

Industry Segments

The Company's business units have separate management teams and offer different products and services. Using the criteria of FASB No.131, these business units have been aggregated into two reportable segments; Distribution of aftermarket repair products and services and Manufacturing of polymer products. The aggregation of business units is based on management by the chief operating decision maker for the segment as well as similarities of production processes, distribution methods and economic characteristics (e.g. average gross margin and the impact of economic conditions on long-term financial performance).

The Company's distribution segment is engaged in the distribution of equipment, tools and supplies used for tire servicing and undervehicle repair. The distribution segment operates domestically through 43 branches located in major cities throughout the United States and in foreign countries through export sales and businesses in which the Company holds an equity interest.

The Company's manufacturing segment designs, manufactures and markets a variety of polymer based plastic and rubber products. These products are manufactured primarily through the molding process in facilities throughout the United States and in Europe. Sales to external customers for manufactured plastic products were \$411.1 million, \$443.7 million and \$366.2 million for

fiscal years 2001, 2000 and 1999, respectively. Sales of manufactured rubber products were \$46.0 million, \$50.8 million and \$52.7 million for fiscal years 2001, 2000 and 1999.

Operating income for each segment is based on net sales less cost of products sold, and the related selling, administrative and general expenses. In computing segment operating income general corporate overhead expenses and interest expenses are not included. The identifiable assets of each segment include: accounts receivable, inventory, net fixed assets, excess of cost over fair value of net assets acquired, patents and other intangible assets. Corporate assets are principally land, buildings, computer equipment, cash and temporary cash investments.

Total sales from foreign business units and export were approximately \$182.0 million, \$194.2 million and \$173.8 million for the years 2001, 2000 and 1999, respectively. There are no individual foreign countries for which sales are material. Long-lived assets in foreign countries consisting primarily of property, plant and equipment and excess of cost over fair value of net assets acquired were approximately \$113.3 million at December 31, 2001 and \$124.4 million at December 31, 2000. No single customer accounts for 10 percent or more of total company net sales or the net sales of either business segment.