



How to Start a Tire Shop With No Money & No Credit

The Ultimate Blueprint for Building a Profitable Tire Business From Scratch —
Presented by TDTires



A Letter From TDTires

This guide exists because most people never start — not because they lack talent, but because **no one showed them the path.**

Everything in these pages is **real, proven, and built for someone starting from zero.**

You don't need perfect credit. You don't need a warehouse. **You need a plan — and now you have one.**

CHAPTER 1

The Opportunity

Part 1 of 11 — Why the tire business is still one of the most powerful cash-flow opportunities in America





Why Tire Shops Still Print Money

290M

Registered Vehicles

Every single one needs tires replaced
every 25,000–50,000 miles

49%

Gross Profit Margin

Retail service work earns the highest
margins in auto service

20K+

Tire Shop Locations

20,455 establishments nationwide —
and demand keeps growing

- ❑ Tires are not optional — they are the one purchase every driver **must** make, recession or not.

The Market Nobody Talks About



Used Tires: The Hidden Gold Mine

Good-quality used tires sell for **30–50% of their new price**. Your margin lives in the gap between what you pay and what the market will bear.

Facebook Marketplace is the #1 platform — zero listing fees, instant local reach.

Economy

\$25–\$50 each

Midrange

\$40–\$90 each

Premium

\$60–\$160 each



The Mindset of Successful Shop Owners



Start Before You're Ready

The perfect moment never comes. The **first sale** creates the momentum.



Think in Systems

Every process they build **works without them** eventually.



Reinvest Obsessively

Every early dollar goes back into inventory, equipment, or marketing — **not lifestyle**.



REALITY CHECK: Most shops fail in Year 1 due to undercapitalization and poor pricing — not lack of customers.

Choosing Your Business Model

Model	Startup Cost	Equipment Needed	Revenue Potential	Best For
Home-Based Reseller	\$0–\$500	None	\$1K–\$5K/mo	Day 1 launch
Mobile Installer	\$2K–\$8K	Basic tools	\$3K–\$10K/mo	Low overhead
Used Tire Shop	\$5K–\$30K	Tire changer	\$8K–\$25K/mo	Growth phase
Full-Service Retail	\$50K–\$150K	Full suite	\$30K–\$100K+/mo	Established



CHAPTER 2

Starting With Nothing

Part 2 of 11 — The zero-dollar launch playbook that actually works

Day 1: The Zero-Dollar Launch

It's Monday morning. You post 4 used tires on Facebook Marketplace. By Wednesday, your phone won't stop buzzing. By Friday, you've made \$300 in profit — with **zero overhead**.

This is how thousands of tire businesses begin. Not with a grand opening. **With one listing.**



QUICK WIN: Post your first tire listing today. Take 3 photos in natural light, measure tread depth with a penny, and price at 35% of the new tire cost. That's your first sale.

Where to Find Free & Cheap Inventory



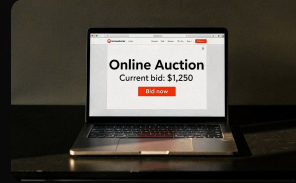
Auto Dealerships

Service departments pull good tires off trade-ins daily — most give them away or sell for **\$5–\$10 each**.



Salvage Yards

Bulk lots of usable tires at near-zero cost — inspect carefully, **profit heavily**.



Insurance Auctions

Vehicles with functional tires sold at wholesale — **bid smart, profit big**.



Customer Trade-Ins

Offer \$10–\$20 credit on new purchases — **resell for \$40–\$80**.

The Scene

Picture walking into a dealership on a Tuesday morning. You ask the service manager one question: "**What do you do with your trade-in tires?**" Most say: "We throw them away."

That conversation is worth **thousands of dollars a month** in free inventory.

Building Dealer Relationships

1 Visit 10 dealerships this week

Target Tuesday mornings when service managers are less busy.

2 Bring a business card

Look professional. First impressions open doors.

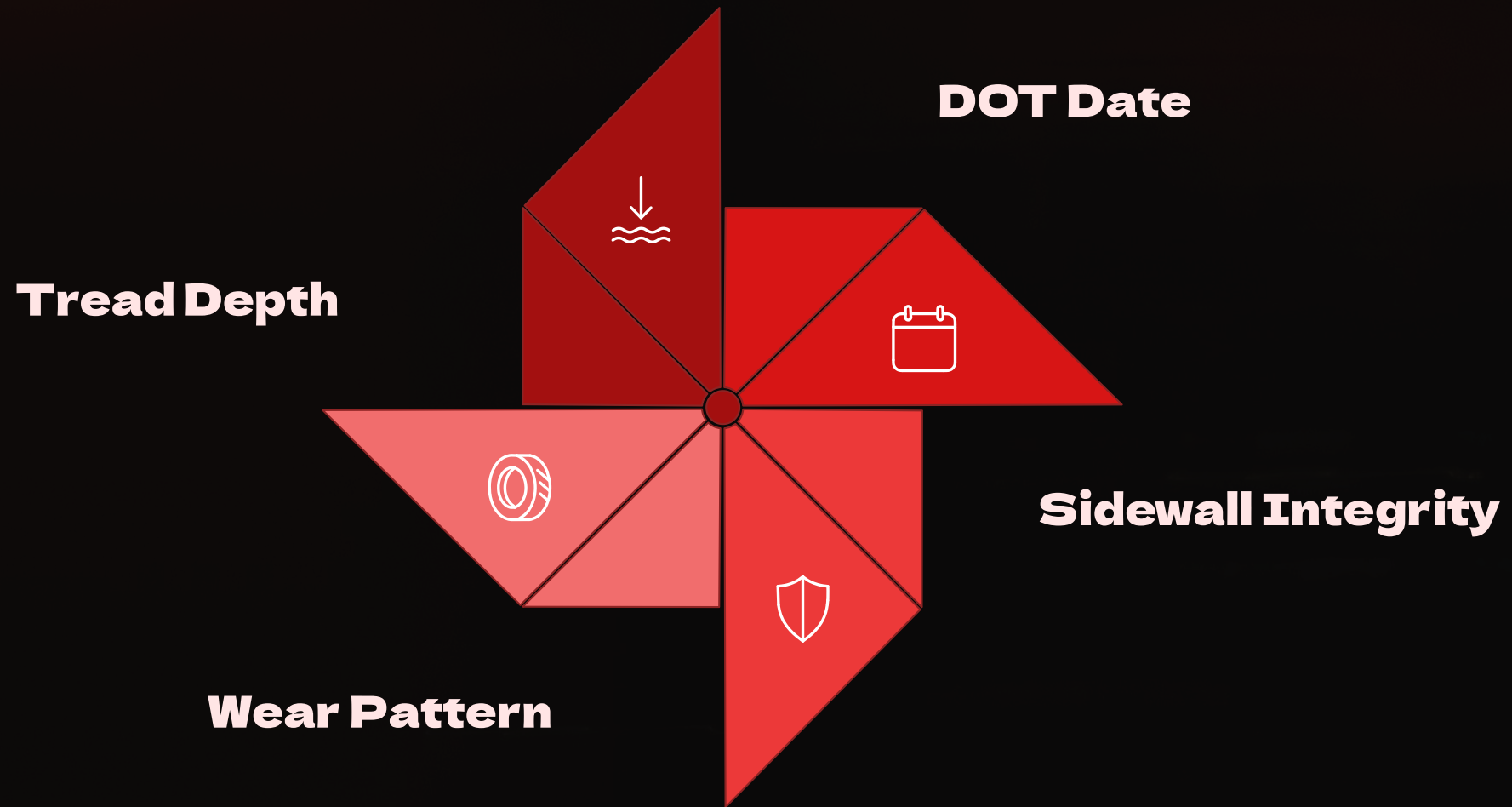
3 Offer to haul away for free

You just built a supply chain at **zero cost**.



👑 KING MOVE: This one relationship strategy alone can fund your entire operation.

Inspecting Tires Like a Pro



A \$5 tread depth gauge is the most important tool you own on Day 1. Master these four checks and you'll never buy bad inventory.

Facebook Marketplace Mastery



Photos Sell Tires

Clean the tire, shoot in daylight, show tread gauge in frame.



Title Formula

[Size] [Brand] [Tread %] Used Tire
— e.g., "235/55R18 Michelin 8/32 Used Tire"



Price to Move

Start at 40% of new price. No inquiry in 48 hours? Drop 10%.



PROFIT ALERT: Selling sets of 4 matching tires commands a 20–30% premium over selling singles. Always try to match sets before listing individually.

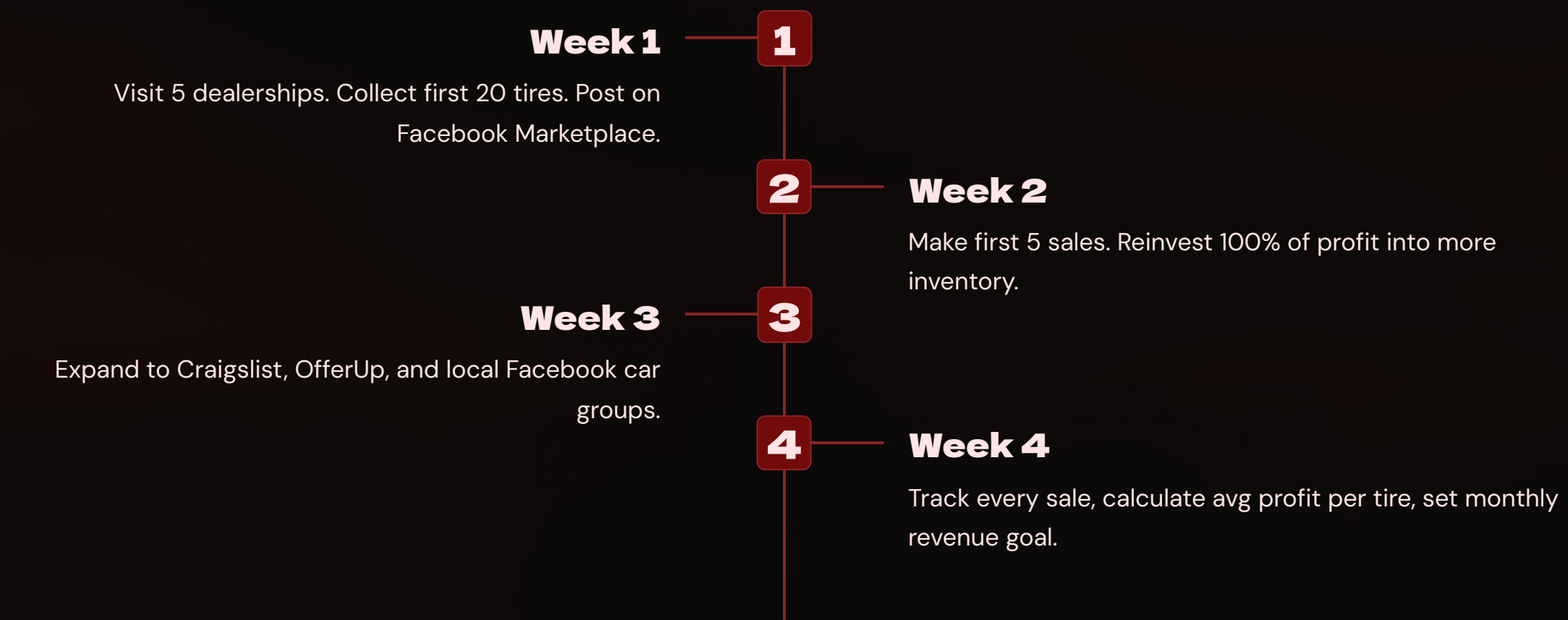
Pricing for Maximum Profit

Illustrative examples only — actual results vary by market and condition.

Tire Type	Buy Price	Sell Price	Gross Profit
Economy Passenger	\$5–\$10	\$25–\$40	\$20–\$35
Midrange Passenger	\$10–\$20	\$45–\$75	\$35–\$55
Premium Brand	\$15–\$30	\$80–\$130	\$65–\$100
Truck/SUV	\$20–\$40	\$75–\$150	\$55–\$110
Performance/Low Profile	\$25–\$50	\$100–\$160	\$75–\$110

📌 The **3x Rule**: Never sell a used tire for less than 3x what you paid for it. Installation upsell adds \$15–\$25 per tire in pure labor profit.

Your First 30 Days: Action Plan



Task	Week	Done?
Register your business name	1	☐
Open a business bank account	1	☐
Visit 5 dealerships for inventory	1	☐
Post first 10 listings on Facebook Marketplace	1	☐
Make first sale	2	☐
Reinvest all profit into inventory	2	☐
Expand to 3 platforms	3	☐
Track profit per tire	4	☐
Set Month 2 revenue goal	4	☐

CHAPTER 3

The Legal Foundation

Part 3 of 11 — Protect everything you're about to build



Setting Up Your Business the Right Way

→ Form an LLC

Protects your personal assets — costs **\$40–\$200** depending on your state.

→ Get an EIN

Free from IRS.gov — required to open a business bank account and file taxes.

→ Business Bank Account

Separate personal and business finances from Day 1 — **this is non-negotiable.**

⚠️ **REALITY CHECK:** Operating without an LLC means a lawsuit can take your personal savings, car, and home. \$100 to form an LLC is the best insurance you'll ever buy.



Licenses, Permits & Insurance



Business License

Required in most cities — apply at your local city hall or online.



Seller's Permit / Sales Tax ID

Required to collect and remit sales tax on tire sales.



Tire Disposal Permit

Most states require proper disposal documentation for used tires.



General Liability Insurance

Protects against customer injury claims — budget \$1,500–\$3,000/year.



CHAPTER 4

Equipment & Your Shop

Part 4 of 11 — The machines that turn labor into profit

The Equipment That Makes You Money



Tire Changer

Mounts and dismounts tires from rims — **the single most important piece of equipment.**

New: \$2,000–\$12,000.



Wheel Balancer

Eliminates vibration — customers won't return without it. New: \$1,500–\$10,000.



Air Compressor

Powers everything — **don't cheap out here.** New: \$800–\$8,000.



Hydraulic Lift

Essential for safe, fast installs. New: \$2,500–\$6,000.

Used vs. New Equipment

Equipment	Used Price	New Price	Savings
Tire Changer	\$500–\$1,500	\$4,800–\$8,200	~70%
Wheel Balancer	\$400–\$1,200	\$6,200–\$11,500	~75%
2-Post Lift	\$800–\$2,000	\$3,500–\$5,500	~60%
Air Compressor	\$200–\$600	\$800–\$2,500	~65%

  **NEXT LEVEL:** Start with used equipment to generate cash flow, then upgrade to new commercial-grade machines as revenue grows.

Equipment Financing: Your Shortcut

No Cash Required

Equipment financing uses the **machine itself as collateral** — not your credit history.

Fast Approvals

Decisions in **24–48 hours**. Terms of 36–60 months. Credit 600+ qualifies with 0–20% down.

Entry-Level Combos

Changer + balancer combos start at **\$47–\$84/month** with financing.



KING MOVE: TDTires offers equipment financing designed specifically for new shop owners. One application. Fast approval. The equipment pays for itself.



Home-Based vs. Retail Shop

Factor	Home-Based	Retail Shop
Startup Cost	\$0–\$5K	\$50K–\$150K
Monthly Overhead	\$0–\$500	\$3K–\$15K
Revenue Ceiling	\$5K–\$15K/mo	\$30K–\$100K+/mo
Customer Walk-Ins	No	Yes
Credibility	Lower	Higher
Risk	Very Low	Moderate
Best Stage	Starting out	After 6–12 months

Growing From Home to Storefront

Start in your driveway or garage. **Prove the model. Build cash reserves. Then sign a lease.**

Signs You're Ready for a Storefront:

- Turning away customers regularly
- Running out of storage space
- Consistently hitting **\$10K+/month from home**

What to Look For:

- 1,000–3,000 sq ft with a bay door
- High-traffic road visibility
- Flexible lease terms

⚠️ **REALITY CHECK:** A retail lease is your biggest fixed cost. Don't sign one until your home-based revenue proves the demand exists.



CHAPTER 5

Inventory & Sourcing

Part 5 of 11 — Where to find product that puts money in your pocket



Where the Best Inventory Comes From



Auto Dealerships

Daily source of trade-in tires — build **3–5 dealer relationships** and never run dry.



Wholesale Distributors

New tire inventory at dealer pricing — requires a **business account**.



Salvage Yards

Bulk used tires at **\$2–\$10 each** — inspect carefully, profit heavily.



Container / Bulk Import

Advanced strategy — buy direct from overseas manufacturers for **maximum margin**.

Passenger vs. Commercial Tires

Factor	Passenger	Commercial
Avg Gross Margin	39%	40–41%
Avg Sale Price	\$80–\$200/tire	\$200–\$600/tire
Volume per Customer	1–4 tires	4–18+ tires
Repeat Frequency	Every 2–4 yrs	Every 6–18 mo
Competition	High	Moderate
Expertise Required	Low	Moderate–High



Inventory Management Basics

Track Everything

Size, brand, tread depth, buy price, list price — a **simple spreadsheet works** at first.

Fast Movers

205/55R16 · 225/65R17 · 235/55R18 — stock these heavily, they sell in days.

Slow Movers

Odd sizes and low-profile performance tires — **buy only when you have a buyer lined up.**



PROFIT ALERT: Matching sets of 4 identical tires sell 3x faster and for 20–30% more than singles. Always build matched sets from your inventory.



CHAPTER 6

Sales & Marketing

Part 6 of 11 — Getting your first 100 customers and making them loyal for life

Your First 100 Customers

01

Post on Marketplace Platforms

Facebook Marketplace, Nextdoor, Craigslist, OfferUp — be everywhere your buyers are.

02

Join Local Car Groups

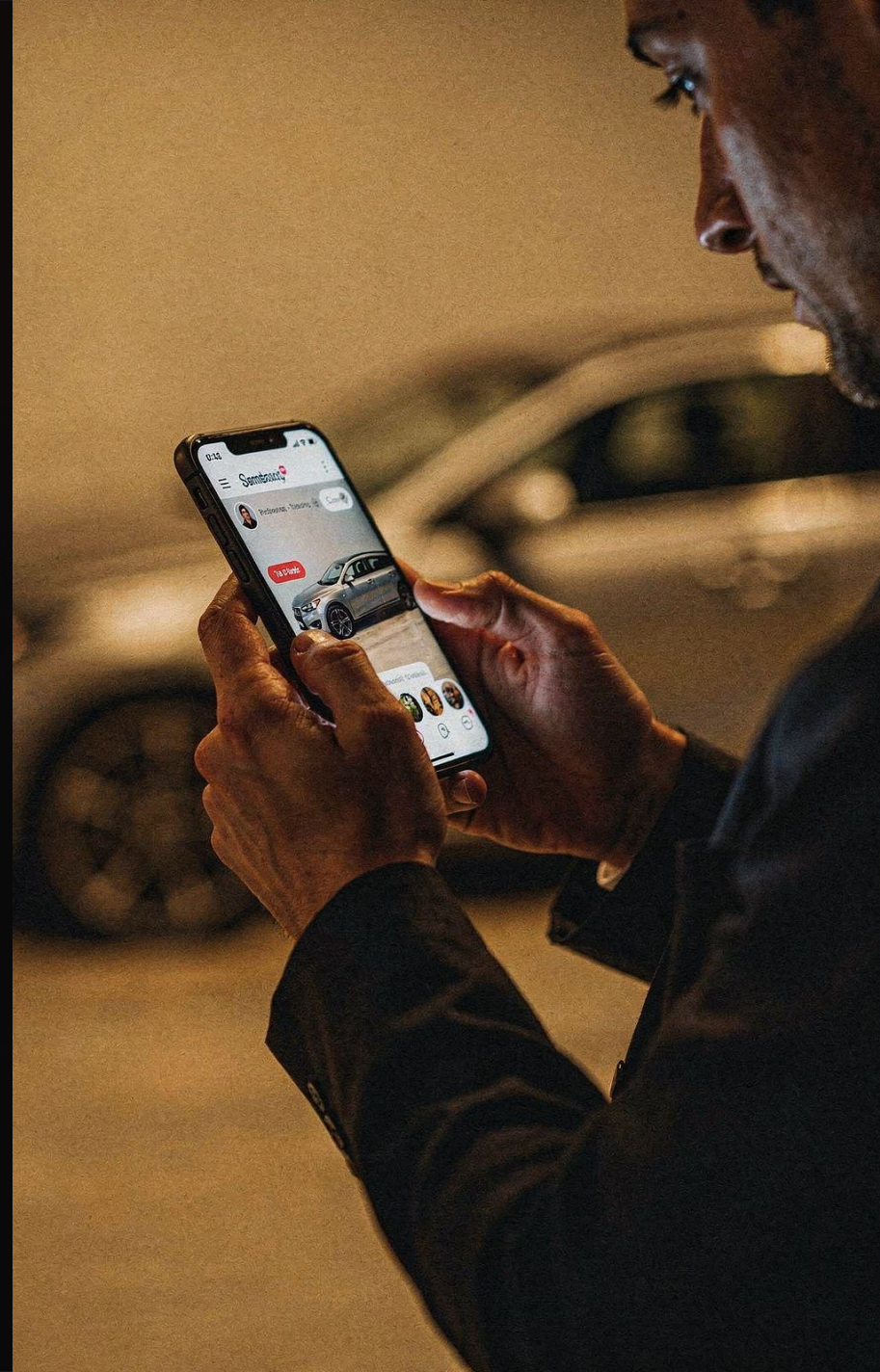
Join 5 local Facebook car groups. Post: "Looking for people who need affordable tires in [City]. DM me."

03

Lead With Your Offer

"Best price in town + free installation" — beat the big chains on price AND service.

📌 🔥 **QUICK WIN:** Your first 10 customers will send you 30 more — if you treat them right. Word of mouth is your most powerful marketing tool.



Customer Service Secrets

Answer Fast

The first person to respond on Marketplace **wins the sale**. Reply within 5 minutes.

Be Transparent

Show tread depth photos, disclose age, explain condition — **trust converts browsers to buyers**.

Follow Up

Text every customer 30 days after purchase: "How are those tires treating you?" — **this alone generates referrals**.

📄 🏆 **KING MOVE:** Ask every satisfied customer for a Google review. 20 five-star reviews will outrank every competitor in your zip code.

Building Repeat Customers

A customer who buys tires once and returns is worth **5x a one-time buyer** — protect that relationship.



NEXT LEVEL: Build a CRM in Google Sheets: name, phone, tire size, last purchase date. This list becomes your most valuable business asset.



Loyalty Offer

"Buy 3 sets, get your 4th installation free" — simple, memorable, effective.

Seasonal Reminders

Text your customer list before winter and summer — converts at **15–25%**.



Fleet Accounts: The Game Changer

Imagine one phone call that books **\$3,000 in tire orders every month** — automatically. That's a fleet account.

Who to Target

Delivery companies, landscapers, plumbers, HVAC, taxi/rideshare fleets, school districts.

Your Pitch

"We come to you, we beat your current price, and we invoice net-30." **That's it.**

The Math

Five fleet accounts × \$2,000/month = **\$10,000 in predictable monthly revenue** before you open your doors.

A white semi-truck is driving on a road towards the viewer. The scene is set at sunset or sunrise, with a warm, orange glow in the sky and on the truck's body. The truck is a modern model with a large cab and a long trailer. The road is dark, and the background shows a hilly landscape under a cloudy sky.

Commercial Tires: The Premium Market

\$600

Per Semi Tire

One 18-wheeler needs 18 tires. One truck fleet = massive recurring revenue.

18

Tires Per Truck

A single commercial fleet order dwarfs 20 retail customers combined.

Getting started: Partner with a commercial tire distributor, learn the size codes, and call every trucking company within 50 miles.

❏ The barrier to entry is **knowledge, not money** — most competitors don't bother learning commercial. That's your advantage.



CHAPTER 7

Financing & Growth

Part 7 of 11 — How to fund your business with no credit and scale fast

Funding Your Business With No Credit

1

Start With Revenue

First \$500 in tire sales funds your next \$1,500 in inventory — **compound this for 90 days.**

2

SBA Microloans

Up to **\$50,000 for startups** — no perfect credit required through the SBA microloan program.

3

Equipment Financing

Approval based on equipment value, not credit score. **Credit 600+ qualifies** with 0–20% down.

4

TDTires Financing

Designed for new shop owners — **fast approval, flexible terms,** equipment as collateral.

Buy vs. Finance: The Real Math

Scenario	Buy Cash	Finance
Equipment Cost	\$8,000	\$8,000
Upfront Payment	\$8,000	\$0–\$1,600
Monthly Payment	\$0	\$180–\$250/mo
Cash Kept for Inventory	\$0	\$6,400–\$8,000
Revenue from Inventory	\$0	\$2,000–\$5,000/mo
Net Position (Month 1)	\$0 revenue	\$1,750–\$4,750 ahead



Illustrative example only. Financing keeps your cash working for you — buying outright leaves you cash-poor at the most critical moment.

Startup Cost Reality Check

 *These are illustrative ranges — your actual costs depend on location, market, and business model. Always get real quotes before committing.*

Cost Category	Home-Based	Used Tire Shop	Full-Service Retail
LLC & Permits	\$100–\$300	\$300–\$800	\$1,000–\$2,000
Equipment	\$0–\$2,000	\$2,000–\$15,000	\$30,000–\$95,000
Initial Inventory	\$0–\$500	\$1,000–\$5,000	\$25,000–\$40,000
Insurance	\$500–\$1,000	\$1,500–\$3,000	\$5,000–\$10,000
Marketing	\$0–\$200	\$200–\$1,000	\$2,000–\$5,000
Working Capital	\$500	\$2,000–\$5,000	\$20,000–\$60,000
TOTAL (Est.)	\$1,100–\$4,000	\$7,000–\$29,800	\$83,000–\$212,000

Revenue & Profit Examples

Illustrative examples only — actual results depend on your market, pricing, volume, and overhead.

Business Stage	Monthly Tire Sales	Avg Profit/Tire	Service Revenue	Est. Monthly Profit
Home-Based (Mo 1–3)	20–40 tires	\$30–\$50	\$0	\$600–\$2,000
Used Tire Shop (Mo 4–12)	60–100 tires	\$35–\$60	\$500–\$1,500	\$2,600–\$7,500
Retail Shop (Year 2+)	150–300 tires	\$40–\$70	\$3,000–\$8,000	\$9,000–\$29,000
Fleet + Retail (Year 3+)	300+ tires	\$45–\$80	\$8,000–\$20,000	\$21,500–\$44,000

CHAPTER 8

Operations & Hiring

Part 8 of 11 — Build a machine that runs without you



Running a Tight Operation



Speed Is Your Product

Customers choose independents because they're **faster than chains**. Protect that advantage. Tire swap: 15–20 min.



Cleanliness Signals Quality

A clean shop **charges more**. A dirty shop loses customers before they speak a word.



Create an Intake Form

Customer name, phone, vehicle, tire size, service requested. **Eliminates 80% of shop mistakes.**



QUICK WIN: Customers who wait under 45 minutes leave happy. Build your operation around this standard from Day 1.

Hiring Your First Employee

The Right Time to Hire:

- Turning away work regularly
- Working 60+ hours a week and still behind

What to Look For:

- Mechanical aptitude
- Reliability
- Good attitude — skills can be taught, **character cannot**



NEXT LEVEL: Pay slightly above market rate. The best technicians have options — give them a reason to stay.



Starting Wages

Tire technicians earn **\$17–\$20/hour** nationally (BLS, May 2024).



Mistakes That Kill Tire Shops

Underpricing

Competing on price alone destroys margins — **compete on speed, service, and trust instead.**

No Cash Reserve

One slow month without savings = missed rent, missed payroll, **closed doors.**

Skipping Insurance

One customer injury claim without coverage **can end everything.**

Mixing Money

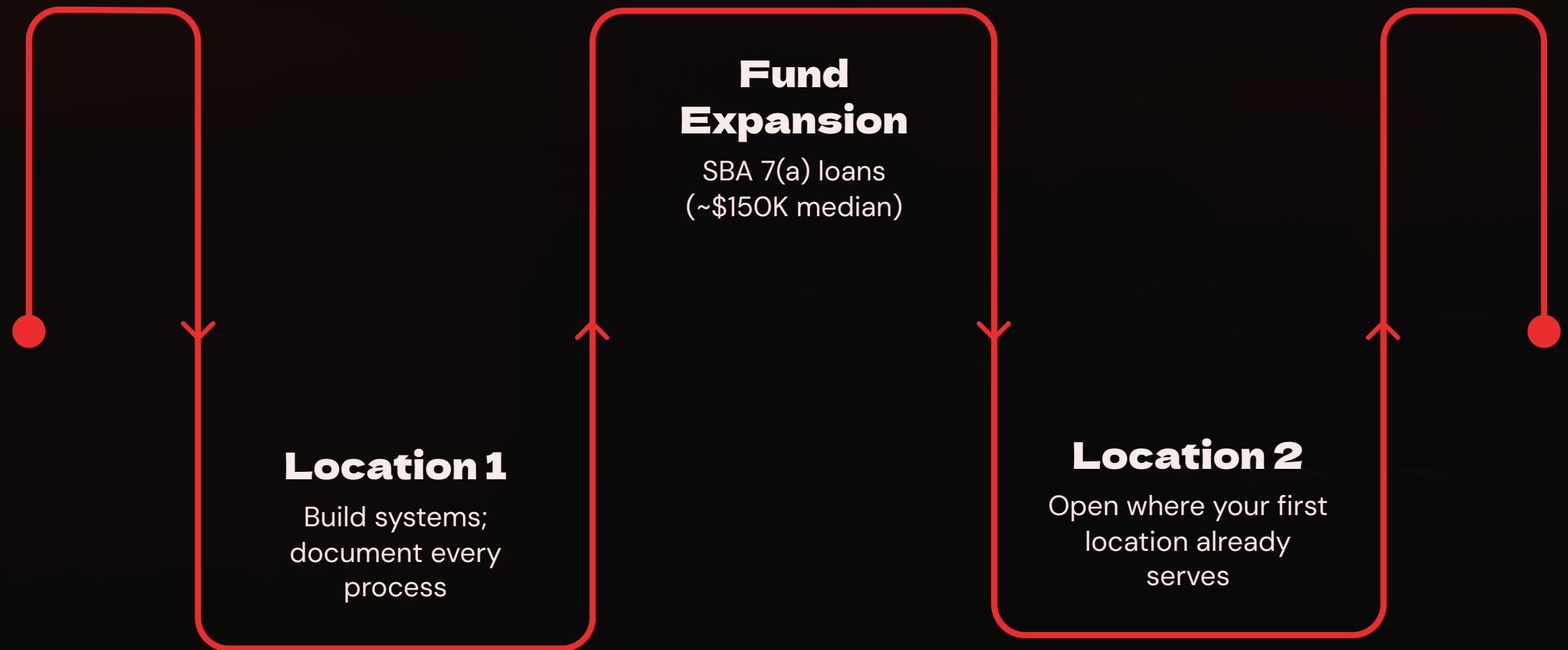
Personal and business funds mixed = tax nightmares and **hidden losses.**

⚠️ **REALITY CHECK:** Most shops fail in the first 18 months — not from lack of customers, but from poor financial discipline.

Scaling Up

A stylized, textured map of a city grid. Overlaid on the map are several red, teardrop-shaped speed limit markers. The markers contain white circles with black numbers: 50, 30, and 40. The map features various street names and shop labels in a stylized font, including 'Tire Shop', 'Gieple', 'Sire Shop', 'Ourekopa', 'Sirep', and 'Ovarshop'. The map has a warm, yellowish-brown color palette with a grid pattern of streets.

Scaling to Multiple Locations



Before opening Location 2, Location 1 must run without you. Every process must be documented and teachable. The franchise mindset — build it as if you're going to teach it to a stranger.

📌 **KING MOVE:** Open Location 2 in a market your first location already serves — you already know the demand exists.

Adding High-Margin Services

49%

Wheel Alignment

The highest gross margin in the entire shop
— add it as soon as you can afford the
equipment.

\$75

TPMS Service

Every modern vehicle has it — \$25–\$75 per
sensor, 10 minutes of labor. Pure profit.

\$15K

Service Revenue Add

A shop doing \$30K/mo in tires can add
\$8K–\$15K/month with zero new
customers.

  **PROFIT ALERT:** Brakes & suspension are a natural upsell during every tire install — customers already trust you. Add it to every ticket.

Building Long-Term Wealth

Your tire shop is not just a job — **it's an asset. Build it like one.**

01

Reinvest the First 3 Years

Every dollar of profit goes back into equipment, inventory, or marketing.

02

Own Your Building

The most successful shop owners eventually buy their real estate — **the shop pays the mortgage.**

03

Build Equity

A profitable shop with documented systems and recurring fleet accounts sells for **2–4x annual profit.**



Exit Strategies

Sell the Business

A shop generating **\$200K/year in profit** can sell for \$400K–\$800K to the right buyer.

Franchise Your Model

If your systems are tight and your brand is strong, **license your playbook** to other operators.

Pass It Down

A family-owned tire business with loyal fleet accounts and a strong reputation is **generational wealth**.

  **NEXT LEVEL:** Start thinking about your exit on Day 1. Every system you build, every customer you retain, and every fleet account you sign increases the value of what you're building.



CHAPTER 10

Your Worksheet & Tools

Part 10 of 11 — The templates that turn your plan into action

Startup Checklist: Before You Open

Task	Category	Done?
Form LLC or business entity	Legal	☐
Get EIN from IRS.gov	Legal	☐
Open business bank account	Finance	☐
Get business license	Legal	☐
Get seller's permit / sales tax ID	Legal	☐
Purchase general liability insurance	Insurance	☐
Source first 20 tires	Inventory	☐
Create Facebook Marketplace profile	Marketing	☐
Set up Google Business Profile	Marketing	☐
Buy tread depth gauge	Equipment	☐
Create intake form for customers	Operations	☐
Set pricing formula (3x rule)	Finance	☐

Inventory Worksheet

Tire Size	Brand	Tread Depth	Condition	Buy Price	List Price	Platform	Status
235/55R18	Michelin	7/32	Good	\$15	\$75	FB Marketplace	Listed
225/65R17	Goodyear	6/32	Good	\$10	\$55	Craigslist	Sold
205/55R16	Cooper	8/32	Excellent	\$8	\$45	FB Marketplace	Listed
[Your entry]							

Weekly Goals Tracker

Goal	Target	Actual	Notes
Tires sourced this week	20		
Tires listed online	20		
Inquiries received	15		
Sales closed	8		
Revenue generated	\$400		
Profit after costs	\$280		
New dealer contacts made	2		
Google reviews received	1		

Profit Calculator

Illustrative template — fill in your own numbers.

Line Item	Your Number	Example
Tires sold this month		80
Average sell price per tire		\$65
Gross tire revenue		\$5,200
Average cost per tire		\$12
Total inventory cost		\$960
Installation revenue		\$800
Total revenue		\$6,000
Overhead (insurance, tools, etc.)		\$500
Net monthly profit		\$4,540
Profit margin		~76%

Monthly Growth Tracker

Month	Tires Sold	Revenue	Profit	New Customers	Fleet Accounts	Notes
Month 1						
Month 2						
Month 3						
Month 4						
Month 5						
Month 6						

Business Planning Page

Fill this out **before** you do anything else.
Clarity precedes execution.



My business model:

My target market:

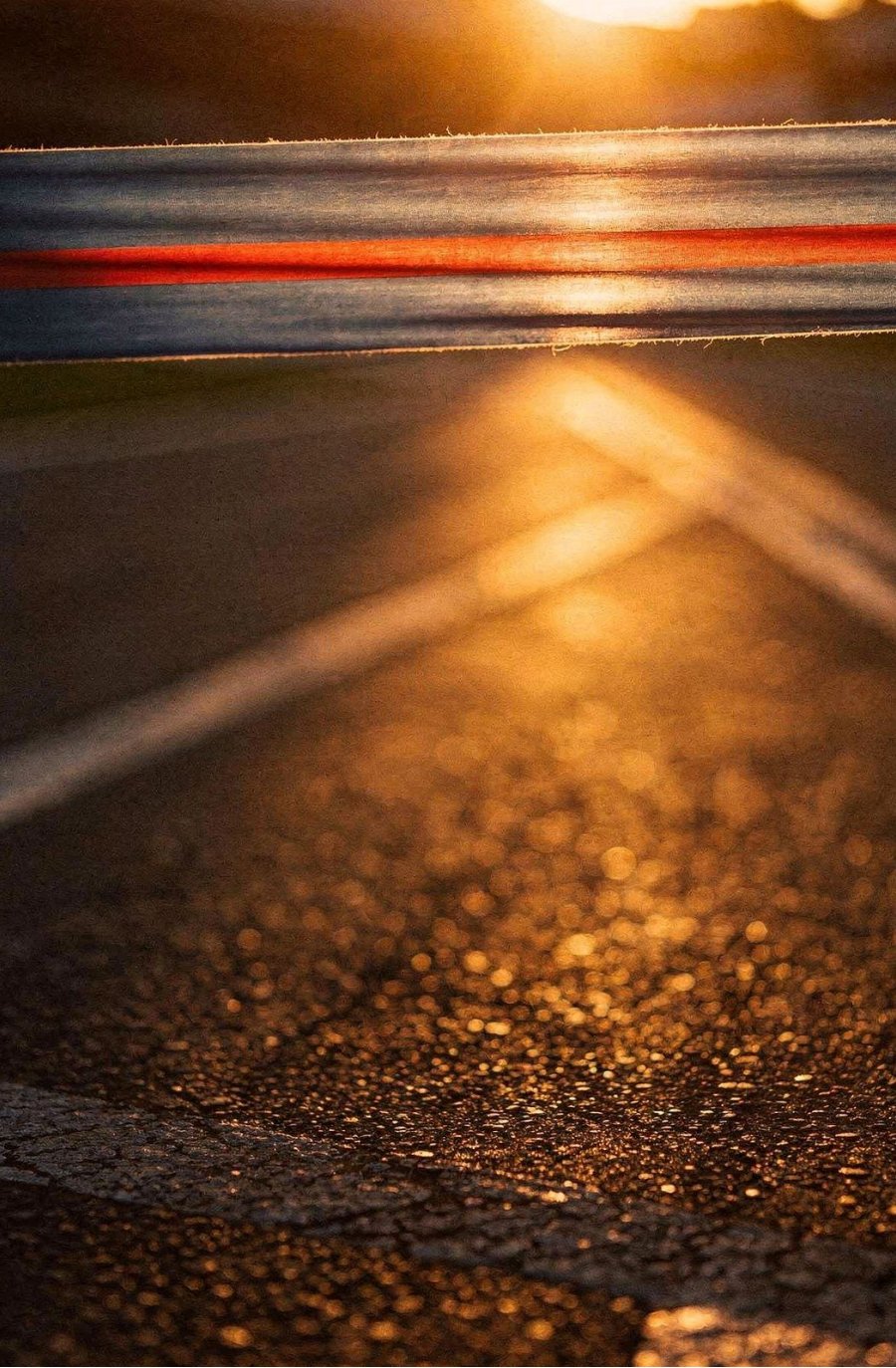
My 3 main inventory sources:

My 90-day revenue goal:

\$-----

My first fleet account target:

The one action I'll take TODAY:



CHAPTER 11

The Finish Line

Part 11 of 11 — Your moment. Your move. Your future.



The Vision: Your Shop, Your Future

Close your eyes for a moment. Picture it: **your name on the sign.** Bays full of cars. A team that runs the floor while you focus on growth.

Customers Who Trust You

Regulars who call you first, every time.

Fleet Accounts That Pay

Predictable monthly revenue before you open your doors.

Wealth While You Sleep

A business with systems that generates equity, not just income.

That future is not a fantasy. It's a plan — and you're holding it.



The One Thing That Separates Winners

It's not capital. It's not connections. It's not even experience.

It's the decision to start.

Every successful shop owner you'll ever meet started exactly where you are right now — with a dream, a plan, and the courage to take the first step.

**The tires are out there. The customers are waiting. The only question is:
when do you begin?**

Your Next Step: TDTires



Equipment Financing

Tire changers, balancers, lifts, and full shop packages — **designed for new shop owners.**



Tire Shop Equipment

Sourced, delivered, and supported by people who **know the business.**



Expert Guidance

A team that has helped **hundreds of shop owners** go from zero to open.



Contact TDTires today. Your shop is closer than you think.



Sources

- [How Much Does It Cost to Start a Tire Shop? \(\\$30K-\\$250K, 2026\) | Startup Costs](#)
- [How Sales and Service Affect Tire Dealer Profit Margins](#)
- [How Much Do Used Tires Sell For in 2026 and Are They Worth It – Tire Advise](#)
- [How Much Should I Sell My Used Tires For? A Guide To Pricing For Maximum Profit \[Update On 2026\]](#)
- [Sell Tires Fast: A Complete Guide – Ask Me Just](#)
- [How Much Does It Cost to Start a Tire Shop? \(2026 Guide\) | HowMuchToStart.com](#)
- [Should I open an independent tire shop in 2027?](#)
- [Tire Changers & Balancers Financing | Loans & Leases | Axiant](#)
- [How to Start a Tire Reselling Business \(2026 Guide\)](#)