

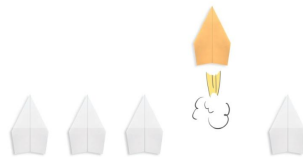


Extra Crunch

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Matthew Panzarino

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Rita Liao

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The Latest

Tire Agent, with a new financing platform, raises \$5 million

Jordan Crook @jordancrook / 5:49 pm IST • July 27, 2020

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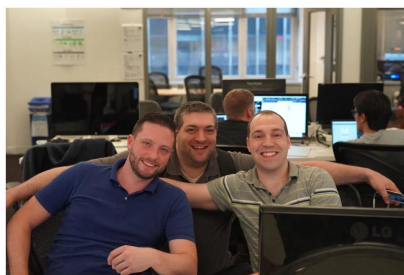


Image Credits: Tire Agent

Tire Agent, an Entrepreneurs Roundtable Accelerator-backed startup that is looking to bring the tire industry into the 21st century, has today announced the close of a \$5 million funding round led by American Family Ventures, with participation from ERA, Sidekick Fund, NY Angels and HBS Angels.

According to Consumer Reports, the average tire costs about \$97. Four new tires costs a little less than \$400, and that doesn't include added costs like taxes, fees or installation. Tire Agent wants to make tire shopping more convenient and accessible to customers, while also making the process more affordable.

The startup works with tire brands (more than 50, to be exact) to give users a place to browse tires online. Moreover, Tire Agent layers in educational, easy-to-understand content about these tires to help users understand the difference between brands, models and how get the best value. Tire Agent also helps users find an installer near them and shows the cost of installation upfront, so there are no surprises.

Plaid founder and CEO Zach Perret recently said on an episode of Extra Crunch Live that every company is a fintech company, and Tire Agent seems to agree.

The company has built out a tire financing platform called PayPair that connects customers of any credit score and matches them with a variety of lenders, financing and payment plan companies to give them options on how to cover the cost of new tires.

Tire Agent also has a partnership with AllState to offer warranties to customers, including a warranty on installation, so their investment is protected.

"The biggest challenge for Tire Agent is getting people to change the habit of going to an old-school tire shop and being so used to people pushing a brand on them," said Tire Agent founder and CEO Jared Kugel. "On Tire Agent, you can read through the content we've generated for each tire, even if you know nothing about a tire, and make an educated decision."

Tire Agent has a network of 500+ tire distribution warehouses with 50 tire brands and 20 wheel brands offered on the platform, with 15,000 partnered installation centers across the country.

Though the company won't share concrete numbers, Kugel added that revenue and tires sold grew by nearly 300% from the first half of 2019 to the first half of 2020.

This latest round brings Tire Agent's total funding to \$6 million.