my family, but also to be able to help others achieve their dreams."

Anthony Flores

TXC 17 - Eagle Pass, TX

# Leadership Spotlight

## Albert Andrade

Promoted to Vice President of the St. Louis (Gateway) Region

Albert started with Discount Tire as a tire technician in the Los Angeles Region in 1995 and was promoted to Assistant Manager less than a year later. He went on to be promoted to Store Manager in 2001, managing multiple stores throughout the LA Region. In 2006, Albert was chosen as the LA Region's "Manager of the Year." In 2012 he was promoted to Assistant Vice President of the Utah/Idaho Region. In 2016, he relocated to the Colorado Region, and now he has been promoted to lead the way as Vice President in the new St. Louis (Gateway) Region.

Albert consistently puts the needs of those he serves first by truly caring for & cultivating every employee he interacts with. As a result, his people have a high level of trust and respect for him. Albert brings the Brand Promise to life; a caring person doing the right thing.

## Bridget Kautzky

Promoted to Assistant Vice President of Real Estate

Prior to joining Discount Tire, Bridget was a partner of a law firm where she practiced extensively in commercial real estate, which included serving as outside counsel to Discount Tire. She joined the company as Real Estate Counsel in 2019. She began managing the Real Estate Acquisitions and Legal Department in 2020, which is responsible for handling all legal matters pertaining to real estate acquisitions and dispositions, leasing, administration, facilities, development, and construction for the

company's real estate portfolio. In 2021, Bridget's role expanded to include overseeing the Real Estate Administration Department which is responsible for real estate accounting, lease administration, and property management services. She also oversees the Real Estate Strategy Department which is responsible for identifying and analyzing property to accommodate new stores across the United States.



# “MY DREAM?

WELL MY DREAM IS THE SAME  
AS IT'S ALWAYS BEEN.  
IT'S TO DO WHATEVER  
I CAN TO HELP MAKE  
OTHER PEOPLE'S  
DREAMS COME TRUE.

*Bruce T. Hall*

