

# 2023 MICHELIN ALLIANCE ASSOCIATE DEALER PROGRAM REFERENCE GUIDE

List Price is the basis for all AAD Payments, not AAD invoice! ***				Estimated Program Value per Tire **				
Michelin, BFGoodrich and Uniroyal Units (combined) per Retail POS	RPB: Retail Productivity Bonus (all brands) *	BDF: Business Development Fund (all brands)	Program Value	Michelin Avg. AAD List Price - \$270	BFGoodrich Avg. AAD List Price - \$240	Uniroyal Avg. AAD List Price - \$125	Cumulative Avg. AAD List Price - \$240	
Participation Level	3,500	9.50%	2.50%	12.00%	\$32.40	\$28.80	\$15.00	\$28.80
	3,250	9.25%	2.50%	11.75%	\$31.73	\$28.20	\$14.69	\$28.20
	3,000	9.00%	2.50%	11.50%	\$31.05	\$27.60	\$14.38	\$27.60
	2,750	8.75%	2.50%	11.25%	\$30.38	\$27.00	\$14.06	\$27.00
	2,500	8.50%	2.50%	11.00%	\$29.70	\$26.40	\$13.75	\$26.40
	2,250	8.25%	2.50%	10.75%	\$29.03	\$25.80	\$13.44	\$25.80
	2,000	8.00%	2.50%	10.50%	\$28.35	\$25.20	\$13.13	\$25.20
	1,750	7.75%	2.50%	10.25%	\$27.68	\$24.60	\$12.81	\$24.60
	1,500	7.50%	2.50%	10.00%	\$27.00	\$24.00	\$12.50	\$24.00
	1,250	7.25%	2.50%	9.75%	\$26.33	\$23.40	\$12.19	\$23.40
	1,000	7.00%	2.50%	9.50%	\$25.65	\$22.80	\$11.88	\$22.80
	750	6.75%	2.50%	9.25%	\$24.98	\$22.20	\$11.56	\$22.20
	500	5.50%	2.50%	8.00%	\$21.60	\$19.20	\$10.00	\$19.20

\*RPB and Service Loyalty eligibility are determined on a YTD basis – if a dealer falls behind, “accrued” bonus dollars are paid retroactively when eligibility is regained.

\*\*Not included are Special Campaign or other actions that may increase the program’s value to you. Also, Retail % is considered as 100% in this table. Your Retail %, if different, will change your RPB calculation.

\*\*\*All AAD Bonuses are calculated using MNA List Prices, not the AAD purchase prices from the Distributor

**2023 AAD PROGRAM** Michelin continues the Alliance Associate Dealer (AAD) program for 2023 with the table commitment levels unchanged. Retail Productivity Bonus levels also remain unchanged, continuing the industry-leading financial rewards in support of your profitability on retail sales of MICHELIN®, BFGoodrich® and Uniroyal® tires. Remember, MICHELIN®, BFGoodrich® and Uniroyal® Passenger & Light Truck tires are combined toward your goal attainment. Note: BIB250 is no longer offered in the 2023 AAD program.

**75% SERVICE LOYALTY** Service Loyalty to the Primary Servicing Distributor of 75% or higher remains a requirement for RPB payment eligibility. Service Loyalty and up-to-date purchase details are updated daily in My Earnings 365 days a year.

**BUSINESS DEVELOPMENT FUND (BDF)** All AADs will accrue 2.5% on purchases of MICHELIN, BFGoodrich and Uniroyal Passenger & LT tires. Use your BDF for advertising, merchandising, promotions, and other purposes described in the Alliance Associate Dealer BDF Guidelines. Approved claims are reimbursed in cash via direct deposit. Visit [www.michelindealerconnect.com](http://www.michelindealerconnect.com) to view AAD BDF Guidelines, current claims, history, and accruals online. Please note, an additional 0.5% BDF will be retained and spent at Michelin’s discretion for AAD growth initiatives.

## OTHER INFORMATION YOU NEED TO KNOW FOR 2023

- **YEAR-END RPB RECONCILIATION:** For 2022, Michelin will reward those dealers who achieve one higher program level over their Nov 1 program commitment by paying incremental RPB at year’s end. If a dealer falls short of their program commitment, Michelin will pay RPB retroactively at the actual level attained, minus any prior RPB paid. AADs may adjust 2022 participation levels higher during the year, no later than Oct 15.
- **RETAIL PERCENT REQUIREMENT:** AADs with total purchases of 10,000 or more tires in 2022 are required to disclose their Retail Sales Percent to Michelin and this will be used in their 2023 program setup for RPB and BDF.

Other Services & Benefits	500 - 3,500 Commitment Level
<i>Electronic Multi-Year Agreement</i>	Yes
<i>Online My Earnings Statement</i>	Yes
<i>Monthly Cash Direct Deposits</i>	Yes
<i>Special Purchase Campaigns</i>	Yes
<i>Online Dealer Training</i>	Yes
<i>Local &amp; MSTC Training</i>	<b>Contact your PSD</b>
<i>Dealer Connect online Ad Builder</i>	Yes
<i>Brand Consumer Rebates</i>	Yes
<i>Warranty App for Apple iOS, Android</i>	Yes
<i>In-Person Assistance</i>	Yes
<i>Michelin, BFGoodrich &amp; Uniroyal Signage</i>	<b>Levels 1,000 &amp; up</b>
<i>Business Development Fund</i>	Yes
<i>Online Claim Processing (BIB NET)</i>	Yes
<i>Online Dealer Locators</i>	Yes

### **2023 RENEWAL PROCESS**

Based on the AAD's commitment level as of Nov 16 or change communicated by Nov 15, Michelin will finalize the AAD's 2023 commitment, number of retail locations and Retail Percentage (if applicable) within the My Earnings application. For example, an AAD enrolled on Nov 16 at the 750 RPB level will be renewed at that level for 2023, regardless of the year-end finish at, above or below the 750 level. This will enable your purchase information and progress to goal to be displayed in My Earnings on January 5, 2023. Also, payments for January will commence in February, per the normal schedule.

- Any changes to participation level for 2023 must be communicated to Michelin by Nov 15, 2022.

### **NEW AADS FOR 2023**

Dealers who have not participated in the AAD program for at least the past 12 months and who wish to participate for 2023 should contact their Authorized Alliance Distributor, Michelin Account Manager or Michelin Inside Account Manager. To be considered a new dealer, Michelin AM or IAM approval is required. A dealer intending to start the AAD program must accept the Agreement prior to the 15th of the month to start on the program on the 1st of the following month. Agreements signed after the 15th of a given month will start on the first of the 2nd month following dealer acceptance of the Agreement. Tires purchased in that interim period will not be eligible for bonus or count toward the annual goal. New Dealers for 2023 who accept their Agreement before December 15 will start on the program January 1. New Dealer Agreements accepted after Dec 15 and by Jan 15 will start on Feb 1, 2023.

Michelin will not honor requests to change Primary Servicing Distributors except under the following conditions:

- Current Primary Servicing Distributor (PSD) agrees in writing for the AAD to move to another PSD
- The dealer exits the AAD program and for a period of 6 months or until the following year (whichever is longer) before re-applying. The dealer must provide a 30-day notice to their current PSD and Michelin. Dealer re-application is subject to approval by Michelin.
- The dealer's current PSD exits the market and is unable to provide routine daily service to the AAD.

AM/IAM Name	Phone/email
Distributor Contact	Phone/email