

INDUSTRY WATCH

Motorcycle & Moped Industry Council (MMIC)

Canadian Off-Highway Vehicle Distributors Council (COHV)

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NATIONAL 2008 MOTORCYCLE, OFF-ROAD MOTORCYCLE, SCOOTER, MUV & ATV OUTLET PROFILE SURVEY

Each year the MMIC/COHV, in conjunction with its member manufacturers, conducts a Retail Outlet Profile Survey where the primary objective is to gather information that will assist in the preparation of reports for legislative and statistical purposes.

Using Survey Monkey, this online survey interviewed a representative sample of retail outlets across Canada. The 1,381 retail outlets asked to participate between February 25 and March 31, 2009 sold motorcycle, off-road motorcycle, scooter, MUV and ATV.

Unlike the MMIC/COHV Annual Industry Report, the retail survey is conducted using information collected at the local retail level and takes into account, new and used motorcycles, off-road motorcycles, scooters, MUV's and ATV's as well as income from parts, accessories, riding apparel and other retail related sales and services, such as insurance premiums and extended warranties.

So, based on the survey results, using a sampling of 107 questionnaires acceptable for analysis, the 2008 motorcycle, off-road motorcycle, scooter, MUV and ATV related retail income in Canada is estimated to be five billion, six hundred and twenty-two million, eighty one thousand, five hundred and sixty five dollars (\$5,622,081,565).

The survey also determine that 28 percent of the retail outlets reported only carrying one brand of vehicle, 31 percent carried two brands, and a significant number of retailers, at 41 percent, carried more than two brands. On average, these outlets including both current and previous retail owners have been situated at the same location for approximately 19.3 years.

Breaking it down further and taking into account that all unit averages are based on all retail outlets, including those that may not carry all five types of vehicles the MMIC/COHV survey reported that:

- The 2008 retail income for the motorcycle outlets responding averaged a mean of \$4,071,022 and a median of \$2,332,500 for motorcycle, off-road motorcycle, scooter, MUV and ATV related sales and services.
- Total sales of new motorcycles, off-road motorcycles, scooters, MUV's and ATV's represented an average of \$2,353,814 or 57.82% and a median of \$1,500,000 or 36.85% of the retail outlets' total retail income.
- Sales of used motorcycles, off-road motorcycles, scooters, MUV's and ATV's contributed an additional \$390,403 on average or 9.51% of the retail outlets total retail income. The median was \$200,000 or 4.91%.

- Parts, accessories and riding apparel sales accounted for an average \$805,623 or 19.79% and a median of \$432,500 or 10.62% of the total retail income.
- Service labor for motorcycles, off-road motorcycles, scooters, MUV's and ATV's accounted for an average \$269,606 or 6.62% of the total retail income. The median was \$150,000 or 3.68%.
- Approximately 39% of the retail outlets responding to the survey reported retail income from other related sales and services, such as insurance premiums and extended warranties. Including those outlets reporting no such sales, the average retail income for other related sales was \$251,577 or 6.18% of the total retail income.

These same retailers spent an average of \$57,636 in 2008 on advertising and promotion for motorcycle, off-road motorcycle, scooter, MUV and ATV related sales and services, including reimbursements received from manufacturers for co-op advertising. Taking this average, it is estimated that motorcycle retail outlets in Canada spent a projected \$79,594,846 in 2008 on advertising and promotion.

Across Canada, it is estimated that the total annual payroll including the owners' and managers' salary and advances for all retail outlets in Canada was \$917,055,812., and is estimated that in 2008, these outlets employed 20,163 full-time employees and 3,314 part-time employees.

Considering that the MMIC/COHV member manufacturers, distributors, and retailers account for approximately 90 percent of all new on-road motorcycles and scooters and approximately 80 percent of new all-terrain vehicles and off road motorcycles sold in Canada, these survey results are pretty impressive and prove once again, that this industry is one of Canada's key economic contributors.

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