

March 2020

# Motorcycle Overview

## New Market

As the new year starts as far as the available new registration figures from the MCIA, the latest are for the first month. This early in the year it is always going to be difficult to judge from the numbers what will happen over the next twelve months, but it's always good to see a positive start, especially after the last quarter of 2019 all saw negative totals when compared to the previous year. As the year progresses a clearer picture of the industry will no doubt emerge, but at the moment schemes of all kind might be the reason for a reasonable start. That is the numbers overall though but a closer look is seeing big percentage jumps in certain styles and the larger engine capacities, it would not be a massive leap of faith to suspect manufacturer schemes or 20my demos to be a contributing factor here though.

## January 2020 and Year to Date - New Registrations by Style

Mopeds	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jan-20	Jan-19	Change	Jan-20	Jan-19	2020	2019	% Change	2020	2019
Scooter	301	275	9.5%	75.6%	74.3%	301	275	9.5%	75.6%	74.3%
Other	97	95	2.1%	24.4%	25.7%	97	95	2.1%	24.4%	25.7%
Totals	398	370	7.6%	100.0%	100.0%	398	370	7.6%	100.0%	100.0%

Motorcycles	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jan-20	Jan-19	Change	Jan-20	Jan-19	2020	2019	% Change	2020	2019
Adventure Sport	1,004	951	5.6%	17.6%	17.0%	1,004	951	5.6%	17.6%	17.0%
Custom	366	368	-0.5%	6.4%	6.6%	366	368	-0.5%	6.4%	6.6%
Naked	1,791	1,459	22.8%	31.4%	26.1%	1,791	1,459	22.8%	31.4%	26.1%
Scooter	1,326	1,439	-7.9%	23.2%	25.8%	1,326	1,439	-7.9%	23.2%	25.8%
Sport/Tour	88	109	-19.3%	1.5%	2.0%	88	109	-19.3%	1.5%	2.0%
Supersport	454	336	35.1%	8.0%	6.0%	454	336	35.1%	8.0%	6.0%
Touring	102	100	2.0%	1.8%	1.8%	102	100	2.0%	1.8%	1.8%
Trail/Enduro	576	819	-29.7%	10.1%	14.7%	576	819	-29.7%	10.1%	14.7%
Unspecified	2	0	#DIV/0!	0.0%	0.0%	2	0	#DIV/0!	0.0%	0.0%
Totals	5,709	5,581	2.3%	100.0%	100.0%	5,709	5,581	2.3%	100.0%	100.0%

Tricycles	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jan-20	Jan-19	Change	Jan-20	Jan-19	2020	2019	% Change	2020	2019
Scooter	30	16	87.5%	0.5%	0.3%	30	16	87.5%	0.5%	0.3%
Other	9	9	0.0%	0.1%	0.2%	9	9	0.0%	0.1%	0.2%
Total Registrations	39	25	56.0%	0.6%	0.4%	39	25	56.0%	0.6%	0.4%

Summary	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jan-20	Jan-19	Change	Jan-20	Jan-19	2020	2019	% Change	2020	2019
Total Moped, Motorcycle & Tricycles (exc Scooters)	4,489	4,246	5.7%	73.0%	71.1%	4,489	4,246	5.7%	73.0%	71.1%
Total Scooters	1,657	1,730	-4.2%	27.0%	28.9%	1,657	1,730	-4.2%	27.0%	28.9%
Total Registrations	6,146	5,976	2.8%	100.0%	100.0%	6,146	5,976	2.8%	100.0%	100.0%

## January 2020 and Year to Date - New Registrations by Engine Band

Engine Band	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jan-20	Jan-19	Change	Jan-20	Jan-19	2020	2019	% Change	2020	2019
0-50cc	434	380	14.2%	7.1%	6.4%	434	380	14.2%	7.1%	6.4%
51-125cc	2,055	2,182	-5.8%	33.4%	36.5%	2,055	2,182	-5.8%	33.4%	36.5%
126-650cc	1,391	1,507	-7.7%	22.6%	25.2%	1,391	1,507	-7.7%	22.6%	25.2%
651-1000cc	1,192	976	22.1%	19.4%	16.3%	1,192	976	22.1%	19.4%	16.3%
Over 1000cc	1,074	931	15.4%	17.5%	15.6%	1,074	931	15.4%	17.5%	15.6%
Total Registrations	6,146	5,976	2.8%	100.0%	100.0%	6,146	5,976	2.8%	100.0%	100.0%

## January 2020 and Year to Date - Highest Registering Model by Style

Mopeds	Highest Registering Model by style	Jan-20
Scooter	Lexmoto ECHO 50	51
Other	Lexmoto ASPIRE 50 TD 50 Q-2	19
Motorcycles	Highest Registering Model by style	Jan-20
Adventure Sport	BMW R 1250 GS	98
Custom	Harley-Davidson SPORT GLIDE 1745	29
Naked	Royal Enfield INTERCEPTOR INT 650	72
Scooter	Honda PCX 125	216
Sport/Tour	Kawasaki Z1000 SX	28
Supersport	BMW S 1000 RR	69
Touring	BMW R 1250 RT	24
TRAIL/ENDURO	Honda CRF 250 LA	55
Tricycles	Highest Registering Model by style	Jan-20
SCOOTER	Piaggio MP3 300 HPE	19
OTHER	Harley-Davidson TRI GLIDE ULTRA 1868	3

## January 2020 - Highest Registering Model by Engine Size

Engine Band	Highest Registering Model by Engine Band	Jan-20
0-50cc	Lexmoto ECHO 50	51
51-125cc	Honda PCX 125	216
126-650cc	Royal Enfield INTERCEPTOR INT 650	72
651-1000cc	BMW S 1000 RR	69
Over 1000cc	BMW R 1250 GS	98

## January 2020 - New Registrations by Brand

Major Brands	Jan-20
Honda	1,280
Yamaha	706
Lexmoto	492
Triumph	485
KTM	446
BMW	435
Suzuki	274
Harley-Davidson	217
Kawasaki	214
Royal Enfield	148

As news on the domestic front for new additions is a bit thin on the ground this early in the year and the ACEM figures for the whole of 2019 are now available, it might be worth taking the time to have a look how our domestic market is fairing compared to our continental neighbours. The largest market, France, has also seen the largest increase in the overall 2019 market and a giant leap in the Moped sector. Perhaps some of the reasons for the significant differences for the increase is the French are keen motorcyclists and there are more bikers per head of population in France than in any other European country. Perhaps this leads to the French generally sympathising with bikers more than in many other countries. The country allows the riding of mopeds from the age of 14, they must be registered and riders without a full licence must take a test. This test consists of a theory paper, taken at school, five hours of practical training, four and a half of which must be on public roads and with a driving school (cost of around €75). At 16 years old it is allowable to ride a motorcycle of up to 125cc for which they require an A1 licence and a theory test. Training is available in schools. There is an argument that a rider makes a better car driver, is it the way forward to teach kids and subsequently reduce accidents of all types on our roads. A counter argument to the increased Moped numbers as seen in France could be recent changes in German law to allow 15 year olds ride machines in the sector. It is very recent so could be potential increases have not had chance to reflect in the market yet. The UK is still the smallest Moped market of the big players by a sizable number, but even with a reasonable percentage increase there, that is solace that the whole domestic powered two wheel market increased by the smallest actual and percentage terms for the big five nations.

## Top five European markets

COUNTRY	Motorcycles + mopeds Jan-Dec 2018	Motorcycles + mopeds Jan-Dec 2019	% change	Motorcycles Jan-Dec 2018	Motorcycles Jan-Dec 2019	% change	Mopeds Jan-Dec 2018	Mopeds Jan-Dec 2019	% change
France	250,187	288,513	15.3	177,247	197,470	11.4	72,940	91,043	24.8
Italy	241,070	252,845	4.9	219,744	231,712	5.4	21,326	21,133	-0.9
Spain	176,002	195,768	11.2	159,872	177,037	10.7	16,130	18,731	16.1
Germany	181,744	191,923	5.6	156,110	166,676	6.8	25,634	25,247	-1.5
UK	105,793	107,386	1.5	100,411	101,273	0.9	5,382	6,113	13.6

## Used Market

Reports from dealers over the latest research period are positive, with the last throws of 2019 being poor followed by high activity in used sales. Again we can use the bouts of warmer weather as a reason, but talk is also of a clearer position in the ongoing political wrangling's, be it the withdrawal from the EU or Parliament finishing up with a clear ruling power after an

extended period of indecision. Irrespective of political leanings, it is the newfound possible stability being mooted as the reason for the more positive start to this year. After increases in used prices over the opening couple of months as dealers seek out fresh stock for the upcoming season, the initial spike then settles, so therefore there has been a few changes this month with exception of where research dictates.

## Auction

The big event to report from the salerooms this month is the first Black Horse event of the year taking place at the Peterborough BCA site. After a winter layoff, the total offering of 235 bikes saw 135 of them from the finance house and as always with the exception of a couple, all of them sold. With a sizable entry of 79 from BMW, what usually is a small sold ratio as they hold on for higher reserves. The start of the year appears to be a “clear the decks” period for the brand, as unusually a decision maker was on the end of a phone with auction staff, which resulted in over 80% selling or an unprecedented 66. The totals from the event were 209 selling from the total entry, equating to 89% and compared to the CAP condition/mileage adjusted figures, the sale returned 96% and when buying fees are taken into account are very close. Again there was a significant number of entries in the age range that would suggest PCP end of contract returns, but a point worth noting is some models where there was a lot of over the past 12 months, appear to be returning in less numbers of course this could be attributed to less registrations, or the supply/demand now in a better place to stop them being handed back. What will be evident over the next few months is the new model introductions from 2017/18 where significant amounts sold at the start of the model life, will begin to be reaching the terminal point and if the franchise dealer network cannot find room for them.

## End Notes

The Department for Transport has recently confirmed the Government's plan to bring forward to 2035 the ban on sales of new petrol and diesel cars and vans will not include motorcycles. The deadline is five years earlier than the original target announced in 2018 and could be made even earlier if a faster transition is feasible. The ban also includes hybrid and plug-in hybrids for the first time, but all of the plans are still subject to consultation at this stage. Originally it was not clear if motorcycles were included, as development for motorcycles is lagging behind cars or vans. The support for the development of the electric motorcycle market will continue in the form of the plug-in motorcycle grant, up to 20% of the purchase price (with a maximum of £1500) until later in the year. A study in Belgium found that if just 10% of cars were replaced by motorcycles in the most congested cities, then congestion would be reduced by a massive 40% and also cut a massive amount of vehicles sat stationary in traffic. Perhaps they should be encouraging PTW usage a little more?

And on the subject of emissions, Italian brand Cagiva appears set to make a comeback with small electric motorcycles, after the brands current owner MV Augusta stopped production in 2012. Expectations are for this to happen within the next 12 months.

It's not often our industry makes the TV news, unfortunately it recently has and not in a good light. Norton has gone into administration, the manufacturer was facing an HMRC tax-bill winding-up order and an ongoing investigation by the Pensions Ombudsman into CEO Stuart Garner's use of three Norton pension funds in the day-to-day running of the company. Garner failed to appear at the first hearing at the Pensions Ombudsman on 13th February. The appointed administrators, BDO have apparently stated “We have had a significant volume of interest and are hopeful that a sale of Norton Motorcycles (UK) Ltd can be secured.” There are many reports around, some conflicting, about why it happened and what is happening. There are some involving bikes built, not built and deposits or even full payment for bikes not built. It's been reported that “four or five Aston Martins and a couple of Range Rovers” which are claimed to have been used by Garner, have been taken away. At the time of writing there are even reports that a team of workers at the factory are still employed, building bikes and being paid and some that the factory is closed. More concerned with this product as the debacle is being covered enough via numerous channels, there has been conversations with dealers on the subject of availability and prices. Opinion is for stock held, prices will remain the same, but

new stock will not be sought in the close future until there is some clarity to the continuation of the brand (if any) and the thirst from customers to own one of the few currently out there. As there are reports of some current customers bikes in for service/warranty, being used for parts to build new orders, the long term availability of spares could be in doubt. This month we have applied a larger than average drop in prices to the range, around 5% and will be closely monitoring the market/situation for any changes affecting prices. Opinion is pointing to there being little or no interest in taking one in swap or outright buy until the dust has settled, currently leaving values in the air.

To finish on a positive, racing season is here.