

INDUSTRY WATCH

Motorcycle & Moped Industry Council (MMIC)
Canadian Off-Highway Vehicle Distributors Council (COHV)
By Jo-Anne Farquhar

With fuel prices sky rocketing there is a growing interest in two-wheel transportation. In fact, stats collected by MMIC on behalf of its member companies are showing that motorcycle and scooter retail sales were up almost 13% year to date as at the end of May 2008.

With healthy competition alive and well among authorized motorcycle and ATV dealerships in Canada this renewed interest in two-wheel transportation in the market has become even more spirited. This of course is all well and good as long as everyone is playing by the same rules. And it stands to reason that competitive prices may sell more vehicles. But there needs to be a fair playing field.

This brings us to the subject of motorcycle and ATV imports. By and large manufacturers and distributors of motorcycles and ATVs import these vehicles through Transport Canada as Recognized Vehicle Importers. In contrast, many individuals use the Registrar of Imported Vehicles (RIV) to bring in motorcycles and ATVs.

Although the rules are clear when using either of these processes the level of enforcement and the resources employed to ensure enforcement could differ significantly. There can be consequences when comprehensive and effective enforcement is missed. Some products may not be brought into compliance, which creates a potential safety issue for consumers, a legal liability issue for sellers and effects the business and hard work of dealers and their staff.

The RIV process was designed for the individuals importing a vehicle purchased at the retail level in the United States. With over 170,000 vehicles coming in through RIV last year alone, many of them for resale, it's a given that dealers are being effected.

A recent review by MMIC showed a significant percentage of motorcycles and ATVs came into Canada without valid Vehicle Identification Numbers or VINs as we refer to them in the general population. This means that safety recalls could not be completed on these vehicles. In other words these vehicles could potentially be unsafe. All of which means that dealers and the industry could have their reputation injured by product that do not currently comply with Canadian standards. Longer term, this can effect the consumer's image of motorcycling and ATV riding and the Canadian market

Purchasing name-brand product from an authorized dealership goes a long way to ensuring that products are engineered and manufactured to provide the utmost in quality and reliability for Canadians. In addition, Canadian-unique products may also include safety and special climate-related features that may not be available on vehicles built for sale in the United States and elsewhere.

As an authorized dealer, you understand what is involved in the “entire buying, ownership and vehicle safety process”. It is important that consumers also understand before making the commitment to buy a motorcycle or ATV from a business that may only have these products periodically.

The following are some other benefits of buying motorcycles and ATVs that clearly comply with Canadian standards from an authorized Canadian dealer:

- Canadian warranty coverage.
- Parts and repairs for non-Canadian models may be difficult to obtain.
- Canadian specific labeling and displays that accommodates the metric system and bi-lingualism requirements.
- When it comes time to sell your unit, selling into the Canadian market could be more difficult with buyers not wanting a non-Canadian based unit.
- In the event there is a product recall you can be properly notified and the product updated if purchased through a Canadian dealership.

So, as gasoline prices go up, the demand for scooters and motorcycles are on the rise. Remember, not all scooters or motorcycles are created equal. Make sure your customer understands the reasons why the best buy is not always the cheapest price.

Jo-Anne Farquhar is the Director of Communications & Public Affairs for the Motorcycle & Moped Industry Council (MMIC) and the Canadian Off-Highway Vehicle Distributors Council (COHV) and can be reached Toll free: 1-877-470-2288 or local 416-491-4449 or email jfarquhar@cohv.ca or jfarquhar@mmic.ca