

CANADA NOW!



Motorcycle & Moped Industry Council
Le conseil de l'industrie de la motocyclette et du cyclomoteur



Canadian Off-Highway Vehicle Distributors Council
Conseil Canadien des Distributeurs de Véhicules Hors Route

NEWS AND INFORMATION FOR THE CANADIAN MOTORCYCLE AND ATV INDUSTRY

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Release: PRIME MINISTER HARPER ANNOUNCES MAJOR NEW JOB-CREATING INVESTMENT IN CANADA'S NETWORK OF NATIONAL TRAILS

March 6, 2009

WILMOT, NS – Families, outdoors enthusiasts and tourists across Canada will be able to enjoy more of our rich natural heritage thanks to a major new investment in Canada's network of national trails, part of the Harper Government's Economic Action Plan. "Investing in our national trail system will make it easier for more people to safely enjoy our country's outdoor riches," said Prime Minister Stephen Harper who met with outdoor enthusiasts at a snowmobile trail near Wilmot, Nova Scotia. "These new trail projects will create immediate short term jobs in communities throughout Canada and open up new opportunities for the tourism industry here in Nova Scotia, and Canada-wide."

The Government's contribution will be matched by the National Trails Coalition, a joint venture, made up of the following non-profit organizations: Canadian Trails Federation, Canadian Council of Snowmobile Organizations and the Canadian Off-Highway Vehicle Distributors Council.

National Trails Coalition Chairman Terry Norman

called the investment "a major boost to all forms of trail-based tourism and recreational activities."

The \$25 million investment in Canada's trail network is one of many job-creating investments contained within the Government of Canada's Economic Action Plan



IMAGE FUND STARTS ITS WORK

Each year, the seven national MMIC/COHV Motorcycle and ATV shows have a portion of their profits set aside, by their production companies and the MMIC, for distribution in support of motorcycle and ATV riding clubs or provincial federations and their worthy projects. The Safety and Image Enhancement Fund was developed to fund projects related to improving the image of motorcycling and ATVing, and to improve and expand rider education and training. It is disbursed in the regions where each of the shows is held. On-road and off-road projects are considered each year.

The 2007-2008 series of shows developed a substantial fund of over \$115,000. In the fall of 2008, project proposals were reviewed, and contributions to club projects were approved.

In British Columbia and Alberta, three riding associations were presented with funding to support ongoing projects. The BC Coalition of Motorcyclists received a grant of \$15,000 to continue their program, May is Motorcycle Awareness Month. The campaign focuses on motorcyclists taking “brush up” courses, and aiming the material towards automobile drivers to be aware of riders.

The BC Off-Road Motorcycle Association were presented with \$15,000 to support their work with clubs and local and provincial governments to manage rid-

ing areas and advocate for sustainable riding practices. The grant will also help with their BCORMA Trail Pass program that requires riders to pass a Tread Lightly land use course. They will also have representation on the Provincial Trails Strategy Committee.

In Alberta, the Alberta Off-Highway Vehicle Association was presented with \$30,000 to continue their ATV awareness public service campaign throughout the province.

In Ontario, the Ontario Federation of Trail Riders was presented with a grant of \$15,000 to continue their work in reinforcing a high level of responsible riding and environmental stewardship. They'll also continue a program of assisting riders in ensuring their bikes are compliant with sound emission regulations. A portion of the Image Fund in Ontario will be used to support smaller, one-time projects

In Quebec, the Federation Motocycliste du Quebec will be presented with a grant of \$4,000 to support their FMQ Congress and Annual General Meeting in April. They are celebrating their 35th Anniversary as a Federation with a program geared to toward younger riders, and will include a workshop dedicated to scooter education and training.

In the Maritimes, off-road clubs in each of the 4 provinces will be presented with funding to support their ongoing projects.

SHOW DATES

**Toronto - Dec. 11-13 ('09) Calgary - Jan. 8-10 Edmonton - Jan. 15-17
Vancouver - Jan. 21-24 Quebec City - Feb. 5-7 Moncton - Feb. 12-14 Montreal - Feb. 26-28**

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Canadian Motorcycle and ATV Industry Council

COHV ACHIEVEMENTS 2008

Background:

In July 2006, the member companies of COHV implemented a \$33.00 levy to support the sustainability and growth of off-road motorcycle and ATV riding in Canada. The program became operational August 2006 with the first sustaining grants being approved for provincial ATV and off-road motorcycle federations. In February 2007, the first project development grants were approved. To date, over 3.45 million dollars has been provided to provincial federations in sustaining grants and project development grants.

Accomplishments

- Recently, the COHV investment in national and provincial federations and OHV trails has helped leverage 25 million dollars from the federal government in expanding OHV trails across Canada;
- A national ATV riders federation and an Off-Road Motorcycle riders council are in their second year of operation and are showing significant organizational and strategic development;
- 9 provincial ATV federations and 5 provincial off-road motorcycle federations are in place;
- over 25 new clubs formed across Canada in 2008 and most federations report significant increases in membership (some as high as 150 %);
- over 30,000 km of ATV and ORM/C trails mapped for use and more will be mapped in the future (all mapping projects include plans to publish trail maps to assist riders);
- new approved OHV trails were developed and have been opened in British Columbia, Alberta, Ontario and Nova Scotia, and additional trails were improved in Quebec, New Brunswick and Newfoundland;
- most ATV provincial federations are undertaking safety education and/or rider training as part of their grant funding;
- both national rider federations are working to develop national safety training programs for implementation at the provincial level
- All federations have shown a strong advancement in government relations and a representative has been appointed to provincial government land access committees in BC, Alberta, Ontario, Quebec, NB and NS;
- COHV funding has been leveraged in many provinces to obtain shared-cost funding on trail projects and safety initiatives. Total amount received from government sources in 2008 exceeds 3.6 million;
- Every provincial federation believed that they were better able to deal with land use management issues because of the funding provided
- Improved communication with local and provincial governments have led to protection of existing trails and the ability to develop new ones;

- Memorandum of Understanding signed with the National Off Highway Vehicle Conservation Council (NOHVCC) in the States to share resources, promote responsible riding on both sides of the border and protect/develop riding areas;
- Strong collaboration and learning between provincial federations, between provincial and national, and at international level with NOHVCC;
- Significant dissemination of COHV safety and environmental materials (Adventure Trail CD and activity book, NatureWatch and SafetyWatch resources) by provincial federations and consumers, safety organizations, law enforcement agencies, community health groups across Canada;

Benefits to Dealers

- OHV riding trails are being built and preserved so that current and future consumers will have appropriate places to ride;
- The negative perception of off highway vehicle riding is being addressed through positive grassroots initiatives and improved media access;
- Safety training is being addressed in a more comprehensive manner than ever before;
- The funding by the OHV industry has been recognized as a very positive step by many provincial governments and the federal government and has opened the door to discuss other opportunities that are beneficial to the industry ;
- Provincial trail strategies are being developed in British Columbia, Alberta, Nova Scotia, Ontario and New Brunswick;
- Resolution of regulatory initiatives in Ontario, New Brunswick, Nova Scotia, Alberta, and British Columbia are all expected within the next 12 to 18 months (we were expecting more positive results than otherwise would have been the case in all five provinces given the progress we had made in the past).

Future Expectations

- National and provincial federations will become self-financing through membership fees, diversified revenue sources;
- A national OHV trail system will be established;
- Off highway vehicle sales are expected to stabilize and then begin to grow by 2010;
- Off highway vehicle sales as a group are expected to be higher beginning in 2010 than would be the case without the special levy;
- OHV sales and usage will be better safeguarded and put on a more solid basis than would be the case without the special levy.

RISK MANAGEMENT DEFINED – Part 2 ***with Federated Insurance***

***By Richard Frost, CRM - Loss Prevention Coordinator
National Associations, Federated Insurance***

*In order to make informed business, safety, and loss prevention decisions, you need to know the risks you may face. The first step of Risk Management therefore is to **Identify the Risks** to which your dealership is exposed.*

Risks can come from a variety of places. You need to consider all the risks your dealership has faced, whether you experienced any losses from these risks or not; all the risks that you assume with your current jobs, tasks, and/or procedures (regular, one-offs, occasional, or special request); all the risks that your industry faces; all the risks that you face within your community; the changes within your community, industry, or business and the new risks that accompany them; and the risks that could occur with any changes in location, jobs, tasks, and/or procedures within your business. In many cases, using actual losses or near misses, what-if scenarios, and common sense can help identify potential risks.

You as the owner, utilizing your managers, employees, and other resources, are in the best position to identify the risks for your business. You are the expert in your particular dealership, the challenges it faces, the trends in the industry and the community, the technological advancements, etc.

Risks are frequently broken down into five categories: property, liability, auto, pollution, and life.

Some examples of property risks include fire from the building's electrical wiring, equipment's electrical wiring, hot works, or housekeeping; theft of motorcycles, mopeds, clothing, parts, or tools; and building/lot break and enters.

Examples of liability risks include faulty repair of equipment (improper repair, missing parts or pieces, or missing needed repairs); faulty products for equipment from your own manufactured parts, continental manufacturers, or overseas manufacturers; and safety of customers and employees.

Auto risks can include at-fault accidents (single or multiple vehicle accidents) or invalid licenses (suspended or restricted).

Spills, fumes, smoke, or fire from chemicals or oils are examples of pollution risks. Other pollution risks include the housekeeping and storage of these items and/or their containers.

Life risks include a key person leaving your organization, an owner without a succession plan, or a succession plan that hasn't been recently updated.

Risk Management is not a one-time effort. Identifying risks is a continuous process as risks can change and new ones can arise.

At Federated Insurance, we believe Loss Prevention is a critical component of your Risk Management Program. **For more information, contact our Loss Prevention Department at 1-800-665-1934, or visit our website at www.federated.ca.**

The information provided is intended to be general in nature, and may not apply in your province. The advice of independent legal or other business advisors should be obtained in developing forms and procedures for your business. The recommendations are designed to reduce the risk of loss, but should not be construed as eliminating any risk or loss.



Knowing your business matters.



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RETAIL SALES ANALYSIS

For: February, 2009

MOTORCYCLE

The February numbers rebounded somewhat from the January numbers; continuing to exhibit a decrease from the February, 2008 level. But the decrease is somewhat lessened when compared to the January level.

All provinces also experienced similar decreases, however, sales and consumer response during the February show circuit continued to be very positive.

ATV

A similar decrease was experienced by ATVs, with all provinces showing a decline when compared to February. As with motorcycles, the decrease in ATVs in February was at a lesser level than the January level. Also, consumer response at the MMIC/COHV shows indicated interest in new vehicle sales.

Respectfully submitted.

A handwritten signature in black ink, appearing to read 'Tim Stover'.

Tim Stover
Manager, Shows and Member Services
nsepub0309

MMIC Statistics Report
Retail Motorcycle Sales Report
For the Month of 2009/February

	Current Month	% of Volumes (CM)	Same Month LFY	% of Volumes (CM LY)	Unit Change	% Change	YTD	% of Volumes (YTD)	Prior YTD	% of Volumes (YTD LY)	Unit Change	% Change
Street	1,396	58.05%	1,693	61.92%	-297	-17.54%	2,137	53.23%	3,641	57.03%	-1,504	-41.31%
Dual Purpose	138	5.74%	127	4.65%	11	8.66%	215	5.35%	222	3.48%	-7	-3.15%
Competition	529	22.00%	467	17.08%	62	13.28%	930	23.16%	1,164	18.23%	-234	-20.10%
Off-Road Rec	147	6.11%	160	5.85%	-13	-8.13%	256	6.38%	644	10.09%	-388	-60.25%
Mini Bike	68	2.83%	113	4.13%	-45	-39.82%	221	5.50%	331	5.18%	-110	-33.23%
Scooter	127	5.28%	174	6.36%	-47	-27.01%	256	6.38%	382	5.98%	-126	-32.98%
Categories TOTAL	2,405	100.00%	2,734	100.00%	-329	-12.03%	4,015	100.00%	6,384	100.00%	-2,369	-37.11%
British Columbia	594	24.70%	717	26.23%	-123	-17.15%	943	23.49%	1,451	22.73%	-508	-35.01%
Alberta	643	26.74%	784	28.68%	-141	-17.98%	1,147	28.57%	1,832	28.70%	-685	-37.39%
Saskatchewan	72	2.99%	105	3.84%	-33	-31.43%	132	3.29%	242	3.79%	-110	-45.45%
Manitoba	71	2.95%	70	2.56%	1	1.43%	98	2.44%	173	2.71%	-75	-43.35%
Ontario	477	19.83%	502	18.36%	-25	-4.98%	866	21.57%	1,410	22.09%	-544	-38.58%
Quebec	397	16.51%	360	13.17%	37	10.28%	581	14.47%	891	13.96%	-310	-34.79%
New Brunswick	70	2.91%	58	2.12%	12	20.69%	102	2.54%	131	2.05%	-29	-22.14%
Prince Edward Island	4	0.17%	6	0.22%	-2	-33.33%	11	0.27%	14	0.22%	-3	-21.43%
Nova Scotia	37	1.54%	97	3.55%	-60	-61.86%	71	1.77%	151	2.37%	-80	-52.98%
Newfoundland	32	1.33%	24	0.88%	8	33.33%	54	1.34%	68	1.07%	-14	-20.59%
Nunavut	3	0.12%	1	0.04%	2	200.00%	3	0.07%	4	0.06%	-1	-25.00%
Northwest Territories	4	0.17%	9	0.33%	-5	-55.56%	6	0.15%	13	0.20%	-7	-53.85%
Yukon	1	0.04%	1	0.04%	0	0.00%	1	0.02%	4	0.06%	-3	-75.00%
Provinces TOTAL	2,405	100.00%	2,734	100.00%	-329	-12.03%	4,015	100.00%	6,384	100.00%	-2,369	-37.11%

Retail Scooter Sales Report (as of 2009/February)

By Province

	Current Month	% of Volume	Same Month LFY	% of Volume	Unit Change	% Change	YTD	% of Volume	Prior YTD	% of Volume	Unit Change	% Change
British Columbia	39	30.71%	69	39.66%	-30	-43.48%	73	28.52%	139	36.39%	-66	-47.48%
Alberta	17	13.39%	35	20.11%	-18	-51.43%	27	10.55%	62	16.23%	-35	-56.45%
Saskatchewan	1	0.79%	3	1.72%	-2	-66.67%	4	1.56%	8	2.09%	-4	-50.00%
Manitoba	10	7.87%	4	2.30%	6	150.00%	11	4.30%	8	2.09%	3	37.50%
Ontario	30	23.62%	25	14.37%	5	20.00%	93	36.33%	74	19.37%	19	25.68%
Quebec	25	19.69%	31	17.82%	-6	-19.35%	40	15.63%	75	19.63%	-35	-46.67%
New Brunswick	2	1.57%	3	1.72%	-1	-33.33%	2	0.78%	6	1.57%	-4	-66.67%
Prince Edward Island	0	0.00%	0	0.00%	0	/0	0	0.00%	0	0.00%	0	/0
Nova Scotia	1	0.79%	2	1.15%	-1	-50.00%	3	1.17%	5	1.31%	-2	-40.00%
Newfoundland	0	0.00%	1	0.57%	-1	-100.00%	1	0.39%	2	0.52%	-1	-50.00%
Nunavut	1	0.79%	0	0.00%	1	/0	1	0.39%	0	0.00%	1	/0
Northwest Territories	1	0.79%	1	0.57%	0	0.00%	1	0.39%	2	0.52%	-1	-50.00%
Yukon Territory	0	0.00%	0	0.00%	0	/0	0	0.00%	1	0.26%	-1	-100.00%
Province TOTAL	127	100.00%	174	100.00%	-47	-27.01%	256	100.00%	382	100.00%	-126	-32.98%

CATV Statistics Report

Retail ATV Sales Report

For the Month of 2009/February

	Current Month	% of Volume	Same Month LFY	% of Volume	Unit Change	% Change	YTD	% of Volume	Prior YTD	% of Volume	Unit Change	% Change
British Columbia	258	9.14%	411	10.90%	-153	-37.23%	525	9.21%	938	10.75%	-413	-44.03%
Alberta	443	15.69%	813	21.56%	-370	-45.51%	907	15.91%	1,834	21.02%	-927	-50.55%
Saskatchewan	149	5.28%	244	6.47%	-95	-38.93%	265	4.65%	498	5.71%	-233	-46.79%
Manitoba	104	3.68%	101	2.68%	3	2.97%	178	3.12%	288	3.30%	-110	-38.19%
Ontario	567	20.08%	713	18.91%	-146	-20.48%	1,179	20.68%	1,792	20.53%	-613	-34.21%
Quebec	838	29.67%	1,102	29.23%	-264	-23.96%	1,683	29.52%	2,421	27.74%	-738	-30.48%
New Brunswick	155	5.49%	134	3.55%	21	15.67%	316	5.54%	301	3.45%	15	4.98%
Prince Edward Island	16	0.57%	18	0.48%	-2	-11.11%	29	0.51%	35	0.40%	-6	-17.14%
Nova Scotia	142	5.03%	87	2.31%	55	63.22%	268	4.70%	216	2.48%	52	24.07%
Newfoundland	130	4.60%	105	2.79%	25	23.81%	308	5.40%	255	2.92%	53	20.78%
Northwest Territories	10	0.35%	15	0.40%	-5	-33.33%	16	0.28%	38	0.44%	-22	-57.89%
Yukon Territory	11	0.39%	13	0.34%	-2	-15.38%	23	0.40%	26	0.30%	-3	-11.54%
Nunuvut	1	0.04%	14	0.37%	-13	-92.86%	5	0.09%	85	0.97%	-80	-94.12%
Province TOTAL	2,824	100.00%	3,770	100.00%	-946	-25.09%	5,702	100.00%	8,727	100.00%	-3,025	-34.66%

