

# Here they grow again: Point S up to 336 locations

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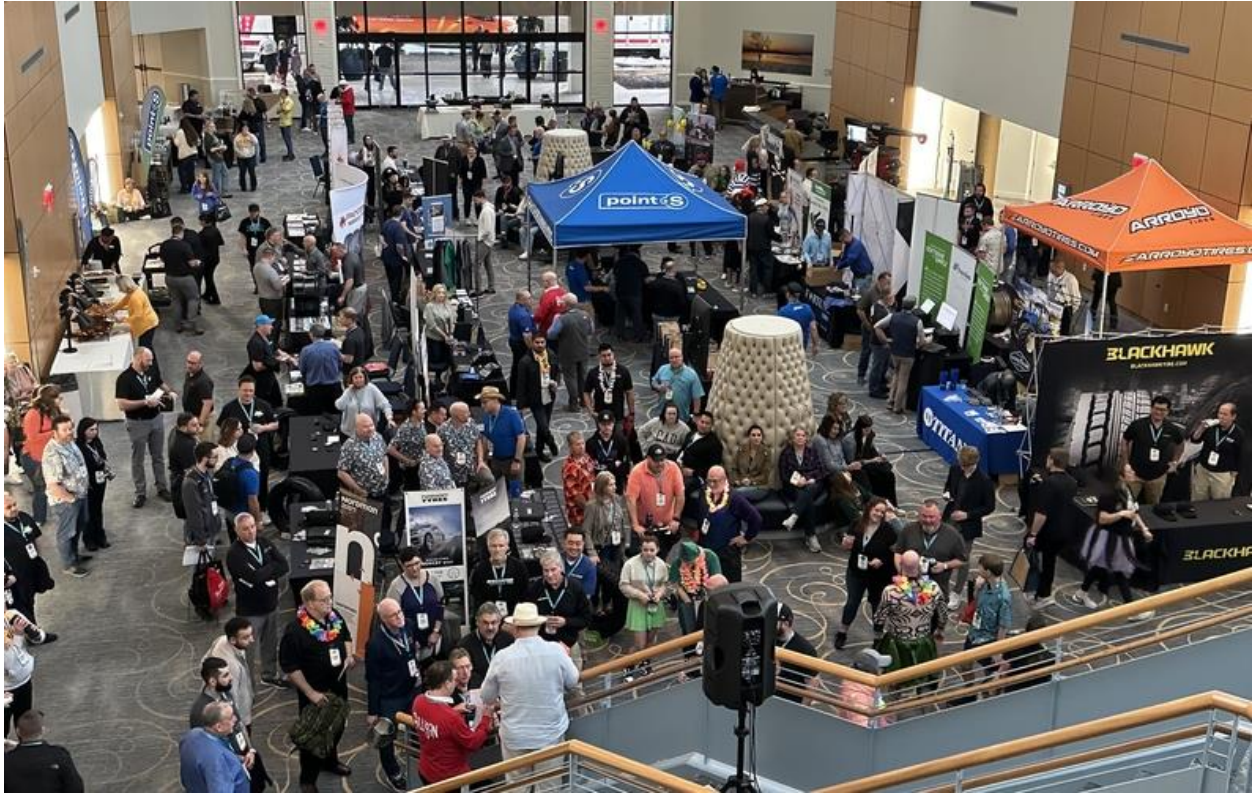
Those numbers reflect the number of new locations, the number of new states (the three M's: Maine, Michigan, Maryland) with a Point S location, and the number of years into the marketing group's five-year strategic vision.

Now 12 months into its "555" plan that was unveiled at the group's 2023 meeting — 500 stores in 50 states within five years — Point S USA has 336 locations in 31 states,

The group's executive team revealed that during the annual Owners' Meeting, held Jan. 25-28 at the Margaritaville Conroe Lake Resorts hotel and conference center, located north of Houston.

Days before the event, excessive rain caused flooding in and around the area, trapping residents in nearby houses. Lake Conroe rose nearly 4 feet, flooding surrounding roads and forcing authorities to close the lake for a few days. And to make matters worse, high winds and cold temperatures were forecast through the weekend.

Despite the difficulties, more than 500 Point S members and their families, staff and vendors attended the annual Owners' Meeting and trade show. The wet weather forced event organizers to zag, moving all activities inside, including a trade show that featured more than 40 vendors.



Tire Business photo by Don Detore

Point S members meet with vendors during the trade show at the annual Point S Owners' Meeting.

The success of the last year seemed to trump all else.

"We had a good plan, and sometimes it actually comes together," Point S President and COO Clint Young said.

"We knew we had the energy, we knew we had a good goal," Point S CEO Walter Lybeck told *Tire Business*. "We knew we had a good strategy. And it was just about executing it."

The "555" challenge hatched in early 2022 includes four initiatives designed to help grow the former Tire Factory group:

- As associated dealer program that allows dealers to join Point S without changing signage. New associate members don't have voting rights;
- "No trouble to double", a program that incentivizes existing members with various resources to open new locations;
- A referral program that offers existing members up to \$10,000 if a fellow dealer they refer joins the group; and
- A retention bonus, encouraging dealers who are looking to exit to sell to a current Point S member.

The associated dealer program, which allows dealers to become a B share Point S owner, attracted the most interest, removing some initial barriers. Interestingly, though, of the 69 new locations, 57% became full-fledged members, while the others were B share signees.

Eric Gill, CEO of Gills Point S, singlehandedly drove several of those new locations through acquisition. [Gills Point S, now with 61 locations](#) coast to coast, accounted for 14 of Point S' network growth during the year.

Lybeck and Young lauded the Point S acquisition team, led by National Sales Manger Jim Richards, for pursuing dealerships that fit the Point S profile.

"As we as we go to market, we're very careful to make sure that our new members are matches to what we're trying to accomplish," Lybeck said. "Not every store in the world can be a Point S store. It's not intended to be that way." Lybeck noted that each business owner must be invited to join, and they, in turn, must want to join.

"So it's a mutual connection," he said.

It wasn't too long ago when Portland, Ore.-based Point S was a small cooperative organized by a handful of dealers who purchased truck loads of tires together to drive down their costs. The entity formed in 1984 as Tire Factory.

Today, the group grows at a record pace. Is there a concern about growing too much, too fast?

"Yes," Lybeck said. "The concern is that you lose focus of who you are. The concern is that you compromise your principles in order to achieve that growth. The concern is that the existing members feel like you've lost touch with who they are, that you lose the culture."

Growth, he said, is required for success.

"We have to grow to win long term," he said. "We have to be across the country. We need to have that depth. And that's the message that we're trying to make sure that members understand. And I believe they do, frankly.

"I think members appreciate that, that the organization that they built, is attractive enough to bring in people."

He acknowledged that growing too fast could be a recipe for trouble.

"So we have to stay laser focused on who we are," he said.

That requires communication. It is part of the reason the group began to have regional meetings five or six years ago. Today, each region meets about once a quarter.

"We need to connect with people and bring board members in (from other regions) to see there is more to this organization than (the executive team),"

Young said, that we have deep roots here with other dealers who are really successful and get great benefits from the group. So we're going to continue to do that."

Young said the Point S team is "actually afraid to lose," motivated to build upon each success.

"They're they're knowledgeable; they're aggressive," he said. "They know the industry extremely well. And we're lucky enough to have people that can balance the requirements of what that takes to travel all over the U.S. and be away from their families. That is not something that we looked at lightly. It's very hard to do that."



Tire Business photo by Don Detore

Point S CEO Walter Lybeck poses with Les Stressmen, the fictional character the marketing co-op uses to emphasize its tagline, "No Stress with Point S."

### **Other Point S news**

Among the other news at the Point S Owners' Meeting:

- A member initiative was launched to incentivize owners to repaint and refresh each Point S location. The company created a style guide that provides direction, color and lighting recommendations and other aesthetic details to help the process along.
- Point S named four Platinum partners — Falken Tire, Hankook Tire America, Nexen Tire USA and Nokian Tyres Inc. — that it said would play a role in exclusive promotions available to Point S stores.
- Les Stressman, the group's fictional pitchman launched in 2023, also returns, with a campaign the company said is designed to highlight Point S' "No Stress with Point S" tagline. The Stressman character, played by an actor from California, roamed the trade floor show, mixing with guests and vendors alike.

- Joe Tomarchio, a longtime tire exec who retired from Monro, Inc. last May, delivered the keynote address. Tomarchio formerly was executive vice president and CEO of Mr. Tire Inc., which he co-founded with his brother Fred Tomarchio in 1970.