



Significant Growth for Presti Industries

Presti is one of the best known names in the global retreading industry, and with good reason. The seamless retreading envelope invented by Frederick Presti back in 1975 is still arguably the most widely used envelope in the world.

However, at the start of the current century the Presti name

achieved through the launch of a sealing ring, which was introduced into the market the day after Bandag's patents on their ARC sealing ring system expired. This provided the impetus for the company to grow its business, and today the Presti sealing ring has achieved a dominant position in the market



Darryl, Georgia and Barry Presti inside the company's factory in Warminster

disappeared from the radar for a while when the company founder, for family reasons, made the decision to sell the assets of his company, including his envelope patents, to competitor Robbins. At that time, Frederick Presti's son Darryl, who had been involved in Presti Rubber and would have liked to have continued to be involved in the retread sector, was forced to take a sabbatical from the industry as he was the subject of a non-competition clause. He therefore spent some time establishing a florist business with his wife until he was allowed to re-enter the industry. Brother Barry, meanwhile, set up Tripoint LLC in 2004 as the first step towards re-establishing the Presti name. He was joined by Darryl as soon as he was legally entitled to. Barry and Darryl both admit that it has been a long, hard road getting the family business back to where it was, but with the company having achieved a huge 300% increase in sales in 2015, the brothers are now convinced that they have made the breakthrough they needed, and are on the way to achieving significant national and international success. Presti Industries' re-entry into the retreading industry in 2004 was

place. Next, Presti developed a completely new seamless retread envelope product line, which has been re-engineered to provide a new level of performance, quality and value. According to Darryl Presti, the initial plan was to subcontract envelope manufacture to a third party producer, but in the end the company decided to set up its own production facility at its HQ in Warminster, Pennsylvania, just outside of Philadelphia. The company's new envelope has been re-engineered to be lighter and more elastic, making it easier to use without sacrificing durability. It also provides improved thermal conductivity for faster heat transfer and more consistent quality. Of key importance to the product range is the company's new QuickDraw valve, which aims to protect the envelope from damage in the valve area. The QuickDraw valve has a 60mm diameter base shielded with a rubber grommet and features a new interlocking system, which locks the envelope to the valve, thereby eliminating leakage and valve pull-through. A further technological breakthrough was provided in 2014 when Presti developed a new envelope bar code tag, which

is mounted onto the valve, and which provides both traceability and data for quality control systems.

According to Barry Presti, the envelope bar code tag has been incorporated into all Presti outer envelopes with effect from Jan 1st, 2016, and is in the process of being integrated into all innerlopes too.

Barry and Darryl Presti put down their sensational recent growth to hard won success with the major new tyre manufacturers, Bridgestone, Goodyear and Michelin – many months of hard work, which is now beginning to bear fruit.

Of major importance was the approval of the Presti envelope range by Michelin in January 2015, achieved after in-depth testing at Michelin's R&D centre in South Carolina, which focused heavily on the thermal conductivity properties of the company's envelopes. In addition to the gaining of business from Michelin, Presti also reports significant growth in sales to Bridgestone and Goodyear as well as to independent retreaders and overseas customers alike.

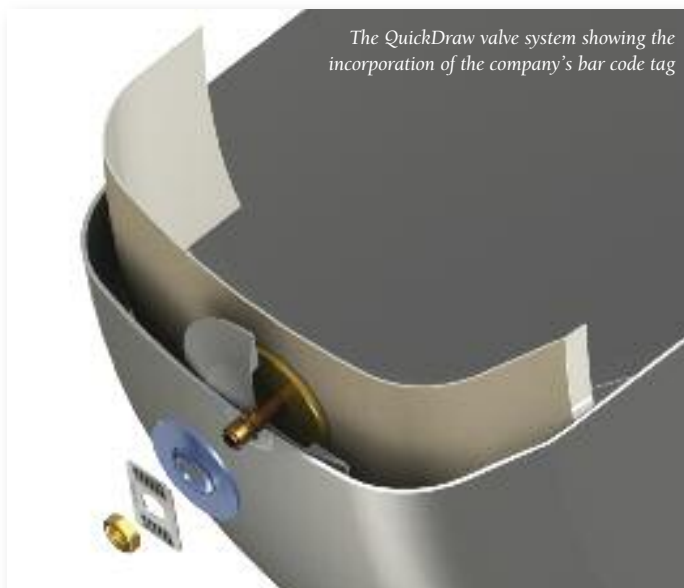
"Much of this success is due to quality and persistence," says Barry Presti. "We have also gained a reputation as an innovator, not least due to the fact that we have over 60 years' experience within the company in the specific area of compression moulded envelopes."

"Our experience in this sector is one of our key advantages," adds Darryl. "Also important is our willingness to develop new products according to the

demands of our key customers." An example of this is the fact that Bridgestone was the influence for the development of Presti's bar code tags. Similarly, Goodyear provided the impetus for the company's integrated wick and valve, which features a special gas-permeable wick coated with a release agent so that the rubber won't stick to it.

Despite the rapid growth, Presti Industries remains a close-knit family business, with Darryl and Barry aided in the sales office by Barry's wife, Georgia. They are supported by a highly motivated and loyal workforce of 23 people. Having achieved such major growth, the company is now looking to maintain its progress in 2016 and is forecasting a further 50% growth by the end of the year. In order to cope with this, the company is now looking to make a number of investments in order to achieve more automation, optimise quality and maintain growth. These include plans to invest in more presses, the integration of an automated cutting and weighing system, the introduction of new envelope sizes, and an increase in the automation of the inner envelope production process.

According to Barry and Darryl Presti, these investments will help the company to continue its plans to push forward in the market and achieve growth, both domestically and on an overseas basis.



The QuickDraw valve system showing the incorporation of the company's bar code tag