Discovery Project

🔅 Data

This data set can be found at stat.hawkeslearning.com by navigating to Discovering Business Statistics, Second Edition > Data Sets > Tire Manufacturer Warranty.

How are tire mileage warranties calculated?

At the beginning of this chapter, we discussed the methodology of how automobile tire manufacturers determined the warranties associated with a particular tire that they made. The data set named Tire Manufacturer Warranty contains a sample of 30 tire mileages from each of 12 tire manufacturers. Using these data, please answer the following questions:

- 1. Determine the mean and standard deviation of the mileages for each of the tire manufacturers.
- **2.** Do the mileages for each of the tire manufacturers follow a normal distribution? Justify your answer using graphical techniques.
- **3.** In the event that the mileages for a tire manufacturer do not follow a normal distribution, will that prevent us from calculating probabilities associated with the average mileages? Justify your answer.
- 4. What is the distribution for each of the sample means of the mileages for each of the tire manufacturers.
- 5. Determine the warranty mileage for each manufacturer if they want no more than 1% of the tires to need replacement.
- 6. Answer question 5. if they want no more than 10% of the tires to need replacement.