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Today's Headlines

Costco places order for nitrogen systems at its 390 outlets

Tire Business staff report©

FARGO, N.D. (June 18, 2004) — Branick Industries Inc. said it has received an order from Costco Wholesale Corp. to supply nitrogen inflation systems to its 390 U.S. and Canadian warehouses.

Branick said the systems are already being shipped and should be in place by August. Costco's order technically was for 400 units, said Phil Giallombardo, director of sales for Branick, but he could not say the value of the order. Branick had been wooing Costco since November, he said.

"They really did their homework," he told *Tire Business*. "They had our unit with a stopwatch against competitors' units."

Mr. Giallombardo said he was not sure if Costco would sell nitrogen fill-ups or include it in the cost of new tires, and a Costco representative could not be immediately reached for comment.

Branick said Costco is the first major corporation to install nitrogen units at all of its locations. Nitrogen's main benefits are reportedly that it maximizes fuel economy and tire life, reduces rust and corrosion on the rim and valve hardware and better maintains tire pressure.